

**To:** Audit & Governance Committee  
**Date:** 22 September 2014  
**Report of:** Head of Finance  
**Title of Report:** Risk Management Quarterly reporting: Quarter 1, 2014/15

## **Summary and Recommendations**

**Purpose of report:** To update the Committee on both corporate and service risks as at the end of Quarter 1, 30<sup>th</sup> June 2014.

**Key decision:** No

**Executive lead member:** Councillor Ed Turner

**Policy Framework:** Corporate Plan - Efficient, Effective Council

**Report Approved by:**

**Finance:** Nigel Kennedy

**Legal:** Jeremy Thomas

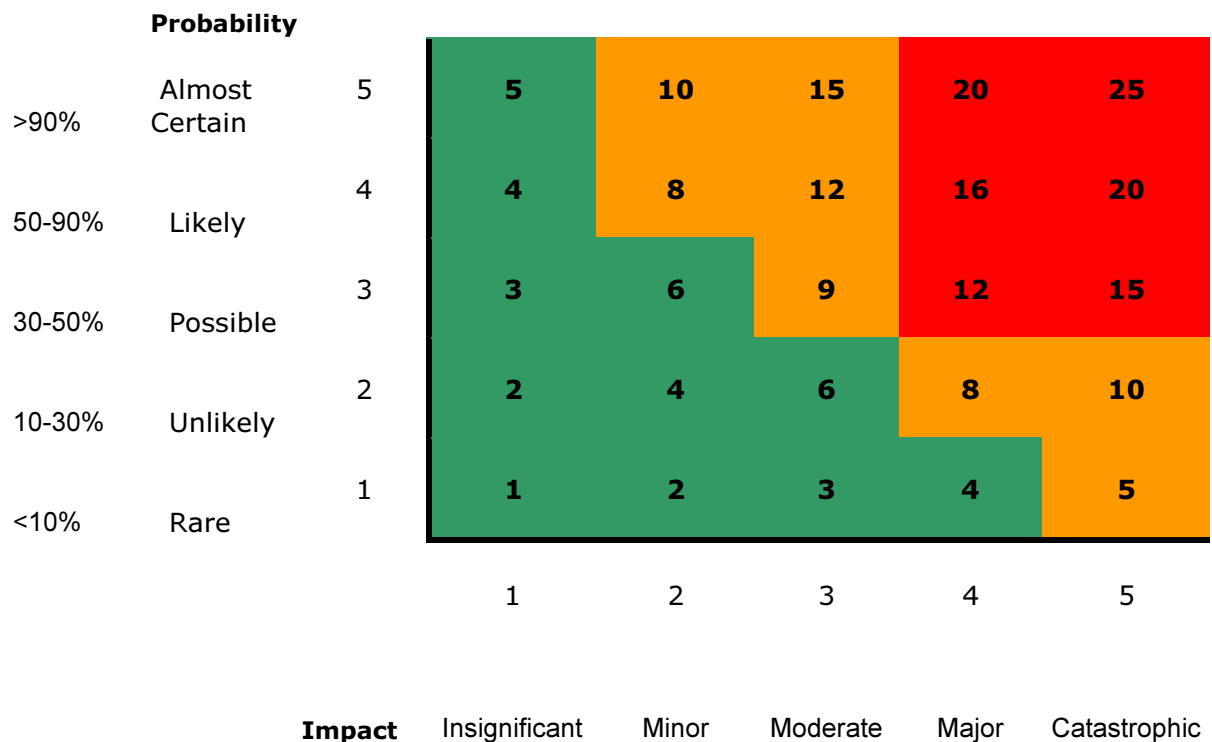
**Recommendation:**

The Committee are asked to note the contents of this report.

**Appendix 1:** Corporate Risk Register

### **Risk Scoring Matrix**

1. The Council operates a 'five by five' scoring matrix. The methodology for scoring risks can be found below along with a copy of the scoring matrix or 'heat map'.
2. You will note it is possible to get the same score but end up in a different position on the heat map. For example if the probability of an event is high but the impact is low it is likely to have a lower score on the heat map. However the higher the potential impact score the more likely the event will be classed as a red risk on the heat map.



### Risk Identification

3. **Corporate Risks** – The Corporate Risk Register (CRR) is reviewed by the Corporate Management Team (CMT) on a quarterly basis, any new risks are incorporated into a revised version of the CRR. Risk owners for corporate risks are generally Directors.
4. **Service Risks** – Service area risks are reviewed periodically by Heads of Service and Service Managers. The Financial Accounting Manager has oversight of all risks and on a quarterly basis will review service risks to determine the need for inclusion in the Corporate Risk Register.
5. **Project and Programme Risk** – The Council adopts the principles of Prince2 methodology for managing projects. Incorporated within this methodology is a robust process for the management of risk within a project environment. Each project is managed by a Project Manager who controls and co-ordinates all aspects of the project through to conclusion.

## Corporate Risk Register

6. The table below tracks the level of corporate risks in the authority for the last 15 months. There are no red risks for Quarter 1 of 2014/15.

| <b>Current Risk</b> | <b>Q1<br/>2013/14</b> | <b>Q2<br/>2013/14</b> | <b>Q3<br/>2013/14</b> | <b>Q4<br/>2013/14</b> | <b>Q1<br/>2014/15</b> |
|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Red                 | 4                     | 3                     | 0                     | 0                     | 0                     |
| Amber               | 7                     | 8                     | 9                     | 5                     | 5                     |
| Green               | 0                     | 0                     | 2                     | 6                     | 6                     |
|                     |                       |                       |                       |                       |                       |
| <b>Total risks</b>  | <b>11</b>             | <b>11</b>             | <b>11</b>             | <b>11</b>             | <b>11</b>             |

7. The current Corporate Risk Register is shown in Appendix A.

## Quarter 1 Service Risk Register

8. Each year as part of the service planning process, all current service risks are reviewed, those no longer relevant are deleted, and any new ones are added. These refreshed service risk registers are then loaded into CorVu for monitoring purposes during the year.
9. This exercise has been completed for 2014/15. The table below shows the number of current risks for Q1 2014/15 compared with 2013/14.

| <b>Current Risk</b>  | <b>Q1<br/>2013/14</b> | <b>Q2<br/>2013/14</b> | <b>Q3<br/>2013/14</b> | <b>Q4<br/>2013/14</b> | <b>Q1<br/>2014/15</b> |
|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Red                  | 9                     | 0                     | 2                     | 0                     | 3                     |
| Amber                | 54                    | 56                    | 48                    | 38                    | 28                    |
| Green                | 30                    | 31                    | 36                    | 46                    | 29                    |
| <b>Total risks</b>   | <b>93</b>             | <b>87</b>             | <b>86</b>             | <b>84</b>             | <b>60</b>             |
| New risks in quarter | 19                    | 0                     | 0                     | 0                     | 0                     |
| Closed               | 0                     | 6                     | 3                     | 2                     | 24                    |

10. There are currently three red risks that originate from the Regeneration and Major projects team. The first risk relates to potential delays to the Westgate re-development project in relation to highways maintenance issues and also and also delays in the signing of an indemnity clause with the developer. Since the writing of this report this risk has now been mitigated.

11. The other two red risks relate to staff and recruiting issues within the Regeneration and Major Projects Team. One relates to staff recruitment and the ability to fill existing vacancies and the other relates to current staff workloads. To mitigate this risk the Team are backfilling with temporary staff and contractors where necessary. In addition a restructuring of the team should assist in the filling of vacancies and it is likely that both these risks will be downgraded during the next quarter.

### **Financial Implications**

12. The robust management of risk should assist in mitigating any financial impact to the Council should the event occur

### **Legal Implications**

13. There are no legal implications directly relevant to this report

|   |
|---|
| <b>Name and contact details of author:-</b> |
|---|

|                        |
|------------------------|
| Name: Shaun Vinnicombe |
|------------------------|

|                                       |
|---------------------------------------|
| Job title: Risk and Insurance Officer |
|---------------------------------------|

|                                    |
|------------------------------------|
| Service Area / Department: Finance |
|------------------------------------|

|  |
|--|
| Tel: 01865 252048 e-mail: <a href="mailto:svinnicombe@oxford.gov.uk">svinnicombe@oxford.gov.uk</a> |
|--|

**List of background papers: None**