DECISION ITEM

Fylde Council

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	AUDIT AND STANDARDS COMMITTEE	25 JUNE 2015	5

RISK MANAGEMENT ANNUAL REPORT

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

This report summarises the year-end report on the 2014/15 Strategic Risk Register Action Plans, and the work undertaken by the Council's Risk & Emergency Planning Officer in producing the Strategic Risk Register for 2015/16 and the annual review of the Strategic Risk Management Strategy.

RECOMMENDATIONS

1. It is recommended that the year-end report of the progress on the 2014/2015 Risk Action Plans be considered and appropriate comments made.

2. It is recommended that the Strategic Risk Register for 2015/2016 is approved.

3. It is recommended that the updated Strategic Risk Management Strategy is approved.

CORPORATE PRIORITIES

To Promote the Enhancement of The Natural & Built Environment (**Place**)		To Encourage Cohesive Communities (**People**)	
To Promote a Thriving Economy (**Prosperity**)		To Meet Expectations of our Customers (**Performance**)	√

SUMMARY OF PREVIOUS DECISIONS

1. The Strategic Risk Resister for 2014/2015 was approved by the Audit Committee at its meeting on 26th June 2014.

2. The Strategic Risk Management Strategy was approved by the Audit Committee at its meeting on 26th June 2014.

REPORT

Introduction

1. The audit commission requires strategic risks to be reviewed on an annual basis and recommends that both Members and Officers are involved in the identification of the risks. Taking this into account this year's risk identification exercise included; the Chairman of the then Audit Committee, along with the Chief Executive, Directors of Development and Resources and the Section 151 Officer.

Strategic Risk Register 2014/15

2. In the 2014/2015 Strategic Risk Register there were 29 individual actions identified for monitoring throughout 2014/15. 25 actions were completed during 2014/15, this represents a completion rate of 86%. Details of the 4 non-completed actions are shown below in Table 1 below.

Table 1 – Outstanding actions from 2014/2015 Risk Action Plans

Action Plan	Action	Due Date	Reason for non -completion
Capacity & Change	Map critical skill/knowledge gaps	July 2014	As reported in the January 2015 update, there was a lack of Senior Management capacity to complete this task in 2014/15. This work will be completed as part of the appraisal process currently in progress.
Capacity & Change	Develop service based succession plans based on skills gap	October 2014	Dependent on above. Succession planning work will be carried out as part of the wider work on the future structure of the Council (scheduled for November & December 15. A new organisational structure from April 2016, will reflect the future needs of the Authority and accommodate career progression and development that covers succession plans for each service.
Travellers	Implement the decision of the DM Committee	31/03/15	This action has been unable to be completed as the Cttee Decision is subject to Judicial Review
Travellers	Action plan reviewed in light of changing circumstances	31/03/15	Dependent on above

Review of the Strategic Risk Management Strategy

3. The current Strategic Risk Management Strategy was approved by the committee in June 2014. Minor amendments have been made to reflect the new governance arrangements introduced in May 2015. The rest of the strategy remains as before. The SRMS (Appendix 1) is therefore presented to the committee again for adoption taking into account the changes made thereto.

Strategic Risk Register 2015/2016

4. The strategic risk register for 2015/2016 is attached (Appendix 2). The strategic risk areas and monitoring body for each risk are shown in Table 2 below.

Table 2 Strategic Risks 2014/2015

Strategic Risk Area	Risks mitigation method	Monitoring Body
New Committee System	Project management	Project Management Group
ICT – major systems	Managed in IT Strategy plan	Management Team Qtly Reports
Local Plan	Action Plan	Development Committee
Travellers	Dynamic action plan	Management Team
Financial Challenges	Managed via MTFS	Finance and Democracy Committee
LCC Cost Sharing Agreement	Risk Action Plan	SRMG & Reports to Audit & Standards Committee

5. In previous years an individual risk action plan was developed for each strategic risk area identified in the annual Risk Identification process. Such action plans have been stand alone and were monitored in full by the SRMG with reporting of non-completion of risk actions being made to the Audit Committee. To some extent this resulted in the monitoring of some the risk areas (i.e. Local Plan) being carried out by the Audit Committee and, in the case of the Local Plan, by the Development Management Committee. This resulted in a duplication of effort and a reduction in efficiency with officers reporting to two or more separate bodies. In order to avoid this duplication it is proposed to adopt a slightly different method of monitoring and reporting this year.

6. After discussion at the Management Team Risk workshop and the SRMG it is proposed that risks identified are monitored by the most appropriate forum. You will note from Table 2 above, this year there are six Strategic Risk Areas, and for one of these a risk action plan has been developed and is presented to you today for approval. All but one of the other identified Risk Areas are already being monitored either by council committee or a designated management appointed body to ensure that work plans are completed to plan. In these instances the SRMG will monitor the progress of these plans and report any non-completion to the Audit & Standards Committee. The final Risk Area relates to "Travellers". From experience over the last few years, due to legal interventions, it has been impossible to develop a meaningful Risk Action Plan in the traditional way that did not require complete revision at each stage when challenges were made against the Council's actions. It is, therefore, proposed that the "Travellers Action Plan" should be a dynamic action plan, this being one that is developed as events roll out. This action plan will be developed on an ongoing basis by the Corporate Management Team and it will be monitored by both CMT and the SRMG.

7. A progress report on the completion of the LCC Cost Sharing Risk Action Plan will be brought to the Audit & Standards Committee in January 2016. The report will also comment on any non-completion issues in respect of the other Strategic Risk Areas.

IMPLICATIONS	
Finance	The Accounts and Audit Regulations 2003 require the Council to ensure that its financial management is adequate and effective including its arrangements for the management of risk. The use of resources judgement (assessment undertaken by External Audit) includes a section on risk management. Risk management is included as a key part of the internal control assessment.
Legal	The annual risk review forms part of the Council's corporate governance arrangements.
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	Included in the report

LEAD AUTHOR	TEL	DATE	DOC ID
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LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
None		Council office or web address

Attached documents

1. Strategic Risk Management Strategy (Appendix 1)
2. 2015/2016 Strategic Risk Register (Appendix 2)