

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



**Epping Forest  
District Council**

**Date of meeting: 18 June 2007**

**Portfolio: Finance and Performance Management**

**Subject: Risk Management**

**Officer contact for further information: Bob Palmer – (01992 - 56 4279)**

**Democratic Services Officer: Gary Woodhall - (01992 - 56 4470)**

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## **Recommendations/Decisions Required:**

**Members are asked to consider the attached report and Corporate Risk Register and to recommend to Cabinet the adoption of the updated Corporate Risk Register.**

## **Report:**

### **Introduction**

1. A report was presented to the last meeting of this Committee on 26 March 2007 setting out suggested amendments to the Corporate Risk register.
2. The report covered updating risk ratings, adding new risks and considering whether the risk tolerance line on the risk matrix should be moved. Amendments were agreed to the ratings of five risks with one suggested change not being agreed. Two new risks were identified for inclusion on the register and it was also agreed that the risk tolerance line should remain in its current position on the risk matrix.

### **Corporate Risk Register**

3. The Corporate Risk Register was updated for the items mentioned in 2 above. The updated version of the register was then considered by the Senior Management Team meeting on 11 May and the Corporate Governance Group Meeting on 16 May.
4. Following the officer review process Members are now asked to recommend to Cabinet the adoption of the updated Corporate Risk Register. In particular Members attention is drawn to the recording and rating of the two new risks. As part of their Use of Resources Auditor Judgements 2006 the Audit Commission stated that "The risk of fraud could be considered more explicitly by the Council", and so risk 23 was drafted to address this. The suggested rating for this risk is E3 (very low likelihood and marginal impact).
5. The second additional risk has also been added following comments from the Audit Commission, "the opportunity cost of holding large cash balances should be explicitly considered". The suggested rating for this risk is D3 (low likelihood and marginal impact).

## **Options for Action:**

6. Members could ask for the new risks to be rated differently, or suggest amendments to any other area of the register.

**Statement in Support of the Recommended Action:**

7. The updating of the Corporate Risk Register has involved senior officer and member input to produce a robust and relevant document. The terms of reference for this Committee include making recommendations to Cabinet on risk management and so members are asked to approve the updated Corporate Risk Register and recommend it to Cabinet.

**Resource Implications:**

**Budget Provision:** Nil.

**Personnel:** Nil.

**Land:** Nil.

**Community Plan/BVPP reference:** Nil.

**Relevant Statutory Powers:** N/A

**Background papers:** Nil.

**Environmental/Human Rights Act/Crime and Disorder Act Implications:** Nil.

**Key Decision reference:** Nil.