

**Audit & Governance Committee**

**29 July 2015**

Report of the Assistant Director, Customers & Business Support Services, Customers & Employees

**Key Corporate Risk Monitor 1 2015/16**

**Summary**

1. The purpose of this paper is to present to Audit & Governance Committee (A&G) an update on the key corporate risks for City of York Council (CYC), and the present refreshed Key Corporate Risk (KCR) Register 2015.
2. Risk management at CYC identifies the key risks for the authority and how they are being managed. This process may demonstrate that risks are being managed very well but need ongoing monitoring, others need action taken to manage the risk effectively. The role of this Committee is to assess whether the full risk environment is being adequately reviewed, key risks are identified and receive assurances that risks are being mitigated through targeted monitoring and/or action.

**Background**

3. The risk management process at CYC ensures that all key and emerging risks are reported regularly to A&G on at least a quarterly basis. The purpose of this paper is to provide assurance that the council identifies understands, effectively manages and reviews its key risks.
4. A key element in the work to revitalise risk management throughout the authority was to get risk back onto the corporate agenda.
5. This work has been very successful and we now see risk routinely featuring on Directorate Management Team agendas on a quarterly basis. These sessions are used to update both the departmental and any key corporate risk (KCR)

responsibility which has been allocated to the Director. It is also an opportunity to consider any risks which might be on the horizon and facilitate dialogue around risk in general.

### **Key Corporate Risk (KCR) update**

6. By their very nature, the KCRs remain reasonably static with any real movement in further actions that are undertaken which strengthen the control of the risk. The current and updated KCRs can be found at Annex A with key changes outlined below:

### **Safeguarding**

7. This KCR relates to both childrens and adults safeguarding and arises out of the council's statutory duties.
8. With regard to the childrens safeguarding risk, the cause of the risk has been updated to reflect the radicalisation of young people. Whilst it is not suggested that this is a particular risk specific to York, there is an issue nationally and as such it is sensible for it to be on the risk radar locally.
9. This issue is also dealt with as part of the Prevent programme which is part of the Government's counter terrorism strategy. It places responsibilities on local agencies to identify individuals who are at risk or who have already succumbed to radicalisation.
10. Significant work has been undertaken in relation to the management of risk around safeguarding of adults. This position is evidenced by the Assistant Director, Adults Safeguarding who asked that the following be appended to the risk:

*“Veritau Audit completed May 2015 reported that considerable amounts of work have been put into ensuring that Safeguarding Adults processes in York are robust and fit for purpose. Arrangements for managing risk were good with few weaknesses identified. An effective control environment is in operation.”*

## **Local Plan**

11. This will be a statement of the planning strategy and vision for the City of York which sets out the opportunities and development management policies on what will or will not be permitted and where, including new homes and businesses.
12. Given the delays in the agreement and adoption of a Plan the risk has been amended to include further detail around the consequences of not having a plan as these have become clearer, they are:
  - inability to maximise planning gain from investment;
  - adverse impact on investment in the City;
  - unplanned development do not meet the authority's aspiration for the City;
  - ongoing costs of the preparation of the Local Plan.
13. To reflect the severity of the potential consequences, the risk scores have been revisited and increased. Further work to mitigate the risk is ongoing.
14. Whilst there have been no significant changes to the KCR number 1 relating to the financial pressures, it must be borne in mind that the financial environment remains challenging and there is a need to constantly monitor the risk in light of the Government budget decisions and the impact these might have on the council including pay implications and the devolution agenda.

## **Risk Management Policy and Strategy**

15. As work to get risk embedded throughout the organisation is continuing, the documentation which supports the council's vision and approach becomes more critical.
16. There has been a corporate policy and strategy for some years, however, this has not been revisited since it was initially developed and as such did not reflect the current thinking and approach to risk.

17. The new approach is one of simplicity and ease of understanding, to engage all in the authority and genuinely place risk at the heart of everything they do.
18. A draft copy of the revised policy and strategy is attached at Annex B for discussion and approval.

### **Options**

19. Not applicable.

### **Council Plan 2015 - 2019**

20. The effective consideration and management of risk within all of the council's business processes helps support achieving 'evidence based decision making' and aid the successful delivery of the three priorities.

### **Implications**

21.

- (a) **Financial** - There are no implications
- (b) **Human Resources (HR)** - There are no implications
- (c) **Equalities** - There are no implications
- (d) **Legal** - There are no implications
- (e) **Crime and Disorder** - There are no implications
- (f) **Information Technology (IT)** - There are no implications
- (g) **Property** - There are no implications

### **Risk Management**

22. In compliance with the council's Risk Management Strategy, there are no risks directly associated with the recommendations of this report. The activity resulting from

this report will contribute to improving the council's internal control environment.

## **Recommendations**

23. Audit and Governance Committee is asked to:

- (a) Consider and comment on the refreshed key corporate risks which can be found in detail at Annex A;
- (b) Consider and approve the draft policy and strategy and associated guidance document which can be found at Annex B.

### Reason

*To provide assurance that the authority is effectively understanding and managing its key risks.*

### **Contact Details**

#### **Author:**

Lisa Nyhan  
Corporate Transactional  
and Business Services  
Manager  
Phone No. 01904 552953

### **Chief Officer Responsible for the report:**

Pauline Stuchfield  
Assistant Director Customer & Business  
Support Services

### **Report**

**Approved** ✓

21 July 2015

**Specialist Implications Officer(s)** Not applicable

**Wards Affected** Not applicable

**For further information please contact the author of the report**

### **Annexes**

A – Refreshed Key Corporate risk register

B – Draft policy and strategy