Audit Committee
24 January 2011

Electoral Division affected: All

Risk Management Report
(Appendices 'A' & 'B' refer)

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Executive Summary

An important part of the remit of the Audit Committee is to advise the council on the adequacy of the Authority's strategic processes for risk management and to consider reports in respect of the Authority's risk register and the action taken in response.

This report introduces the latest version of the register.

Recommendation

In accordance with the Audit Committee's terms of reference, members may wish to consider whether:

- the content of the corporate risk register reflects the key risks facing the council and whether there are any perceived gaps;

- the actions being taken in response to identified risks appear to be appropriate and, in the light of these considerations; and

- the current process for identifying risk is effective.

Background

Risk management has been an integral feature of corporate and directorate business and financial planning over many years. The corporate risk register is a high level summary of the significant risks which the council faces. It may be regarded as a checklist to identify and track the status of key risks and how these are being managed.

The process for preparing the register has been further refined so that Executive Directors and their senior management teams have direct input into its development. Reference has also been made to risks identified in the areas of business continuity,

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emergency planning and health and safety, to ensure that no important risks have been overlooked and all significant risks are reported in one place.

The corporate risk register

A copy of the corporate risk register is attached at Appendix A. It identifies the significant directorate and cross-cutting risks which the council faces together with current and planned actions to mitigate the risks. A scoring system has been introduced with 1 being low and 5 being high, (Appendix B).

The process for maintaining and updating the register will be as follows:

· Directorate senior management teams and contributors from other 'risk' areas identify risks and mitigating actions for inclusion in corporate risk register. Each risk is allocated a lead officer to ensure that proposed actions are completed and a review date is set.

· The Executive Leadership Team has the opportunity to review the updated register prior to it being reported to the Audit Committee.

· The register is presented to the Audit Committee for scrutiny.

· A summary report is prepared for the Executive Leadership Team which comprises cross-cutting and 'high' risks; risks which have been specifically identified for their attention, and any risks which the Audit Committee may refer for further information or action.

· The register is updated with any new actions and changes to risks.

Future risk reporting

The corporate risk register will be updated and presented quarterly, so that members of the Audit Committee are kept up to date with significant changes to the content of the risk register and will be able to scrutinise the actions being taken in response.

Background and Advice

N/A

Consultations

N/A

Implications:
Risk management

Risk management is the subject matter of the report.

Local Government (Access to Information) Act 1985
List of Background Papers

Paper	Date	Contact/Directorate/Ext
Risk Management update report to Audit Committee	27 September 2010	Habib Patel, OCE Policy Unit Tel. 36099
Risk Management report to Audit Committee	25 January 2010	"
Risk Management Update report Audit Committee	28 September 2009	"
Risk Management Update report Audit Committee	30 March 2009	"
Risk management update to Cabinet Committee for Performance Improvement	11 February 2009	"
Risk Management Update report Audit Committee	29 September 2008	"
Quarterly Update to Risk Register report to Cabinet Committee for Performance Improvement	18 September 2008	"

Reason for inclusion in Part II, if appropriate

N/A