

Report to the Finance Performance Management Cabinet Committee



**Epping Forest
District Council**

Report reference: FPM-004-2019/20

**Date of meeting: 26 September
2019**

Portfolio: Commercial & Regulatory

Subject: Risk Management – Corporate Risk Register

Responsible Officer: Edward Higgins (01992 564606).

Democratic Services: Rebecca Perrin (01992 564532).

Recommendations/Decisions Required:

- (1) To note the updated Corporate Risk Register and agree the updates as set out in the report;**
- (2) To agree the inclusion of one new risk for Cyber Security;**
- (2) To consider whether there are any new or emerging risks that are not on the current Corporate Risk Register;**
- (3) To agree that the updated Corporate Risk Register be recommended to Cabinet for approval.**

Executive Summary:

The Corporate Risk Register was considered by the Risk Management Group on 21 August 2019 and subsequently individual risks were reviewed and amended (where appropriate) by the relevant Risk Owner after the Group's review. The review led to two risks being removed and a new one created for the Corporate Risk Register.

Reasons for Proposed Decision:

It is essential that the Corporate Risk Register is regularly reviewed and kept up to date.

Other Options for Action:

Members may suggest new risks for inclusion or changes such as the scoring of existing risks.

Report:

1. The Corporate Risk Register was reviewed by the Risk Management Group on 21 August 2019 and each risk updated where required by the relevant risk owner (Service Director). Amendments have been incorporated into the register (Appendix 1)
2. The most significant changes to the corporate risk register has been the removal of two risks, Safeguarding (risk 8) and Transformation (risk 11) and the creation of a new risk on

cyber security (risk 13). The rationale for this and significant changes to the other risks is detailed below.

3. Risk Owners – The below table advises the updated Risk Owners.

Risk No.	Risk Name	Former Risk Owner	New Risk Owner
1	Local Plan	Derek Macnab	Nigel Richardson
2	Strategic Sites	Derek Macnab	Jim Nolan
4	Finance Income	Peter Maddock	Paula Maginnis
7	Business Continuity	Derek Macnab	Jim Nolan
13	Cyber Security (new risk)	Not applicable	Paula Maginnis

4. Risk 1 Local Plan – This risk has been updated in light of the public hearings that took place in the summer and the Inspector’s advice that was issued in August which means the Council is required to undertake further work in order to update the Local Development Scheme. The Council will agree a programme of further work with the Inspector to address the actions identified which will set key dates.

5. Risk 2 Strategic Sites – As lessons have been learnt and governance arrangements strengthened following the change in direction with the St Johns Road project, coupled with all projects being tracked through the Council’s performance management system this risk has been downgraded from A1 (very high likelihood/major impact) to B1 (high likelihood/major impact).

6. Risk 4 Financial Resilience – This risk was previously entitled Finance Income and has been re-assessed following a robust review with the Council’s newly appointed Section 151 Officer. The risk will be monitored closely as part of the Council’s budget setting and monitoring processes. The risk scoring has been downgraded from A1 (very high likelihood/major impact) to C2 (high likelihood/major impact) as saving targets, including those for the People Strategy, are being achieved.

7. The uncertainties around Brexit have been captured within risk 4, Financial Resilience, although Leadership Team is currently considering whether Brexit should be a standalone risk. The situation is being closely monitored by the Council’s nominated Brexit Lead, Jim Nolan.

8. Risk 6 Data/Information – Following debate by the Risk Management Group it was felt that the risk had two elements: one around adherence to Data Protection legislation and the other concerning security of data and systems. Following discussion with the relevant risk owners, and other interested parties such as the Data Protection Officer and IT Security Officer, the cyber security element has been removed and is presented as Risk 13 within the Corporate Risk Register.

9. Risk 7 Business Continuity – This risk has been updated to reflect the current short-term project in place to address the weaknesses identified by Internal Audit. Project progress is being overseen by the officer Corporate Governance Group, which is chaired by the Chief Executive. The risk score has been amended from D2 (low/very low likelihood/moderate impact) to B1 (high likelihood/major impact).

10. Risk 9 Safeguarding – This risk has remained static for several years and its low risk scoring demonstrates the effectiveness of controls in place. This risk has been removed from the Corporate Risk Register and now forms part of the Community and Partnership’s service risk register.

11. Risk 11 Transformation Programme – This risk was first articulated as the Council embarked on a major modernisation programme, introducing three key projects: people, accommodation and IT. Since this time the People Strategy project is almost complete and the risks around IT are being captured and monitored through the Business Services risk register. Project risks around the refurbishment of the Civic offices have been captured within the project methodology, are being actively managed by the project manager and overseen by the Leadership Team.
12. Risk 13 As mentioned within paragraph 8, this new risk has been separated to provide clarity to the two separate elements. The risk has been scored C2 (medium likelihood/moderate impact).

Resource Implications:

No additional Resource requirements

Legal and Governance Implications:

The Corporate Risk Register is an important part of the Council's overall governance arrangements and that is why this Committee considers it on a regular basis.

Safer, Cleaner and Greener Implications:

None

Consultation Undertaken:

The Risk Management Group and Leadership Team were involved in the process.

Background Papers:

None

Risk Management:

If the Corporate Risk Register was not regularly reviewed and updated a risk that threatened the achievement of corporate objectives might either not be managed or be managed inappropriately. In addition, new or emerging risks are not considering which could threaten achievement of the Council's corporate objectives.

Equality Analysis:

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided as an appendix to the report.