

To: Audit & Governance Committee

Date: 23rd March 2009 **Item No:**

Report of: Head of Finance

Title of Report: Summary of Q3 09 Corporate Risk Register (CRR) and Service Risk Register (SRR) updates.

Summary and Recommendations

Purpose of report: To provide confirmation of the completion of the quarterly update to the Corporate Risk Register (CRR) and Service Risk Register (SRR) and to provide a summary of those updates submitted for Quarter 3 2009-10.

Report Approved by:

Finance: Sarah Fogden

Legal: Jeremy Thomas

Policy Framework: Improving value for money and service performance

Recommendation(s):

a) The Audit and Governance Committee is asked to **note** the contents of this report.

Summary

1. The Corporate Risk Register (CRR) and the Service Risk Register (SRR) have been updated for Q3 2009.
2. There are 15 Corporate risks.
3. There are no Corporate red risks being reported this quarter, that is risks with a risk score of ≥ 15 . All risks have a risk score of < 10 .
4. There are 120 Service risks
5. There are 6 red Service risks reported this quarter, that is risks with a risk score of ≥ 15
6. There are no new risks recommended for escalation from the SRR to the CRR.
7. The Directors have undertaken a risk identification session for the CRR. The new risks will be reported with the Q4 updates.

Purpose of Report

8. The purpose of this report is to provide confirmation of the completion of the quarterly Corporate Risk Register (CRR) and Service Risk Register (SRR) updates submitted for Quarter 3 2009-10 and to provide a summary of the changes.

Report Structure

9. All risks are currently expressed as threats, (opportunities are not captured in these registers).
10. This report will not report on all the outcome based risk management performance indicators as outlined in the OCC Risk Management Policy. This is due to a lack of comparative data.
11. Red risks are those risks which have a combined impact x probability score known as a risk score of greater than or equal to 15.
12. There have been 6 Corporate risks which have not been reported. The risks for the risk profile analysis have been assumed to have not changed since reported in Q2.
13. The Corporate Secretariat has developed a SRR which also covers business continuity planning. This is the first quarter that this Service area has submitted its register.

Report Details

14. There are 12 risks on the CRR in Q3 2009.

15. There are 120 risks on the SRR in Q3 2009.

Red Risks

16. Red Risks are those risks which have a net/residual risk score, impact x probability, of ≥ 15 .

a. There are no risks classified as 'red risks' which are on the CRR.

b. There are 6 risks classified as 'red risks' which are on the SRR.

17. The following shows the SRR red risks:

Risk	Gross Risk Score	Net/Residual Risk Score	Current Risk Score
Delays to Council projects caused by outside agencies (City Development)	16	9	16
Loss of main income stream from Elderly Services Team. (Community Housing & Community Development)	16	16	12
Major changes to the Major Repairs Allowance and/or subsidy calculation (Oxford City Homes)	16	16	16
BCP are ineffective (Corp Sec) NEW Q3	16	3	16
OCC plans do not take a holistic approach to building resilience reducing overall effectiveness of plans. (Corp Sec) NEW Q3	16	3	16
Emergency Planning Responses are ineffective (Corp Sec) NEW Q3	16	6	16

20. There are 6 red risks reported in Q3. The first three risks are risks which appeared in Q2 and have not had any deterioration in current risk position. The last 3 are raised from the development of the Corporate Secretariat's first SRR. This area's plan also incorporates disaster recovery and emergency planning.

An audit report on Business Continuity Planning will be brought to this committee in April.

21. The risk ***Loss of main income stream from Elderly Services Team (Community Housing & Community Development)*** has now transpired but this will not be reported until Q4 2010.

Risks Escalated from SRR to CRR

22. There are no risks which have been escalated from the SRR to the CRR this quarter.

New Risks

25. There have been no new risks raised on the CRR this quarter.

Removed Risks

27. No risks were removed from the CRR.

Current Risk Profile

29. CRR Risk Profile

There have been 6 risks which have not been reported on in Q3. The risks for the risk profile analysis have been assumed to have not changed since reported in Q2.

a) Q1 Position

PROBABILITY	Almost certain	5					
	Likely	4					
	Possible	3			7	1	
	Unlikely	2		1	1		
	Rare	1					
			1	2	3	4	5
		IMPACT	Insignificant	Minor	Moderate	Major	Catastrophic

Key: Risk Score (impact x probability)

Green ≤3

Yellow 4-9

Orange 10-14

Red ≥15

b) Q2 Position

PROBABILITY	Almost certain	5					
	Likely	4					
	Possible	3		2	4		
	Unlikely	2		4			
	Rare	1					
			1	2	3	4	5
		IMPACT	Insignificant	Minor	Moderate	Major	Catastrophic

Key: Risk Score (impact x probability)

Green ≤3

Yellow 4-9

Orange 10-14

Red ≥15

c) Q3 Position

PROBABILITY	Almost certain	5					
	Likely	4					
	Possible	3		2	4		
	Unlikely	2		4	1	1	
	Rare	1					
			1	2	3	4	5
		IMPACT	Insignificant	Minor	Moderate	Major	Catastrophic

Key: Risk Score (impact x probability)

- Green ≤3
- Yellow 4-9
- Orange 10-14
- Red ≥15

As can be seen the risk profile has changed little in the last quarter. With the only change from Q2 being the new risks approved in Q2 being reported for the first time, raising the number of risks in this profile from 10 to 12.

30. SRR Risk Profile

a) Q2 Position

PROBABILITY	Almost certain	5					
	Likely	4				4	
	Possible	3		5	26	4	
	Unlikely	2		20	31	3	1
	Rare	1	3	6	16	1	
			1	2	3	4	5
		Impact	Insignificant	Minor	Moderate	Major	Catastrophic

Key: Risk Score

- Green ≤3
- Yellow 4-9
- Orange 10-14
- Red ≥15

b) Q3 Position

PROBABILITY	Almost certain	5					
	Likely	4			2	6	
	Possible	3		4	25	4	
	Unlikely	2		24	29	4	1
	Rare	1	2	5	12	1	1
			1	2	3	4	5
		Impact	Insignificant	Minor	Moderate	Major	Catastrophic

Key: Risk Score

Green ≤3

Yellow 4-9

Orange 10-14

Red ≥15

There was no Risk Register returned for Corporate Assets this quarter, so this profile and analysis assumes no change to their risk register.

31. The above chart reflects the position within the service areas as at the end of Q3. There has been an increase in red risks reported in the quarter by 2. There is also 2 category 5 risks now, raised from 1 in Q2. Overall the rest of the profile remains relatively static with the majority of the risks continuing to fall in to the yellow bands. There were 120 risks reported in Q2 and in Q3 showing a stable number of risk being reported corporately.

New Corporate Risk Identification

32. The Directors have undertaken a 'blank sheet' risk identification exercise. The new risks and closure of any risks on the current CRR will be reported with the Q4 updates.

Recommendations

33. Audit & Governance Committee is asked to **note** the contents of this report.

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Background papers: None

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