

Audit & Governance Committee

21 September 2009

Report of the Assistant Director (Customer Service & Governance)

Key Corporate Risk Monitor Quarter 2 2009/10

Summary

- 1 The purpose of this paper is to provide Audit & Governance Committee (A&G) with the quarter two risk monitor for 2009/10 . This consists of a narrative update only, as the content of the monitor is being revised to include the newly identified Key Corporate Risks (KCRs) as described in the body of the report. A full monitor will be supplied at the December meeting of this Committee.

Background

Corporate Risk Refresh

- 2 The KCRs that comprised the current corporate risk register are approximately two years old and were identified at a session of the Corporate Leadership Group (CLG) in September 2007.
- 3 CMT had asked for the KCRs to be refreshed when the last quarterly monitor was presented on 17 June 2009. This work already formed part of the risk management work plan for 2009/10 and a formal risk refresh was undertaken as part of the CLG session on 25 June 2009.
- 4 The session was planned to allow CLG members to consider the validity of the current KCRs and consider new and emerging risks in achieving the priorities set down in the new Corporate Strategy. This was an interactive session with CLG members working to identify risks associated with the themes of the strategy for which they had responsibility, as well as having input across all themes during the prioritisation and feedback session.
- 5 The output of the first part of the session, which focussed on validating the current KCRs and removing those considered to be no longer a priority, is set out at Table 1 below:

Table 1

Ref	Focus Area Title	Action
0001	Implementation of new pay & grading structure	Remove
0002	Administration Accommodation review project	Incorporate into 'Capital Projects'
0004	Impact of setting a balanced budget year on year	Incorporate into 'More for York'
0005	Delivering the Corporate Strategy	Remove
0006	Achieving the agreed efficiency programme outcomes	Incorporate into 'More for York'
0007	Delivery of the Local Area Agreement	Remove
0009	Co-ordinating significant programmes of change	Incorporate into 'More for York'
0011	Governance and management of partnerships	Remove
0013	Improvement Plan	Remove

- 6 The existing KCRs that CLG chose to retain are set out along with the corporate lead officer at Table 2 below:

Table 2

Ref	Focus Area Title	Corporate Lead
0003	Waste management strategy partnership	Bill Woolley
0008	Implementation of changes required for new CAA & UoR	Ian Floyd
0010	Business Continuity (<i>to include specifically Pandemic Flu risks</i>)	Bill Woolley
0012	Effects of the Economic Downturn	Bill Woolley

- 7 The second part of the session engaged CLG in identifying and prioritising risks around the themes of the Corporate Strategy. The new areas of risk focus (KCRs) that are to be added to the quarterly monitor in addition to those set out in table 2 along with the corporate lead officer are shown at Table 3 below:

Table 3

Ref	Focus Area Title	Corporate Lead
0014	Equal Pay	Ian Floyd
0015	Fairness & Inclusion	Bill Hodson
0016	Capital Projects*	Bill Woolley/Pete Dwyer
0017	More for York	Ian Floyd
0018	Impact of an Aging population	Bill Hodson
0019	Safeguarding	Pete Dwyer

**Includes school modernisation and other individual capital projects identified in the session.*

- 8 Future quarterly monitoring reports to Audit & Governance Committee will provide risk assessment information on the key risks associated with the ten focus areas (KCRs) set out at table 2 & 3 above from December 2009. Assistant Directors nominated by the lead officers will be approached over the next few months to help inform this piece of work and will look to identify the three and certainly no more than five high or critical risks associated with their KCR along with existing controls and any planned future actions aimed at mitigating the risks.

Accommodation Review

- 9 At A&G on 29 June a question was raised in relation to the financial risk to the above project. The monitor indicated this was low however the detailed risk register presented by the team delivering the project had highlighted that achieving the value of the capital receipts required to fund the project was high as a result of the current market conditions. A&G asked for this to be reviewed and the score clarified in time for the quarter 2 risk monitor. The results of this review are set out at Annex B of this report.

Training

- 10 The risk management team put together a training and communication plan on an annual basis as part of the risk management workplan. The plan includes Member training and last year three sessions were delivered during the autumn. It is planned that further training will be delivered this autumn and any A&G member who has not already been on a training course is welcome to attend. Details of the training will be circulated to all A&G members shortly.

Consultation

- 11 Consultation has been undertaken with members of CLG in identifying the new KCRs at their meeting on 25 June 2009 and with CMT on 22 July 2009.

Options

- 12 There are no options applicable to this report.

Corporate Strategy

- 13 The proper consideration and management of risk within all of the council's business processes will aid the successful delivery of each theme within the Corporate Strategy, and contribute to completion of Improvement Plan actions.

Implications

- (a) **Financial** - There are no direct financial implications of this report aside from ongoing management of many of the KCRs may assist the council in managing its Medium Term Financial Plan and pressures.
- (b) **Human Resources (HR)** - There are no implications
- (c) **Equalities** – Better management of Fairness and Inclusion risks will improve the council's position with regards to achieving the Equalities Standard.
- (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

- 14 This report has been produced in compliance with the council's Risk Management Strategy. The risk associated with the recommendation of this report is "Failure to provide adequate documentation to achieve a level 3 for risk management in CAA UOR" and was originally assessed at a net level of 18 (High).

Recommendations

15 A&G members are asked to:

- a) consider and approve the new risks that will comprise the quarterly KCR monitor as set out at table 2 & 3 and Annex A of this report;

Reason

To provide assurance that risks to the council are continuously reviewed and updated.

- b) consider and comment on the financial risks associated with the accommodation review project Annex B;

Reason

To provide assurance that the risks associated with the financing of the project are well managed.

- c) note the member risk management training to be delivered in the autumn 2009.

Reason

To provide an opportunity for A&G members to attend formal risk management training.

Contact Details

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Report Approved

Date

Specialist Implications Officer(s) Not applicable

Wards Affected Not applicable

All

For further information please contact the author of the report

Background Papers

Key Corporate Risk Monitor Quarter 1 2009/10.

Annexes

Annex A – Revised Key Corporate Risks

Annex B – Review of financial risk in relation to accommodation review