

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

AUDIT AND GOVERNANCE COMMITTEE – WEDNESDAY, 24 JULY 2019

Title of report	CORPORATE RISK UPDATE
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Purpose of report	To receive the Quarter 4 Corporate Risk Update
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.
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	1. THAT THE AUDIT AND GOVERNANCE COMMITTEE NOTES THE QUARTER 4 CORPORATE RISK UPDATE.

1.0 BACKGROUND

- 1.1 Cabinet approved the updated Risk Management Policy at its meeting on 1 May 2018.
- 1.2 One of the requirements of the Policy is for members of this Committee and Cabinet to receive details of the high level risks monitored through the Corporate Risk Register. The updated Risk Register can be found at Appendix 1 and a quarterly review of this is now a standing agenda item for this Committee going forward. The updated Risk Register is also now included as an appendix to the Quarterly Performance Reports presented to Cabinet, with any exceptional items being highlighted.

2.0 SUMMARY

- 2.1 The Risk Scrutiny Group reviews the corporate risks quarterly and recommends any changes through the Corporate Leadership Team prior to the information being presented to this committee.
- 2.2 Whilst there continues to be uncertainty at a national level around the UK's departure from the European Union, planning and mitigation measures at a local level were well advanced in the run up to the proposed withdrawal date of 29 March 2019. Additional resources as well as increased commitments of time by the Chief Executive and other officers, were devoted to preparations for withdrawal in the fourth quarter so there has been no movement in the rating of this risk (no.13). With a new proposed withdrawal date of 31 October 2019, the register has been updated to reflect this and activity by officers is expected to step up again in the second quarter of 2019/20.
- 2.3 The Leisure Project, in preparation for the contract start date of 1 May 2019 with Everyone Active, is managed through the corporate risk 8 (Projects) from a risk perspective. The text has been expanded to describe additional control measures in place (e.g. proposed internal audit of project management planned for Q3 / Q4 of 2019/20; implementation of a contract management framework for outsourced services; and scrutiny of individual project risk registers and project management frameworks by the Risk Scrutiny Group). With regard to the latter, the Leisure Services Team Manager has been invited to present an agenda item at the Risk Scrutiny Group when it meets on 3 September 2019 to provide assurance on the Leisure Project risk register and contract monitoring framework in place. The Risk Scrutiny Group may then take a view on whether the Residual Risk (Likelihood) of risk 8 should be reduced from 3 to 2 which would bring the overall risk rating down from 9 to 6.
- 2.4 Risk 11 around the Council's income has also been updated to strengthen the wording around the bi-annual review of the Medium Term Financial Plan, the Head of Finance's monitoring of local government funding reviews and the Council's engagement of a funding advisor to assist with this process.
- 2.5 Audit and Governance Committee are asked to review and note this risk update, and provide any feedback they wish to be considered by the Risk Scrutiny Group.