

By: Paul Carter, Cabinet Member for Business Strategy,
Audit and Transformation
David Cockburn, Corporate Director Business Strategy &
Support

To: Governance and Audit Committee – 18th December 2013

Subject: **CORPORATE RISK REGISTER**

Classification: Unrestricted

Summary:

Governance & Audit Committee receives the Corporate Risk Register every six months for assurance purposes. The register has recently been refreshed and is presented to the Committee along with an overview of the key changes and an outline of the ongoing process of monitoring and review.

FOR ASSURANCE

1. Introduction and background

1.1 The Corporate Risk Register is maintained by the Corporate Risk Team on behalf of Cabinet and the Corporate Management Team. The register is formally reviewed annually, but is a 'living document' and is reviewed and updated in-year to reflect any significant new risks or changes in risk exposure that may arise due to internal or external events; and to track progress against mitigating actions.

2. Corporate Risk Register Refresh

2.1 The Corporate Risk Register has been refreshed to take into account comments from Cabinet Members and the Corporate Management Team and information gathered from Directorate Management Teams. It was presented to Cabinet on 2nd December 2013.

2.2 The Corporate Risk Register contains eleven risks. The main changes since last reported to Governance & Audit Committee in July are:

- Data and Information Management – current risk level reduced to reflect the significant work undertaken to address this risk via the Senior Information Risk Officer (SIRO) action plan. The aim is now to contain this risk at the current level.
- Safeguarding – current level of risk reduced from red to amber due to progress made against children's improvement plan and acknowledged by Ofsted inspections, although constant vigilance is required.
- Future operating environment for local government – this risk reflects the significant challenges to be faced by the County Council in the coming years and the scale and complexity of change required to respond to challenges faced by the authority. The aim is to reduce the level of risk over the coming months as the *Facing the Challenge* transformation programme moves forward.

- Governance & Internal Control – it is proposed that this risk be reinstated on the corporate register to reflect its particular importance throughout a period of significant change.
- Integration Transformation Fund – the previous ‘health reform act’ risk centred on the transition of Public Health duties to KCC. This risk is now being remodelled to cover risks to achieving required outcomes from health & social care integration.
- Delivery of savings 2014/15 – a specific date has been applied to this risk to reflect feedback from CMT and Cabinet Members that we must ‘keep our eye on the ball’ to deliver savings during this period.
- Ash Dieback disease – this risk is being closely monitored by the local strategic coordinating group led by the KCC Emergency Planning and Environment functions. The risk is listed in the Enterprise and Environment directorate register and divisional risk registers in both the Customer & Communities and Enterprise & Environment directorates, and is now being removed from the corporate register.
- Economic Growth Infrastructure – this risk is being narrowed to concentrate on the risk of Community Infrastructure Levy payments, section 106 contributions and other key growth levers not covering the cost of infrastructure needed to support growth rather than the previously broader risk relating to the economic climate.

2.2.1 It is also proposed to split the management of social care demand risk into adult and children’s perspectives due to the different drivers behind the risks and therefore potentially different mitigations required.

2.3 There are four areas of risk currently rated as ‘high’. These are:

- Future operating environment of local government;
- Management of social care demand;
- Delivery of 2013/14 and 2014/15 savings;
- Procurement

2.3.1 Further details of these risks, including controls and mitigating actions, are contained in appendix 1.

3. Monitoring & Review

3.1 There is a particular focus on ensuring that key mitigating actions are identified and progress monitored. The risks within the Corporate Risk Register, their current risk level and progress against mitigating actions are reported quarterly to Cabinet via the Quarterly Performance Report.

3.2 The Corporate Risk Team works with directorates to regularly review directorate and divisional risk registers that underpin the corporate register, from which risks can be escalated in accordance with KCC’s Risk Management Policy. Directorate risk registers are to be presented to Cabinet

Committees in April, at the same time that engagement of Cabinet Committees in directorate Strategic Priorities Statements is taking place.

- 3.2 Corporate risks led by each Corporate Director are also due to be presented to the relevant Cabinet Committees in April alongside presentation of directorate risk registers.

4. Recommendations

- 4.1 The Governance and Audit Committee is asked to NOTE the assurance provided in relation to the development and maintenance of the Corporate Risk Register.

Richard Hallett
Head of Business Intelligence
Richard.Hallett@kent.gov.uk
Tel: 01622 694134

Contact Officer:

Mark Scrivener
Corporate Risk Manager
mark.scrivener@kent.gov.uk
Tel: 01622 696055