

Cherwell District Council
Accounts, Audit and Risk Committee

22 November 2017

Quarter Two Risk Review 2017-18
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Report of Director - Strategy and Commissioning

This report is public

Purpose of report

To update the Committee on the management of Strategic risks during quarter two of 2017/18.

1.0 Recommendations

The meeting is recommended to:

- 1.1 Review the full Strategic Risk Register for 2017/18 and identify any issues for further consideration or referral to Executive.
- 1.2 Note the risk exceptions highlighted









2.0 Introduction

- 2.1 The Council details its approach to managing risk in its Risk and Opportunities Management Strategy and sets out the framework for managing risks of all types.
- 2.2 Risks are reviewed on a quarterly basis, undertaken by the Accounts, Audit and Risk Committee and Joint Management Team (JMT). This takes the form of reviewing the strategic risk register. Operational risks are reviewed at departmental level but can be escalated to the strategic risk register if required.

Whilst a formal review is undertaken annually to refresh the strategic risk register and identify any new or emerging risks or opportunities, risks may still be added at any point during the year.

- 2.3 This is the second quarterly performance report of 2017/18 provided on the Strategic Risk Register. Risk exceptions have been highlighted to provide a focus on those risks rated 16 or above (red risks requiring active management) and any changes to risk ratings that have occurred.










- 2.4 **The Risk and Opportunities Management Strategy** (which is a joint document for both Cherwell DC and South Northamptonshire DC) was reviewed and updated for 2016/17 to better reflect the Councils' risk appetite, attitude to risk and changes to the information management and data collection system that underpins the process.
- 2.5 This report focusses on risks specific to Cherwell DC and those that are shared and jointly managed with South Northamptonshire Council.
- 2.6 The following key applies to the remainder of the report and associated appendices.

Colour	Symbol	Meaning
Red		Requires active management High impact / High likelihood Risk requires active management to manage down and maintain the exposure at an acceptable level. Escalate upwards.
Amber		Contingency Plans A robust contingency plan may suffice together with early warning mechanisms to detect any deviation from the profile. Escalate upwards.
Green		Good Housekeeping May require some risk mitigation to reduce the likelihood if this can be done cost effectively, but good housekeeping to ensure that the impact remains low should be adequate. Re-assess frequently to ensure conditions remain the same.
Grey		Not updated
		Risk has reduced since previous review
		Risk has increased since previous review
		Risk has not changed since last review
		Direction of Travel is not applicable as risk is new

3 Report Details

3.1 Summary

- 3.1.1 During the second quarter of 2017/18, there are **no** risks rated as red (active management), **26** risks are rated amber (contingency plans) and **2** are rated green (good housekeeping).
- 3.1.2 The table below shows the overall breakdown of the **28** risks by ratings for Cherwell District Council; split by CDC specific and shared as well as the three risk categories.

Council	Strategic Risks			Corporate Risks			Partnership Risks		
									
CDC	0	8	0	0	1	0	0	0	1
Shared	0	6	0	0	11	1	0	0	0
TOTAL	0	14	0	0	12	1	0	0	1

- 3.2 The full risk register has been reviewed by the risk owners and members of JMT and an exception report created; this report focusses on those risks with a residual score of 16 or higher ('Red' risks that require active management), or have had a change in risk scores since the previous quarter.

There are currently no residual risk scores over 16. Exceptions are for changes in the risk scores.

3.3 Change in risk scores:

S07 Common – Customer Service Improvement (Including channel shift) risk score has increased from 9 to 12. Bringing Revenue and Benefits back in house and the subsequent change of systems to incorporate shared service has led to increased calls to Customer Service. This in turn is having an impact on the speed with which training can take place for staff on all services, thus resulting in delay in the taking of calls and face to face service for benefits. New methods of working (system and process) are currently being trained out and this result the risk rating decreasing once the training is complete.

S19 CDC – Asset management rating for this risk has decreased from 8 to 6 due to implementation of the Assessment Management Strategy and Resource Plan. During the process, engagement with other teams has taken place in order to ensure overall that plans are considered and actioned.

Please see Appendix 1 for further information regarding these risks.

4.0 Conclusion and Reasons for Recommendations

- 4.1 The following options have been identified. The approach in the recommendations is believed to be the best way forward.

Option 1 To support the current approach and having considered the Strategic, risks, report any concerns arising to the Executive.

Option 2 To reject the current approach and proposals and report any concerns arising to the Executive.

- 4.2 We would recommend the adoption of **option 1**.

5.0 Consultation

- 5.1 Both CDC Accounts, Audit and Risk Committee and SNC Audit Committee have been consulted on the development of the Risk Strategy

6.0 Alternative Options and Reasons for Rejection

6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: To reject the current approach and proposals and recommend an alternative approach to risk management. This option is not recommended as it departs from the Council's stated approach to risk management as set out in its Risk and Opportunities Management Strategy.

7.0 Implications

Financial and Resource Implications

7.1 There are no specific financial implications arising from this report.

Comments checked by Paul Sutton, Chief Finance Officer

Tel: 0300 0030 106 E-mail: Paul.Sutton@cherwellandsouthnorthants.gov.uk

Legal Implications

7.2 There are no specific legal implications arising from this report,

Comments checked by Nigel Bell, Interim Legal Services Manager,

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8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

All strategic priorities

Lead Councillor

Councillor Richard Mould

Lead member for Strategic Intelligence & Insight

Document Information

Appendix No	Title
1	Exceptions - Residual 16 or higher or rating change
2	Full Risk Register
3	High Level Risk Summary
Background Papers	
None	
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