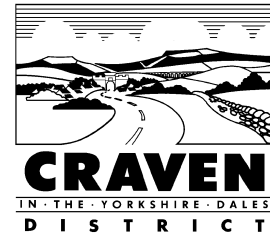


Audit & Governance Committee – 29th September 2014



Risk Management Update

Report of the Corporate Head, Financial Management

Ward(s) affected: All

1. **Purpose of Report** – To update Members on risk management changes.
2. **Recommendations** – Members are recommended to:
 - 2.1. Note the risks added and deleted from the Risk Profile at Appendix A
 - 2.2. Approve the updated Corporate Risk Register at Appendix B.
 - 2.3. Approve the Skipton town hall refurbishment Risk Register at Appendix C.
3. **Changes to Risk Profile – Annual Review**
 - 3.1. The Council's Risk Profile features all risks identified across the Council and is subject to an annual review.
 - 3.2. The annual review of the Council's Risk Profile was undertaken during August 2014. Following this review 114 risks are included in the risk profile. 4 new risks which have been identified. 2 risks relate to Skipton Developments which previously had its own individual risk register but are no longer high scoring enough to feature on the Corporate Risk Register. 6 risks have been deleted from the Risk Profile. These changes are detailed at Appendix A.
4. **Changes to Risk Register – Biannual Review**
 - 4.1. The Risk Register taken to Audit Committee earlier this year featured 8 risks. Only those scoring over the Council's Risk Appetite of 10 (based on a 5x5 risk matrix) are included on the Risk Register.
 - 4.2. As a result of this review of the Risk Register the overall total of risks on the Council's Risk Register remains at 8. 3 risks are strategic risks and 5 risks are operational. The revised Risk Register can be found at Appendix B.
 - 4.3. The review of the Risk Register has resulted in the following changes:

Risks Dropping off Risk Register

- **Risk40** – Tour de France – This risk is no longer relevant following the successful delivery of the Tour de France event.

- **Risk 57** – Financial Position of the Council – The likelihood score has reduced from 2.5 to 2 reducing the overall score from 10 to 8 reflecting the Council's improved financial position. (see related Risk 59 still on Register)

New Risk on Risk Register

- Failure to comply with Waste (Eng. & Wales) Amendment Regulations 2012 for separate collection of 4 recyclates leading to potential additional revenue costs involved in changing collection scheme or enforcement action by Environment Agency. Overall score 12.

Risks Upgraded from Risk Profile to Risk Register.

- **Risk 121** – Failure to comply with Cabinet Office Public Services Network (PSN) Code of compliance each year leading to loss of connections and inability to deliver the Benefits Service and secure email communications with other public sector bodies.

Existing risks on the Risk Register

- **Risk 29** – In house expertise in IT & increasing compliance – score remains unchanged at 12.
- **Risk 32**– Data Handling Obligations – score remains unchanged at 12.
- **Risk 42** –Skipton town hall – score remains unchanged at 12 but the umbrella risk featuring on the Risk Register has been reworded to “ failure to deliver town hall refurbishment project within timescales and budget” – A separate detailed Risk Register has been completed for the whole project, see Appendix C
- **Risk 59**– Reduction in Government funding in future years – score remains unchanged at 10.
- **Risk 61** – Insufficient capital resources to fund capital programme- score remains unchanged at 12
- **Risk 119**– Possible increase in planning appeals – score remains unchanged at 10.

4.4. For those risks featuring on the Risk Register, Action plans must be completed which are reviewed on a biannual basis, the action plans include:

- Additional measures required to reduce the risk
- Responsible officer/committees
- Links to the budget
- Key dates
- Links to the Council priorities and KPI's

- 4.5. Action plans for existing risks on the Register have been updated. Action plans for new risks will be completed following approval by Members for inclusion on the Risk Register.

5. Risk Management Strategy, Terms of Reference and Policy Statement

- 5.1. The Risk Management Strategy document was originally drawn up in 2003 setting out the Council's proposals to establish and embed risk management into all areas of the council's activities.
- 5.2. A review of the strategy takes place on an annual basis by the Corporate Risk Management Group to ensure that it accurately reflects the current position.
- 5.3. The Risk Management Policy Statement has also been reviewed.
- 5.4. The documents were last presented for Member approval in September 2013.
- 5.5. There are no change to the documents other than updating the membership of the Corporate Risk Management Group, therefore it is not necessary to represent for Member approval.

6. Implications

- 6.1. **Financial and Value for Money (vfm) Implications** - There are no financial implications associated with this report.
- 6.2. **Legal Implications** - None arising directly from this report.
- 6.3. **Contribution to Council Priorities** - Risk Management contributes to all our Corporate Priorities by identifying hazards and ensuring adequate controls are in place to help ensure corporate priorities are achieved.
- 6.4. **Risk Management** - This report set out changes to the Council's Risk Profile and Risk Register.
- 6.5. **Consultations with Others** – Risk Management Group, Managers.

7. Access to Information: Background Documents

Risk Register and Risk Profile,
Risk Management Strategy and Policy Statement

8. Author of the Report

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9. Appendices

Appendix A - Risks added and deleted from risk profile
Appendix B - Revised Risk Register
Appendix C - Risk Register – Skipton Town Hall

