

8. CORPORATE RISK REGISTER 2014/15 AND 2015/16 (A91941/WA)

1. Purpose of the report

The purpose of this report is for Members to review the Corporate Risk Register for 2014/15 and approve the proposed Corporate Risk Register for 2015/16 taking into account the year end position on corporate risks for 2014/15.

2. Key issues

- Members of this committee review and approve the Corporate Risk Register (2015/16), which will be included in the 2015/16 Performance and Business Plan and will be monitored through this Committee on a quarterly basis as part of Corporate Performance Monitoring.
- The Risk Register for 2015/16 was developed by Senior Management Team by:
 - Reviewing the 2014/15 register and year end position
 - Considering risks as a result of development of the new strategic plan and the transitional year focus of activity
 - Consideration of risks escalating through the service planning process.

3. Recommendations

- 1. That the Corporate Risk Register 2015/16, as given in Appendix 1, be reviewed and approved, taking account of the year end position on the 2014/15 Corporate Risk Register given in Appendix 2.**

4. How does this contribute to our policies and legal obligations?

5. Risk management contributed to our 2012-15 Corporate Objective 11: to be a well run public body with proportionate and effective ways of working, delivering excellent customer service and living our values. In our transitional year (2015/16) it contributes to the objective: our organisation – develop our organisation so we have a planned and sustained approach to performance at all levels. Additionally, risk management is part of our internal audit monitoring. Establishing and monitoring a Corporate Risk Register ensures mitigating action can be taken to ensure risks are controlled.

Background

5. The Authority's risk management policy and supporting documentation, approved by Authority on 25 March 2011 (minute 21/11) with updates approved by this Committee on 20 September 2013 (minute 63/13). In line with these arrangements, Appendix 1 shows the proposed corporate risk register as developed by strategic management team considering:
 - a) Risks that need to be carried forward from the 2014/15 corporate risk register, with re-definition, as appropriate.
 - b) Risks identified during the service planning process which were considered appropriate to escalate for monitoring at a corporate level.
 - c) Other risks identified by strategic management team, particularly through consideration of the focus of activity being undertaken in our transitional year.

6. Appendix 2 shows the Authority's Corporate Risk Register 2014/15 year end position with an explanation of the status of the risk and the proposed action in terms of monitoring for 2015/16. At the end of Q4, five risks lowered in their risk rating on the 2014/15 Risk Register:
- 2. Failure to obtain ownership of policies and decisions.
 - 4. Failure to make and deliver an effective plan for achieving a structurally balanced budget for 2015/16.
 - 7. Failure to ensure robust financial analysis and financial objectives in the assessment of significant capital investment proposals.
 - 9. a) Failure to realise the 2014/15 financial targets for our property portfolio.
b) Failure to agree on financial targets for the property portfolio longer term.
 - 10. Failure to meet trading income targets, in particular cycle hire.
- One risk remains red:
 - 6. Failure to align strategic plans with capacity and skills at senior level.

Proposals

7. The proposed 2015/16 corporate risk register is composed of:
- 1 risk carried forward from the 2014/15 register:
 - 3. Failure to ensure robust financial analysis and financial objectives in the assessment of significant capital investment proposals (carried over from 2014/15 – risk 7)
 - 5 re-defined risks carried forward from the 2014/15 register
 - 2. Insufficient plans in place to realise financial sustainability of our properties in future years (updated risk from 2014/15 – risk 9)
 - 5. Failure to commit, and plan, to replace our ICT infrastructure in 2015/16 to underpin our corporate strategy (updated risk from 2014/15 – risk 5)
 - 6. Failure to have a medium term financial plan in place 2015-19 (updated risk for 2014/15 – risk 4)
 - 8. Failure to have the appropriate commercial skills to help us diversify income streams (updated risk from 2014/15 – risk 6)
 - 9. Failure to have a clear, effective and well planned commercial programme in place (updated from 2014/15 register – risk 10)
 - 4 newly identified risks
 - 1. Loss of performance/ delivery in a time of uncertainty as a result of staff not being engaged and motivated
 - 4. Failure to deliver in a way that we increase ownership and understanding of our policies among communities
 - 7. Failure to effectively communicate our corporate direction to external audiences
 - 10. Moors for the Future (Moorlife 2020) failure of:
 - a) the Authority providing an increased level of support to MFF
 - b) partners contributing sufficiently
 - c) delivering against the project objectives.

Those risks carried forward from 2014/15 (including re-defined risks) are identified in Appendix 1 in shaded boxes.

7. The year end position on the 2014/15 corporate risk register, given in Appendix 2, shows that over the year 6 risks have been managed down to a lower level of risk and

3 have maintained their level of risk and 1 risk was removed from the register during the year. Further detail is given in Appendix 2.

Only one of the unmoved risks has been removed from the register to be managed at service level (Risk 1: lower take up of agri environment schemes due to uncertainty over CAP reform) as it is felt that, although the risk remains, processes are in place to manage this effectively.

Are there any corporate implications members should be concerned about?

8. **Financial:** Some of the risks on the proposed register have financial implications as indicated.
9. **Risk Management:** The corporate risk register is a key part of the Authority's risk management process.
10. **Sustainability:** None identified.
11. **Background papers** (not previously published) – None

Appendices

1. Proposed Corporate Risk Register 2015/16
2. Year end position on Corporate Risk Register 2014/15

Report Author, Job Title and Publication Date

Wendy Amis, Senior Performance Officer, 14 May 2015