

Report to the Finance and Performance Management Cabinet Committee



Report Reference: FPM-0026-2011/12

Date of meeting: 19 March 2012

**Epping Forest
District Council**

Portfolio: Finance & Economic Development

Subject: Risk Management – Corporate Risk Register & Risk Management Documents

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Recommendations/Decisions Required:

- 1. To note the updating of the Corporate Risk Register;**
- 2. To consider whether there are any new risks that are not on the current Corporate Risk Register;**
- 3. To consider whether the tolerance line on the risk matrix should be amended;**
- 4. To consider and recommend the updated Risk Management Strategy and Policy Statement to Cabinet for adoption; and**
- 5. To note the updated Terms of Reference of the Risk Management Group.**

Executive Summary:

The Corporate Risk Register and risk management documents have been considered by both the Risk Management Group on 6 February and the Corporate Governance Group on 15 February. These reviews identified a number of amendments to the Corporate Risk Register and minor amendment to the wording of corporate risk documents.

Reasons for Proposed Decisions:

It is essential that the Corporate Risk Register is regularly reviewed and kept up to date. The annual review of the corporate risk management documents helps ensure that the risk management process remains relevant and up to date.

Other Options for Action:

Members may suggest new risks for inclusion or changes to the scoring of existing risks.

Report:

- 1. The Corporate Risk Register was reviewed by the Risk Management Group on 6 February and the Corporate Governance Group on 15 February. A number of amendments have been identified and incorporated into the register (Appendix 1) a table illustrating the changes is attached as appendix 2, with additional or amended text in bold.**
- 2. Risk 9 Depot Accommodation has been split into two risks to separate the two risks previously contained within risk 9.**

3. Risk 9A now becomes Depot manager, the risk score has been amended from D2 Low Likelihood/Critical Impact to C2 Significant Likelihood/ Critical Impact.
4. Risk 9B remains Depot Accommodation, the risk score has been amended from D2 Low Likelihood/Critical Impact to E2 Very Low Likelihood/Critical Impact.
5. Risk 17 – Significant amount of capital receipts spent on non revenue generating assets. Due to the move to self financing of new build Council housing, it is felt the likelihood can now be reduced from C2 Significant Likelihood/Critical Impact to D2 Low Likelihood/Critical Impact.
6. Risk 32 – Loss of On-Street Civil Parking Enforcement, enforcement has now transferred to the North Essex Parking Partnership, the risk is no longer relevant.
7. A timeline of all current risks is also included as Appendix 3.
8. At the 17 July 2006 meeting of this committee, Members considered and adopted the Risk Management Strategy, the Risk Management Policy Statement and the Terms of Reference of the Risk Management Group. Cabinet then adopted the Risk Management Strategy and the Risk Management Policy Statement on 13 November 2006.
9. This Committee has previously undertaken three annual reviews of these documents. The review last year was on 17 January 2011, with subsequent Cabinet approval on 31 January 2011.
10. These documents should be reviewed and updated on an annual basis and so are presented here for Members consideration. After consideration by the Risk Management Group and the Corporate Governance Group the proposed adjustments are as follows:

Document	Proposed amendment
Risk Management Group – Terms of reference (Appendix 4)	Within the paragraph below Aim and Objective 8, the word “threaten” has been replaced with “associated with”.
Risk Management Strategy (Appendix 5)	Within Organisation, the portfolio holder has been amended from “Performance Management” to “Finance & Economic Development”
Risk Management Policy Statement (Appendix 6)	Within the penultimate paragraph the word “threaten” has been replaced with “associated with”.

11. Members are now asked to consider the attached updated Corporate Risk Register and whether the risks listed are scored appropriately, whether there are any additional risks that should be included and whether the tolerance line needs to be amended.
12. Members are also asked to consider the proposed amendments to the corporate risk management documents.

Resource Implications:

No additional resource requirements.

Legal and Governance Implications:

The Corporate Risk Register is an important part of the Council’s overall governance arrangements and that is why this Committee considers it on a regular basis.

The corporate risk management documents are an important part of the Council's overall governance arrangements and this Committee is required to review the documents on an annual basis.

Safer, Cleaner, Greener Implications:

None.

Consultation Undertaken:

The Risk Management Group and the Corporate Governance Group have been involved in the process.

Background Papers:

None.

Impact Assessments:

Risk Management

If the Corporate Risk Register was not regularly reviewed and updated a risk that threatened the achievement of corporate objectives might either not be managed or be managed inappropriately.

If the corporate risk management documents were not reviewed and updated they could become inconsistent with other Council policies and objectives and this would undermine the Council's approach to risk management.

Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken?

What equality implications were identified through the Equality Impact Assessment process?
N/A

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?
N/A