



REPORT TO:	OVERVIEW AND SCRUTINY COMMITTEE
DATE:	22 NOVEMBER 2018
REPORT OF THE:	CHIEF FINANCE OFFICER (s151) ANTON HODGE
TITLE OF REPORT:	UPDATE ON RISK MANAGEMENT
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 This report provides an update to Members on progress towards revising the Council's approach to Risk Management.

2.0 RECOMMENDATION

- 2.1 That the report be noted.

3.0 REASON FOR RECOMMENDATION

- 3.1 This report provides an update on work to revise and review the Council's Risk Management Strategy and Risk Register, following concerns raised by an Internal Audit report earlier this year. The Annual Governance Statement, agreed by the Committee, highlighted Risk Management as a key improvement issue for the 2018-19 financial year.

4.0 BACKGROUND

- 4.1 At its meeting in October, the Overview and Scrutiny Committee was provided with an update regarding work to refresh the Council's Risk Management Strategy and Risk Register. This paper provides a further update on this issue and also sets out the timescale of expected actions towards this.
- 4.2 Since the last meeting of the Committee, training has been arranged for Members and this will take place on 19 December.
- 4.3 A workshop, facilitated by Veritau, was held on Monday 13 November and this began a process of identifying key risks and preventative action. This work will feed through into the Risk Register which will come to the Committee for scrutiny in January 2019. A summary of this workshop is set out in section 5.

5.0 KEY RISKS

5.1 At the workshop, a “Wall of Risk” was developed, which highlighted the following risks:

Priority Risks

- Resilience, Capacity, Workforce Planning.
- Strategic Planning
- Financial Management
- Leadership

5.2 Other areas of risk were also highlighted:

- Reputation
- Information Governance
- Health and Safety
- Contracts and Procurement
- ICT
- Horizon Scanning – including risks around Brexit

5.3 For each of these work has begun to identify actions which will mitigate these risks and show where improvement is needed. These will become part of the risk register, and other risks may be added to this list.

5.4 Further information around each of the identified risks is shown in Appendix 1.

6.0 TIMESCALES

6.1 As stated in the report to Committee in October, the bulk of the work around the new strategy and register is expected to be completed by the end of the calendar year. A timetable of key milestones is shown below.

<i>Date</i>	<i>Meeting/Event</i>	<i>Details</i>
25 Oct	Overview and Scrutiny Cttee	Update on Approach to Risk Management
12 Nov	Corporate Risk Workshop	Refresh the Corporate Risk Register to ensure it represents all key risk faced by the Council
22 Nov	Overview and Scrutiny Cttee	Update on Risk Management Audit Action Plan and initial consideration of draft Risk Register
30 Nov		Various actions to be complete including consideration of risk reporting and monitoring arrangements and any potential system changes to Pentana which might be required. Training pack for staff to be drafted.
?? Dec	Training	Develop a programme of risk management awareness training to be rolled out to staff (from 1 April) and members (after election)

Date	Meeting/Event	Details
24 Jan	Overview and Scrutiny Cttee	Present revised Risk Management Strategy and final draft Risk Register for scrutiny and consideration
After 24 Jan		Roll out Strategy to service areas
31 March and beyond	Training	Risk management awareness training to be rolled out to staff

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Background Papers: Report to Overview and Scrutiny [25 October 2018](#)

APPENDIX 1 – RISKS IDENTIFIED AT THE WORKSHOP HELD ON 12 NOVEMBER 2018

Resilience and Capacity
Lack of capacity to deal with: (1) day-to-day (2) strategic/project issues
Failure arising from a lack of staff resources to discharge district council statutory functions: environmental health; planning enforcement
Lack of staffing to carry out strategic and operational goals
Staffing: Recruitment/retention/succession planning and resilience
Failure to respond to service request/complaint in a timely and appropriate way
Strategic Planning
Lack of performance against strategic priorities
Financial Management
Weak budget management leading to financial problems
Failure to finalise accounts before deadline and publishing accounts
Poor or inadequate financial management (revenue, income, capital, savings)
Leadership/Governance
Poor or inadequate leadership (political and officer)
Weak and confused governance arrangements (including roles of officers and elected members)
Reputation
Public face/image of Council
Election (outcome and process)
Reputation risk: Perception from the public about quality of services/work of the Council. Impact on trust in services
Lack of or inadequate reputation management (media, public)
Lack of or inadequate consultation with key stakeholders
Information Governance
Data Protection
Data Security

Health and Safety
Lack of or inadequate health and safety arrangements
Not carrying out/delivering in accordance with standard operating procedures, health and safety
Contracts and Procurement
Failure to adhere to Procurement/Contract Law
Contracts (or lack of them)
Valuing Staff
Failure to value the workforce
Health and wellbeing of workforce
Staff perception of organisation: Engaged staff perform better; disengaged staff impact on delivery
Internal communication (or lack of)
National Pay Review
ICT
Not having effective systems in place – investment in IT
Phone system fails on transfer
ICT not delivering change
Cyber attack
Horizon Scanning
Reduced Government funding
Brexit risks arising from no deal
Responding to new legislation – e.g. homelessness