

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Corporate & Customer Services Portfolio Holder

24 January 2013

AUTHOR/S: Executive Director (Corporate Services)

STRATEGIC RISK REGISTER – QUARTERLY REVIEW

Purpose

1. The purpose of this report is to enable the Corporate & Customer Services Portfolio Holder to perform the quarterly review and approval of the Strategic Risk Register.
2. This is not a key decision but it has been brought to this meeting because the Corporate & Customer Services Portfolio Holder has been designated as the lead executive Member for risk management, with responsibility for management of the strategic risks facing the Council.

Recommendation

3. That the Corporate & Customer Services Portfolio Holder approves the Strategic Risk Register and Matrix.

Reasons for Recommendation

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. The Corporate & Customer Services Portfolio Holder as the designated lead executive Member for risk management, has responsibility for management of the strategic risks facing the Council and reviews the Strategic Risk Register quarterly.
6. Corporate Governance Committee monitors the portfolio holder's review and approval of the Strategic Risk Register on an annual basis.

Considerations

7. The Strategic Risk Register has been reviewed by the nominated risk owners and Executive Management Team (EMT). Changes proposed to risk descriptions, control measures / sources of assurance or timescales to progress are highlighted in the draft Strategic Risk Register, attached as **Appendix A**. Particular risks to note are:
 - (a) **STR25, Increase in numbers in temporary accommodation:** The Affordable Housing Director requested that this risk, which is the top risk on the Affordable Housing service area risk register, be considered for addition to the Strategic Risk Register.
 - (b) **STR12, Supported Housing:** The procurement has been postponed for 6 months and the overall budget is likely to be held steady. It is therefore recommended that the Likelihood score be reduced from 5 (Almost certain) to 3 (Possible).

- (c) **STR16, Depot size:** A new planning application was approved by Planning Committee in September 2012; Heads of Terms have been completed; the legal lease has been drafted and is being finalised; building has commenced; implementation and additional costs have been included in the 2012/13 and 2013/14 budgets; the occupation target date is March /April 2013. It is therefore recommended that the Likelihood score be reduced from 2 (Unlikely) to 1 (Rare). This would bring the combined risk score down to 4, which means that – while the risk is retained on the Strategic Risk register – it will not be included in the strategic risks reported, unless the score should increase. Accordingly, the risk is shown **greyed out** at the end of the risk register.

8. The draft Strategic Risk Register at Appendix A enables movement in strategic risk scores to be monitored, where Red / Amber / Green means:

	<u>for risks previously above the line</u>	<u>for risks previously below the line</u>
Red:	<ul style="list-style-type: none"> the score has increased 	<ul style="list-style-type: none"> the score has increased to above the line
Amber:	<ul style="list-style-type: none"> the score has not changed, or has decreased but stays above the line 	<ul style="list-style-type: none"> the score has increased but stays below the line
Green:	<ul style="list-style-type: none"> the score has decreased to below the line 	<ul style="list-style-type: none"> the score has not changed, or has decreased

9. At the meeting on 18 October 2012, the portfolio holder agreed that the Strategic Risk Registers reported to EMT and himself should only show risks with a combined score of 5 or more. There is currently one such risk, STR21 'Keeping up with technology development', with a score of 4; if the portfolio holder agrees the recommendation to reduce the STR16 'Depot size' risk score, this would be a second such risk, also with a score of 4.
10. The draft Strategic Risk Matrix, attached at **Appendix B**, shows risk Impact and Likelihood scores in tabular form. The Appendix also shows **greyed out**, those areas where risk scores are considered to be relatively minor in nature.

Options

11. In reviewing the Strategic Risk Register CorVu report and Matrix (paragraphs 7 to 10 and Appendices A and B), the Corporate & Customer Services Portfolio Holder could:
- add to, delete from, or make other changes to risks, in terms of either the title or detail of the risks or control measures / sources of assurance;
 - alter the assessment of risks, in terms of either their impact or likelihood.

Implications

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| 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. |
| 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

13. Risk owners and members of EMT 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 Corporate & Customer Services 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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