

**Audit Committee
Meeting to be held on 21 March 2011**

| |
|-------------------------------------|
| Electoral Division affected: All |
|-------------------------------------|

Risk Management Report
(Appendix 'A' refers)

Contact for further information:
Habib Patel, (01772) 536099, Office of the Chief Executive
habib.patel@lancashire.gov.uk

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. A copy of the risk register is attached at Appendix A.

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,

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

Updated content

The risk register reflects recommendations from the last Committee meeting where it was agreed that anomalies identified in the scores used to assess several potential risk areas would be referred back to the directorates concerned for further consideration.

In considering whether the content of the risk register reflected the key risks facing the council, the committee commented that the proposal to transfer responsibility for public health to local authorities was a serious risk and as such should be included in the risk register. This potential risk can now be found on the second page of the register.

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 | 24 January 2011 | Habib Patel, OCE Policy Unit Tel. 36099 |

Reason for inclusion in Part II, if appropriate

N/A