

AUDIT COMMITTEE

12 DECEMBER 2013

REPORT OF CORPORATE DIRECTOR, CORPORATE SERVICES

A.1 UPDATE OF CORPORATE BUSINESS RISK MANAGEMENT PROCEDURE

(Report prepared by Jon Barber)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To update the Audit Committee on the new approach to risk management and present the revised Corporate Risk Register.

EXECUTIVE SUMMARY

This report sets out the details of the review of the Council's risk management procedures.

At a previous meeting of the Audit Committee, members were informed that the Council's risk management procedures were under review.

The process is now complete, with a new Corporate Risk Management Procedure replacing the previous Risk Strategy, along with a revised and refreshed Corporate Risk Register.

RECOMMENDATION(S)

That the Audit Committee notes the revised procedure and Corporate Risk Register as set out in the attached appendices.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

Risk assessment, monitoring and control forms the central tool for managing the strategic risks that may prevent the Council from achieving the corporate priorities as identified in our Corporate Plan and associated corporate goals.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The new risk management approach can be delivered within our existing budgets.

Risk

The subject of risk and how this will be managed is set out in the main body of this report.

LEGAL

There are no specific legal implications.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected /

Consultation/Public Engagement.

There are no other direct implications.

PART 3 – SUPPORTING INFORMATION

BACKGROUND AND CURRENT POSITION

It was agreed that the Council would re-examine the way that risk management is undertaken within the authority. The aim was to ensure proper arrangements exist for the management of business risks from a service / departmental and corporate perspective.

The review has resulted in a number of amendments to the previous Risk Strategy and Register which was presented to the Audit Committee on 22 March 2012. The information set out in the previous Risk Strategy has been refreshed and is now incorporated in the Corporate Risk Management Procedure.

Risks are now captured in two standard Risk Registers:-

- Corporate Risk Register which will be presented to the Audit Committee every 6 months; and
- Departmental Risk Registers (embedded in the departmental planning process) which will be managed within departments.

The Corporate Risk Register has been developed from both the risks identified in each service area within departments and those business risks identified by the Management Team. A key business planning tool is now in place to identify, monitor, and prioritise those risks that may affect the ability of the Council to meet its corporate objectives.

A brief overview of the Council's approach to risk management is summarised as follows:

- Departmental Risk Registers will be reviewed and updated regularly by each Department;
- The Management Team will review and update the Corporate Risk Register monthly;
- The Corporate Risk Register will be reported to the Audit Committee every 6 months with interim exception reporting as appropriate; and
- The Corporate Risk Management Procedure will be subject to on-going review with updates made as appropriate, which would be included within the 6 monthly reports to Audit Committee.

BACKGROUND PAPERS FOR THE DECISION

None.

APPENDICES

Appendix A - Risk Management Procedure
Appendix B - Corporate Risk Register