

To: City Executive Board
Date: 12th September 2012
Report of: Head of Finance
Title of Report: RISK MANAGEMENT QUARTERLY REPORTING:
QUARTER 1 2012/2013

Summary and Recommendations

Purpose of report: To update members on both corporate and service risks as at the end of quarter 1, 30th June 2012.

Key decision: No

Executive lead member: Councillor Ed Turner

Policy Framework: Improving value for money and service performance

Recommendation(s):

The City Executive Board are asked to note the contents of this report

Appendix A Corporate Risk Register

Appendix B Service Risk Register – Red Risks

Risk Management Strategy

- 1) The Risk Management Strategy was approved at the City Executive Board on 23rd April 2012 with the stated aims of:
 - fully embedding Risk Management into the culture, processes and procedures of the Council, so that threats and opportunities are proactively managed thereby strengthening the Council's ability to deliver its objectives and strategic priorities.
 - providing a clear and consistent approach to the management of risk across the organisation and through organisational boundaries.
- 2) A copy of the updated Strategy can be found on the intranet:
<http://occweb/intranet/riskmanagementstrategy.cfm>

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 held at Director level.
- 4) **Service Risks** – Service area risks are reviewed periodically by Heads of Service and Service Managers. The Risk Manager will have 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. Programme/project risk registers, including risk registers for Procurement Projects, are created for each new project and are reviewed as part of the project life cycle. These are documented on the Project/Programme Risk Register (PRR).

Corporate Risk Register

- 6) A review of the Corporate Risks at the end of Quarter 1 2012/13 compared to Quarter 4, 2011/12 has shown that two Green risks have moved up to Amber, however one Red risk has reduced to Amber, this indicates an overall increase in the Council's net risk, this is shown in the table below:

Current Risk	Q1 2012	Q4 2011
Red	1	2
Amber	4	1
Green	0	2
Closed	0	0
Total risks	5	5

- 7) The current Corporate Risk Register (Appendix A) shows one red risks, this is :
 - Impact on Homelessness of changes in Housing Benefit - Changes in housing benefit and universal housing benefit increase homelessness
- 8) The red risk that has moved from Red to Amber is:
 - Health & Safety - Existence of operational risks (relating to internal as well as public concerns – property not vehicle)
- 9) Continued progress is being made on the risk that remains red in Q1, with the intention of reducing this to an amber risk.

10) The two risks moved from Green to Amber are:

- Deliver of key projects; ability to deliver cross cutting projects – People and the Council are not developed sufficiently to make risk based decisions, carry out options appraisals. Decision making can be poor. Innovation is not encouraged, low risk appetite.
- Supplier Management – Ability of the Council to manager large contracts and to obtain best value from those contracts

11) This is due to some of the mitigating actions not having been completed as anticipated, however, they are in hand and should to be completed very soon.

Quarter 1 Service Risk Register

12) A review of Service risks at the end of Quarter 1 compared to Quarter 4 has shown an overall increase in the net risk position in the service areas.

Current Risk	Q4 2011	Q1 2012
Red	6	6
Amber	32	52
Green	35	30
Total risks	73	88
Closed	26	0

13) Through the annual service planning process all risk have been reviewed. Those no longer required have been closed, those remaining have been reviewed and any new risks have been identified. This has led to an increase in the overall service risks including an increase in Red and Amber risks. A list of the current red risks are shown in Appendix B. All of these risks are being managed and mitigating actions being monitored.

Financial Implications

14) There are no financial implications directly relating to this report.

Legal Implications

15) There are no legal implications directly relevant to this report.

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List of background papers:

Version number:

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