

## NOTTINGHAM CITY HOMES

AUDIT COMMITTEE  
13 JANUARY 2014

## REPORT OF COMPANY SECRETARY

## RISK REGISTER

**1 SUMMARY**

- 1.1 The purpose of this report is to provide the Audit Committee with an update on activity in respect of the Company's Risk Register.

**2 RECOMMENDATIONS**

- 2.1 It is recommended that the Audit Committee agree the changes set out in the report.

**3 REPORT**

- 3.1 The Board approved the Company's Corporate Risk Register (CRR) (Appendix A) on 25 July 2013 and agreed for the Audit Committee to review it on a quarterly basis. The related matrix is attached at Appendix B. The Register is maintained by the Company's Risk Management Group (RMG) and Company Secretary and is reviewed annually by internal audit.
- 3.2 The EMT and the Risk Management Group have recently reviewed the register and are recommending the following updates to the register to the next Audit Committee:
- 3.2.1 *Risks 1 and 2 (Board)* – these are combined and re-defined as “Board fails to provide strategic leadership and ensure the Company meets its corporate objectives”. This risk will be reviewed in 6 months' time once an effective board training and development programme has been agreed and implemented;
- 3.2.2 *Risk 3 (statutory requirements of running a company)* – the original risk likelihood has reverted back to 3 making the original risk score 9. This risk is removed from the register given the low original risk score;
- 3.2.3 *Risk 4 (funding streams)* – RMG has recommended that the Target Risk Impact will still be moderate (3) even when all of the controls have been implemented. This factor should be amended accordingly;
- 3.2.4 *Risk 9 (Fire Safety)* – the original risk impact is reduced from 5 (catastrophic) to 4 (major). While a failure to meet statutory obligations would have a major impact on the organisation the RMG believe it is unlikely this would ruin it or lead to its closure;
- 3.2.5 *Risk 10 (business continuity)* – this category was reviewed at EMT's request. RMG want to keep the scores as they are for now. A Business

Continuity Plan has been developed and this action will move to the "Controls" column. The one outstanding action is to implement a business continuity policy and procedure.

- 3.2.6 *Risk 21 (Oracle)* – a lack of data sharing agreement should be added to the Current Risk actions column;
- 3.2.7 *Risk 23 (new build)* – Board asked EMT to consider whether a separate risk should be included for each new build programme. EMT's view is that the risks will be similar for all new build and that it would be practicable to keep them under the one risk heading. The actions and controls headings need reviewing by the Director of Property Services.
- 3.3 Training on Risk Management is being arranged for early in the New Year and a review of the Risk Management Framework is recommended for 2014/15.

#### **4 FINANCIAL, LEGAL AND RISK IMPLICATIONS**

##### **4.1 Financial Implications**

- 4.1.1 As detailed in the attached Risk Register.

##### **4.2 Legal Implications**

- 4.2.1 As detailed in the attached Risk Register.

##### **4.3 Risk Implications**

- 4.3.1 Failure to mitigate the risks identified in the register would have a significant impact on the Company's ability to meet its corporate aims and objectives.

#### **5 IMPLICATIONS FOR NOTTINGHAM CITY HOMES OBJECTIVES**

- 5.1 A robust approach to managing risk is essential to support NCH in achieving all its objectives. The Corporate Risk Register helps mitigate the risks which impact significantly on the Company's ability to achieve these objectives.
- 5.2 The Corporate Risk Register sets out the risks which impact on the Company's ability to achieve its Corporate Aims and Objectives and the controls and mitigating actions put in place to address those risks.

#### **6 EQUALITY AND DIVERSITY IMPLICATIONS**

- 6.1 Has the equality impact of these proposals been assessed?
  - Yes (EIA attached)
  - No (this report does not contain proposals which require an EIA)

#### **7 BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT**

7.1 None.

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**DATE: 6 January 2014**