

Colchester and Ipswich Museum Service Joint Committee

Item
10

JMS/17/04

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Report of

Treasurer to the Joint Museums Committee

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Title

Risk Management Process

This report provides the committee with details of the risk management process adopted by the Colchester & Ipswich Museum Service.

1. Decisions Required

- 1.1 To endorse the Risk Management Strategy for 2017/18.
- 1.2 To review and comment on the Risk Register for the Joint Museum Service.

2. Introduction

- 2.1 The purpose of this report is to provide the committee with an overview of the risk management process adopted by the service and advise of the current key risks.

3. Background

- 3.1 Risk Management is the control of business risks in a manner consistent with the principles of economy, efficiency and effectiveness. It is an essential corporate governance process that ensures that both the long and short term objectives of the organisation are achieved and that opportunities are fully maximised.
- 3.2 Risk Management is not about eliminating risk, as this would limit the ability of the service to develop and deliver its ambitions. Its purpose is to recognise the issues that could effect the achievement of objectives and develop actions to control or reduce those risks.
- 3.3 It is essential that the service operates an effective risk management process which provides an assurance to all partners that it is being properly managed. As required by each partners own code of corporate governance.

4. Outline of the Risk Management Process

- 4.1 An effective risk management process is a continuous cycle of identification, controlling, monitoring and reviewing.
- 4.2 For the Museum Service this is governed by a strategy for managing risk that sets out the roles and responsibilities of the joint committee and officers. It also defines the types of risk, the processes to be followed and the review arrangements.
- 4.3 The main document is the risk register which captures details relating to both strategic and operational risks and the actions to be undertaken to control those risks. This will be reported at least twice a year to the joint committee.

5. Review of the Risk Management Strategy

- 5.1 The strategy should be reviewed annually to ensure that it is still relevant to the service and that it meets the governance objectives. Therefore a review has been carried out and the draft strategy for 2017/18 has been attached at appendix 1 for approval. The review did not highlight the need for any amendments.

6. Review of the Risk Register

- 6.1 The strategic risk register, attached at appendix 2, was last considered in January 2017. This sets out the key strategic risks, which are scored for impact and probability, enabling the risks to be ranked, so that resources can be directed to the key areas. Operational risks are managed by the officers of the Joint Museum Service.
- 6.2 The risks have been reviewed by the management of the Museum Service, to ensure that they are still relevant.
- 6.3 The risks have been plotted onto a risk matrix, at appendix 3. This shows how the risks are grouped compared to the risk tolerance levels.
- 6.4 Currently the highest ranking strategic risk is the failure to maximise external funding opportunities.
- 6.5 It is recommended that an additional risk is added to the register, relating to the impact of the move of the Museum Resource Centre to new premises at Heckworth Close. This has been shown on the register as risk 1.10.
- 6.6 The highest operational risk continues to be the potential failure to engage with customers leading to a significant fall in visitor numbers.
- 6.7 It is requested that this committee reviews the risks to ensure that they still reflect the issues faced by the service and that they are appropriately scored.

7. Conclusion and Recommendations

- 7.1 Members are asked to note and endorse the Risk Management Strategy for the Museum Service and to agree the strategic risk register, subject to any requested amendments.

8. Standard References

- 8.1 Having considered consultation, equality, diversity and human rights, community safety, health and safety and risk management implications, there are none that are significant to the matters in this report.

Attached Papers:

- Appendix 1 – Draft Risk Management Strategy for 2017/18
Appendix 2 – Draft Risk Register June 2017
Appendix 3 – Risk Matrix June 2017