Report to the Finance & Performance Management Cabinet Committee

Report reference: FPM-002-2012
Date of meeting: 25 June 2012

Epping Forest District Council

Portfolio: **Finance and Technology**

Subject: **Corporate Risk Register**

Responsible Officer: **Edward Higgins – (01992 – 564606)**

Democratic Services Officer: **Rebecca Perrin - (01992 – 564532)**

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;

Executive Summary:

The Corporate Risk Register and risk management documents have been considered by both the Risk Management Group on 21 May and the Corporate Governance Group on 23 May. These reviews indentified a number of amendments to the Corporate Risk Register.

Reasons for Proposed Decision:

It is essential that the Corporate Risk Register is regularly reviewed and kept 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 21 May and the Corporate Governance Group on 23 May. A number of amendments have been identified and incorporated into the register (Appendix 1), the changes are as follows.

2. Risk 34 - Changes to Benefits System, the risk rating has been amended from B3 High Likelihood/Marginal Impact to A2 Very High Likelihood/Critical Impact. Whilst final guidance on the localisation of Council Tax benefit and the introduction of Universal Credit is still awaited, some information has been received which has heightened concerns about these changes. Firstly, the Department for Work and Pensions have advised that they have taken legal advice and that because Universal Credit is fundamentally different from Housing Benefit the TUPE regulations will not apply. This position is being challenged by the Local Government Association as it could create a large additional financial burden for local authorities left to pick up any redundancy costs. Secondly, there had been some hope that

the implementation timetable might be relaxed or that forms of mitigation might be offered against some aspects of the localisation of Council Tax benefit. The recent issue by DCLG of “A Statement of Intent” has made it clear that the timetable will not change and that the amendments and mitigation that had been sought will not be forthcoming.

3. Risk 3 - Potential difficulty producing Local Plan the rating has been amended from C2 Significant Likelihood/Critical Impact to B2 High Likelihood/Critical Impact. The vulnerability has been amended to highlight concerns of staff being unable to cope with the increasing workloads due to the legislative changes. An additional consequence of, National Planning Policy Framework comes into effect without an adopted Local Plan, has been added as this may encourage applications for inappropriate developments.

4. Risk 29 - Gypsy Roma Traveller Provision has had the Eviction from Crays Hill vulnerability and associated Trigger and Consequence removed.

5. Risk 17 - Significant amount of Capital Receipts, the vulnerability has been amended to reflect the fact that the Council is no longer debt free.

6. Risk 33 – Reform of Housing Revenue Account, the vulnerability has been amended to reflect the actual debt rather than the anticipated.

7. Further minor wording changes have been applied to action plans to ensure the responsible Portfolio Holder is correctly identified.

8. A timeline of risks is attached as Appendix 2 for additional information.

9. 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.

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 and 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?
No

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