

WAVERLEY BOROUGH COUNCIL

AUDIT COMMITTEE - 15 SEPTEMBER 2015

Title:

RISK MANAGEMENT UPDATE

[Portfolio Holder for Finance: Cllr Wyatt Ramsdale]

[Wards Affected: N/A]

Note Pursuant to Section 100B(5) of the Local Government Act 1972

An annexe to this report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in paragraph 3 of the revised part 1 of Schedule 12A to the Local Government Act 1972, namely:-

Information relating to the financial or business affairs of any particular person
(including the authority holding that information)

Summary and purpose:

This report presents the latest corporate risk register as refreshed by Heads of Service.

How this report relates to the Council's Corporate Priorities

Good management of risk helps to ensure that Waverley achieves its objectives and minimises loss and damage which has a positive impact on the Borough's environment. The community benefits from Waverley's services being provided in an effective, safe manner.

Financial Implications

There are no direct financial implications arising from this report.

Legal Implications

There are no legal implications arising from this report.

Introduction and Background

1. All organisations face risks in undertaking their business. Local authorities, with their wide-ranging responsibilities and duties, face a significant number of risks. A risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives. Clearly Waverley has been, and always will be, faced with many potential risks in all areas of its business. Each year Waverley updates its framework that sets out its approach to the management of these risks.

2. The effective management of risks is an essential element in the overall operation of the Council and the delivery of its services and should not be seen as a separate task or function. Local authorities are required to demonstrate to their community that managing risk is at the heart of their governance framework and that they have effective arrangements in place to identify and respond to the risks that they face.

The Key Risks

3. In March 2015, the Audit Committee considered the updated corporate risk register which was comprehensively refreshed by the Heads of Service with assistance from the Council's risk advisors, Zurich Municipal in line with the Councils Corporate Governance requirements.
4. The register shows the high-level risks that could prevent the Council from achieving its corporate aims and objectives as set out in the Corporate Plan 2012-15 and has been reviewed to ensure that it aligns to the current key risks facing the Council. The Corporate risk register is included as (Exempt) Annexe 1. Members are asked to consider the risks and pass any comments to officers as appropriate.
5. Fourteen risks have been identified and analysed for likelihood of risk scenario materialising and impact on ability to deliver corporate objectives. The register shows the current mitigations that have been put in place with further actions identified.
6. Two of the risk profiles have been adjusted for likelihood of risk scenario materialising. Risk profile 1: Public Services Network: has reduced from low to very low to reflect the Action Plan having been completed with Cabinet Office approval having been obtained that the security standards applied to the Council's network meet the Government Requirements of Public Service Networks. The risk will remain on the register for the time being as there remains a risk that the required standards will change in November 2015.
7. Risk profile 12: New Council homes: likelihood has been increased from very low to medium to reflect the recent announcements in the Chancellors budget and measures to be included in the next Housing Bill, including a 1% decrease in social rents for each of the next four years and the requirement to sell high value properties to subsidise the extension of Right to buy to housing association tenants. This will impact on the long term funding available for new build programme and regeneration of Ockford Ridge.

Recommendation

It is recommended that the Audit Committee considers the revised corporate risks register at (Exempt) Annexe 1 and passes comments and observations to officers.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

CONTACT OFFICERS:

Name: Brian Gilmour

Telephone: 01483 523262

E-mail: brian.gilmour@waverley.gov.uk

Name: Peter Vickers

Telephone: 01483 523539

E-mail: peter.vickers@waverley.gov.uk