



## AGENDA ITEM:

### SUMMARY

<b>Report for:</b>	<b>Resources Overview &amp; Scrutiny Committee</b>
<b>Date of meeting:</b>	<b>4 March 2014</b>
<b>PART:</b>	<b>1</b>
If Part II, reason:	

<b>Title of report:</b>	<b>Risk Management Report Quarter 2 2013/14</b>
Contact:	Councillor Nick Tiley, Portfolio Holder for Finance Resources Sally Marshall, Director Finance & Corporate Services Linda Dargue, Insurance & Risk Manager
Purpose of report:	<ol style="list-style-type: none"> <li>1. To provide the Quarter 3 report on the Strategic Risk Register</li> <li>2. To provide the Quarter 3 update on the Operational Risk Registers</li> </ol>
Recommendations	1 That the content of this report is noted and recommended to Cabinet for approval together with any associated comments.
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>  <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 2012/13 have ensured that the minimum balance

	requirements will also be met for the next financial year.
Risk Implications	Effective risk management is an important factor in all policymaking, planning and decision making.  Failure to manage risk effectively could have serious consequences for the Council leading to increased costs, wasted resources, prosecution and criticism under external assessments
Equalities Implications	Equality Impact Assessment reviewed/carried out*  Not applicable
Health And Safety Implications	Not applicable
Consultees:	CMT
Background papers:	Risk Management working paper files  Report to CMT 18 February 2014
Historical background ( <i>please give a brief background to this report to enable it to be considered in the right context</i> ).	Not applicable
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 Q3 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	Q1 13/14	Q2 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
F3 – Failure to achieve identified savings to	4	4

ensure that the budget remains balanced		
F4 – Funding agreement with the Homes and Communities Agency is insufficient to cover the entire cost of the Highbarns chalk mine treatment works	8	Completed
<b>F5 – Risk of extensive damage to property arising from adverse weather conditions and/or unstable ground within the Dacorum area</b>	-	<b>9</b>
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 customers’ 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	8	Completed

- Two risks have been completed as shown above; these will now be removed from the Strategic Risk Register. An additional risk has been added in recognition of the potential for further weather related problems.
- The following table shows those operational risks where the risk score has changed since Quarter 2.

<b>Risk</b>	<b>Resp Off</b>	<b>Q2 13/14</b>	<b>Q3 13/14</b>
PP_R02 - Failure to develop a range of initiatives To contribute to the Council’s improvements & efficiencies agenda	SF	12	9
PP_R04 – Lack of capacity & financial resources services through ICT	SF	8	6
PP_R07 Other projects need heavy ICT resource	SF	6	4
PP_R11 – the CSGC contractor focuses attention on meeting speed of response targets & not quality of service	SF	4	6

PP_R13 The introduction of inform 360 & automated self-service options via telephone reduces access and/or satisfaction with contact	SF	6	9
PP_R15 Redundancy costs of transferred staff borne by DBC in first year of contract	SF	8	4
FR_R02 Delays & Errors in the processing of Benefits claims	JDe	8	6

Any queries regarding changes in risk scores will have been discussed at the various scrutiny committees that the operational risks are presented to.

4. In the wider risk arena a refresher Emergency Planning training exercise was held in December to ensure that officers are better prepared in the event of an emergency. The exercise served to validate Dacorum's emergency plans and procedures, rehearse key staff and review resilience arrangements. Although it met the key objectives of raising awareness of roles and responsibilities in response to an incident, it also raised issues around training and call out arrangements.
5. As a result additional training will take place during 2014, the first session will take place on 31 March 2014. More bespoke training will take place later in the year to cover the more specialist roles.