

**Report To:** Corporate Governance Committee

**Date of Meeting:** Wednesday 25 April 2018

**Lead Member / Officer:** Julian Thompson Hill, Lead Member for Finance & Efficiency / Alan Smith, Head of Business Improvement & Modernisation

**Report Author:** Nicola Kneale, Strategic Planning Team Manager

**Title:** Corporate Risk Management Framework

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**1. What is the report about?**

1.1 This report is about the Strategic Risk Management Framework used in Denbighshire County Council. The framework governs how we manage risk at the corporate and service level.

**2. What is the reason for making this report?**

2.1 This report summarises how the Corporate Risk register is monitored and managed and therefore represents an annual report for Corporate Governance Committee to consider how Risk is managed in the Authority.

2.2 A formally updated version of the Corporate Risk Register was agreed at Cabinet Briefing on 9 April 2018 and will be presented for consideration at Performance Scrutiny on 26 April 2018.

**3. What are the Recommendations?**

3.1 It is recommended that Members discuss the report and consider whether any further actions are required to provide assurance about the risk management framework.

**4. Report details**

4.1 The Corporate Risk Register enables the council to manage the likelihood and impact of risks that it faces by evaluating the effect of any current mitigating actions, and recording deadlines and responsibilities for further action that should enable tighter control.

4.2 The Corporate Risk Register has been developed by, and is owned by, the Corporate Executive Team. The process for reviewing the Corporate Risk Register is as follows:

- Services are encouraged to review their risk registers twice per year (according to the Corporate Risk Management methodology) prior to each Corporate Risk Register review, and also prior to their Service Performance Challenge meetings. Any issues or queries are discussed in the Service Performance Challenge meetings.
- The Strategic Planning Team analyses all service risk registers to identify any risks of corporate significance, or any risk themes emerging across services.

- Updates on current corporate risks are collected from risk owners, and updates on mitigation actions are collected from action owners.
- Individual meetings are held with the Chief Executive and Directors to discuss the risks for which they are lead. Consideration is given to whether the risk remains, whether the scores are accurate, and whether any new risks under their jurisdiction need to be included.

- 4.3 The Corporate Risk Register is formally reviewed twice yearly by Cabinet and CET. However, any significant new or escalating risks are brought to the attention of CET (via the Strategic Planning Team) as and when they are identified. CET then take a view as to whether that risk should be included in the Corporate Risk Register.
- 4.4 Following each formal review of the Corporate Risk Register (twice per year), the revised document is presented to Performance Scrutiny. See Appendix 1 and 2 for the latest documents and background information presented to Cabinet Briefing in April.
- 4.5 Actions identified to address corporate risks are included in Service Plans (where appropriate), which enables Performance Scrutiny Members to monitor progress. Any performance issues in relation to the delivery of these activities should be highlighted as part of the Service Performance Challenge process.
- 4.6 The council's Internal Audit function provides independent assurance on the effectiveness of the internal control procedures and mechanisms in place to mitigate risks across the council. It also offers independent challenge to ensure the principles and requirements of managing risk are consistently adopted throughout the council. Internal Audit Services also use information from our service and corporate risk registers to inform its forward work programme.
- 5. How does the decision contribute to the Corporate Priorities?**  
The purpose of the Corporate Risk Register is to identify the potential future events that may have a detrimental impact on the council's ability to deliver its objectives, including its corporate priorities. The identified controls and actions are therefore crucial to the delivery of the corporate priorities.
- 6. What will it cost and how will it affect other services?**  
The cost of developing, monitoring and reviewing the Corporate Risk Register is absorbed within existing budgets.
- 7. What are the main conclusions of the Well-being Impact Assessment?**  
This report is for information only and does not require a Well-being Impact Assessment.
- 8. What consultations have been carried out with Scrutiny and others?**  
Details of the consultation process to review the Corporate Risk Register are contained in paragraph 4.2.

**9. Chief Finance Officer Statement**

There are no financial implications arising from the process outlined in this report for developing, monitoring and reviewing the Corporate Risk Register.

**10. What risks are there and is there anything we can do to reduce them?**

The main risk associated with the risk management process is that the registers are not regularly reviewed and do not therefore become a dynamic and meaningful management tool. However, the process is fully integrated into the council's performance management framework, which should mitigate against this.

**11. Power to make the Decision**

Local Government Act 2000.