



**REPORT of  
DIRECTOR OF STRATEGY, PERFORMANCE & GOVERNANCE**

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to  
**AUDIT COMMITTEE**  
**13 JUNE 2019**

**QUARTERLY REVIEW OF CORPORATE RISK**

**1. PURPOSE OF 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 2019) on the corporate risks included within the Corporate Risk Register 2018/19.

**2. RECOMMENDATIONS**

- (i) Members review the information as set out in this report and **APPENDIX 1** and their views and comments are sought;
- (ii) 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.
- 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 Members are reminded that the risk assessment and scoring framework, contained within the new Risk Management Policy agreed by this Committee in March 2018 and adopted by Council in May 2018, should be considered and applied when reviewing the corporate risks and scores.

- 3.4 **Re: Corporate Risk Register 2019/20** – Council approved the Corporate Plan 2019-23 at its meeting on February 14<sup>th</sup>, 2019. Three strategic themes have been identified – Place, Community and Prosperity - and following approval of the Corporate Plan, thematic strategies are being drafted for each theme which will be submitted to Council in June for adoption.
- 3.5 Once the strategies have been agreed, the corporate risk register will be reviewed and the format for reporting the corporate risks will be determined. It is anticipated that the new risk reporting arrangements will be introduced from Quarter 2 2019/20 which will coincide with the implementation of Phase 2 of the Future Model and the new Committee structure.
- 3.6 In the meantime, for Q1 2019/20 the existing corporate risks will continue to be reported in the current format.

#### **4. IMPACT ON STRATEGIC THEMES**

- 4.1 This report relates to the risks included on the 2018/19 Corporate Risk Register which were identified as those which could prevent MDC from achieving the corporate goals stated in the Corporate Plan 2015-19, rather than the strategic themes included in the newly adopted Corporate Plan 2019-23.
- 4.2 However, by identifying the risks, assessing the controls in place and determining further actions needed to mitigate the risks 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.

**Impact on the Environment** - None

Background Papers: None

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