

AUDIT COMMITTEE	AGENDA ITEM No. 7
24 SEPTEMBER 2018	PUBLIC REPORT

Report of:	Peter Carpenter, Acting Director of Corporate Resources	
Cabinet Member(s) responsible:	Cllr David Seaton	
Contact Officer(s):	Peter Carpenter, Acting Director of Corporate Resources Katherine Hlalat, Head of the PMO	Tel. 452520 07834315674

RISK MANAGEMENT REPORT

RECOMMENDATIONS	
FROM: Corporate Director Resources	Deadline date: N/A
<p>It is recommended that Audit Committee</p> <p>1. Note and comment on the Risk Management Report</p>	

1. ORIGIN OF REPORT

1.1 This report is submitted as an update on the analysis undertaken by the Project, Programme and Assurance Office for each Directorates Risk and Issue register.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is for the Audit Committee to note and comment on the Risk Management Report.

2.2 This report is for the Audit Committee to consider under its Terms of Reference No 2.2.2.12:

To monitor the effective development and operation of risk management and corporate governance in the council.

2.3 *How does this report link to the Corporate Priorities?*

This report sets out identified risks and mitigating actions in order that the Council delivers its Statutory and Corporate priorities.

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	
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4. BACKGROUND AND KEY ISSUES

4.1 The effect of uncertainty on an organisation's objectives is risk. Risk management is the process of identifying what might go wrong, what the potential consequences could be, and how to best mitigate the likelihood of the risk occurring. If it does go wrong, as is inevitable sometimes, proactive risk management will ensure the impact is kept to a minimum.

4.2 In order to formalise risk management arrangements across the business, Peterborough City Council has developed a Risk Management Strategy.

The objectives of this strategy are to maintain the effective management of risk through:

- Increasing the likelihood of achieving the organisation’s goals and delivering outcomes;
- Improving the identification of opportunities and threats across the project portfolio;
- Improving governance, stakeholder confidence and trust;
- Establishing a reliable basis for informed decision making and planning;
- Effectively allocate and use resources for risk treatment;
- Improving organisational resilience.

4.3 Peterborough City Council is committed to effective risk management arrangements as a means of achieving the council’s strategic objectives. As such the risk management vision is to consolidate and improve existing arrangements to bring about the following benefits:

- Key risks are identified, are being managed and mitigated, both by the council and its partners;
- Resources are directed to the risks that matter away from risks that don’t, and there are fewer surprises;
- Opportunities are exploited from risk taking, because risks are understood and managed.

4.4 This report sets out in appendix A the Council’s Corporate Risks as at July, their likelihood, impact, and factors being taken to mitigate them.

Overall the Council, by department has the following Corporate Risks identified:

Department	High level Risks	Medium level Risks	Low Level Risks
Legal & Governance	0	6	4
Human Resources	0	0	6
Growth & Regeneration	1	2	0
People & Communities	6	3	0
Resources	3	11	1

The high level Corporate Risks, which are set out in more detail in the Appendix are:

- The risk around the Amey contract and its replacement (note this was before the decision to evaluate the move to the LACTO and subsequent extension);
- The impact of social demographic change;
- Meeting demand for School Places;
- Safeguarding;
- Health debt levels with the CCG;
- Lack of Financial Reserves and its potential effect on the Ofsted inspection;
- Shared Services impacts on Service delivery;
- “Brexit” impact on EU funding and the regulatory framework;
- The outcome of the upcoming Local Government Funding Review;
- Failure to maintain an effective business continuity plan.

It should be noted, that the risks are taken at a snapshot in time, and due to mitigation and circumstances will move in level from period to period.

5. CONSULTATION

5.1 Departmental Risk Registers are submitted to CMT for review. The July reports were submitted to the Corporate Management Team in August for review.

There is a monthly Risk Management meeting where Lead Officers update Departmental Risk Registers and review the complete lists on a Council wide basis.

6. ANTICIPATED OUTCOMES OR IMPACT

6.1 That Risks to the delivery of Council services are identified and rated in a timely manner and mitigating actions are put in place to minimise their impact.

That Risks are reviewed on a periodic basis to ensure their impact and likelihood are correctly stated and mitigating actions are being delivered.

7. REASON FOR THE RECOMMENDATION

7.1 The Audit Committee must be assured that the Council has processes in place to identify risks on a timely basis and that actions are put in place to monitor and mitigate their effects.

8. ALTERNATIVE OPTIONS CONSIDERED

8.1 *N/A*

9. IMPLICATIONS

Financial Implications

9.1 None in this Report, however for individual Risk mitigations that are identified there might be costs. These are picked up in the normal monthly monitoring process.

Legal Implications

9.2 *N/A*

Equalities Implications

9.3 *N/A*

10. APPENDICES

10.1 Corporate Risk Register – High and Severe level Risks

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