

Business and Property Committee

Item No.

Report title:	Risk Management
Date of meeting:	18 October 2017
Responsible Chief Officer:	Simon George, Executive Director of Finance and Commercial Services
Strategic impact One of the Business and Property Committee's roles is to consider the management of risks relating to Norfolk County Council's commercial property. Assurance on the effectiveness of risk management helps the Committee undertake some of its key responsibilities. Risk management contributes to achieving departmental objectives, and is a key part of the performance management framework.	

Executive summary

This report provides the Committee with the latest departmental level property risks as at September 2017, following the latest review conducted at the end of August 2017. The reporting of risk is aligned with, and complements, the Performance and Financial reporting to the Committee.

Recommendations:

Members are asked to consider:

- a) the risks judged as exceptions (in paragraph 2.2 and Appendix A), and the other departmental risks relating to Property (in Appendix E);
- b) whether the recommended mitigating actions identified in Appendix A are appropriate, or whether another course of action is required (as per Appendix C);
- c) the definitions of risk appetite and tolerance in Appendix D.

1. Proposal

- 1.1. The Finance and Commercial Services and Environment, Development, and Transport Departmental Management Teams (DMTs) have been engaged in the preparation of the corporate and departmental level property risks.

The risks presented in **Appendix A** are the risks that are reported by exception, as detailed in paragraph 2.2.

A note of the criteria used to determine which risks sit at which level can be located at **Appendix D** of this report. **Appendix E** shows a summary of all of the corporate and departmental level risks relating to this Committee. It is proposed that these current risks continue to be reported to Committee in Appendices A and E until mitigated to the appropriate level.

2. Evidence

- 2.1. The Property risk data detailed in this report reflects those key business risks that are managed by the Departmental Management Teams of the Finance and

Commercial Services, and Environment, Development, and Transport departments, and Senior Management Team of the Corporate Property Team. 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. The current risks are those identified against departmental objectives for 2017/18.

- 2.2. The Exceptions Report, in **Appendix A**, focuses on risks that have a current risk score of 12 and above with prospects of meeting the target score by the target date of amber or red. There is currently one risk that meets this criteria, as seen in this appendix.
 - 1) RM14200 - Failure to meet NCC carbon reduction target
- 2.3. A list of significant changes to risks reported at the June 2017 Committee can be found in **Appendix B**.
- 2.4. To assist Members with considering whether the recommended actions identified in this report are appropriate, or whether 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**.
- 2.5. The Finance and Commercial Services departmental risk register contains two departmental level risks relating to property, with the EDT risk register containing the other risk (RM14250). **Appendix E** provides the Committee members with a summary of these risks. There are currently two corporate level risks for this Committee to consider.
- 2.6. All three risks reported to this Committee currently have an amber prospects score of meeting the target score by the target date. Please see Note 1 below for details of prospects scoring.

3. Financial Implications

- 3.1. There are no significant financial implications arising from this Risk Management report.

4. Issues, risks and innovation

- 4.1. There are no other significant issues, risks and innovations arising from this Risk Management report.

5. Background

- 5.1. Background information regarding risk scoring, and definitions can be found in **Appendix D**.

Officer Contact

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

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Note 1:

The prospects of meeting target scores by the target dates are a reflection of how well the risk owners consider that the mitigation tasks are controlling the risk. It is an early indication that additional resources and tasks or escalation may be required to ensure that the risk can meet the target score by the target date. The position is visually displayed for ease in the “Prospects of meeting the target score by the target date” column as follows:

- Green – the mitigation tasks are on schedule and the risk owner considers that the target score is achievable by the target date.
- Amber – one or more of the mitigation tasks are falling behind and there are some concerns that the target score may not be achievable by the target date unless the shortcomings are addressed.
- Red – significant mitigation tasks are falling behind and there are serious concerns that the target score will not be achieved by the target date and the shortcomings must be addressed and/or new tasks introduced.