

**Title of Report:** Corporate Risk Management 2017/18  
Quarterly Report to 31 December 2017

**Report of:** Darren Collins, Strategic Director, Corporate Resources

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### **Purpose of the Report**

1. This report updates the Committee of developments in Corporate Risk Management during the period 1 October to 31 December 2017 in compliance with the requirements of good corporate governance.

### **Background**

2. Quarterly reporting to those with the responsibility for the oversight of risk management issues complies with the principles of good corporate governance. It is also embodied in the Corporate Risk Management Policy approved by Council on 6 June 2013.
3. The report covers progress against the Corporate Risk Management Developmental Objectives for 2017/18 as cited in the Corporate Risk Management Annual Report 2016/17 and any other risk management issues emerging within the quarter under consideration.

### **Development Objectives**

4. The Action Plan for the delivery of the Developmental Objectives for 2017/18 incorporating progress to date is shown at Appendix 1, work is progressing as per the plan and further details about the specific areas are covered below.

### **Strategic Risk Register**

5. The draft Strategic Risk Register was presented to Strategy Group to ensure all risks and controls have been included and are accurate and up to date. It was agreed that all risks had been identified and included within the draft register, however a review of some of the controls was requested to ensure it focused on the control not the output.
6. The draft Council pledges are currently subject to public consultation. It was agreed that, where appropriate, these should be referenced within the Strategic Risk Register.
7. The amendments have subsequently been made to the Strategic Risk Register and the revised register will be presented to Strategy Group for comment once the outcome of the public consultation on the Council's pledges has been received to ensure any changes to the pledges, resulting from the consultation have been included.
8. Once the outcome of the public consultation is known the revised draft will be taken to Strategy Group for comment and then will be brought to Audit and Standards Committee for comment and recommendation to Cabinet.

## **Criminal Finance Act 2017**

9. A new crime has been introduced in the Criminal Finance Act 2017, the failure to prevent the criminal facilitation of tax evasion, which took effect from 30 September 2017.
10. An example of the type of transaction which could be deemed a criminal offence under this act is shown below:  
*“Employee agrees to ‘mis-describe’ the nature of goods/services on an invoice (or invoice requisition) for more favourable tax treatment.”*
11. The Act is likely to impact primarily on higher risk organisations such as those in the finance industry but the Corporate Risk Management team are co-ordinating a risk assessment of all Council services to ensure procedures are in place and have been affectively communicated for any areas where this type of crime could be attempted.
12. A standard risk assessment template has been developed by the Corporate Risk Management Team for completion by Services. The templates gather information on the potential risk and the mitigating controls currently in place.
13. Once completed the templates will be collated and reviewed by the Corporate Risk Management Team to ensure the controls in place are satisfactory. Where additional controls are required, the implementation process will be monitored and progress reported to the Risk and Resilience Group.

## **Risk and Resilience Group**

14. The Risk and Resilience Group met 24 January and the following items were discussed:
  - Risk Management and Business Continuity Plans:
    - Update on the changes to the draft Strategic Risk Register
    - Annual review of operational risk registers
    - Annual review of business continuity plans
    - Update on changes to the draft Strategic Risk Register
    - Completion of templates relating to the Criminal Finance Act 2017
  - Resilience and Emergency Planning:
    - Gateshead modern slavery, trafficking and exploitation – concept of operations
    - Local Resilience Forum – training and exercise programme review of the previous 12 months
    - Exercise Border Reivers
    - Refresh of the Strategic Resilience and Emergency Planning Framework

## **Recommendation**

15. It is recommended that the Committee note the report.