



AGENDA ITEM: 9
SUMMARY

Report for:	Cabinet
Date of meeting:	29 June 2015
PART:	1
If Part II, reason:	

Title of report:	Risk Management Report Quarter 4 2014/15
Contact:	Councillor Graeme Elliot , Portfolio Holder Finance & Resources James Deane , Corporate Director (Finance & Operations) Linda Dargue, Lead Officer, Insurance & Risk
Purpose of report:	1.To provide the Quarter 4 update on the Strategic Risk Register 2. To provide the Quarter 4 update on the Operational Risk Registers
Recommendations	1.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 2014/15 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
	<p>Monitoring Officer:</p> <p>No comments to add to the report.</p> <p>S.151 Officer</p> <p>No comments to add.</p>
Consultees:	<p>CMT</p> <p>ROSC 16 June 2015</p>
Background papers:	<p>Risk Management working paper files</p> <p>CMT</p> <p>Report to ROSC 16 June 2015</p>
Glossary of acronyms and any other abbreviations used in this report:	SRR – Strategic Risk Register

BACKGROUND

1. The revised Strategic Risk register showing the position at the end of Q4 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	Q3 14/15	Q4 14/15
C3 – Failure to use the Council’s commitment to invest £30mas a catalyst to investment across the Borough	-	9
C4 – Failure to exceed current plans for the creation of new homes over the next 5 years	-	9
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
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
M3 – Key commercial partnership fails or failure of services provided via a partner/contractor	4	4
R3 - Disclosure of personal data in breach of the Data Protection Act	8	8

2. 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.

	Q3 14/15	Q4 14/15
CE_M03 Failure to prepare policy and strategy around Localism	4	3
FR_FR03 – Variances in General Fund Budget	6	4

3. Following a report to Cabinet on 21 October 2014 it was agreed that scrutiny of the Strategic Risk Register would be undertaken by Audit Committee in 2015/16, this will be a standing item on the committee agenda.
4. At that meeting the following amendments to risk reporting were agreed:
- An annual review of the SRR with the focus on risk identification for the future, to involve Cabinet, Leader of the Opposition and the Chief Officer Group;
 - Scrutiny of the SRR to be undertaken by the Audit Committee, as a standing item on the committee agenda
 - Each Overview and Scrutiny Committee will receive a quarterly update on the SRR, covering those risks specifically related to that committee.