

**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL**

**AUDIT AND GOVERNANCE COMMITTEE – WEDNESDAY, 21 MARCH 2018**

Title of report	<b>CORPORATE RISK UPDATE</b>
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Purpose of report	To receive the Quarter 3 Corporate Risk Update
Reason for decision	<ol style="list-style-type: none"> <li>1. The Risk Management Policy requires regular risk updates to be presented to the Audit and Governance Committee.</li> <li>2. To obtain support from Members for the updated risk management framework.</li> </ol>
Council priorities	Value for Money.
Implications:	
Financial/Staff	The Council manages its risks within existing budgets. Effective risk management protects the Council from insurance and/or compensation claims, fraud, and a range of other financial liabilities.
Link to relevant CAT	No direct link.
Risk Management	As detailed in the report.
Equalities Impact Screening	Not applicable.
Human Rights	Not applicable
Transformational Government	Not applicable.
Consultees	None

Background papers	None.
Recommendations	<p><b>1. THAT THE AUDIT AND GOVERNANCE COMMITTEE NOTES THE QUARTER 3 CORPORATE RISK UPDATE.</b></p> <p><b>2. THAT THE AUDIT AND GOVERNANCE COMMITTEE APPROVE THE UPDATED RISK MANAGEMENT FRAMWORK.</b></p> <p><b>3. THAT THE AUDIT AND GOVERNANCE COMMITTEE RECOMMEND THAT CABINET FORMALLY ADOPTS THE RISK MANAGEMENT POLICY AT ITS MEETING OF 1 MAY 2018</b></p>

## **1.0 BACKGROUND**

- 1.1 Cabient approved the Risk Management Strategy at its meeting on 29 July 2014 and this was presented to Audit and Governance Committee on 24 September 2014.
- 1.2 The attached Risk Management Policy (see Appendix 1) and associated documents, if agreed, will now supersede the strategy referred to in 1.1 and go forward for formal adoption by Cabinet on 1 May 2018.
- 1.3 One of the requirements of the Strategy is for members of this Committee and Cabinet to receive details of the high level risks monitored through the Corporate Risk Register. The new and updated Risk Register can be found at Appendix 2 and a quarterly review of this will be a standing agenda item for this Committee going forward. The updated Risk Register will also be included as an appendix to the Quarterly Performance Reports presented to Cabinet, with any exceptional items being highlighted.

## **2.0 PROPOSALS**

- 2.1 Oversight of risk management is the responsibility of the Strategic Director of Housing and Customer Services, who currently chairs the Council's Risk Scrutiny Group, and this long term arrangement was confirmed in the senior management proposals which were approved by Council on 23 January 2018.
- 2.2 The update presented to this Committee on 6 December 2017 described how the previous Risk Register presented information around rather generic risk 'areas', and the intention to produce an updated register which clearly stated the specific risks. It was also proposed that the causes and impacts of corporate risks be more fully described, as well as the accountable owners and the timescales for completing the mitigating actions.
- 2.3 A newly formatted Risk Register has now been produced to reflect these priorities and is attached at appendix 2 for approval by this Committee. As well as the inclusion of additional information, a new risk has been added around the potential reduction in income to NWLDC ( Ref No. 11).

- 2.4 An individual Risk Mitigation Plan has also been developed for each corporate risk and a sample skeleton plan is attached at Appendix 3 for your information. Completion of each Mitigation Plan will help ensure that the Control Measures described in the Corporate Risk Register are tracked and implemented. The Risk Scrutiny Group will monitor progress against the delivery of each Mitigation Plan.
- 2.5 The Risk Scrutiny Group will review the corporate risks quarterly and recommend any changes through the Corporate Leadership Team prior to the information being presented to this committee.
- 2.6 Within the Risk Management Policy there is a requirement to complete an annual review of the risk management process across NWLDC, which will be overseen by the Risk Scrutiny Group. As well as assessing progress against the Mitigation Plans, this review will require all service areas to complete a Corporate Risk Self Evaluation Matrix, and a copy is attached at Appendix 4 for your information.
- 2.7 The Risk Management Policy has been updated to reflect new governance arrangements, links to the Internal Audit function, updated assessments of risk impacts and the operation of the annual review. This committee is asked to agree the Policy so it can proceed to Cabinet for formal adoption. It is not proposed to take this Policy to Policy Development Group as it is felt that this Committee fulfils the scrutiny function by Members