

Committee: Performance Select Committee

Date: 02 August 2007

Title: Risk Management Update

Author: Sheila Bronson, Acting Audit Manager,
ext 610

Agenda Item

8

Item for
information

Summary

- 1 The Council has arrangements in place to ensure risks are well managed. A risk can be defined as an event that could have a significant impact on the likelihood of meeting priorities and objectives. This report updates Members about the Council's risk management arrangements.

Recommendations

- 2 None

Background Papers

- 3 The Council's Risk Management Strategy (2007).
Audit Commission KLoE section 4.1 – The Council manages its significant business risks.

Impact

Communication/Consultation	There may be ineffective communication and consultation if the Council fails to manage its communications/consultation.
Community Safety	There may be implications for the community and its safety if the Council fails to manage its significant business risks.
Equalities	There may be inequalities if the Council fails to manage its significant business risks.
Finance	There may be financial implications if the Council fails to manage its significant business risks.
Human Rights	Human Rights may be infringed if the Council fails to manage its significant business risks.
Legal implications	Litigation may result if the Council fails to

	manage its significant business risks.
Sustainability	There may be sustainability implications if the Council fails to manage its significant business risks.
Ward-specific impacts	All wards may be affected if the Council fails to manage its significant business risks.
Workforce/Workplace	The Council's workforce may be affected if the Council fails to manage its significant business risks

Situation

- 4 The February 2007 meeting noted the self-assessment of performance level 2 against the Audit Commission's Key Lines of Enquiry carried out by the Risk Management Steering Group. Further progress has been made towards achieving performance level 3 during 2007/08, which requires risk management arrangements to include:
- Reviewing and updating the risk management process at least annually.
 - Considering risks in relation to significant partnerships and ensuring the risk management process provides for assurances to be obtained about the management of those risks.
 - Members with responsibility for corporate risk management receive reports on a regular basis and take appropriate action to ensure that corporate risks are being actively managed, including reporting to Full Council as appropriate.

All Corporate and Operational Risk Registers have been input into the Covalent Performance management system. This will facilitate easier review and updating actions by the risk owners and monitoring of risk registers by the Steering Group.

As a result of the Uttlesford 2011 reorganisation, a Risk Management presentation has been given to all Heads of Divisions as part of their Development Programme and an exercise is currently underway to confirm Risk Managers and Owners, following which Covalent training will be arranged and all operational risk registers will be reviewed and updated. A similar exercise to review and update of Corporate risk registers is planned.

A standard method of Risk Assessment has been agreed for use throughout the Council and is in the process of being incorporated into Divisional Plans and the Project Management Toolkit.

Risk Management

Performance Select Committee, item 8

The Risk Management Steering Group met on 25th July 2007 and considered the following items:

- Review of the Composition of the Steering Group, its Terms of Reference and Work plan for 2007-08
- The revised Risk Management Strategy 2007
- The proposed Improvement Plan for 2007/08 to be put forward for agreement with the Strategic Management Board and Heads of Division

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
The Council fails to manage its significant business risks resulting in criticism and declining performance	1 = Little or no Likelihood The Council is in the process of embedding Risk Management throughout the authority	3 = Significant impact – action required Failure to manage business risk could lead to inability to meet corporate and operational objectives and Adverse audit Commission report and damage to the Authority's reputation	Risk Management Strategy Risk Management Steering Group Corporate and Operational Risk Registers Performance Select Committee