AC

9. Pioneer Somerset - Risk Management Update

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Purpose of the Report

To update members of the Audit Committee on the risk register relevant to Pioneer Somerset and to give an opportunity for members to comment and offer advice in relation to how the Council is monitoring risk in relation to Pioneer Somerset.

Recommendation

That the Audit Committee notes the risk register for Pioneer Somerset risk and comment accordingly.

Report

I have attached two reports from the risk management system (Risks with Controls and Actions v2 (24) (pages 30-35) and Risks List with Risk Owner, Gross and Net Risk Scores (01) (pages 36-38). I believe this provides all the relevant information regarding the Pioneer Somerset risk register contained on Magique.

The heat map risk profile for Pioneer Somerset risk has been inserted to indicate to members of the Committee a sense of the risk in relation to the risk appetite set by the Council (see thick black line indicating risk appetite).

The total risk profile is high compared to most service based risk registers (see risk appetite line indicator).

As you can see a large proportion of the risk sits just below the amber or major risk area, indicating 'Moderate' risk, however many are indicated as 'Possible' on the probability indices.

The following risk is indicated as 'Major' and highly probable.

.0396 Loss of 'political' support
.0388 The Program does not have sufficient resources (staff, time, money) to deliver project.

.0396 Loss of 'political' support during the five year delivery term of Pioneer Somerset, through national change in Government or through local elections/changes of administration.

.0388 The loss or withdrawal of resources is aligned with risk .0396 however this will be a significant risk to the project deliverables if not resolved in a timely manner.

This risk still shows as the highest risk for the Somerset Pioneer risk register.
See risk score table for detail: -

Numeric score 21-25
20-16
15-11
10-6
5-1

See Risk moderation sheet appendix 1 (page 39) for further guidance on risk definition in relation to score.

Nett Risk profile, expressed as Heat Map in the conventional way

Impact	Remote	Unlikely	Possible	Probable	Highly Probable
Catastrophic	0	0	0	0	0
Major	1	0	2	0	2
Moderate	1	2	7	1	0
Minor	0	2	1	0	0
Insignificant	1	1	0	0	0
Residual Risk					Likelihood

RISK APPETITE (below the line)

Risks Register (Pioneer Somerset) with Controls and Actions Report (16).

This report gives members a greater degree of detail in what the lead officer or risk owner has indicated as a control for the given risk and clearly shows the risk reduction from the gross to the net score, giving members an indication of the impact or robustness of the control in dealing with the risk.

The second (01) report gives an indication of the application of the control as it shows the area that the control is having greatest influence over (Impact or Likelihood).

Both reports show in essence the same things, just expressed in greater detail. However I will be happy to go over them with members at the time of the Audit Committee meeting if that would be useful.

Outstanding Item

The Head of Procurement and Support Services was tasked with making the risk registers available to members via an online facility. This has been on hold as work to develop an integrated Performance and Risk management system is being progressed. This is a web-based system and access will be available as soon as the risks have been entered on the system. The Procurement and Support Services Manager is currently building the risk register with the new system with a view to going live with it soon.

However, in the meantime until the risk element of the system can go 'live', members can access Magique via the PC in the member's room with a generic log in for all members.

Background Papers: *None.*