

## SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

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**REPORT TO:** Corporate Governance Committee  
**AUTHOR/S:** Executive Director (Corporate Services)

23 March 2012

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### STRATEGIC RISK REGISTER

#### Purpose

1. The purpose of this report is to enable Corporate Governance Committee to consider the Finance & Staffing Portfolio Holder's latest quarterly review and approval of the Council's Strategic Risk Register.
2. This is not a key decision but it has been brought to this meeting because the committee wishes to monitor that the Strategic Risk Register has been properly considered by the portfolio holder.

#### Recommendations

3. That Corporate Governance Committee notes the Finance & Staffing Portfolio Holder's latest quarterly review and approval of the Strategic Risk Register.

#### Reasons for Recommendations

4. The Strategic Risk Register and Matrix forms the record of corporate risks the Council currently faces in the delivery of services and the achievement of strategic aims, together with control measures to address / sources of assurance over the risks.

#### Background

5. At its meeting on 28 March 2011, Corporate Governance Committee agreed to receive the portfolio holder's review and approval of the Strategic Risk Register at the September 2011 meeting and to consider whether future monitoring was required. At its meeting on 30 September 2011, the committee agreed to now monitor the portfolio holder's review on an annual basis.
6. This report presents the latest version of the Strategic Risk Register, which is due for review and approval at the Finance & Staffing Portfolio Holder's meeting on 20 March 2012 – an update on what takes place will be provided at the committee's meeting.

#### Considerations

7. The Strategic Risk Register was reviewed with the nominated risk owners and other members of Executive Management Team (EMT). A proposed updated version was presented to EMT on 22 February 2012. EMT agreed to recommend the following proposed changes to the Strategic Risk Register, to the Finance & Staffing Portfolio Holder:
  - (a) **Welfare Reform:** Control measures / sources of assurance updated to reflect impact assessment work undertaken on the Government's proposals and the project plan for localised council tax benefits.
  - (b) **Lack of development progress:** The risk description updated to reflect that development is below target. Control measures / sources of assurance updated to reflect the Phase 1 planning application received on 27 February 2012.

- (c) **Implementation of National Job Evaluation (JE) Scheme:** Control measures / sources of assurance updated to reflect:
- (i) The formal consultation process ending in March 2012 and that managers had commenced that process;
  - (ii) Staff briefings held in December 2011 and January 2012 and updates included in the Corporate Brief;
  - (iii) All JE documents are held on Insite.
- (d) **Supported Housing:** Timescale to Progress updated to reflect that confirmation had been received of the reduction in funding w.e.f. April 2012, that consultation had taken place with staff on the new structure and that the Housing Portfolio Holder approved a new sheltered housing structure on 15 February 2012.
- (e) **Illegal traveller encampments or developments:** Control measures / sources of assurance updated to reflect :
- (i) Gypsy & Traveller Plan to be included in Local Plan; Issues & Options consultation, Summer 2012;
  - (ii) Monthly report on position regarding temporary expiries and applications circulated to SOG for coordination and oversight.
- Timescale to Progress updated to reflect that monitoring of new applications is ongoing and that the Local Plan is due for completion 2014.
- (f) **Medium Term Financial Strategy (MTFS):** Control measures / sources of assurance updated to reflect that an updated MTFS was approved by Council on 23 February 2012.
- (g) **HRA Business Plan, Government policy changes:** This was a new risk, deriving from the risk register attached to the Housing Revenue Account (HRA) Business Plan approved at Council on 23 February 2012. The risk description, score, control measures / sources of assurance and timescale to progress had been taken from that risk register.
- (h) **Major projects impact on small teams:** EMT considered that this risk was now fully covered in project plans prepared for major projects and that resources would be prioritised to address any impacts arising, so it was suggested that this risk may be removed from the Strategic Risk Register.
- (i) **Potential risk once HRA reform is implemented:** Timescale to Progress updated to reflect that a viable Business Plan had been approved by Council, with a separate risk register identified.
- (j) **Partnership working with Cambridgeshire County Council:** Control measures / sources of assurance updated to reflect the Action in the 2012/13 Corporate Plan and more generic wording about playing an active role in partnerships.
- (k) **Demands on services from an ageing population:** Control measures / sources of assurance updated to reflect:
- (i) Housing for older people Task & Finish review reported to Scrutiny & Overview Committee on 6 February 2012;
  - (ii) County wide workshop to which SCDC is invited on 16 March 2012.
- (l) **Depot size:** Heads of Terms are being reviewed and implementation and additional costs have been provided for in budgets. Vehicles are due to move to a temporary facility in April 2012 and the revised date for the move to the new depot facility is October 2012. The Likelihood score could therefore be reduced from 3 (Possible) to 2 (Unlikely), which would bring the risk below the Council's tolerance line. However, as the risk is now more of an operational issue, and is included in the Health & Environmental Services service area risk register, it was suggested that the risk may be removed from the Strategic Risk Register.
- (m) **Equalities:** Control measures / sources of assurance updated to reflect that the Council completed its specific duty to publish equality information by 31 January 2012. Timescale to Progress updated to reflect that the new Single

Equality Scheme will be presented to Cllr. Howell for endorsement on 21 March 2012.

(n) **Climate change:** As suggested at the Finance & Staffing Portfolio Holder meeting on 20 December 2011, the previous Climate Change risk, which had two elements, has been divided into two risks:

- (i) **Safeguarding the Council's services against climate change:** This risk has been scored Impact 4 (High), Likelihood 2 (Unlikely).
- (ii) **Achieving a 10% reduction in CO<sub>2</sub> emissions:** This risk has been scored Impact 2 (Low), Likelihood 4 (Likely).

The risk descriptions and control measures / sources of assurance have been taken from the previous Climate Change risk.

(o) **Keeping up with technology development:** Risk description updated to reflect the possible inability to appropriately manage the handling of data and sensitive information. Control measures / sources of assurance updated to reflect:

- (i) The Information Governance project, EMT, and the Policy & Performance Portfolio;
- (ii) The exchange of information, ideas and opportunities via the County Data Sharing Group;
- (iii) Membership of the British Computer Society;
- (iv) Regular engagement with Members.

However, as various initiatives to take advantage of technology development are being progressed, and as this risk only has a score of 4, it was suggested that the portfolio holder considers removing it from the Strategic Risk Register.

8. The above changes and additions were included in the draft Strategic Risk Register CorVu report and Matrix, attached at **Appendices A and B**, respectively. Risks suggested for removal are shown **greyed out** at the end of the risk register.

9. The CorVu report enables movement in strategic risk scores to be monitored, where Red / Amber / Green means:

for risks previously above the line                      for risks previously below the line

Red:	• the score has increased	• the score has increased to above the line
Amber:	• the score has not changed, or has decreased but stays above the line	• the score has increased but stays below the line
Green:	• the score has decreased to below the line	• the score has not changed, or has decreased

### Options

10. In considering the Finance & Staffing Portfolio Holder's review of the Strategic Risk Register CorVu report and Matrix (paragraphs 7 to 9, and Appendices A and B), Corporate Governance Committee could suggest:

- (a) changes to either the title or detail of the risks or control measures;
- (b) alterations to the impact or likelihood assessments of risk;
- (c) the adoption of additional control measures.

### Implications

11. Financial, Legal, Staffing	There are no immediate financial, legal or staffing implications resulting from this report. Some control measures may have financial, legal or staffing implications; if so, these will be considered separately.
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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.
Equality and Diversity	The Council's risk management process has no inherent equality and diversity implications; however, Equalities is included as a risk area on the Strategic Risk Register.
Equality Impact Assessment completed	No Not applicable, as this is a report about a quarterly review, rather than a new or updated strategy, policy or procedure.
Climate Change	The Council's risk management process has no inherent climate change implications; however, Climate Change is included as a risk area on the Strategic Risk Register.

### **Consultations**

12. Risk owners and members of EMT have been consulted regarding various aspects of this report.
13. The Finance & Staffing Portfolio Holder will review the Strategic Risk Register CorVu report and Matrix at his portfolio holder meeting on 20 March 2012.
14. There will be liaison with officers as appropriate regarding the implementation of decisions made by the Finance & Staffing Portfolio Holder regarding this report.

### **Consultation with Children and Young People**

15. There has been no consultation with children and young people regarding this report.

### **Effect on Strategic Aims**

16. The proposals in this report relate to the Council's strategic aim of being a listening council, providing first class services accessible to all:
  - (a) they contribute to the Council's corporate governance responsibilities;
  - (b) 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.

### **Conclusions / Summary**

17. Appendices A and B represent the draft Strategic Risk Register and Matrix resulting from the consultations.
18. The quarterly review of the Strategic Risk Register enables the Council to manage its strategic risks to an acceptable level.

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

None unpublished

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