

28 February 2017		ITEM: 6
Standards and Audit Committee		
Follow Up Report on the Mid-Year Review of the Strategic/ Corporate Risk & Opportunity Register		
Wards and communities affected: All	Key Decision: Non key	
Report of: Andy Owen, Interim Insurance & Risk Manager		
Accountable Head of Service: Sean Clark, Director of Finance & IT		
Accountable Director: Sean Clark, Director of Finance & IT		
This report is a public report		

Executive Summary

The Mid-Year review of the Strategic/Corporate Risk and Opportunity Register was presented to Standards and Audit Committee 15th November 2016.

At the meeting members enquired why high (red) target ratings had been applied to some of the risks. To clarify the position it was agreed that a review of the risks with high (red) target ratings would be undertaken and a follow up report submitted to the Committee on the findings.

The Interim Insurance and Risk Manager has worked with the appropriate Lead Officers to review the risks and obtain the rationale for applying the high (red) target ratings.

This report provides Standards and Audit Committee with the rationale for applying high (red) target ratings.

1. Recommendation(s)

1.1 That Standards and Audit Committee note the rationale for applying high (red) target ratings to the risks in question.

2. Introduction and Background

2.1 Risk and Opportunity Management (ROM) describes the planned and systematic approach used to identify, evaluate and manage the risks to and the opportunities for the achievement of the Council's objectives.

2.2 ROM makes a significant contribution to the sound Corporate Governance arrangements to meet the requirements set out in the Account and Audit

Regulations and is an important part of the Council's overall Performance Management Framework.

- 2.3 The annual review of the Council's ROM arrangements was undertaken in the last quarter of 2015/16. As part of the review the ROM Policy, Strategy and Framework were updated and reported to Standards and Audit Committee 18th March 2016, via Directors Board 23rd February 2016.
- 2.4 In accordance with the ROM Policy, Strategy and Framework regular reviews of the Strategic/Corporate Risk and Opportunity register are undertaken and updates reported to Standards and Audit Committee, via Directors Board and Performance Board.
- 2.5 The refresh of the Strategic/Corporate Risk and Opportunity Register was completed in May 2016 and reported to Standards and Audit Committee 14th June 2016, via Directors Board 17th May 2016 and Performance Board 2nd May 2016.
- 2.6 The mid-year review of the Strategic/Corporate Risk and Opportunity register was undertaken during September and reported to Standards & Audit Committee 15th November 2016, via Directors Board 25th October 2016 and Performance Board 3rd October 2016.
- 2.7 At the 15th November 2016 meeting of the Standards and Audit Committee members enquired why high (red) target ratings had been applied to some of the risks. To clarify the position it was agreed that a review of the risks with high (red) target ratings be undertaken and a follow up report submitted to the Committee on the findings.
- 2.8 The Interim Insurance and Risk Manager has worked with the appropriate Lead Officers to review the risks and the target ratings. The Lead Officers have provided the rationale for applying the target ratings and this is covered in Appendix 1 of this report.

3. Issues, Options and Analysis of Options

- 3.1 The outcome of the review is shown in Appendix 1, Risks With High (Red) Target Ratings
- 3.2 Appendix 1 - Risks With High (Red) Target Ratings
This includes the risk and management action plan documentation for the items in question as at the mid-year review. The rationale for applying the target ratings are incorporated at the bottom of each risk document (see yellow highlighted text).

4. Reasons for Recommendation

- 4.1 At the 15th November 2016 meeting of the Standards and Audit Committee members enquired why high (red) target ratings had been applied to some of the risks. To clarify the position it was agreed that a review of the risks with

high (red) target ratings would be undertaken and a follow up report submitted to the Committee on the findings.

4.2 The Interim Insurance and Risk Manager has worked with the appropriate Lead Officers to review the risks and obtain the rationale for applying the high (red) target ratings.

4.3 This report provides Standards and Audit Committee with the rationale for applying the high (red) target ratings.

5. Consultation (including Overview and Scrutiny, if applicable)

5.1 The Interim Insurance and Risk Manager has engaged with the Lead Officers for the items in question to review the risks and obtain the rationale for applying the high (red) target ratings.

5.2 The outcome of this review was presented to Directors Board 24th January 2016 and Performance board 5th January 2017.

6. Impact on corporate policies, priorities, performance and community impact

6.1 ROM is recognised as a good management practice and how successful the Council is in managing the risks and opportunities it faces will have a major impact on the achievement of the Council's priorities and objectives.

7. Implications

7.1 Financial

Implications verified by: **Laura Last**
Management Accountant

Effective risk and opportunity management and the processes underpinning it will provide a more robust means to identify, manage and reduce the likelihood of financial claims and/or loss faced by the Council.

7.2 Legal

Implications verified by: **David Lawson**
Deputy Head of Law & Governance

Effective risk and opportunity management and the processes underpinning it will provide a more robust means to identify, manage and reduce the likelihood of legal claims or regulatory challenges against the Council

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
Community Development & Equalities Manager

The management of risk and opportunities provides an effective mechanism for monitoring key equality and human right risks associated with a range of service and business activities undertaken by the Council. It also provides a method for reducing the likelihood of breaching our statutory equality duties.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

Risk and opportunity management contributes towards the Council meeting the requirements of Corporate Governance and the Account & Audit Regulations.

8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Mid-Year Review of the Strategic/Corporate Risk and Opportunity Register. The document can be accessed via the Committee Management Information System on the Council's website. See Standards and Audit Committee, Tuesday 15th November 2016 for details. Link as follows: [Mid-Year Review of the Strategic/Corporate Risk & Opportunity Register](#)

9. Appendices to the report

- Appendix 1 – Risks With High (Red) Target Ratings

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