

**EXETER CITY COUNCIL**  
**AUDIT AND GOVERNANCE COMMITTEE**  
**12 MARCH 2014**

**CORPORATE RISK REGISTER**

**1. PURPOSE OF THE REPORT**

- 1.1 To advise the Committee of the Council's risk management progress and present the updated Corporate Risk Register.

**2. BACKGROUND**

- 2.1 The Risk Management Policy makes this Committee responsible for:
- approving the Corporate Risk Register
  - monitoring the effectiveness of risk management throughout the Council
- 2.2 The Corporate Risk Register provides details of those risks which could have a major impact on the city or the Council and need to be monitored and managed at a senior management/political level. Risks which could have an impact on a service, but which would not necessarily impact on a council-wide or city basis, are contained in the operational risk register and managed by Assistant Directors and Managers.

**3 DEVELOPMENT OF THE RISK REGISTER**

- 3.1 Assistant Directors, Corporate Managers, the Deputy Chief Executive and the Chief Executive and Growth Director have reviewed the Council's risks.
- 3.2 The Corporate Risk Register has been updated to align risks with the delivery of the Council's purposes.
- 3.3 A notes column has been added to the register to enable Councillors to see how a risk has been managed since the last reporting period and identify any issues that need consideration.
- 3.4 Post mitigated scores have been included where appropriate. However, in a few cases it is not possible to include post mitigated scores because the actions/controls have not yet been completed.
- 3.5 Some risks have been mitigated to such a level that they are now considered to be low risks. These risks have been removed from the Corporate Risk Register and placed on the Operational Risk Register instead. These risks are detailed below:
- Low planning fee income and future obligation to return fees after 6 months.
  - Only two contractors remain on the kitchen and bathroom programme
- 3.6 The full Corporate Risk Register can be found at Appendix A.

#### **4. NEW RISKS**

3.1 A number of new risks to the Council have been identified and these are detailed below:

##### **3.2 Culverted watercourses**

South West Water are seeking to retrospectively change the status of some surface water sewers to culverted watercourse. As well as transferring the responsibility for their upkeep to the riparian owners when the property is sold, SWW are also seeking to argue that the Council acted illegally when it transferred the sewers in 1974. This could have legal and cost implications for the Council.

##### **3.3 Overpayment of Housing Benefits**

Overpaying housing benefit claims can present a serious financial risk to the Council because the subsidy paid by DWP is not paid to the Council.

##### **3.4 Failure to deliver replacement pool**

The delivery of a replacement pool is a priority for the Council and failure to deliver the project on time and within budget could have a damaging reputational impact on the Council as well as serious cost implications.

##### **3.5 Safeguarding**

Section 11 of the Children Act 2004 requires a range of organisations, including district councils, to make arrangements for ensuring that their functions, and services provided on their behalf, are discharged having regard to the need to safeguard and promote the welfare of children. Failure to have sufficient procedures in place could leave the Council at risk of legal action should a child or vulnerable adult be harmed or abused because the Council failed to take appropriate action.

##### **3.6 Shared ICT service**

Further work will be undertaken to define exactly how this risk could impact on the Council. An update will be provided at the next Audit and Governance Committee.

#### **4. MITIGATION OF EXISTING RISKS**

4.1 A full summary of the actions taken to mitigate all of the Council's risks can be found on the Corporate Risk Register. Some of the key actions are detailed below.

##### **4.2 Flood Prevention Scheme**

A collaboration agreement has been established which is explicit on there being no Council liability should an overspend occur.

##### **4.3 Council unable to meet financial commitments**

Work is currently underway to establish a model for predicting future business rates income to ensure that it is in line with the Medium Term Financial Plan expectations.

4.4 Ability to recover from ICT power outage

A back-up generator is planned for the ICT data centre as part of the shared service proposal.

4.5 The Council's information is not managed effectively

A Senior Information Risk Officer (SIRO) is now in place and is awaiting training. The Information Security Forum will review this risk and report back to the next Audit and Governance Committee.

**5. RECOMMENDATIONS**

- 5.1 That the Audit and Governance Committee reviews the updated Corporate Risk Register.

Corporate Manager Policy, Communications and Community Engagement.

**Local Government (Access to Information) Act 1985 (as amended)**  
**Background papers used in compiling this report: None**