



## **REPORT of DIRECTOR OF RESOURCES**

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**to  
AUDIT COMMITTEE  
7 DECEMBER 2017**

### **QUARTERLY REVIEW OF CORPORATE 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 2 (30 September 2017) on the corporate risks included within the Corporate Risk Register 2017/18.

#### **2. RECOMMENDATIONS**

- (i) that Members' review and comment on the information set out in this report and **APPENDIX 1**;
- (ii) that the following corporate risks are removed from the corporate risk register given the risk scores have been reduced to within the Council's accepted tolerance:
- Risk 6 - Failure to have an adopted Local Development Plan (LDP).
  - Risk 12 - Failure of the Council to influence regional partners, to support and encourage economic prosperity and inward investment to the Maldon District.
  - Risk 19 - Lack of access to legal resource.
- (iii) that a risk is added to the corporate risk register regarding, Lack of visible policing undermines confidence in public safety;
- (iv) that the risk relating to flooding (Risk 08 - Uncertainty regarding strategic ownership of coastal, fluvial and surface water flood mitigation and long term maintenance responsibilities) is redefined to include the risk arising from coastal and fluvial flooding;
- (v) 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.
- 3.2 In its role of ensuring that the corporate risks are being managed effectively, it is requested that this Committee reviews and comments on the current position, any movement in the risks scores and the explanations provided by the risk owners.
- 3.3 When undertaking the quarterly review of risk at the last meeting in August, there were a number of concerns raised by the Committee regarding risks relating to resident perception of crime and tidal flooding. An update on these is as follows:

#### **3.3.1 Risk re: Resident perception of crime**

3.3.1.1 The Council’s working relationship with Essex Police is considered to be stronger now than it has in previous years due to:

- Closer operational working through fortnightly Hub Tasking meetings which look at local priorities and issues and deploying resources as required;
- Continued support to the Community Safety Partnership through the Responsible Authorities Group which is chaired by Essex Police;
- Longer term operational working relationship through relocation of the police to the Council Offices;
- Close working relationship in tackling road safety and antisocial driving, for example implementing TruCam and Automatic Numberplate Recognition (ANPR).

3.3.1.2 However, it is acknowledged that even with the close working partnership between MDC and Essex police and the significant work that is being undertaken, the public confidence in the police and the perception of crime may be something that needs to be addressed.

3.3.1.3 On that basis, it is proposed that a new risk is added to the corporate risk register re:

#### **3.3.2 Lack of visible policing undermines confidence in public safety**

3.3.2.1 The mitigating actions established to reduce the risk are:

1. Public engagement events in the Maldon district (the first being scheduled 15 November) to include parish councils, faith groups and schools
2. Explore possibility of local performance indicators
3. Use of technology to collate information and data being extended e.g. Trucam and ANPR
4. Close Circuit Television (CCTV) in Maldon and Burnham Town Centres being upgraded
5. Responsible Authorities Group piloting “live” monitoring of CCTV
6. Feasibility of introducing Maldon “street pastors” being undertaken

7. Partnership working with police on property marking initiative to reduce rural crime.

3.3.2.2 Members are reminded that the Overview and Scrutiny Committee acting as the Crime and Disorder Committee has responsibility for reviewing performance of the police and discussions on the current detection rate were held at the meeting 8 November 2017. Any Member concerns relating to resources and core funding are an issue which should be raised by the Council with the Essex Police, Fire and Crime Commissioner.

### **3.3.3 Risk re: Tidal Flooding**

3.3.3.1 Following the discussions by the Audit Committee at its meeting in August and the concerns raised by Members with regard to tidal flooding, the current risk relating to flooding, already on the corporate risk register, has been reviewed.

3.3.3.2 In 2015 / 16 the risk “Uncertainty regarding strategic ownership of flooding mitigation and long term maintenance responsibilities” was added to the corporate risk register. While the risk was not intended to be limited to surface water flooding, the focus of the updates provided on the risk and to this Committee has been mainly surface water flooding and schemes being considered to alleviate the issues in the critical drainage areas identified.

3.3.3.3 However, in light of the concerns raised by Members’, the full scope of the risk relating to flooding needs to be clear and therefore the risk has been redefined to include coastal and fluvial (i.e. overtopping of rivers) issues as follows:

**“Uncertainty regarding strategic ownership of coastal, fluvial and surface flood mitigation and long term maintenance responsibilities”.**

3.3.3.4 Maldon District Council (MDC) is engaging with partners, including Anglian Water, in relation to coastal defences and the capacity of the infrastructure which could lead to flooding.

3.3.3.5 An additional mitigating action has also been established for this risk - MDC to co-ordinate discussions with partners on the specific issue of risks to the sea defences and railway embankment in the North Fambridge area.

3.4 It is proposed that the following risks are removed from the risk register:

3.4.1 **Failure to have an adopted LDP** - The Plan was approved by the Secretary of State in July 2017. While there was a residual risk of legal challenge during the six week post publication period, this ended at the beginning of September and no challenge was received. The risk, therefore, no longer exists.

3.4.2 **Failure of the Council to influence regional partners, to support and encourage economic prosperity and inward investment to the Maldon District** - The new Economic Development Manager is now working closely with the Haven Gateway Partnership to seek opportunities to work in partnership to further the District's economic prosperity plans.

- 3.4.2.1 Meetings are ongoing with partners, such as the Essex County Employment and Skills Board (ESB), to develop a Skills Strategy for the District.
- 3.4.2.2 Council representatives also attend the Essex Integrated Growth Forum, so are aware of opportunities that may assist us in delivering our Economic Prosperity Strategy Goals.
- 3.4.2.3 The Economic Development Manager has also met with Invest Essex and once with the Department of International Trade (DIT) to ensure that Maldon District is adequately considered when DIT sourced inward investment enquiries are forwarded to Invest Essex for response. He has also attended South East Local Enterprise Partnership events, such as a workshop to promote funding for rural development.
- 3.4.2.4 In light of the above, the risk score has been reduced to 1 – Very Unlikely and 3- Moderately High Impact, which takes this risk within the Council’s accepted risk tolerance level and it is therefore proposed that the risk should be removed from the corporate risk register.
- 3.4.3 **Lack of access to legal resource** - The Council has employed two qualified legal resources to cover maternity leave. There will also be an independent review of legal resources taking place in Q4 2017 / 18 to ensure that the establishment is matched to the demand.
- 3.4.3.1 In light of the above, the risk score has been reduced to 2 – Unlikely and 2- Moderately Low Impact, which takes this risk within the Council’s accepted risk tolerance level and it is therefore proposed that the risk should be removed from the corporate risk register.

#### **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 April 2017. 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.

**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.

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

Background Papers: None.

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