

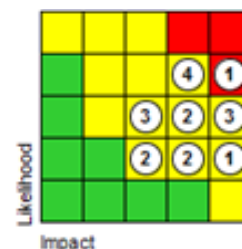
**To the Chair and Members of the
AUDIT COMMITTEE**

Q2 2016/17 STRATEGIC RISK UPDATE

Relevant Member(s)	Cabinet	Wards Affected	Key Decision
Mayor Ros Jones		N/a	N/a

EXECUTIVE SUMMARY

- The purpose of this report is to provide an overview of the Strategic Risks profiles in Quarter 2 2016/17.
- In response to an action from the last Audit Committee to provide more timely updates on Strategic Risks Audit Committee has already received the Strategic Risk Register for Quarter 2, via email. This report provides an overview of activity during quarter 2, which has been circulated separately to members of the committee. A copy of the Q2 report will be made available at the meeting.
- There are 18 Strategic Risks and all have been updated as part of the Quarter 2 reporting process. The Heat Map shows a summary of the scores.
- A new risk has been proposed to highlight the increasing impact of cyber threats; the wording for this risk is being developed and will be profiled at Quarter 3.
- No risks have been identified for demotion.
- 14 risk profiles have remained the same during the quarter.
- Effective mitigating actions have reduced 3 profiles:
 - Failure to set robust assumptions on pensions deficit recovery and future contribution rate for the 2016 valuation;
 - The potential personal financial position facing individual citizens across Doncaster Borough may result in an increase of poverty and deprivation;
 - Failure to achieve the budget targets for 2016/17 and 17/18;
- 1 profile has increased: *Without effective influence and engagement with the Sheffield City Region, there is a threat that Doncaster does not achieve economic potential benefit from the devolution deal.* Given national political uncertainties around devolution deals the risk has increased to reflect the question mark of the Northern Powerhouse and Metro Mayors. Mitigating actions have been identified and their effectiveness will be reviewed during the quarter 3 challenge.



RECOMMENDATIONS

9. The Audit Committee members are asked to:
- a) Note and comment on the report
 - b) Note the proposed addition of a Strategic Risk around cyber threats (paragraph 5)

EXEMPT REPORT

10. Not Applicable

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

11. The embedding of robust risk management arrangements within the Council incorporating the management of strategic risks creates an environment in which we can successfully meet our objectives to deliver Doncaster's priorities and the Mayoral Priorities Outcome Framework.

OPTIONS CONSIDERED

11. Not Applicable

REASONS FOR RECOMMENDED OPTION

12. Not Applicable

IMPACT ON THE COUNCIL'S KEY PRIORITIES

- 12.

Priority	Implications
All people in Doncaster benefit from a thriving and resilient economy.	The embedding of robust risk management arrangements within the Council will contribute to the effective delivery of all the Council's key priorities
People live safe, healthy, active and independent lives.	
People in Doncaster benefit from a high quality built and natural environment.	
All families thrive.	
Council services are modern and value for money.	
Working with our partners we will provide strong leadership and governance.	

RISKS AND ASSUMPTIONS

13. The Risk Management Policy includes a requirement to review strategic risks on a quarterly basis and this is a matter of good management and good governance.

LEGAL IMPLICATIONS

14. Any specific implications will be reported separately and in the context of any initiative proposed to be taken in relation to the management of strategic risk.

FINANCIAL IMPLICATIONS

15. Should any specific initiatives be required, in response to the management of strategic risks, any cost implications will be reported and addressed as and when they arise.

HUMAN RESOURCES IMPLICATIONS

16. There are no direct human resources implications resulting from this report

TECHNOLOGY IMPLICATIONS

17. There are no direct technology implications resulting from this report.

EQUALITY IMPLICATIONS

18. There are no specific equality implications arising from this report. However, any activities arising from the management of strategic risks will need to be the subject of separate 'due regard' assessments.

CONSULTATION

19. Consultation has taken place with strategic risk owners and Directorate Management Teams as part of the quarterly performance challenge process.

BACKGROUND PAPERS

20. Reports generated via Covalent for Directorate Q2 challenge meetings.

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