



## AGENDA ITEM: 7

### SUMMARY

<b>Report for:</b>	<b>Resources Overview &amp; Scrutiny Committee</b>
<b>Date of meeting:</b>	<b>3 March 2015</b>
<b>PART:</b>	<b>1</b>
If Part II, reason:	

<b>Title of report:</b>	<b>Risk Management Report Quarter 3 2014/15</b>
<b>Contact:</b>	Councillor Nick Tiley, Portfolio Holder for Finance Resources James Deane , Corporate Director ( Finance & Operations) Linda Dargue, Lead Officer, Insurance & Risk
<b>Purpose of report:</b>	<ol style="list-style-type: none"> <li>1. To provide the Quarter 3 update on the Strategic Risk Register</li> <li>2. To provide the Quarter 3 update on the Operational Risk Registers</li> </ol>
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. That the content of this report is noted and recommended to Cabinet for approval together with any associated comments.</li> </ol>
<b>Corporate objectives:</b>	Dacorum Delivers – Risk management is an essential part of ensuring that the Council meets all of its objectives
<b>Implications:</b>	<u>Financial</u>  None identified.
<b>'Value For Money Implications'</b>	<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	<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
Consultees:	
Background papers:	Risk Management working paper files
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 2014/15 is attached at Appendix A for ease of reference. The table below provides a comparison of the risk scores from the previous quarter.

Risk	Q2 14/15	Q3 14/15
<b>C1 – Opportunity to exceed current plans for creation of new homes over the next five years – new opportunity</b>	-	To be confirmed
<b>C2 – Opportunity to use the Council’s commitment to invest £30m into regeneration as a catalyst for inward investment across the Borough - new opportunity</b>	-	To be confirmed
	<b>Q2 14/15</b>	<b>Q3 14/15</b>
F1 –Resource base not sufficient to deliver	4	4

Corporate Plan (absorbing former risk F3: Failure to achieve identified savings to ensure that the budget remains balanced).		
F2 – Lack of effective procurement and contract management	6	6
F3 – Failure to achieve identified savings to ensure that the budget remains balanced	4	Absorbed into F1
F5 – Risk of extensive damage to property arising from adverse weather conditions and /or unstable ground within the Dacorum area	9	9
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	Deleted
R3 - Disclosure of personal data in breach of the Data Protection Act	8	8
<b>R4 – Failure to respond effectively to a business continuity or disaster recovery event – new risk</b>	-	<b>To be confirmed</b>

A number of new risks, shown in bold, have been added, as agreed by Cabinet on 21 October 2014. In addition risks F1 and F3 have been amalgamated and R1 has been deleted.

- The following table shows the operational risks where there has been a change in the risk score since quarter 2 or where new risks have been added.

	Q2 14/15	Q3 14/15
<b>PP R011 - Failure to deliver Digital Dacorum leads to poor customer experiences and increased costs from calls and face to face visits</b>	-	<b>6</b>
<b>PP R012 Failure to deliver an effective corporate wide approach which ensures that projects are delivered on time and on budget</b>	-	<b>6</b>
<b>PP R013 Failure to deliver an effective corporate wide approach to performance</b>		<b>6</b>

<b>monitoring and management</b>		
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3. Members' comments will be included within the Cabinet report of 24 March.