	Finance & Audit Scrutiny Committee 13 January 2015	Agenda Item No. **4**
Title	Review of Chief Executive's Office Service Risk Register	
For further information about this report please contact	Andrew Jones Deputy Chief Executive andrew.jones@warwickdc.gov.uk 01926 456830 or Richard Barr Audit & Risk Manager 01926 456815 richard.barr@warwickdc.gov.uk	
Wards of the District directly affected	Not applicable	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	Not Applicable	
Background Papers	WDC Risk Management Policy	
Contrary to the policy framework:		No
Contrary to the budgetary framework:		No
Key Decision?		No
Included within the Forward Plan? (If yes include reference number)		No
Equality & Sustainability Impact Assessment Undertaken		N/A: no direct service implications

Officer/Councillor Approval		
With regard to report approval all reports _must_ be approved as follows		
Title	**Date**	**Name**
Chief Executive/Deputy Chief Executive	23 Dec 2014	Chris Elliott
CMT	23 Dec 2014	Chris Elliott, Bill Hunt, Andrew Jones
Section 151 Officer	23 Dec 2014	Mike Snow
Monitoring Officer	23 Dec 2014	Author
Portfolio Holder(s)	23 Dec 2014	Councillor Mobbs
Consultation & Community Engagement		
None.		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1   **SUMMARY**

1.1   This report sets out the process for the review by Finance & Audit Scrutiny Committee of the Chief Executive's Office Service Risk Register.

2   **RECOMMENDATIONS**

2.1   That Finance & Audit Scrutiny Committee should review the Chief Executive's Office Service Risk Register attached at Appendix 1 making any comments as appropriate.

3   **REASON FOR THE RECOMMENDATIONS**

3.1   To enable Members to fulfil their role in overseeing the organisation's management of its risks (see section 8, below).

4   **POLICY FRAMEWORK**

4.1   The Chief Executive's Office Service Risk Register is part of the Council's corporate risk management framework. The Register reflects the Council's corporate priorities and key strategic projects that are contained in Fit for the Future as they relate to the functions delivered by the Services in the Chief Executive's Office.

5   **BUDGETARY FRAMEWORK**

5.1   Although there are no direct budgetary implications arising from this report, risk management performs a key role in corporate governance including that of the Budgetary Framework. An effective control framework ensures that the Authority manages its resources and achieves its objectives economically, efficiently and effectively.

5.2   The risk register sets out when the realisation of risks might have financial consequences. One of the criteria for severity is based on the financial impact.

6   **RISKS**

6.1   The risks are contained in the Service's Risk Register set out as Appendix 1.

7   **ALTERNATIVE OPTION(S) CONSIDERED**

7.1   This report is not concerned with recommending a particular option in preference to others so this section is not applicable.

8   **RESPONSIBILITY FOR RISK MANAGEMENT**

8.1   In its management paper "Worth the risk: improving risk management in local government", the Audit Commission sets out clearly the responsibilities of Members and officers:

> "Members need to determine within existing and new leadership structures how they will plan and monitor the council's risk management arrangements. They should:
>
> * decide on the structure through which risk management will be led and monitored;
> * consider appointing a particular group or committee, such as an audit committee, to oversee risk management and to provide a focus for the process;
> * agree an implementation strategy;
> * approve the council's policy on risk (including the degree to which the council is willing to accept risk);
> * agree the list of most significant risks;
> * receive reports on risk management and internal control – officers should report at least annually, with possibly interim reporting on a quarterly basis;
> * commission and review an annual assessment of effectiveness: and
> * approve the public disclosure of the outcome of this annual assessment, including publishing it in an appropriate manner.
>
> The role of senior officers is to implement the risk management policy agreed by members.
>
> It is important that the Chief Executive is the clear figurehead for implementing the risk management process by making a clear and public personal commitment to making it work. However, it is unlikely that the Chief Executive will have the time to lead in practice and, as part of the planning process, the person best placed to lead the risk management implementation and improvement process should be identified and appointed to carry out this task. Other people throughout the organisation should also be tasked with taking clear responsibility for appropriate aspects of risk management in their area of responsibility."

9   **BACKGROUND**

9.1   Executive agreed on 11th January 2012 that:

(a)   Portfolio Holders should review their respective Service Risk Registers quarterly with their service area managers.

(b)   Portfolio Holder Statements should include each service's top three risks.

(c)   Executive should note the process for the review by Finance & Audit Scrutiny Committee of service risk registers.

(d)   The relevant Portfolio Holders should attend the Finance & Audit Scrutiny Committee meetings at which their respective service risk registers are reviewed.

9.2   The full framework endorsed by Executive at that meeting is set out as Appendix 3.

9.3   Risk registers are in place for all significant risks facing service areas in the provision of their services. In addition to service risk registers for all service

areas there is the Significant Business Risk Register that contains the organisation's corporate and strategic risks (the latest version of this being presented to the January Executive meeting). Also, across the organisation, there are risk registers for specific projects such as the Clarendon Arcade.

10   CHIEF EXECUTIVE'S OFFICE SERVICE RISK REGISTER

10.1   Introduction

10.1.1 The latest version of the Chief Executive's Office Service Risk Register is set out as Appendix 1 to this report.

10.1.2 The scoring criteria for the risk register are subjective and are based on an assessment of the likelihood of something occurring, and the impact that might have. Appendix 2 sets out the guidelines that are applied.

10.1.3 In line with the traditional risk matrix approach, greater concern should be focused on those risks plotted towards the top right corner of the matrix whilst the converse is true for those risks plotted towards the bottom left corner of the matrix. If viewed in colour, the former-described set of risks are within the area shaded red, whilst the latter-described set of risks are within the area shaded green; the mid-range are in the area seen as yellow.

10.2   Overview of Chief Executive's Office Risk Management

10.2.1 The Chief Executive's Office Service Risk Register is owned and managed by the Chief Executive. The functions under the Chief Executive's Office have only recently come together but going forward the Register will be reviewed at one-to-one meetings between the Chief Executive and Council Leader.

10.2.2 Members of staff within the service are made aware of the register and have input through team meetings and one-to-one meetings where risks are regularly discussed.

10.2.3 The risk register is reviewed and updated to reflect changes within the Council and the Service, for example the inclusion of the 2015 election and Individual Electoral Registration, both of which are required to have their own risk registers in specified formats and reported to the Electoral Commission. In addition the IER risk register is reported to the Cabinet Office and regional meetings.

10.3   Chief Executive's Office Service Risks

10.3.1 In common with other Service Risk Registers, risks have been grouped into generic and Service-Specific.

10.3.2 The three main risks at the time of writing are considered to be:

      Election 2015 (ES1 refers);
      Loss of key staff (GR8; IT2; SS4 refers)
      Loss or publication of confidential data (CCS3 refers).

These risks will be described at the Committee Meeting by the Deputy Chief Executive.

10.4   **Review of Risk Register by Members**

10.4.1 It is proposed that Members should review the risk register set out as
        Appendix 1, confirming that risks have been appropriately identified and
        assessed and that appropriate measures are in place to manage the risks
        effectively. Members may wish to challenge the Portfolio Holder and the Chief
        Executive's Office Service Management Team on these aspects and assure
        themselves that their risk register is a robust document for managing risks
        facing the service.