

Report to Business & Transformation Scrutiny Panel

Agenda
Item:
A.5

Meeting Date: Thursday 22nd March 2018
 Portfolio: Cross Cutting
 Key Decision: Not Applicable:
 Within Policy and Budget Framework YES
 Public / Private Public

Title: CORPORATE RISK REGISTER
 Report of: Deputy Chief Executive
 Report Number: CS 19 18

Purpose / Summary:

The purpose of this report is to update members of the Business and Transformation Scrutiny Panel on the management of the Council's Corporate Risk Register.

Recommendations:

The Panel is asked to scrutinise and comment on the current Corporate Risk Register, as set out in Appendix 1.

Tracking

Executive:	Not applicable
Overview and Scrutiny:	Not applicable
Council:	Not applicable

1. BACKGROUND

- 1.1** In accordance with the Council's Risk Management Policy, the Corporate Risk Register (CRR) has been submitted to the Business and Transformation Scrutiny Panel for monitoring on a six-monthly basis. This report contains the revised current CRR, attached at Appendix 1 for consideration and comment.

2. PROPOSALS

2.1 Corporate Risk Register – progress since the last report to Business & Transformation Scrutiny Panel on 26th October 2017

Members will be aware that the Corporate Risk Management Group (CRMG) is responsible for delivering and reviewing the Risk Management Strategy, maintaining and improving risk management processes as well as monitoring and advising on the Council's Corporate Risk Register.

The CRMG now meets quarterly and most recently met on 9th March 2018. Special meetings will be called by the Chair should risks be escalated and require an intervention from the CRMG or Senior Management Team.

A review of the City Council's Risk Management Policy is well underway and is being considered alongside work being led by our internal audit team focussing on the Council's approach to assurance.

The Council's Risk Management sub group of the Business Management Board, continues to meet every 4-6 weeks. This sub group is chaired by the Council's Section 151 Officer and it focuses on risks at an operational/directorate level. Issues raised here can be escalated to the CRMG when deemed appropriate. The CRMG receive the minutes from this Group for information.

Risk training has taken place for key officers, which was arranged through the City Council insurers. Sessions focussed on 1) Overview of Risk Management 2) Practical Risk Assessment 3) Accident Investigation. Attendance at these sessions was mandatory for key officers and feedback suggests that the training was well received and useful.

Updates of operational risk registers have taken place during this period and have been completed within specified timescales as set out in the City Council's Risk Management Policy.

The CRR was last reviewed by the CRMG at its meeting on 9th March 2018. The latest CRR now reflects the most update version of the Carlisle Plan and has also taken into account the preparations for the forthcoming 2018/19 budget and updated Medium Term Financial Plan.

Members will note that following this quarters review of the Corporate Risk Register the CRMG have recommended that three risks be removed from the register.

These are:

- There is a risk that we fail to play a leading role in developing the key industrial sectors within the functional economic area and these do not develop to assist in the growth of the local economy.
- There is a risk that we fail to influence the delivery of an adequate supply and mix of homes to meet local need and to support population growth and step change in our demographics.
- There is a risk that we fail to play a leading role in determining the current and future skills required to sustain and grow the local economy and create higher value jobs.

In each of these cases it should be noted that the CRMG (and Corporate Director) believes that the Council has sufficient arrangements in place to ensure that we play an appropriate role in mitigating these risks to Carlisle and its wider economic functional area. These arrangements include the development of a new Economic Strategy, production of a new Housing Strategy, leading contributions to the Borderlands project, the implementation of our Local Plan and its associated planning policies.

3. CONSULTATION

- 3.1** Corporate Risk Management Group meeting on 9th March 2018
Senior Management Team on 13th March 2018.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1** The Panel is asked to scrutinise and comment on the Corporate Risk Register as set out in Appendix One.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

5.1 The Corporate Risk Register is reviewed quarterly, it is the strategic risk assessment for the Carlisle Plan.

Contact Officer: Darren Crossley

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**Appendices
attached to report:**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's -

Deputy Chief Executive –

Economic Development –

Governance –

Local Environment –

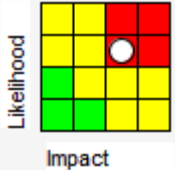
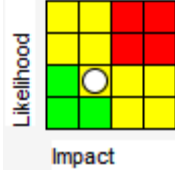
Resources -

Corporate Risk Register – March 2018

The inclusion of the previous and current risk matrices shows the effect that the control strategies have had on risk ratings since the last update. A target risk matrix shows the risk level that the Council is aiming to achieve from the successful implementation of the control strategies and the date for when this will be achieved.

Preparing for the future funding of local government from 2019

There is a risk that the Government fails to communicate changes to future local government funding from 2019 in a timely manner, meaning that the City Council cannot effectively prepare for these changes.

Present Matrix	Assessment Date	Present Risk Score	Control Strategy/Mitigating Actions	Target Risk Matrix
	March 2018	9	<p>The Senior Management Team and the Corporate Support & Resources Directorate are focussed on monitoring the development of government/local taxation and grant proposals for District councils. At present we do not yet have a sufficiently clear picture of post 2019 funding, especially in relation to the retention of Business Rates and Funding for Local Government in general. The 2018/19 Local Government Finance settlement paper which provided details on issues such as multi-year settlements, the distribution of New Homes Bonus funding, the Government's proposals on council tax referendum principles and the impact on the 2017 business rates revaluation in terms of adjusting business rates tariff and top ups has been considered by Members. The outcome of the Fair Funding Review is awaited, with the consultation process only ending in March 2018. This will assist in determining the potential impact on our funding streams.</p> <p>The MTFP and Capital Strategy for 2019/20 to 2023/24 will be reviewed by the Strategic Financial Planning Group (SFPG) in early May and a sensitivity analysis prepared to inform future budget projections and assumptions.</p>	

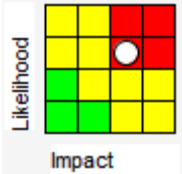
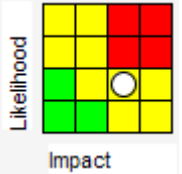
Impact Score	3
Likelihood Score	3
Risk Score	9

Target Risk Date	September 2018
Target Risk Score	4

Lead Officer	Jason Gooding
Portfolio Holder	Finance, Governance & Resources
Scrutiny Panel	Business & Transformation

REVENUE/CAPITAL/ASSETS

There is a risk that we fail to fully recognise and manage our operational and investment assets leading to high long-term dilapidation costs and reducing control on future capital decisions

Present Matrix	Assessment Dates	Present Risk Score	Control Strategy/Mitigating Actions	Target Risk Matrix
	March 2018	9	<ul style="list-style-type: none">The Council has an approved asset management plan in which it sets out its control strategy, including maintenance, of all of its operational and non-operational assets. Further, Council properties are subject to a rolling programme of inspection. The Medium Term Financial Plan will also give consideration to the capital requirements of this programme.Future planned mitigating actions will focus on the refresh of the Council’s Asset Management Business Plan. This will review the Council’s current operational, investment, regeneration and surplus assets before proposing a new cycle of asset management.	

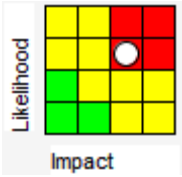
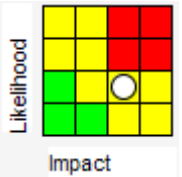
Impact score	3
Likelihood score	3
Risk Score	9

Target Risk Date	December 2018
Target Risk Score	6

Lead Officer	Mark Lambert
Portfolio Holder	Finance, Governance & Resources
Scrutiny Panel	BTSP

ECONOMIC REGENERATION/DEVELOPMENT

There is a risk that we fail to effectively prioritise and resource key city regeneration sites and miss the opportunity to take these forward in a progressive manner that meets the Council’s aspirations.

Present Matrix	Assessment Dates	Present Risk Scores	Control Strategy/Mitigating Actions	Target Risk Matrix
	March 2018	9	<p>This period has seen the following activities undertaken:</p> <ul style="list-style-type: none">Engagement with the Council’s MTFP and Annual Budget to secure financial support to progress these projects.Ongoing dialogue with Cumbria County Council and other partners with regards to the necessary infrastructure to support the redevelopment of the sites and potential delivery options <p>Future mitigating actions:</p> <ul style="list-style-type: none">Development of marketing prospectus / regeneration strategy (Q3 2018/19)	

Impact score	3
Likelihood score	3
Risk Score	9

Target Risk Date	December 2018
Target Risk Score	6

Lead Officer	Jane Meek
Portfolio Holder	Economy, Enterprise and Housing
Scrutiny Panel	Economic Growth

CULTURE & SPORT

There is a risk that we fail to deliver the required new leisure facilities at the Sands Centre, on time and within budget and therefore do not meet the saving targets identified in the Medium Term Financial Plan.

Present Matrix	Assessment Dates	Present Risk Score	Control Strategy/ Mitigating Actions	Target Risk Matrix
	March 2018	9	<ul style="list-style-type: none">The new leisure contract 2017 has now been agreed with GLL, following a full tender exercise. This clearly outlines the financial position aligned to the Sands project and provides assurance that MTFP saving targets can be met post completion of the new build.RIBA (Royal Institute of British Architects) Stage Two design has now been completed and considered by Executive; Scrutiny and full Council.The 6th March meeting of the full Council approved the progression of the scheme up to the end of RIBA Stage Four which is due for completion in early 2019 which leaves us on track for the proposed programme at this stage.The next project meeting is scheduled for 20/3/2018 and will see us commence immediately with RIBA Stage Three proceedings, which include detailed Design proposals and costings, sites surveys, early engagement with planners and the detailed flood risk assessment work being undertaken.	

Impact score	3
Likelihood score	3
Risk Score	9

Target Risk Date	August 2018
Target Risk Score	4

Lead Officer	Darren Crossley
Portfolio Holder	Culture, Heritage & Leisure
Scrutiny Panel	Health & Wellbeing/ Business Transformation