

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO:	Corporate Governance Committee	29 June 2009
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STRATEGIC RISK REGISTER – QUARTERLY REVIEW

Purpose

1. The purpose of this report is to enable Corporate Governance Committee to perform the quarterly reviews of:
 - (a) the strategic risk register and action plans to address risks above the Council's tolerance line;
 - (b) actions being taken to achieve risk management targets.

Background

2. At its meeting on 29 April 2009, Corporate Governance Committee approved:
 - (a) the strategic risk register, prioritisation matrix and action plans; and
 - (b) the actions being taken to achieve risk management targets.

Considerations

3. The strategic risk register has been reviewed with the nominated risk owners and other officers and the following changes and new risks have been suggested:
 - (a) Pandemic 'Flu: With the emergence of Swine 'Flu and the World Health Organisation upgrading its status to pandemic, the Council's risk assessment of the likelihood of pandemic 'flu leading to significant staff absence resulting in an inability to provide full services has been raised from A4 to A1 (Impact, Extreme; Likelihood, Almost Certain). An appendix to the Council's Business Continuity Plan covers the arrangements to be followed in the event of pandemic 'flu affecting the Council.
 - (b) Housing services budgeting and staffing: Following the tenants' vote against transfer of the Council's housing stock to a housing association, the Council's housing services need to make significant efficiencies and savings in order to maintain a sufficient HRA working balance. The risk of not achieving these efficiencies and savings has initially been assessed as A4 (Extreme; Unlikely). A plan will be agreed with the Housing Portfolio Holder to implement efficiencies and savings in order to address/mitigate the impact on services.
 - (c) Climate change adaptation: The Council needs to develop measures to safeguard its services against climate change. The risk of degradation or breakdown of service delivery and damage to property, increasing costs and impact on the Council's reputation has initially been assessed as C3 (Medium; Possible).
4. Some of the risks included in the strategic risk register are inter-related (e.g. 'Delivering efficiency and other savings'; and 'The current economic climate'); if any of these occur, they will affect each other.
5. Action plans to mitigate previous risks above the tolerance line have been reviewed and updated as follows:

- (a) Pandemic 'Flu: The situation continues to be monitored through Strategic Gold Briefings. Mutual aid arrangements have been agreed. The national anti-viral algorithm to predict staffing levels has been run through.
 - (b) Delivering efficiency and other savings: The investigation of opportunities for conducting e-auctions was reported to Senior Management Team in May 2009. Formal procurement exercises will be carried out for the contracts indentified in the report, with an option to undertake an e-auction as the final stage, if appropriate, in each case. Research continues into more economical ways for the Council to undertake e-auctions.
6. Responses have been incorporated as appropriate in the draft strategic risk register, prioritisation matrix and action plans, attached at **Appendices A, B and C**.
7. Executive Management Team (EMT) will review the draft strategic risk register, prioritisation matrix and action plans at its meeting on 24 June 2009; any changes recommended will be reported verbally to Corporate Governance Committee at its meeting.
8. Corporate and service managers revised their service area risk registers alongside their preparation of service plans. Some service area risk registers have been updated again since the associated service plans were presented to portfolio holders.
9. The table below records progress against the targets adopted for risk management:

<i>Target</i>	<i>Due date</i>	<i>Progress</i>
Annual review of the risk management strategy and process	September 2008	Completed. Note: The next review is due in September 2009.
Quarterly review of risk registers and action plans	December 2008; March, June, September 2009	December 2008 and March 2009: completed. June 2009: - Strategic risk register: complete following consideration of this report. - Service area risk registers: in progress.
Training for staff and Members as and when appropriate: - Staff: - Members:	None specified June 2009	<ul style="list-style-type: none"> • Briefings were held for new staff and others with risk management responsibilities/ involvement, on 2 and 3 December 2008. • Further training will be given to staff as and when necessary. • A briefing was held for Cabinet and Corporate Governance Committee Members on 4 December 2008. • Further training has been arranged for Cabinet and Corporate Governance Committee Members on 29 June 2009.
Communication of revised strategy and process	31 October 2008	Completed.

<i>Target</i>	<i>Due date</i>	<i>Progress</i>
Implementation of revised strategy and process	31 December 2008	In progress; aligning the risk management element of the Project Management Toolkit with the risk management strategy is being discussed with the Applications and Information Manager.

Options

10. In reviewing the strategic risk register, matrix and action plans (paragraphs 3 to 5 and Appendices A to C), Corporate Governance Committee could:
 - (a) add to, delete from, or make other changes to the strategic risk register (Appendix A), in terms of either the title or detail of the risks;
 - (b) alter the assessment of risks on the matrix (Appendix B), in terms of either their impact or likelihood;
 - (c) add to, delete, or make other changes to the action plans (Appendix C), in terms of their detail.
11. In considering progress on the targets for risk management (paragraph 9), the Committee could agree other actions.

Implications

12. Financial, Legal, Staffing	There are no immediate financial, legal or staffing implications resulting from this report. Some of the action plans may have financial, legal or staffing implications; if so, these will be considered in separate reports.
Risk Management	Risk management is undertaken regularly in order to minimise the possibility of the Council being adversely affected should either an unforeseen risk arise or an assessed risk not be properly planned for.
Equal Opportunities	The Council's risk management process has no inherent equal opportunities implications; however, Equalities is included as a risk area on the strategic risk register.

Consultations

13. Members of EMT, risk owners, service and other relevant managers have been consulted regarding various aspects of this report.
14. There will be liaison with officers as appropriate regarding the implementation of decisions made by the Committee regarding this report.

Effect on Strategic Aims

15.	Commitment to being a listening council, providing first class services accessible to all.
	The proposals in this report contribute to the Council's corporate governance responsibilities; they also ensure that strategic risks involved in the delivery of the Council's Corporate Plan and in meeting the Strategic Aims are identified and managed.
	Commitment to ensuring that South Cambridgeshire continues to be a safe and healthy place for all.

Commitment to making South Cambridgeshire a place in which residents can feel proud to live.
Commitment to assisting provision for local jobs for all.
Commitment to providing a voice for rural life.

Conclusions/Summary

16. Appendices A to C represent the strategic risk register, prioritisation matrix and action plans resulting from the consultations. The Committee needs to review and agree these as outlined in paragraph 10.
17. The quarterly review of the strategic risk register and action plans enables the Council to manage its strategic risks to an acceptable level.
18. The targets enable progress on risk management to be monitored.

Recommendations

19. Corporate Governance Committee is recommended to approve:
 - (a) the strategic risk register, prioritisation matrix and action plans;
 - (b) the actions being taken to achieve risk management targets.

Background Papers: the following background papers were used in the preparation of this report:

None unpublished

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