



Subject:	Group Company – Risk Register	
Report of:	Corporate Director – Finance & Governance	
Relevant Cabinet Member:	Councillor Brigid Jones	
Relevant O &S Chair(s):	Councillor Sir Albert Bore	
Report author:	Alison Jarrett	
Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential :		

1 Executive Summary

- 1.1 This report provides Members with information on the potential risks faced and the actions being taken to mitigate those risks through the Council's relationship with external organisations where the Council has influence through its shareholding, an entity's Articles of Association, director appointments or other arrangement.

2 Recommendations

- 2.1 Members are asked to consider the information provided and determine whether the judgement on risks are reasonable and assess whether the mitigating actions are sufficient to reduce the risks to the Council to an acceptable level.

3 Background

3.1 Members have considered the company risk register at previous meetings of this committee. The risk register has been updated and the following items are to be considered:

- G-01- Nominated Directors do not have sufficient skills to fulfil their roles within a third party whilst also representing the Council's interests. Consideration of current risk level.
- G-08 – Failure to provide information for consolidation in Group Accounts. Source of Assurance: Return of draft and final questionnaires, management accounts during the year and companies' draft accounts by 29 April 2019.

3.2 Identified risks have been assessed under two criteria, Likelihood and Impact. Each criterion has then been ranked as to whether they are Low, Medium, Significant or High Risk. Recognising that risk can never be completely eliminated the desired outcome from mitigating actions has been identified to assess the level of risk that the Council is willing to bear.

3.3 The risks borne by the Council will vary from company to company dependent on the Council's relationship with an entity, for example, where a company is:

- a wholly owned subsidiary, the risks and impacts will translate fully through to the Council;
- an associate where the Council has, generally, between 20% and 50% control, the risks and impacts will be shared between owning entities; and
- related to the Council through nomination rights, there may be little financial impact on the Council.

3.4 However, risks cannot just be determined in financial terms as there may be reputational risks to consider.

3.5 A full schedule of identified risks and the actions to mitigate them to an acceptable level are set out in Appendix 1 to this report.

4 Options considered and Recommended Proposal

4.1 This report provides information to Members on the risks faced by the Council from its operational arrangements with organisations over which it is considered to exert an influence.

5 Consultation

5.1 The Chair of the Committee has been consulted on this paper.

6 Risk Management

- 6.1 This report considers the main risks that the Council faces as a result of its operation through and its partnership arrangements with external organisations. The report sets out the actions being taken to mitigate those risks.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- a) The Council has created a number of entities or entered into a number of partnership arrangements to ensure that services can be delivered more effectively for local citizens. There is an element of risk in any activity and this report sets out details of potential risks faced and the actions being taken to mitigate them.

7.2 Legal Implications

- a) The Section 151 Officer has a duty to ensure the proper administration of the Council's affairs. The Accounts and Audit Regulations 2015 require the Council to have effective arrangements for the management of risk.

7.3 Financial Implications

- a) There are no financial implications directly arising from this report.

7.4 Procurement Implications

- a) There are no procurement implications directly arising from this report.

7.5 Human Resources Implications

- a) There are no Human Resource implications directly arising from this report.

7.6 Public Sector Equality Duty

- a) There are no specific Equality Duty or Equality Analysis issues relating to the proposals set out in this report.

8 Background Documents

- 8.1 None.