



## **REPORT of DIRECTOR OF RESOURCES**

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**to  
AUDIT COMMITTEE (SPECIAL MEETING)  
21 JUNE 2016**

### **QUARTERLY REVIEW OF RISK**

#### **1. PURPOSE OF THE REPORT**

- 1.1 This Committee has a key role in providing independent assurance to the Council on the adequacy of the risk management framework. The Risk Management Policy requires this Committee to undertake a quarterly review of the Corporate Risk Register as assurance that the corporate risks are being managed effectively.
- 1.2 This report provides an update on the position as at the end of Quarter 4 (31 March 2018) on the corporate risks included within the Corporate Risk Register 2017 / 18.

#### **2. RECOMMENDATIONS**

- (i) That Members review the information as set out in this report and **APPENDIX 1** and their views and comments are sought;
- (ii) That the Corporate Risk Register for 2018 / 19 as agreed by the Corporate Leadership Team (CLT) is noted;
- (iii) That in undertaking this review Members are assured that corporate risk is being managed effectively.

#### **3. SUMMARY OF KEY ISSUES**

- 3.1 **APPENDIX 1** to this report provides further information on the individual risks including comments by the risk owners outlining the rationale for the current scoring and, where applicable, any movement in the risk scores. Member comments raised at the last quarterly review in March have been considered by CLT when assessing the risk scores for Quarter 4.
- 3.2 In its role of ensuring that the corporate risks are being managed effectively, the views of this Committee are sought on the current position, any movement in the risks scores and the comments provided by the risk owners.
- 3.3 In accordance with the approved Council's Risk Management policy, a thorough review of the Corporate Risk Register for 2018/19 has recently been undertaken by CLT and managers. The risks identified and agreed and the mitigating actions established are detailed in **APPENDIX 2** to this report.

3.3.1 The majority of the 2017 / 18 Corporate Risks are being retained for 2018 / 19 or have been redefined to clarify the actual risk to the Council.

3.3.1.1 Risks which are not being carried over to the 2018 / 19 Corporate Risk Register are as follows:

- **Failure to identify older and most vulnerable people** – data has been used to identify areas of the District most at risk. This was reviewed in 2017 and is being further reviewed and updated as part of the development of the new Health and Wellbeing Strategy. A new Health Improvement Officer is now in post which will increase our capacity to utilise the data effectively to ensure our services are targeted to meet the needs of our most vulnerable residents. The risk is not being carried over to the 2018/19 risk register, but is being combined with those risks relating to targeting services.
- **Failure to have a clear shared vision regarding Strengthening Communities** - The Strengthening Communities Task and Finish Group has concluded its work and is recommending to Council, at its meeting in June, that a new Strengthening Communities vision is adopted. This risk is not being carried over to 2018/19 on the assumption that the Vision will be adopted. Should this not be the case, the risk will be revisited.
- **Being designated as an under-performing authority due to major planning applications and appeals performance** – the Council's performance on appeals has improved significantly over recent months and is below the threshold used by central Government when assessing whether an authority is underperforming. In light of this, the risk is being removed from the risk register, but performance will continue to be monitored as a corporate key performance indicator.

3.3.1.2 New risks added to the 2018 / 19 register are:

- **Failure to maximise effectiveness of services through promotion and engagement** – this has been added to the risk register to ensure that a consistent and coordinated approach to communication is taken across the Council, particularly with regard to businesses.
- **Failure to manage impact of organisational change** – as Maldon District Council (MDC) reviews how we can deliver the best possible service to our customers whilst achieving the savings and efficiencies that are necessary, it is essential that we manage proposed changes effectively both for Staff and the community whilst this process is underway.

3.4 Members are reminded that the risk assessment and scoring framework, contained within the new Risk Management Policy agreed by this Committee in March and adopted by Council in May, should be considered and applied when reviewing the corporate risks and scores.

## 4. IMPACT ON CORPORATE GOALS

4.1 The risks included on the Corporate Risk Register have been identified as those which could prevent MDC from achieving the corporate goals stated in the Corporate Plan (2015 - 19) as updated and approved by the Council in February 2018. By identifying these, assessing the current controls in place and determining what further actions

need to be taken to mitigate the risks as much as possible, the Council's desired outcomes should be achieved.

## 5. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – Management of risk is fundamental to the sound operation of the Council. Failure to manage risk could have a significant impact on the Council's ability to correctly define its policies and strategies or deliver against its objectives.

The implementation and operation of the risk management framework will minimise risks and thus mitigate any potential strategic, operational, reputational or regulatory consequences.

Failure to manage risk would also mean that the Council might face censure by its external auditors or the potential for legal proceedings in the event of breaches of the Health and Safety at Work Act or similar legislation.

- (iv) **Impact on Resources (financial and human)** – All risk management activity is undertaken within existing and planned budgets.
- (v) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Emma Foy, Director of Resources, (Tel: 01621 875762) or Julia Bawden, Performance and Risk Office, (Tel: 01621 876223).