



AGENDA ITEM: 7

SUMMARY

Report for:	Cabinet
Date of meeting:	24 June 2014
PART:	1
If Part II, reason:	

Title of report:	Risk Management Report Quarter 4 2013/14
Contact:	Councillor Nick Tiley, Portfolio Holder for Finance Resources Martin Hone, Corporate Director Finance & Governance Linda Dargue, Insurance & Risk Manager
Purpose of report:	<ol style="list-style-type: none"> 1. To provide the Quarter 4 report on the Strategic Risk Register 2. To provide the Quarter 4 update on the Operational Risk Registers
Recommendations	That the content of this report is noted
Corporate objectives:	Dacorum Delivers – Risk management is an essential part of ensuring that the Council meets all of its objectives
Implications:	<u>Financial</u> None identified
'Value For Money Implications'	<u>Value for Money</u> Risk management is closely linked to the Council's commitment to ensure that all resources are used efficiently and forms part of effective financial planning. The Council also needs to ensure that adequate provisions are in place to address anticipated risks but that these are no greater than necessary so that maximum resources are applied to services as required. To this end the Council sets minimum target working balances for both the general fund and HRA and at the date of this report this minimum balances are secured. Budget exercises for 2013/14 have ensured that the minimum balance requirements will also be met for the next financial year.

Risk Implications	<p>Effective risk management is an important factor in all policymaking, planning and decision making.</p> <p>Failure to manage risk effectively could have serious consequences for the Council leading to increased costs,wasted resources, prosecution and criticism under external assessments</p>
Equalities Implications	<p>Equality Impact Assessment reviewed/carried out*</p> <p>*Not applicable</p>
Health And Safety Implications	Not applicable
Monitoring Officer/S.151 Officer Comments	<p>Deputy Monitoring Officer:</p> <p>No further comments to add to this report.</p> <p>Deputy S.151 Officer</p> <p>No further comments to add to this report.</p>
Consultees:	<p>CMT</p> <p>ROSC</p>
Background papers:	<p>Risk Management working paper files</p> <p>Report to CMT 13 May 2014</p> <p>Report to ROSC 4 June 2014</p>
Glossary of acronyms and any other abbreviations used in this report:	

BACKGROUND

1. The revised Strategic Risk register showing the position at the end of Q4 2013/14 is attached at Appendix A for ease of reference. The table below provides a comparison of the risk scores from the previous quarter.

Risk	Q3 13/14	Q4 13/14
F1 –Resource base affected by slow recovery from recession resulting in lack of funds to deliver in commitments and policies	4	4
F2 – Lack of effective procurement and contract management	6	6

	Q3 13/14	Q4 13/14
F3 – Failure to achieve identified savings to ensure that the budget remains balanced	4	4
F4 Funding agreement with the Homes and Community Agency is insufficient to cover the entire cost of the Highbarns chalk mine treatment works	Completed	-
F5 Risk of collapse from chalk mine activity following subsidence at 1 Meadow Road	-	6
I2 – Failure to effectively manage health and safety	4	4
M1 – Failure to deliver required regeneration and economic growth	9	9
M2 – Failure to shape services based on robust understanding of customer’s needs	4	4
R1 – Failure to align political aspirations for service delivery with budget pressures	3	3
R2 – Failure to respond to the opportunities presented by the Localism Bill	Completed	-
R3 – Disclosure of personal data in breach of the Data Protection Act	-	8

2. As requested by Members of Finance and Resources Overview and Scrutiny Committee a new strategic risk has been added in relation to disclosure of personal data in breach of the Data Protection Act.

3. The following table shows those operational risks where the risk score has changed since Quarter 3.

Risk	Resp Off	Q3 13/14	Q4 13/14
PP_R04 – Lack of capacity & financial resources to transform services through ICT	SF	6	4
PP_R07 Other projects need heavy ICT resource	SF	4	2
PP_R11 – the CSGC contractor focuses attention on meeting speed of response targets & not quality of service	SF	6	9
FR_R01- Council Tax & Business Rates drop below budget	JDe	6	8

4. The changes in risk scores reflect the changing risk landscape, providing an indication of the current position at a given point in time. The detail of the reasons behind the changes in risk scores can be discussed by members at the relevant scrutiny committee.