6.   REVIEW OF RISK MANAGEMENT ARRANGEMENTS (CED)

1   Summary

1.1   This report summarises the Council's risk management arrangements and includes revised Risk Registers for each service.

2   Details

2.1   At its meeting on 27 September 2018, the Audit Committee agreed the Council's new Risk Management Strategy. This was subsequently approved at the Policy and Resources Committee on 5 November 2018. The strategy determines that the Audit Committee has the function to consider and review the Council's Risk Management Strategy and monitor the effectiveness of the authority's risk management arrangements.

2.2   The officer Risk Management Group has reviewed the current Risk Management Strategy, which is attached at appendix 1, and does not propose any changes.

2.3   Each service has its own operational risk register and these are included in the relevant service plan. All operational risk registers include the following four corporate risks:

- Insufficient staff
- Total loss of ICT
- Loss of accommodation
- Fraudulent activity

The current residual risk score for each service is shown in the table below.

L = Likelihood / I = Impact	Insufficient Staff			Total loss of ICT			accommodation Loss of			Fraudulent activity		
	L	I		L	I		L	I		L	I	
Committee Services	2	2	4	2	2	4	2	2	4	2	1	2
Community Partnerships	2	2	4	2	2	4	2	2	4	2	3	6
Corporate Services	2	2	4	2	2	4	2	2	4	1	2	2
Customer Service Centre	2	2	4	2	2	4	2	2	4	1	2	2
Economic & Sustainable Dev	2	2	4	2	1	2	2	1	2	1	2	2
Electoral Services	2	2	4	2	3	6	1	3	3	2	1	2
Environmental Protection	2	2	4	2	2	4	2	1	2	2	1	2
Finance	2	2	4	2	3	6	1	1	1	2	2	4
Housing Services	2	2	4	2	2	4	2	2	4	2	2	4
Legal Practice	2	1	2	2	2	4	2	2	4	1	2	2
Leisure & Landscapes	2	3	6	2	3	6	2	3	6	2	2	4

L = Likelihood / I = Impact	Insufficient Staff			Total loss of ICT			Loss of accommodation			Fraudulent activity		
	L	I		L	I		L	I		L	I	
Property Services	2	2	4	2	2	4	2	2	4	1	2	2
Regulatory Services	3	2	6	3	2	6	2	2	4	2	2	4
Revenues & Benefits	2	3	6	2	3	6	2	2	4	2	2	4

Very Likely	Low 4	High 8	Very High 12	Very High 16
	Low 3	Medium 6	High 9	Very High 12
	Low 2	Low 4	Medium 6	High 8
Remote	Low 1	Low 2	Low 3	Low 4

Likelihood

Impact

Low --▶ Unacceptable

Impact Score	Likelihood Score
4 (Catastrophic)	4 (Very Likely (≥80%))
3 (Critical)	3 (Likely (21-79%))
2 (Significant)	2 (Unlikely (6-20%))
1 (Marginal)	1 (Remote (≤5%))

The Officer Risk Management Group has reviewed each services' corporate risks is satisfied that the scores are correct.

2.4   All Heads of Service/Managers have been trained in completing the Risk Register and this has been cascaded down to staff that prepare committee reports and project initiation documents. Each Head of Service will review their risk registers and scores

during the service planning process (October/November 2019). All Service Risk Registers are attached at appendix 2.

2.5 There are currently 8 risks on the Strategic Risk Register. Strategic Risks are also included in the relevant Service Plan Risk Register and are managed by the relevant Head of Service. The current residual risk score for each Strategic Risk is shown in the table below.

Strategic Risk	Service Plan	L	I	
ST01 - Failure to secure improvements to services	Community Partnerships	2	1	2
ST02 - Failure to tell residents about improvements	Corporate Services	2	2	4
ST03 - Failure to make progress on sustainability	Economic & Sustainable Development	2	2	4
ST04 - Failure to engage the community in the Strategic Plan	Community Partnerships	2	2	4
ST05 - Failure to achieve Community Safety targets	Community Partnerships	1	2	2
ST06 - Failure to achieve the priorities of the Community Strategy through the Local Strategic Partnership (LSP)	Community Partnerships	3	2	6
ST07 - Failure to deliver the South Oxhey Initiative to desired outcomes and objectives	Property Services	3	3	9
ST08 - The Medium term financial position worsens.	Finance	2	3	6

2.6 The Policy and Resources Committee is responsible for monitoring the Strategic Risks and these will be reviewed and updated as part of the Strategic Planning process (October/November 2019).

2.7 Financial and budgetary risks are reported quarterly to the Audit Committee – see report number 9 on this agenda for this quarter's report.

3 Options and Reasons for Recommendations

3.1 The Audit Committee is responsible for monitoring the effectiveness of the authority's risk management arrangements

4 Policy/Budget Reference and Implications

4.1 The recommendations in this report are within the Council's agreed policy and budgets. The relevant policy is entitled Risk Management Strategy and was agreed on 5 November 2018.

5 Financial, Legal, Equal Opportunities, Staffing, Environmental, Community Safety, Public Health, Customer Services Centre, Communications & Website, Risk Management and Health & Safety Implications

5.1 None specific

6 Recommendation

6.1 That: the Audit Committee notes the Council's risk management arrangements and the Risk Registers for operational risks.

Report prepared by: Phil King, Emergency Planning and Risk Manager

Data Quality

Data sources:

Service Risk Registers

Data checked by:

Phil King, Emergency Planning and Risk Manager

Data rating:

1	Poor	
2	Sufficient	✓
3	High	

Background Papers

Risk Management Strategy

APPENDICES / ATTACHMENTS

Appendix 1 – Risk Management Strategy

Appendix 2 – Operational Risks