

Southend-on-Sea Borough Council

Report of Chief Executive and Town Clerk
To

Audit Committee

On

25th June 2014

Agenda
Item No.

Report prepared by: Tim MacGregor, Senior Policy Advisor

2014-15 Corporate Risk Register

Executive Councillor – Cllr Woodley

A Part 1 Public Agenda Item

1 Purpose of Report

1.1 To agree the 2014/15 Corporate Risk Register.

2 Recommendations

2.1 **That Audit Committee considers the 2014/15 Corporate Risk Register.**

3 Background

3.1 Corporate Risk Register 2014/15

3.1.1 The Council's Corporate Risk Register sets out the key risks to the successful delivery of the Council's corporate aims and priorities and outlines the key controls and actions to mitigate and reduce risks, or maximise opportunities.

3.1.2 The Corporate Risk Register has been refreshed to reflect the challenges for 2014/15 and is attached at **Appendix 1**.

3.1.3 A number of risks continue from the 2013/14 register, with controls, actions and scores reviewed for the coming year. These are risks on:

- In-year overspend of the Council budget
- Reputational damage from budget savings
- Business continuity
- Financial implications of Government policy
- Health and social care integration
- Stalled regeneration and
- School Inspection Regime

Additional risks have been added, in relation to:

- Setting a balanced budget for 2015/16
- Workforce Development and Planning
- Airport Business Park
- Single inspection for Children's Social Care

3.1.4 The format for the Corporate Risk Register follows a 3 stage process:

1st stage: An 'inherent score' with the risk assessed with no controls, assurance or actions in place.

2nd stage: The 'current score' where the risk is assessed with controls, assurances and progress against identified actions. The current score is adjusted in light of progress against actions.

3rd stage: The target score which is the risk with the controls, assurances and actions, as if they have been completed

The current score is then adjusted in light of progress against actions.

3.1.5 Updates on the Corporate Risk Register will be reported to CMT quarterly and to Audit Committee every 6 months.

3.1.6 Corporate Directors ensure service specific risks are managed within their Departments, within service plans and in accordance with the Risk Management Strategy and processes. 'Red' rated risks with corporate implications can be escalated to CMT via Corporate Directors. Actions for all these risks are updated and managed by the Department risk leads and reviewed at Departmental Management Team meetings.

3.1.7 Operational risks, managed within Departments, are also assessed as part of reviews undertaken by Internal Audit and Project risks are monitored by the Corporate Delivery Board where applicable.

4 Corporate Implications

4.1 Contribution to Council's Vision & Corporate Priorities

The Corporate Risk Framework underpins the operational effectiveness of the Council's Corporate Governance arrangements and specifically monitors progress of managing key risks associated with the successful delivery of Corporate Aims and Priorities.

4.2 Financial Implications

Any financial implications arising from identifying and managing risk will be considered through the normal financial management processes. Proactively managing risk can result in reduced costs to the Council by reducing exposure to potential loss.

4.3 Legal Implications

The Accounts and Audit Regulations 2003 require that:

The relevant body shall be responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body's function and which includes the arrangements for the management of risk.

- 4.4 People Implications
Any people and property implications arising from identifying and managing risk will be considered through the Council's normal business management processes.
- 4.5 Property Implications
None specific
- 4.6 Consultation
Consultation has taken place with key stakeholders.
- 4.7 Equalities Implications
Corporate Equalities considerations have been considered in the drafting of the Register and any specific equality related risks have been identified for the Council.
- 4.8 Risk Assessment
Failure to implement a robust assurance framework which includes fit for purpose risk management arrangements increases the risk that Council objectives will not be delivered.
- 4.9 Value for Money
Effective forecasting and timely management of risk is a key factor in preventing waste, inefficiency and unnecessary or unplanned use of resource.
- 4.10 Community Safety Implications
None specific
- 4.11 Environmental Impact
None specific.

5 Appendices

Appendix 1 - Corporate Assurance Risk Register 2014/15