Digital Innovation and Efficiency Committee

Report title:	Risk Management Update
Date of meeting:	11 July 2018
Responsible Chief Officer:	Executive Director, Finance and Commercial Services

Strategic impact

Risk management contributes to achieving the Digital Innovation and Efficiency Committee's objectives, and is a key part of the performance management framework. Assurance on the effective governance of risk management helps the Committee undertake some of its key responsibilities.

Executive Summary

This report provides the latest corporate and departmental level risks, relating to this Committee, as at July 2018, following the review conducted in June 2018. Risk management is reported in its own right but the reporting is aligned with, and complements, the performance and financial reporting to the Committee.

Recommendations:

Committee Members are asked to consider:

- **The risks identified and reported to this Committee at corporate and departmental level at Appendix A**
- **A reconciliation of progress in the management of the risks identified in Appendix A since the last Committee meeting, in Appendix B**
- **if any further action is required (Appendix C)**
- **The background information in Appendix D**

1.   Proposal

1.1.   The relevant Departmental Management teams have been engaged in the updates to the corporate and departmental level risks within this report. Any additional risks identified will be added to be reported at future Committee meetings appropriately.

2.   Evidence

2.1.   Direction and Development

2.1.1.   This report reflects two key business risks, relating to this Committee, that are managed in both the Finance and Commercial Services, and Community and Environmental Services departments. Key business risks materialising could

potentially result in the departments failing to achieve one or more of their key objectives and/or suffer a financial loss or reputational damage. Two risks are presented in **Appendix A,** which contains a full description of each risk, with the tasks to mitigate it and the progress of each mitigation;

- **RM010 - The risk of the loss of key ICT systems including:**
  - internet connection;
  - telephony;
  - communications with cloud-provided services; or
  - the Windows and Solaris hosting platforms.

- **RM14223 - Payment Card Industry compliance of call monitoring system**

2.1.2   There are six further risks that underpin the corporate risk RM010, which are being managed at a service level by the appropriate service managers.

2.1.3   There are three risk tolerance scores (original, current, and target), with each score expressed as a multiple of the impact and the likelihood of the event occurring.

2.1.4.   The Council has a Risk Management Policy which was refreshed and signed off by the Audit Committee and Policy and Resources Committee in September and October 2017 respectively. As part of the overall development of the performance and risk management framework for the Council, an approach to corporate and departmental risk management has been developed. This approach involves the development of corporate and departmental level risks that are: outcome focussed; linked to strategic priorities; business critical, identifying areas where failure places the organisation in jeopardy; linked to financial and performance metrics.

2.1.5   A key element of this work is cultural change and absolute clarity of roles, responsibilities and process. Specifically, clarity of what these risks are, who is responsible for them, what they are doing to actively manage the risks and what measures are in place to hold people to account.

2.1.6   To assist Members with considering whether the mitigations identified in this report are appropriate, or whether other mitigations or another course of action is required, a list of such possible actions, suggested prompts and challenges are presented for information and convenience in **Appendix C.**

2.1.7   The criteria for corporate, departmental and service level risks are described in **Appendix D**, along with a description of the different risk scores.

3.   Risk Management Reporting to Committees

3.1.   Risk management is reported separately to Financial and Performance Management at Committees, although there continue to be close links between financial, performance, and risk reporting.

3.2.   Risks that, by their nature, are either directly or indirectly related to this Committee are referenced in this report. Going forward, the reporting to this Committee will be by exception, including full information for risks with a current risk score of 12 and above where the prospects of meeting the target score by the target date is reported as amber or red.

3.3.   As per a recommendation from the June 2017 Audit Committee, full Committee risk registers are reported at least once per year, detailing all the Committee's departmental level and corporate risks for consideration.

4. Financial Implications

4.1. The financial implications of this Committees risks will be reported to this Committee. At present, there are no financial risk implications to report.

5. Issues, risks and innovation

5.1. Risks affecting the better Broadband for Norfolk programme of work are managed and reported separately to the Better Broadband for Norfolk Steering Group.

5.2. Since the last Risk Management report to this Committee, ICT Continuity presentations have been delivered at the Council's Resilience Board, outlining measures being taken to ensure effective ICT continuity.

6. Background

6.1 The review of existing risks has been completed with responsible officers.

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, i.e. equality impact assessment, please get in touch with:

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