

## **Report to Audit Committee**

11<sup>th</sup> April 2018

By the Director of Corporate Resources

### **INFORMATION REPORT**



**Horsham  
District  
Council**

Not Exempt

## **Risk Management ~ Quarterly Report**

### **Executive Summary**

This report includes an update on the Corporate Risk Register for consideration and provides an update on progress with the quarterly departmental risk register reviews.

### **Recommendations**

That the Committee is recommended to:

- i) Note the contents of this report.

### **Reasons for Recommendations**

As part of good governance, it is important that this document is considered by Members.

### **Background Papers**

Covalent Performance Management System / Corporate Risk Register

**Wards affected:** All

**Contact:** Julie McKenzie, Project Assurance Manager 01403-215306

## Background Information

### 1 Introduction and Background

- 1.1 The Audit Committee is charged with responsibility for monitoring the effectiveness of the Council's risk management arrangements.
- 1.2 The report provides details of key changes to the Council's Corporate Risk Register, and an update on progress regarding the departmental risk registers (see 3.1 and 3.2 below).

### 2 Relevant Council Policy

- 2.1 The Council's Risk Management Policy is detailed in the Council's Risk Management Toolkit. The Council's Risk Management Strategy is a component part of the Policy, and this document sets out to achieve the following objectives:
  - Fully integrate risk management into the culture of the Council and its strategic and service planning processes;
  - Ensure that the risk management framework is understood and that ownership and accountability for managing risks is clearly assigned;
  - Ensure the benefits of risk management are realised through maximising opportunities and minimising threats;
  - Ensure consistency throughout the Council in the management of risk.

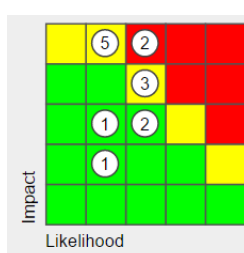
### 3 Details

#### 3.1 Corporate Risk Register

The Senior Leadership Team has reviewed the Corporate Risk Register and comments have been updated to reflect the current position for each risk (see Appendix 1).

Since the last report four new risks have been added, Transfer of Revenue & Benefits Service (CRR25), cost of exiting the existing Revs & Bens agreement (CRR26), failure to successfully roll out the new bin collection service (CRR24) and transition from current to new CE (CRR27).

The Corporate Risk profile is shown in the following heat map which shows the total number of risks in each segment. The red / amber / green zones are in accordance with the Council's risk appetite.



There are two risks which are currently considered to be high, eight medium risks and four low risks. The high risk area relates to the following:

CRR01b	Funding from Government is less generous than assumed in the Medium Term Financial Strategy (MTFS) from 2020
New Risk CRR26	That the cost of exiting the existing Revs and Bens agreement with MSDC may be high

Please see the risk register in Appendix 1 which provides full details of all risks on the “live” register together with details of the control actions and responsible officers.

Three risks have now been mitigated and the Senior Leadership Team has confirmed that these should be removed. These are:

CRR07	Failure of contract / poor service delivery / failure to achieve value for money
CRR12	A contractor successfully challenges an award (e.g. on inflexible price:quality ratios).
CRR14	Failure to negotiate the optimum outcome. Failure to deliver the infrastructure needs of the District

### 3.2 Departmental Risk Register

Departmental risk registers have been reviewed and updated.

## 4 Outcome of Consultations

- 4.1 Officers who are responsible for control actions and the Senior Leadership Team have been consulted in updating the Corporate Risk Register.

## 5 Other Courses of Action Considered but Rejected

- 5.1 Not applicable.

## 6 Financial Consequences

- 6.1 There are no financial consequences.

## 7 Legal Consequences

- 7.1 There are no legal consequences.

## 8 Staffing Consequences

- 8.1 There are no staffing consequences.

## 9 Risk Assessment

- 9.1 The report provides an update on the Council's corporate risks and how these are being managed by the Senior Leadership Team. See Appendix 1 for the latest version of the Council's Corporate Risk Register.

## **10 Other Considerations**

- 10.1 Risk management encompasses all risks within the organisation, including strategic, operational, and project/change risks. This includes consideration of Crime & Disorder; Human Rights; Equality & Diversity; and Sustainability as appropriate.