

CAA/07/2006

KENNET DISTRICT COUNCIL

RESOURCES EXECUTIVE COMMITTEE
to be held on 21st March 2006

Report by Janet Ditte, Chief Accountant & Auditor
On behalf of the Risk Management Group

Risk Management Update and Strategy

1. Purpose of Report

The purpose of the report is to provide members with an update on the Council's Risk Management function, including recent action taken by the Corporate Risk Management Group. In addition, the report will present Members with a revised version of the Risk Management Strategy for approval.

2. Financial, Staffing and Legal Implications

There are no implications for this report.

3. Risk Implications

Risk Management is an integral part of the good corporate governance of any organisation. Therefore, the effective management of risk is essential to the management of the Authority. The Risk Management Strategy is essential in ensuring that risk is managed effectively at the Council and therefore it is essential that the Authority has an up to date strategy.

4. Background

The corporate Risk Management Group oversees the Risk Management Strategy for the Council and considers all Risk Management issues on behalf of the Council. The group is a multi-disciplinary group, chaired by the Director of Resources, with external advisors.

The day-to-day administration of the risk management function is managed within the Corporate Finance Section, under the overall supervision of the Chief Accountant & Auditor. The Senior Auditor post currently has specific responsibility for risk management.

The Council has developed a Corporate Risk Action Plan, which has identified the top ten risks and which has assigned “ownership” to appropriate officers. Progress to mitigate these risks is reported to the Risk Management Group. In addition, other miscellaneous risk management issues are discussed at the group, and action plans agreed, as appropriate.

In addition, the Corporate Finance Scrutiny Sub-Committee has recently been established with a scrutiny responsibility for Risk Management and receives regular update reports on the Council’s risk management activities.

5. Summary of Key Actions

A detailed list of the main actions of the Risk Management Group since April 2004 has been attached as Appendix A. The following is a summary of the main points:

- A variety of actions have been taken in relation to both the Council’s commercial and leased car fleets and business mileage claims generally, to further improve the risk management in these areas;
- The Devizes Leisure Centre Refurbishment project was added to the Risk Management Action plan and has been subject to regular review by the Risk Management Group;
- The group has continued to review the state of Council owned trees and the ongoing inspection work in this area;
- The group has reviewed Kennet and Wiltshire pandemic flu response plan.
- The group has reviewed the Council’s position in relation to Member and Officer Indemnities.

6. Risk Management Strategy

The Council has a formal Risk Management Strategy that was approved by the Resources Policy Committee at its meeting on 13th February 2003. It is appropriate that the policy should be reviewed regularly and therefore a revised version of the strategy has been attached as Appendix B for consideration by the Committee.

The main body of the document has not been revised substantially. However, it has been revised to reflect the role of the Corporate Finance Scrutiny Sub-Committee and some slight changes in reporting.

The Draft Risk Management Strategy will be considered by the Corporate Finance Scrutiny Sub-Committee at their meeting on 14th March 2006, at which they are being asked to recommend the strategy to the Resources Executive Committee for approval. Verbal feedback from this meeting will be provided to Members at the meeting.

7. Conclusions

The Council has an active and effective risk management function, which is set out in a formal Risk Management Strategy. The Council has been actively managing its risks through the Risk Management Group.

8. Recommendations

IT IS THEREFORE RECOMMENDED THAT the committee

- Note the Risk Management work undertaken by the Council and Risk Management Group.
- Note and approve the Risk Management Strategy at Appendix B.