

Agenda Item No:

Title: **Risk Management Update**

Portfolio Holder: **Cllr Carbin – Finance Portfolio Holder**

Reporting Officer: **Tracey Gay – Financial Accountant**

Key Decision: **No**

1 Purpose

To provide Members with an annual update on progress with Risk Management within the Council.

2 Background

Cabinet approved the Risk Management Strategy on 28 July 2004. Since that date, Risk Management has been embedded into a variety of the Council's processes and procedures and the Strategy requires amendment in order to reflect this (Appendix One).

3 Key Issues

Risk Management Group

Since July 2004, the Risk Management Group has met three times, with another meeting scheduled before the end of October.

15 July 2004 KPMG attended to present the results of their Risk Management Review and the Group's Terms of Reference were agreed.

1 November 2004 Zurich Municipal attended to introduce the topic of Business Continuity and the ways in which the Council could take it forward.

11 March 2005 The Group met to review the Service Risk Assessments that form part of the Risk Register.

Risk Register

A variety of Risk Assessments have been completed, in order to form a Risk Register for the Council.

Service Risk Assessments

In order to produce operational or service risk assessments, an exercise was embedded into the Service and Resource Planning Process. Service Managers were required to produce a risk assessment for 2005/06 that related to the objectives in their Service Plans.

These assessments contained action plans detailing deadlines and those responsible for the actions. These assessments form the Service Risk element of the Risk Register.

The Risk Group reviewed these assessments and rated their level of risk.

Service Managers will be asked to update their action plans at the end of September as part of a half yearly review.

Strategic Risk Assessments

The second half of the Risk Register is comprised of the Strategic Risks that face the Council. These are the risks that affect the Corporate Priorities or a number of services and would prevent strategic objectives being met.

On 17 December 2004, Corporate Team and Cabinet met to produce the Strategic Risk Assessments. KPMG facilitated the session and the result was the main Strategic Risks that the Council faces over the course of 2005/06 and beyond. Following the session, Corporate Team then produced Action Plans. These were subject to mutual challenge by Corporate Team Members.

Corporate Team intend to provide quarterly updates regarding progress on their action plans.

Risk Register

The Risk Register is comprised of the assessments described above and has recently been made accessible on the Intranet. Owners will be advised of their presence as part of the six monthly review process and will be encouraged to update their action plans directly.

Corporate Plan Risk Assessment

The Corporate Plan was subjected to a risk assessment, in order to mitigate some of the reasons why the Plan may not have been introduced effectively.

Procurement/Project Risk Assessments

A procurement risk assessment tool has been developed and is to be integrated into the Procurement Guidance currently being produced.

The Way Forward

- The Risk Register will continue to be updated and the actions within them monitored by the Risk Group, Corporate Team and Scrutiny. Monitoring the action plans will ensure that the risks are managed effectively and service and corporate objectives are met.
- Internal Audit will use the Risk Register to inform their Audit Plan for the next three years. This will ensure that KPMG focus on the areas that require support and monitoring in order to achieve Council objectives.
- Risk Assessments will be improved as part of the 2006/07 Service and Resource Planning process.
- Risk Management training will be made available for officers and members.
- Committee reports will be developed to include a section regarding Risk Implications. This will ensure that the risks associated with recommendations being made are considered when Members are making decisions.
- The Risk Management Strategy has been updated to reflect the development of Risk Management at the Council and is being brought to Cabinet for approval.

Legal Implications: There are no legal implications arising from this report.

Human Rights Implications: The Human Rights implications of the actions recommended in this report have been considered and are acceptable and the checklist has been addressed.

4 Recommendation

Members approve the changes made to the Risk Management Strategy (Appendix One – A copy is available in the Members Room).

 Plain English guidance given

31 August 2005

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