

# ***Report to the Finance and Performance Management Committee***



**Epping Forest  
District Council**

***Date of meeting: 11 December 2006***

**Portfolio: Finance and Performance Management**

**Subject: Risk Management – Updated Corporate Risk Register**

**Officer contact for further information: Brian Moldon – (01992 – 56 4606)**

**Democratic Services Officer: Graham Lunnun - (01992 - 56 4244)**

---

## **Recommendations/Decisions Required:**

- (1) To consider the attached report; and**
- (2) To adopt the updated Corporate Risk Register.**

## **Introduction**

1. A report was presented to the 3 April 2006 meeting of this Committee asking Members to consider and adopt the Corporate Risk Register. The Committee also agreed to receive updates to the action plans and Corporate Risk Register twice yearly.
2. A further report to the 25 September 2006 meeting of this Committee agreed some proposed amendments to the Corporate Risk Register.

## **Action Plans**

3. Following the adoption of the amended risk ratings by this Committee, see Appendix 1, the process to produce new and/or amended action plans began. The Risk Management Group on 3 October 2006 reviewed the existing action plans and where necessary developed or amended action plans in view of the new ratings. The new action plans were required for risks that had moved from below the tolerance line to above the line following the updated ratings, see last two risks on Appendix 1.
4. The action plans set out for each risk:
  - details the existing controls/actions to address the risk;
  - assessment of the effectiveness of the controls/actions;
  - the required further management action;
  - who is responsible for the action;
  - what the critical success factors and measures are; and
  - the frequency of review and any key dates.
5. The Corporate Risk Register that was initially produced in association with Zurich has now been updated to include the latest amendments in relation to the rating changes and subsequently revised action plans. This register is attached as Appendix 2.

## **Conclusion**

6. Now that the Council has a Corporate Risk Register and action plans in place, it is important that Members continue to review and monitor these risks every six months to ensure that the Council can demonstrate the practical embedding of risk management, as

well as to assist the Council in achieving its aims and objectives.

7. In order to keep the register updated on an ongoing basis risk management is now a standing agenda item for both Management Board and Senior Management Team meetings.

**Amendments Agreed to Risk Ratings – 25 September 2006**

<b>Risk Number</b>	<b>Cluster Name</b>	<b>Previous Rating</b>	<b>Revised Rating</b>	<b>Comments</b>
3,4	East of England Plan	A1	B1	The recent publication of the East of England Plan Panel Report has reduced the likelihood of this risk being triggered. However, as the Government is not bound to accept the recommendations of the Panel it was decided that the likelihood was still high.
20	Key contracts	A1	B1	With the changes in the contractor for waste management and given that the Leisure contract has been ongoing for six months, the likelihood of a contractor collapsing or service levels deteriorating has reduced from 'Very High' to 'High'
5	Local Government reorganisation	B1	C1	Signals from central government have changed and although the white paper has yet to be issued the likelihood of a reorganisation that is detrimental to the Council have reduced from 'High' to 'Significant'.
1, 13	Recruitment in key areas	B2, C3	B2	The group felt these two risks were linked and therefore should be merged. The score was considered and it was decided that it should stay at B2, given the ongoing problems in some areas.
19	Planning Services	C2	D2	Planning Services has improved and this can be seen from improvements to Performance Indicators. This has reduced the likelihood from 'Significant' to 'Low'.
6, 7A	Political balance / decision making	D2	E2	Since the local elections the likelihood of these risks has been reduced from 'Low' to 'Very Low', which puts the risks below the tolerance line.
8	Business continuity planning	E2	C1	The group noted this risk included flu pandemic within it and felt in the light of recent information that this risk will therefore have a higher likelihood and a potentially bigger impact on the Council.
9, 10	Interim management structure	F2, E2	D2	The group felt that as these two risks were very clearly related they should be clustered together. It was felt that the likelihood of an issue arising here had increased, as the CSTP will increase demands for direction and strategy whilst there appears to have been little progress in resolving the long-term top management of the authority.