

**Report to** Cabinet  
10 December 2014  
**Report of** Chief finance officer  
**Subject** Risk management report

**Item**

**6**

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### **Purpose**

To update members on the results of the review of:

- key risks facing the council and the associated mitigating actions
- the council's risk management policy

### **Recommendations**

To:

- 1) approve the updated corporate risk register; and,
- 2) approve the minor updates to the risk management policy.

### **Corporate and service priorities**

The report helps to meet the corporate priority "Value for money services"

### **Financial implications**

None

**Ward/s:** All wards

Cabinet member: Councillor Waters- Deputy Leader and resources

### **Contact officers**

Justine Hartley	01603 212440
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### **Background documents**

None

# Report

## Background

1. Risk management is a fundamental aspect of the council's business practices. Cabinet has an executive role in the management of risks across the council as a key element in ensuring the delivery of the council's priorities.
2. Cabinet approved the council's updated risk management policy in December 2013.
3. Audit committee provides independent assurance of the adequacy of the council's risk management framework and the associated control environment.

## Review of corporate risks

4. Business management group (BMG) carried out a quarterly review of corporate risks on 6 November 2014 and updated the corporate risk register accordingly.
5. The risk register was reported to audit committee on 18 November 2014.

## Corporate risk register

6. The updated register is attached at **appendix 1**.
7. The template for risk registers includes scoring for **inherent** risks (before any mitigating controls are considered) and **residual** risk (after taking account of key controls, which are listed). Any planned actions to further mitigate risks are also shown.
8. The template has been amended slightly in line with the risk management strategy. The columns 'Caused by' and 'Effect' replace the previous terms 'Trigger' and 'Result'. Also, the risk owners have been updated to reflect the recent senior management changes, for which there is a key at the end of the register.
9. One risk relating to community right to challenge (A7) has been removed from the Customer Perspective section of the register. Evidence nationally shows that the likelihood of a challenge is extremely unlikely, and therefore no longer justifies being a corporate risk.
10. The other changes are minor updates to causes, controls or planned actions to further mitigate certain risks.
11. No risk scores have been changed, and all of the residual risk scores are within the council's risk appetite, ie no scores above 15.

## Corporate residual risk map

12. A risk map is included at **appendix 2** which shows the residual risk level for each of the risks. This gives a visual representation of where each risk sits in relation to the council's risk appetite, ie there should be no risks with a residual score greater than 15, unless specifically approved by cabinet. All the corporate risks have 'amber' residual scores, ie between 5 and 15.

## **Risk management policy**

13. The risk management strategy requires cabinet to review the risk management policy on an annual basis. BMG's review of the policy confirmed that it continues to provide the council with an effective approach to risk management and does not therefore require any significant update. The latest version of the policy is attached at **appendix 3**. A minor wording change has been made in paragraph 7, together with clarification of risk scores for the scoring matrix in appendix 1 of the policy.

## **Risk management developments 2014-15**

14. Risk management support across LGSS was previously provided by the risk manager, but this post has been deleted under the restructuring of internal audit and risk management. The major development for 2014-15 will be to implement the new structure and manage the transfer of the risk management functions to other members of staff within internal audit. This will ensure that the council continues to receive effective support in the facilitation and co-ordination of risk management processes.

## **Conclusion**

15. Risk management review processes are well embedded within the council, and members can be assured that the corporate risk register is up to date following review by BMG of the key risks to achieving the council's objectives.
16. Each risk shows the owner and the key controls in place or planned to minimise any impact on the council and its provision of services to stakeholders.
17. The risk management strategy requires managers to keep all risks under review, and the corporate risk register will be regularly updated accordingly.

## Integrated impact assessment



**NORWICH**  
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with completing the assessment can be found [here](#). Delete this row after completion

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	10 december 2014
<b>Head of service:</b>	Chief finance officer
<b>Report subject:</b>	Risk management report
<b>Date assessed:</b>	24 November 2014
<b>Description:</b>	This report presents an update to the council's corporate risk register and risk management policy

	Impact			
<b>Economic</b> (please add an 'x' as appropriate)	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Finance (value for money)</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Effective risk identification and management across all aspects of the council's business (eg policy setting; projects; partnerships) helps to minimise extra costs that may arise from unexpected events
<b>Other departments and services</b> e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>ICT services</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Economic development</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Financial inclusion</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Social</b> (please add an 'x' as appropriate)	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Safeguarding children and adults</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Specifically referred to in the corporate risk register
<b><u>S17 crime and disorder act 1998</u></b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Human Rights Act 1998</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Health and well being</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Equality and diversity</b> (please add an 'x' as appropriate)	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Relations between groups</b> (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>The report provides assurance that the current corporate risk register and risk management policy are up to date and based on best practice.</p> <p>In practice, risk management has a positive impact on many of the above categories by contributing to the identification and mitigation of risks and the meeting of objectives</p>

Recommendations from impact assessment

Positive

The application of effective risk management, in line with the updated policy, will contribute to the achievement of corporate and service objectives

Negative

Neutral

Issues