

NOTTINGHAM CITY HOMES

AUDIT COMMITTEE
29 September 2008

REPORT OF THE DIRECTOR OF FINANCE, ICT & GOVERNANCE

CORPORATE RISK REGISTER

1 SUMMARY

- 1.1 This report is to present to the Committee the Company's Corporate Risk Register which, as defined by the Risk Management Framework, has been developed to identify the high level risks which could impact on NCH as a whole. The Risk Management Framework requires the Board to review the Corporate Risk Register and the Key Risks facing the Company on an annual basis.

2 RECOMMENDATIONS

- 2.1 To approve Nottingham City Homes' Corporate Risk Register as an accurate representation of the risks associated with the achievement of the Company's strategic objectives.

3 INTRODUCTION AND BACKGROUND

- 3.1 The Company's Risk Management Framework, approved by the Board in May, established a consistent basis for identifying, measuring, controlling, monitoring, managing and reporting the strategic and operational risks within the organisation. A key requirement of the Framework was to establish a Corporate Register which identified the risks associated with achieving the Company's strategic objectives (set out in the 2008/09 Delivery Plan). A draft version of the Company's Corporate Risk Register, compiled based primarily on the 2008/09 Delivery Plan, was approved by Members with the Risk Management Framework in May.
- 3.2 Another key requirement of the Risk Management Framework was to establish a system of risk registers which reflected the Company's Directorate structure (Directorate Risk Registers) supported by a number of individual Service Area Risk Registers. This was based on the assumption that Directorate only risk registers would lack sensitivity to many important organisational issues.
- 3.3 Directorate and Service Area Risk Registers have now been established throughout the organisation and the responsible Directors have reviewed and approved the associated key risks in their service areas. Subsequently, all risks identified with 'High' residual risk ratings within these registers were reviewed against the draft Corporate Risk Register to ensure that the key risks impacting on the Company's ability to achieve its objectives were included in the updated version of the register.
- 3.4 The Corporate Risk Register now includes a full description of each

corporate risk, the potential impact and rating, the likelihood factors and rating, a risk score, the named risk owner and the additional controls and countermeasures propose to mitigate risk. Each risk is aligned, where possible, to the relevant Company objective.

- 3.5 The Corporate Risk Register will be revised and updated again, to ensure it reflects the risks associated with the achievement of the Company's strategic objectives, in conjunction with the compilation of the 2009/10 Delivery Plan.

4 IMPLICATIONS FOR NOTTINGHAM CITY HOMES OBJECTIVES

- 4.1 A robust approach to managing risk is essential to support NCH objectives of providing good quality, affordable and well managed housing that will achieve at least a 2 star rating.

5 VALUE FOR MONEY & EFFICIENCY ISSUES

- 5.1 Early identification of service and business risks helps to improve the way in which resources are managed, helping to minimise unforeseen demands on the Company's limited financial resources.

6 EQUALITY & DIVERSITY IMPLICATIONS

- 6.1 Improving the way that the Company manages risk embraces the effective management of equality and diversity implications of action taken across all service areas.

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

- 7.1 Risk Management Framework
- 7.2 Service Area Risk Registers (Various)
- 7.3 Directorate Risk Registers (Various)
- 7.4 2008/09 Delivery Plan
- 7.5 Draft 2009/10 Delivery Plan

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