

Item no

Report to: **Audit Committee**

Date: **17 January 2008**

Report of: **Principal Administrative Officer**

Subject: **Risk Management Progress Report**

Ward: **All**

1 **Purpose of Report**

- 1.1 To provide a progress report to the Audit Committee on the Council's approach to managing risk and the implementation of the Council's Risk Management Strategy to provide assurance that the Council effectively manages its risks.

2 **Consultation**

- 2.1 In preparing this report I have consulted with the Executive Member for Improvement, Head of Democratic Services and Administration and Director of Finance and Corporate Services.

3 **Background**

- 3.1 This report is one of a quarterly series of reports to Audit Committee and provides an update on how the Council's Risk Management Strategy is being developed and highlights progress utilising the Risk Management performance Work Plan.

4 **Risk Management Performance Workplan**

- 4.1 In my previous report to Audit Committee it was agreed to adopt the Risk Management Performance Workplan as the basis of future quarterly reports to Audit Committee. The Workplan would be used as a tool to measure performance and progress on initiatives and actions within the Risk Management function and corporately across the Council to comply with the Council's adopted Risk Management Strategy and Policy.
- 4.2 The updated Workplan (**Appendix 1**) includes relevant action plans, measurable outcomes, progress monitors and a traffic light status indicator for all areas of work. It also includes the relevant action plans required to meet the level 4 judgement criteria under the Use of Resources – Key Lines of Enquiry (4.1) – “The Council manages its significant business risks”.

5 **Corporate Risk Review 2007/08**

- 5.1 The Service Plan risks were finally completed and captured on 20th September 2007 and Risk Register has been fully updated to take account of these risks.
- A “desktop” corporate risk review is still to be undertaken involving Executive and Management Team to re-profile existing corporate risks and to consider new and emerging risks that have arisen from the Service Plans and to take account of Local Government Review implications. It is hoped

that this can be arranged and completed over the next 4 - 6 weeks and can effectively be used as the basis for going forward and take into account the implications arising from the Local Government Review.

- 5.2 Most risks are being effectively managed and risk management is well embedded. There are however still difficulties updating action plans and difficulties in utilising the "Risk Register" software. In order to address these issues, a comprehensive range of support has and continues to be provided to ensure that this is managed effectively.

6 **Risk Management Training Programme**

- 6.1 A copy of the current risk management training programme is attached (**Appendix2**) and includes a menu of various training options that can be provided "in house".
An "in house" risk management training session dedicated for new Members of the Audit Committee has been re-arranged for 24th January 2007 as part of the Committee's own training programme.

7 **Implications**

7.1 **Financial**

There are no financial implications arising directly from the report. Any cost implications have been dealt with under existing budgets.

7.2 **Legal**

There are no direct legal implications arising from this report however there is a legal obligation on the Council to ensure it effectively identifies and manages its risks.

7.3 **Policy**

There are no direct policy implications arising from this report.

7.4 **Risk**

There are no specific risks arising from the report however, the need to effectively manage and improve the use of 'Risk Register' is critical to the Council's Risk Strategy and Policy.

7.5 **Corporate Plan and Priorities**

These proposals are consistent with the Council's Mission, Priorities and Objectives. In particular the proposals are consistent with:-

Priority 2	Striving for Excellence in the Workplace
SFE2	To develop the capacity to achieve in the organisation
SFE3	To ensure the corporate health of the Council through sound and prudent financial management

7.6 **Equality and Diversity**

There are no direct equality and diversity issues arising from the report.

7.7 **E-Government**

There are no direct e-government issues arising from this report. The successful implementation and roll out of risk management software supports the e-government agenda.

7.8 **Procurement**

The procurement of the facilitated training sessions complies with the Council's procurement code of practice and Standing Orders for Contracts.

7.9

Communication

The relevant issues arising from this report will be communicated to all appropriate parties.

8

Conclusion

8.1

The report updates Audit Committee on the Council's approach to managing risk and how it intends to comply with the adopted Policy and Strategy. In addition, the report identifies progress made and updates the Performance Workplan for the Risk Management function.

9

Recommendation

9.1

Audit Committee is requested to:

- Consider and note the content of the report;

Background Papers and Documents

Unit files

Risk Management Strategy Steering Group

2006/07 Corporate Risk Review

Risk Register

Risk Management Training file

Unit Workplans (Risk Management)