

REPORT TO:	GENERAL PURPOSES AND AUDIT COMMITTEE 20 September 2017
AGENDA ITEM:	13
SUBJECT:	Corporate Risk Register
LEAD OFFICER:	Executive Director Resources & S151 Officer
CABINET MEMBER	Councillor Simon Hall, Cabinet Member for Finance and Treasury
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT:	
<p>This report presents the corporate risk register as at 20 September 2017 as part of the General Purposes and Audit Committee's role of overseeing the risk management framework and receiving assurance that significant corporate (Red) risks are identified and mitigated by the organisation. This process will ensure that the risk management function will continue to contribute to the achievement of the Council's vision, key priorities and objectives.</p> <p>In line with the Council's commitment to openness and transparency, the corporate risk report will appear in Part A of the agenda unless there is specific justification for any individual entries being considered under Part B (set out under Paragraph 3 of Schedule 12A of the Local Government Act 1972 as amended).</p>	
FINANCIAL SUMMARY: No additional direct financial implications.	
FORWARD PLAN KEY DECISION REFERENCE NO.: N/A	

1. RECOMMENDATIONS

The Committee is asked to note the contents of the corporate risk register as at 20 September 2017

2. EXECUTIVE SUMMARY

2.1 The report updates the General Purposes & Audit Committee Members on the corporate risk register (the register) as at 20 September 2017.

3. DETAIL

Risk Register Report

- 3.1 The register presented details all the current corporate risks rated at a total risk score of 20 and above (Red Risks).
- 3.2 Since the register was last considered by Members, the following risk(s) have been escalated
- **RCSP0120: In year budget and future demand pressure in relation to SEN Transport. Independent travel programme not achieving projected cost avoidance and cost reduction target.**

The risk was reviewed at Departmental Management Team (DMT) meeting on 01/08/2017 and assessed at a risk score of 20 and is now scored at 25. The decision to increase the risk rating was deemed necessary as the forecasting and controls mechanism for Special Educational Needs transport requirements was not substantial enough to support the service where increased demands (including appeals) were being experienced in terms of volumes and requirements of 'statemented' SEN category children / young persons.

The following risk(s) have been de-escalated since the report was last considered by Members

- **RCSCFS0094: Britain's EU referendum (23/06/2016) resulted in the decision for the UK to exit membership from the EU. Article 50 (Treaty of Lisbon) was triggered by the UK Government on 29/03/2017 formalising the process for exit negotiations for the UK with the remaining EU member countries and must be completed no later than April 2019.**

The risk was reviewed at Resources Department Leadership Team (DLT) meeting on 01/08/2017 and assessed as high amber (risk score of 15, previously scored at 20) in light of the commencement of negotiations and the ongoing process of organisational preparedness in respect of the exit schedule.

- **SASHN0043: Affordable housing: Challenge to future supply due to:**
 - (i) **Changes in housing market resulting in new developments not including housing/affordable housing element.**
 - (ii) **Reduced levels of affordable housing achieved through planning obligations (such as s106s and CIL) because of difficulty with viability issues.**
 - (iii) **Reduced ability to deliver affordable housing through the new Homes & Community Agency Funding and delivery model due to reduced grant funding.**
 - (iv) **Local market dynamics whereby private sector landowners/developers may follow alternative development uses, e.g., commercial uses or temporary uses.**

(v) Housing and Planning Act implications still not completely clear for example 'higher value levy' on council owned housing stock may result in housing being sold off.

The risk was reviewed by the Director of Housing Needs on 08/09/2017 and assessed as high amber (risk score of 16, previous scored at 20) as the activities undertaken by partner organization's such as Brick by Brick, LLP Croydon Affordable Homes and the Croydon Hub would alleviate some of the issues identified in respect of supply.

- **DASSHN0039: Lack of supply of temporary accommodation and affordable private and public sector accommodation worsens, increasing use and costs of emergency accommodation and resulting in further budget pressures.**

The risk was reviewed by the Director of Housing Needs on 08/09/2017 and assessed as high amber (risk score of 16 previously scored at 20) as the activities undertaken by the Council in terms of:

- Housing stock purchases (ETA 2);
- Concord, Windsor and Sycamore House leases have been re-gearred to ensure longevity of Council use at a more economically viable rate incorporating more favourable terms and conditions.

3.3 In line with the Council's commitment to openness and transparency, the register will appear with the corporate risk report in Part A of the agenda unless, in accordance with the Access to Information Procedure Rules in the Council's Constitution there is specific justification for any individual entries being considered under Part B (set out under Paragraph 3 of Schedule 12A of the Local Government Act 1972 as amended).

3.4 It should be noted that some of the grounds for exemption from public access are absolute. However, for others such as that in para.3, 'Information relating to the financial or business affairs of any particular person (including the authority holding that information)', deciding in which part of the agenda they will appear, is subject to the further test of whether, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

4. FINANCIAL CONSIDERATIONS

4.1 There are no additional financial considerations arising from this report.

(Approved by Lisa Taylor – Director of Finance, Investment & Risk and Deputy S151 Officer)

5. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

5.1 The Council Solicitor advises that there are no additional legal considerations arising from this report.

(Approved by: Jacqueline Harris-Baker, Director of Law & Monitoring Officer)

6. HUMAN RESOURCES IMPACT

6.1 There are no additional Human Resources implications arising from this report.

(Approved by: Sue Moorman, Director of HR)

7. EQUALITIES, ENVIRONMENTAL AND CRIME AND DISORDER REDUCTION IMPACTS

7.1 None

8. RISK ASSESSMENT

8.1 No further risk issues other than those detailed in the report.

8.2 The corporate Risk Management Team (RMT) incorporates a '**horizon scan**' strategy in respect of the risk management activities undertaken as part of the Council's Risk Management Framework.

The horizon scan strategy is implemented through the distillation of cross – organisational & external professional networks maintained by the RMT. This strategy incorporates a multi-faceted approach including:

- Intelligence sharing (especially in respect of significant events / incidents) with other local authorities such as the Local Government Association;
- Collaborative working particularly the London Boroughs network, London Councils and the Greater London Authority;
- Research conducted via professional and generic media mechanisms for example The Association of Local Authority Risk Mangers, CIPFA;
- Regular attendance at DMT's / DLT's on a quarterly basis;
- Participation in the relevant 'working group' activities / projects for example major systems implementation such as Oracle Cloud, or policy/legislative change implementation such as IR35 compliance; and
- The ability to 'add value' and strategic direction and guidance is an integral aspect of the risk management consultancy available to senior officers.

9. FREEDOM OF INFORMATION/DATA PROTECTION CONSIDERATIONS

9.1 Information contained in the Council's Risk register or held in relation to the Council's risk management procedures may be accessible under the Freedom of Information Act subject to the application of any relevant exemptions, such as commercial sensitivity and whether disclosure was in the 'public interest'.

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BACKGROUND DOCUMENTS:

None.

APPENDICES:

Appendix 1 Corporate Risk Register