

CORPORATE RISK REGISTER

Summary: Following discussion at the last Governance, Risk and Audit Committee on 10 September 2019, an update paper has been provided in relation to the Corporate Risk Register (CRR). The last update to the Risk Management Policy and Framework was approved by the Governance, Risk and Audit Committee (GRAC) in March 2018. The documents are reviewed every two years with the next scheduled update due for March 2020. This policy sets the framework for the Council's Corporate Risk Register (CRR) which monitors and tracks the Council's most significant risks. This report is to provide Members with an update in relation to the Corporate Risk Register.

Conclusions: The changes which have been made to the register and those proposed for future action will help to improve the monitoring and ownership of the corporate risk register and the actions contained therein.

Recommendations: Members are asked to note the report, the improvements made and the proposed improvements to be considered as part of the update process for the CRR in March 2020.

Cabinet Member(s)	Ward(s) affected
All	All

Contact Officer, telephone number and email:
Duncan Ellis, 01263 516330, Duncan.ellis@north-norfolk.gov.uk

1. Introduction

- 1.1 The last update to the Risk Management Policy and Framework was approved by the Governance, Risk and Audit Committee (GRAC) in March 2018. The documents are reviewed every two years with the next scheduled update due for March 2020.
- 1.2 This policy sets the framework for the Council's Corporate Risk Register (CRR) which monitors and tracks the Council's most significant risks. Responsibility for coordinating the CRR and the risk management framework currently rests with the Section 151 Officer in Finance.
- 1.3 Following governance improvements made earlier this year the CRR is now a standing item on the Strategic Leadership Team (SLT) agenda and is reported every quarter. It is also updated and considered for every GRAC meeting.
- 1.4 Following more detailed discussions around the register at the GRAC meeting back September this report has been produced to cover the immediate improvements made and to update Members as to the future changes proposed for consideration when the policy is update in March 2020.

2. Improvements

Removal of historic data

- 2.1 Some of the feedback received from the Committee related to the age of some of the actions taken. The actions section has therefore been reviewed and anything older than 12 months has now been archived.

Corporate Projects

- 2.2 The Council is involved in a number of ongoing projects across the organisation. Some of these are significant, such as the re-provision of the Splash facility, and some are much smaller service delivery improvement projects that require limited resources. Where these projects are significant, they will have their own individual risk register.
- 2.3 To improve the linkages between these individual registers and the main CRR a process has now been implemented whereby any risks identified as having a potentially 'high' impact are automatically flagged for inclusion on the CRR.
- 2.4 It should be noted however that this process is new and is still developing and it is not meant to reflect full coverage of all risks for every project, just where an element of a project might need highlighting at a strategic level within the CRR. The lower level risks will be covered within the individual risk registers for these schemes.
- 2.5 However as requested by the Committee these projects have now been allocated a separate header sheet with the detail following on immediately from this.
- 2.6 When the new InPhase performance management system is fully operational it will help to automate this process and make it more efficient, enabling access to the detailed risk registers for each project should this be required.

Corporate Plan Links

- 2.7 The new Corporate Plan was approved by Full Council in November and identifies six key themes where we would propose developing actions and allocating resources to respond to the challenges our district faces in the years to come as detailed below;
- Local Homes for Local Need
 - Boosting Business Sustainability and Growth
 - Climate, Coast and the Environment
 - Quality of Life
 - Customer Focus
 - Financial Sustainability
- 2.8 Planning for the future is challenging, especially given the broad range of services we provide, and the competing demands for increasingly scarce resources. All our services are committed to making improvements and finding savings, so that the Council remains efficient, effective and meets the day to day needs of the communities we serve.

- 2.9 The purpose of the Corporate Plan is to focus on those priorities where we need to give specific attention. It will help us target better our dwindling capital and revenue resources and help direct and focus any bids for external grant support. The Plan also provides a framework against which we can assess our progress to support the needs of our customers and communities.
- 2.10 The Delivery Plan, which will support the objectives contained within the Corporate Plan, is scheduled to be approved by Full Council in February 2020. This will detail how we will judge our performance; it will also be the means by which the Council agrees its improvement objectives. It will include the expected outcomes from each of the six key themes and be supported by a set of priority actions and measures through which the Council will undertake a self-assessment of the level of improvement made.
- 2.11 The Medium Term Financial Strategy (MTFS) has already been linked to the new Corporate Plan and this will be strengthened further next year once the Delivery plan has been developed. It will also be necessary to consider the CRR in light of this new strategic direction to understand any new and emerging risks or to remove any that are no longer relevant.
- 2.12 As outlined above the policy is due to be refreshed and updated in March so it is recommended that this realignment happens as part of that process.

Risk appetite and risk tolerance

- 2.13 Risk appetite is often described as the amount of risk that an organisation is willing to seek or accept in the pursuit of its long term objectives. Risk tolerance is the amount of risk an organisation could actually take, usually from a financial perspective, before services and objectives are significantly impacted. The two are linked, with most organisations having a risk appetite lower than their risk tolerance.
- 2.14 The Council will be required to make some difficult decisions in the short to medium term to help ensure that we are able to balance the budget given the current funding restrictions and uncertain financial climate. This will undoubtedly involve looking to potentially invest in new opportunities and to take a more commercial approach to our activities whilst also looking to drive social value.
- 2.15 When embarking on any such initiatives it will be important that the Council understands its risk appetite. No organisation can achieve its objectives without taking risks, but how much risk are we prepared to take? Defining and setting our risk appetite will establish clear parameters within which the organisation can work and succeed. Again it is recommended that this work is progressed alongside the policy update in March.

3. Conclusion

- 3.1 The Improvements outlined above will help both officers and Members to monitor and track any outstanding actions designed to help mitigate and manage the various corporate risks.
- 3.2 The linkages between the CRR and the new Corporate Plan will help to ensure alignment with the new corporate priorities.

3.3 Better understanding our risk appetite as a Council will help to ensure that we establish clear parameters within which the organisation can work and succeed.

4. Recommendations

4.1 Members are asked to note the report, the improvements made and the proposed improvements to be considered as part of the update process for the CRR in March 2020.