

Appendix B – Risk Reconciliation Report

Significant changes to the corporate risk register since the last Audit Committee Risk Management report was presented in January 2016.

Current score changes:

There are two score changes to report:

RM002 – The potential risk of failure to manage significant reductions in local and national income streams. This risk has been reduced from 15 to 12 (due to the risk impact having been reduced from 5 to 4) to take into account the acceptance of the Council's Efficiency Plan by the Department for Communities and Local Government in November 2016. This will result in a multi-year settlement and will provide more certainty over the level of future government funding.

RM021 - Failure of Estate Management. This risk has been reduced from 12 to 6 following the County Farms Performance Review meetings being established, and recommendations from the County Farms audit report being agreed with officers and Members.

Target Score Changes:

There is one target score change to report:

RM014a - The amount spent on home to school transport at significant variance to predicted best estimates: This target score has been reduced from 6 to 4, with a reduction in the target impact score from 3 to 2 in April 2017. This comes from the increased budget for home to school transport agreed through the recent budget setting process, meaning that for the current financial year, home to school transport is forecast to achieve a balanced budget. It is also a result of the progress that has been made with the Hackney Community Transport initiative in 2017, and expected future progress with this.

Prospect score changes:

There is one prospects score change to report:

RM014a - The amount spent on home to school transport at significant variance to predicted best estimates. The prospects of meeting the target score by the target date was moved from Red to Amber in February 2017. This follows the signing up to the Hackney Community Transport (HCT) initiative and the increased budget agreed through the recent budget setting process.

Other Significant Changes:

RM022 - Potential changes in laws, regulations, government policy or funding arising from the UK leaving the European Union, which may impact on Council objectives, financial resilience and affected staff. There have been changes made to the risk description, tasks, and mitigation progress of this risk, with the evolving developments regarding the process of leaving the European Union.

* A significant change can be defined as any of the following;

- A new risk
- A closed risk
- A change to the risk score
- A change to the risk title, description or mitigations (where significantly altered).