worcestershire
county council

AGENDA ITEM 5

AUDIT AND GOVERNANCE COMMITTEE
11 DECEMBER 2015

CORPORATE RISK REPORT

Recommendation

1. **The Audit and Governance Committee is requested to:**

   a) **note the latest refresh of the Corporate Risk Register (Appendix), including the red risk identified and mitigating actions; and**

   b) **note the intention to review the approach taken to managing risk.**

Background

2. In the current economic climate, severe pressures on funding for services and the need for greater efficiencies mean that sound corporate governance and good decision making are paramount. Risk management is an integral part of corporate governance and can be used as a tool to assist the Council in meeting its key outcomes.

3. The Corporate Risk Register provides a mechanism for collating and reporting strategic risks that could affect the delivery of corporate objectives. Each risk listed on the Corporate Risk Register is monitored by directorates and reported through the corporate process to provide assurance on the adequacy of arrangements to mitigate the risks.

4. The attached Appendix provides an overview of the Corporate Risk Register for Quarter Two 2015/16 including the red-amber-green (RAG) status of individual risks. Transformational risks which were previously included in this report are now presented to the Corporate Business Board on a monthly basis.

5. There is one risk on the Corporate Risk Register that is rated as red – "demographic changes lead to changed demand for services". This reflects the need to better understand the future demand for services from a changing demographic profile such as the ageing population or changes in the needs of children and families. It is rated red because of the potential impact on the Council's budget, and because additional work to address the area of demand management is underway but not yet fully in place.

6. There is already a significant amount of forecasting work undertaken to identify and understand future pressures. For example, waste services use housing and population figures to adjust calculations for waste requirements; Joint Strategic Needs Assessment work for health and social care looks at current and future population trends; pupil forecasts are used in planning for schools services.

7.   Directorates also undertake work to mitigate pressures. For example, early intervention strategies in Children's services are designed to reduce demand later on; in Adult services promotion of healthy living messages, and facilitating access to information and advice about community resources are designed to help people stay healthy and independent as long as possible. Across the Council as a whole, implementation of the Digital Strategy is designed to mitigate pressures by increasing the option for self-service.

8.   Moving forward, the Council has started work on its Corporate Demand Management 2020 theme. One workstream is looking at forecasting and prediction in order to develop a single consistent view across the Council of potential changes, the pressures they will give rise to and where these will have most impact. The work that follows will look at the most effective ways of managing demand ranging from strategic prevention work intended to avoid or reduce demand arising in the first place, through to making sure that access to the Council's services is managed as efficiently and equitably as possible.

9.   The Committee is also advised of the intention to review how well current risk management processes are aligned with the Council's new Operating Model. The outcome and any proposals will be reported back as part of the Quarter 4 update.

Contact Points

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Supporting Information

- Appendix – Corporate Risk Update

Background Papers

In the opinion of the proper officer (in this case the Business Planning and Performance Manager) the following are the background papers relating to the subject matter of this report:

WCC Corporate Risk Register