

# HAVANT BOROUGH COUNCIL

## GOVERNANCE & AUDIT COMMITTEE

Quarterly Update on Corporate Risks from the Executive Board

Report by Jane Eaton, Executive Head: Governance and Logistics

FOR NOTING

Cabinet Lead for Governance & Logistics

Key Decision: No

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### 1.0 Purpose of Report

- 1.0 Risk is a part of life and of business. If the Council avoided risk it would not be able to deliver its services or achieve its ambitions outlined in the Corporate Strategy. Risk management is a way of understanding, evaluating and mitigating risks to ensure we can achieve the Council's objectives. Efficient organisations have clear frameworks and processes led from Board level. The Council's Constitution names the Governance & Audit Committee as the Councillor board responsible for managing risk.
- 1.1 The details of how the Council manages risk are outlined in the statement of arrangements for managing risk. The Governance & Audit Committee reviews this statement every year in June. In their role as the Councillor body overseeing the way Council officers manage risk the Governance & Audit Committee reviews the highest risks remaining in the Council after each management meeting.
- 1.2 This report gives the Committee an update on the highest corporate risks reviewed by the Executive Board in, alongside the Health Check, in November.

### 2.0 Recommendation

- 2.1 The Committee notes the most serious corporate risks reviewed by the Joint Executive Board on 4 November.

### 3.0 Summary

- 3.1 This report tells the Committee about the risks the Executive Board felt remained high after mitigation at their last review meeting.

### 4.0 Subject of Report

- 4.1 To oversee the effectiveness of risk management the Governance & Audit Committee note the most important risks facing the Council at the last quarterly

review of the risk registers by the Executive Board. The last quarterly review was on 4 November 2014.

4.2 The only risk showing red on our corporate risk register after mitigation, at this time is knowledge of the external market and its impact on letting major contracts. This is because the Council needs to make significant savings from the letting of contracts in order to balance the budget in the medium term. Work is currently underway on reletting the revenues, benefits and customer services contract, currently held by Capita, as part of a group of district councils to try and achieve greater savings. Service Managers will be involved in drafting the specifications for the new contract during November and December so this is a high risk time for this work.

4.3 Risks that management have mitigated to a lower risk level in the last quarter are surround IT and HR. Our HR issues, especially at the senior management level, are of concern but they are largely based in single services and do not put the overall objectives of the Council at significant risk. On IT we believe, following the successful roll out of the new desktop, the remaining issues to be service based and as the finance system project is progressing satisfactorily we do not consider any IT project to put the whole council at significant risk at present.

## **5.0 Implications**

### **5.1 Resources:**

There are no resource implications of this report because risk management is one of the regular funded functions of the management of the Council.

### **5.2 Legal:**

There are no legal implications arising from this report.

### **5.3 Strategy:**

Sound risk management supports the Council's objective of financial sustainability by ensuring financial risks are controlled and customer service excellence by ensuring the continuity of our services.

### **5.4 Risks: (Environmental, Health & Safety and Customer Access Impact Assessment)**

This report forms part of the Council's risk management arrangements.

### **5.5 Communications:**

There is no need for communications following this report.

### **5.6 For the Community:**

There is no community impact from this report but it will assist in ensuring the community continue to receive vital council services.

5.7 **The Integrated Impact Assessment (IIA)** is not needed for this report because it does not contain a decision.

## 6.0 Consultation

Executive Board and the Risk Management Group.

### Background Papers:

None

### Agreed and signed off by:

Legal Services: 4 November 2014

Executive Head of Governance & Logistics: 4 November 2014

Relevant Executive Head: 4 November 2014

Cabinet Lead: 5 November 2014

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