

**REPORT TO THE RESOURCE AND PERFORMANCE SCRUTINY PANEL  
MEETING ON 16 JULY 2015**

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**Status:** For Comment  
**Title:** Corporate Risk/ Opportunity Register, Quarter Four 2014/15  
**Originator:** Beverley Jolly, Corporate Director - Resources  
**Where from:** Corporate Management Team  
**Where to next:** Executive

Objective: to provide the Scrutiny Panel with information on the Council's Corporate Risks/ Opportunities at the end of Quarter Four of the 2014/15 year.

1. Outcome sought from Panel

1.1 Consideration of the attached Corporate Risk/ Opportunity Register at the end of Quarter Four of the 2014/15 year.

2 Background

2.1 The Panel is provided with the Corporate Risk/ Opportunity Register at the end of Quarter Four of the 2014/15 year.

2.2 The Corporate Risk/ Opportunity Register, set out at Appendix A to this report, sets out the key Council's key Corporate Risks and Opportunities. Corporate Risks and Opportunities are defined as risks/opportunities that may have a significant impact on the delivery of the Council's vision and priorities. They are identified, monitored and managed by the Risk/Opportunity Strategy Board on a quarterly basis.

2.3 The Corporate Risk/ Opportunity Register was last considered by the Risk/ Opportunity Strategy Board on Wednesday 27<sup>th</sup> April 2015. At this meeting a number of amendments to the Register were made to reflect progress on mitigating actions which have been identified to reduce the likelihood that the risk will occur, the impact the risk would have if it were to occur, or both.

2.4 At the end of the fourth quarter of the 2014/15 year there were 16 risks and opportunities on the Corporate Risk and Opportunity Register. Full details of the risks and opportunities, including scores and mitigating actions, are attached at Appendix A.

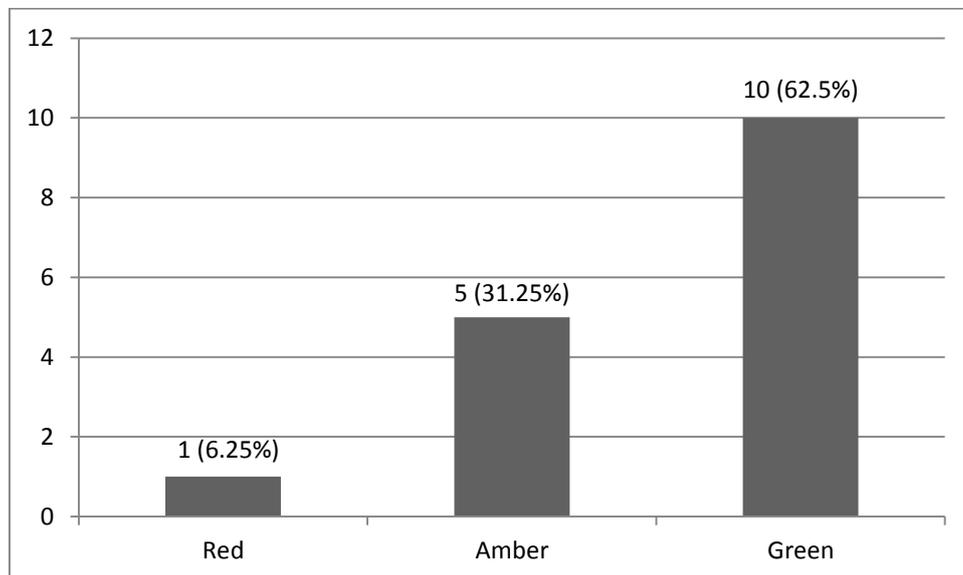
2.5 The Council's Risk and Opportunity Management Framework is subject to annual review and the current version was approved by the Executive on 9 February 2015.

- 2.6 The Council's Risk and Opportunity Management Framework uses a matrix which scores both impact and likelihood out of 4.
- 2.7 The Council's Risk and Opportunity Management Framework categorises risks in the following way:

Score	Risk Category
9 or above	Red
5-8	Amber
1-4	Green

### 3 Points for discussion

- 3.1 The chart below provides an overview of the status of the Council's 16 Corporate risks/ opportunities:



#### 3.2 **Red Risks/ opportunities**

Of the 16 risks/ opportunities on the Corporate Risk Register, one has been assessed as a Red Risk (residual score of 9 or above). This means that the risk is still at a high level and requires close attention, even after actions have been identified to minimise its impact and the chance that it will occur. The red risk is:

**CR 05 Significant Changes to National Financial Situation.** The residual score of this risk is 12, meaning that this risk remains of significant importance to the Council.

#### 3.3 **Amber Risks**

Of the 16 risks/ opportunities on the Corporate Risk Register, five have been assessed as Amber with a residual score of between 5 and 8. The five Amber Risks are shown below:

### **3.3.1 CR OPP 01: Business Growth Leading to Business Rates Retention**

This opportunity has a residual impact of 2 (Moderate) and a residual likelihood of 3, with a residual score of 6. The resulting Amber status suggests that more can be done to influence the opportunity.

Commentary on this opportunity can be viewed at Appendix A.

### **3.3.2 CR OPP 02: Acquisition of Assets to Generate Income Opportunities**

This opportunity has a residual impact of 2 (Moderate) and a residual likelihood of 3, with a residual score of 6. The resulting Amber status suggests that more can be done to influence the opportunity.

Commentary on this opportunity can be viewed at Appendix A.

### **3.3.3 CR 01 The Council does not meet its income Generation Aspirations and Targets**

This risk has a residual impact of 2 (Moderate) and a residual likelihood of 3, with a residual score of 6. The resulting Amber status suggests that more can be done to influence the risk.

Commentary on this risk can be viewed at Appendix A.

### **3.3.4 CR 09 Poor management and monitoring of major contracts (leading to loss of service, financial and/or reputational damage)**

This risk has a residual impact of 2 (Moderate) and a residual likelihood of 3, with a residual score of 6. The resulting Amber status suggests that more can be done to influence the risk.

Commentary on this risk can be viewed at Appendix A.

### **3.3.5 CR 18 Failure to procure an affordable waste and environmental service within budget and timescale**

This risk has a residual impact of 2 (Moderate) and a residual likelihood of 3, with a residual score of 6. The resulting Amber status suggests that more can be done to influence the risk.

Commentary on this risk can be viewed at Appendix A.

### 3.4 **New Risks/ Opportunities**

Two opportunities have been added to the Corporate Risk Register in the fourth quarter of the 2014/15 year. Both of the new opportunities, shown below, are considered to be Amber status.

- CR OPP 01: Business Growth Leading to Business Rates Retention
- CR OPP 02: Acquisition of Assets to Generate Income Opportunities

### 3.5 **Risks/ Opportunities Removed**

No Corporate risks or opportunities were removed from the Corporate Risk and Opportunity Register at the end of Quarter Four of the 2014/15 year.

### 3.6 **Managing Operational Risks & Project Risks**

3.7 In addition to the Corporate Risks and Opportunities attached at Appendix A, the Council monitors and manages Operational Risks and Opportunities identified through the Corporate Delivery Plan and Team Plans.

3.8 Project Risks and Opportunities, identified through corporate projects, are monitored by an Officer-led Programme Board. This Board was created during Quarter Four of the 2014/15 year.

3.8 Operational Risks and Opportunities are updated on a quarterly basis alongside quarterly performance updates. Project Risks are updated on either a monthly or a quarterly basis as part of their associated highlight reports.

3.9 Operational Risks and Opportunities are managed through the Performance Improvement Board on an exception basis i.e. Red Risks (those with a residual score of 9 or more) and those with a negative direction of travel.

3.10 Corporate, Operational and Project Risks and Opportunities are all included in the full Risk Register which is held on the Council's TEN Performance Management System.

## 4 Equality Impact Assessment Implications/Outcomes (attach completed EIA)

4.1 No specific equality implications arising from this report. Effective risk management will help to ensure that the Council is meeting its duties as set out in the Equality Act 2010.

## 5 Impact on Communities

5.1 Effective risk management will enable us to identify and manage the occurrence of risks that could impact on the achievement of our priorities.

6 Legal Issues

6.1 None arising directly from this report. Effective risk management will minimise the risk of legal issues and litigation occurring.

7 Resource Issues

7.1 None arising directly from this report. Effective risk management will allow the Council to better manage its resources.

8 Community Safety Implications

8.1 None arising directly from this report.

9 Carbon Management Implications

9.1 None arising directly from this report.

10 Risk Management Implications

10.1 This report sets out the Council's Corporate Risks at Appendix A and background information on the scoring criteria at Appendix B.

11 Consultation

11.1 Corporate Risks are monitored and managed by the Risk Strategy Board, comprising of Corporate Management Team, the Business Planning Officer and the Business Development and Programme Manager, through quarterly meetings. All other risks are monitored by Council officers.

12 Background Papers

The current version of the Council's Risk and Opportunity Management Framework was approved by the Executive on 9 February 2015.

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**Previous report(s):**

- Risk and Opportunity Reports: Quarters One, Two and Three 2014/15.

**Information Issued Under Sensitive Issue Procedure: N**

**Appendices:**

- A. Corporate Risk Register**
- B. Risk Scoring Criteria**