To:	City Executive Board

To: **City Executive Board**

Date: **9th March 2011**   **Item No: 13**

Report of: **Head of Finance**

Title of Report: **Risk Management Quarterly Reporting: Quarter 3 2010-11**

Summary and Recommendations

Purpose of report: To provide a summary of the changes to the Corporate Risk Register (CRR) and Service Risk Registers (SRR) submitted as part of the Quarter 3 update.

Key decision No

Executive lead member:

Policy Framework: Improving value for money and service performance

Recommendation(s):
a) City Executive Board are asked to note that Risk registers are being regularly monitored, and actions to reduce risk are taking place.

Appendix A – Corporate Risk Register

Summary

1. This report represents the third quarter review of the Corporate Risk Register (CRR) and the Service Risk Register (SRR).

2. There are 19 Corporate Risk Register risks being reported this quarter. Seven of these risks have a residual risk status of red (as determined under the Risk Management Strategy adopted on the1st April 2010)

3. There are eight risks which have been escalated from Service Risk Registers to the Corporate Risk Register this quarter.

Background
Risk Management Group Activity

5   The Council's Risk Management Strategy requires that the Risk Management Group meets monthly and reports quarterly on its activities together with an updated Corporate Risk Register to the City Executive Board (CEB). The updates to the Corporate Risk Register are a consequence of the Corporate Management Teams review of both the current Corporate Risk Register and risks escalated by the Risk Management Group from Service Risk Registers.

Service Risk Registers

6   Service Risk Registers have been reviewed at the end of quarter 3 (31st December 2010) for all service areas. As part of the update the risk owners have been asked to review their current risks, review progress against action plans and to report on their status.

7   The action plans to deal with each risk are not published in detail in this report but actions are progressing as expected and there are no concerns to report to CEB.

8   The Service Risk Registers cover all the risks raised by Service Heads. There are 15 risks with a current status of red, these are spread over five service areas. Each risk has an action plan and the impact of the action plans is to aim to reduce the current risk down from red.

9   The report focus is on risks which have a red status for residual and current risk status. A red or high risk is deemed to occur where the product score of the impact and probability is 12 or greater and the impact is 4 or greater. There are eight risks of this nature and these have been escalated from the Service Risk Register to the Corporate Risk Register this quarter, these are risks CRR-012 through to CRR-018 and are summarised as :

Table 1 Service Risks transferred to Corporate Risk Register

Risk Code	Nature	Gross Risk	Residual Risk	Current Risk
CRR-012	Failure to achieve budget reductions over four year period	12	9	9
CRR-013	Homelessness Projects	15	12	16
CRR-014	Management of HRA reform and self-financing	12	12	12
CRR-015	Overspends on construction related projects	12	12	12
CRR-016	Capital Receipts	12	12	12
CRR-017	Impact of other public sector bodies cutting their services	12	12	12
CRR-018	ICT Failure	12	12	12
CRR-019	Document destructiuon and storage of documents	12	12	12

CMT have reviewed these risk and at this stage consider that all new risks raised from Service Risk Registers should remain on the Corporate Risk Register with the exception of CRR-019 which is considered to be manageable at operational level

Corporate Risk Register

10 There are 19 risks on the CRR in Q3 2010/11. There are :

- 7 risks with a current status of red (highlighted in dark shading) as defined by the Risk Management Strategy. Each risk has an action plan and the impact of the action plan is to reduce the current risk score for all risks to a manageable residual level
- 7 risks transferred from the service risk register shown in table 1 above
- 5 risks (shown in light shading) that have been flagged for removal from the risk register as the risk is deemed to be manageable. These are :

Risk Code	Nature	Gross Risk	Residual Risk	Current Risk
CRR-001	Delivery of successful Elections	8	3	8
CRR-002	Declining role of district councils	15	8	15
CRR-003	One organisation approach	16	6	16
CRR-008	Innovation	16	6	16
CRR-019	Document Destruction and storage of documents	12	12	12

Financial Implications

11 There are no financial implications relevant to this report,

Legal Implications

12 There are no legal implications relevant to this report.

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List of background papers:
Version number: