

WELWYN HATFIELD BOROUGH COUNCIL
AUDIT COMMITTEE – 3 APRIL 2017
REPORT OF THE EXECUTIVE DIRECTOR (PUBLIC PROTECTION, PLANNING AND GOVERNANCE)

RISK MANAGEMENT

1 Executive Summary

- 1.1 This report brings to Members' attention the current top risks facing the Council, as determined by Managers and entered to the TEN Risk Manager System. These risks have been reviewed at the performance clinic in February 2017 and reflect the assessments in place for the half year October 2016 to April 2017.

While summary information is presented here, full risk details are available within TEN.

2 Recommendation(s)

- 2.1 Members are asked to:

- Review the attached current Strategic Risk Register and top operational risks, particularly:
- Note the controls that are assigned and that they are relevant to the risk in question.
- Ensure that mitigation plans are in place where necessary and that the current status is correct.
- Note comments in respect of each risk where shown.

3 Explanation

- 3.1 The risks are presented in two main areas:

- Strategic risks – showing controls and mitigation plan status. All strategic risks are shown irrespective of risk score as these are the principle risks identified in respect of the Council's promises. They may be applicable to a large number of service areas and be corporately managed.
- Operational risks – the "red" risks (i.e. those scoring above 16), which have been identified within service areas, together with those risks scoring 15, which may move into the "red" category in time.

- 3.2 Each strategic risk has ownership by an Executive Director and an Executive Member. Operationally, each Manager and Head of Service is responsible for maintaining a register of risks for their service, which could affect the achievement of its stated aims and objectives.

- 3.3 Both strategic and operational risks are re-assessed on a half yearly basis, with any associated mitigation plans or controls being updated on a regular, but as

necessary basis. Similarly, expired risks and new risks should be deleted or added respectively on an ongoing basis. Strategic and top operational risks are considered as part of the Performance Clinic process and Directors can discuss the management of their risks at these sessions. A Performance Clinic was held in February 2017.

3.4 The Strategic Risk Register is attached at appendix A and the top operational risks are attached at appendix B. Appendix B also includes those risks scored as 15 (i.e. 1 point below the threshold for “red” risks).

3.5 There are three key changes of which Members need to be aware:

- TEN, the risk management software we have used for several years, is being terminated from April. We are currently looking at alternative solutions.
- A strategic risk session was held with Executive Board in January 2017. This is in part due to the need to integrate the Housing Trust’s strategic risk register with the council’s and also to gain input from the new Executive directors. This session has resulted in major revisions to much of the existing Strategic Risk Register. The draft is currently being worked on and will be reported for the first time at the next performance clinic cycle.
- The next performance clinic cycle will also incorporate the top operational risks relating to Housing Services following the re-integration of the Housing Trust.

Implications

4 Legal Implication(s)

4.1 The Accounts and Audit Regulations require that “[a] relevant authority must ensure that it has a sound system of internal control which [among other matters] includes effective arrangements for the management of risk.”

5 Financial Implication(s)

There are none directly arising from this report, though of course any risk event may have its own financial consequences.

6 Risk Management Implications

6.1 Failing to maintain adequate and effective arrangements for the management of risk may lead to risk events not being foreseen, an inadequate response to a risk event occurring and a failure to exploit opportunities.

6.2 Risk management is part of the council’s overall governance framework and is covered by the strategic risk of ‘governance’.

7 Security & Terrorism Implication(s)

7.1 None.

8 Procurement Implication(s)

8.1 None.

9 Climate Change Implication(s)

9.1 None.

10 Link to Corporate Priorities

10.1 The subject of this report supports all council priorities in that the effective management of risk is essential to the achievement of objectives.

11 Equality and Diversity

11.1 An Equality Impact Assessment (EIA) has not been carried out in connection with the proposals that are set out in this report as it relates purely to monitoring information.

Name of author	Andy Cremer
Title	Risk and Resilience Manager
Date	March 2017

Appendix A – Strategic Risk Register February 2017

Appendix B – Top Operational Risk Register February 2017