

Item no

Report to: **Audit Committee**

Date: **16th October 2008**

Report of: **Governance and Risk Manager**

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, 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 The attached Risk Management Performance Workplan (**Appendix 1**) forms the basis of quarterly reports to Audit Committee. The Workplan is used as a tool to measure performance and progress on initiatives and actions within the Risk Management function. In addition it reviews progress corporately across the Council to comply with the Council's adopted Risk Management Strategy and Policy.
- 4.2 The updated Workplan 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”.

- 4.3 The recent completion of the 2008-09 Corporate Risk Review provides a positive impact across a wide range of actions clearly illustrated across the whole Workplan.

5 **Corporate Risk Review 2008-09**

- 5.1 The Council's Corporate Risk Review (CRR) has now been completed and was adopted by Executive on 14th October 2008. **(copies have been previously circulated to all Members with the Executive Agenda)**
- 5.2 The Corporate Risk Review is a key element of the Council's corporate governance arrangements in providing the assurance that the Council are effectively managing its risks. It also complies with the Council's adopted Risk Management Strategy and Policy. The purpose of the review is to carry out a re-assessment of the District Council of Easington's current corporate risks and to take account of any current changes and emerging risk areas.
- 5.3 Risks are being effectively managed and risk management is well embedded. A comprehensive range of support continues to be provided to ensure that risks are managed effectively.

6 **Local Code of Governance & Annual Governance Statement**

- 6.1 The District Council received the Audit Commission's Annual Governance Report on 30th September 2008. This provided positive feedback on the way the Council continues to deal with its governance arrangements.
The Audit Committee will continue to have a role in ensuring compliance with the Council's adopted Local Code of Governance. Any necessary training that is required will be arranged by briefing sessions for Audit Committee Members.

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 continues to effectively identify and manage its risks.

7.3 **Policy**

There are no direct policy implications arising from this report.

7.4 **Local Government Reorganisation**

The Risk Management Performance Workplan is continually updated to take account of risk and developments arising from Local Government Review.

In addition, the recently completed Corporate Risk Review 2008-09, includes specific reference to risks and the risk implications arising from LGR to the District Council.

In dealing with and managing the developing emerging LGR risks, the Council has in place a transitional plan which is regularly updated that is used to determine priorities during the transitional period.

The Council's Governance and Risk Manager is involved with the LGR Risk Management workstream and arrangements are being put in place to ensure the new Authority has adequate risk management arrangements in place including the assimilation of all corporate risks across all the LGR Councils in preparation for vesting day.

7.5 **Risk**

There are no specific risks arising from the report.

7.6 **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 |

7.7 **Equality and Diversity**

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

7.8 **E-Government**

There are no direct e-government issues arising from this report.

7.9 **Procurement**

There are no direct procurement issues arising from this report.

7.10 **Communication**

The work of the Governance, Risk and Legal Services Unit is published and regularly updated on both the Council's Internet and Intranet.

As part of the Corporate Risk Review, Lead Officers and Executive Portfolio holders have been notified and advised of the key risks and actions for which they are responsible.

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;
- Consider and note the progress made with the Risk Management Performance Workplan

Background Papers and Documents

Unit files
Risk Management Strategy Steering Group
2007 -08 Corporate Risk Review
Risk Register
Risk Management Training file
Unit Workplans (Risk Management)
Local Code of Governance
LGR Transitional Plan