

Committee: Performance and Audit

Agenda Item

Date: 23 June 2011

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Title: Corporate Risk Arrangements

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Performance and Communications

Item for information

Summary

1. This report sets out the council's approach to Corporate Risk and includes for reference the 2011/12 Corporate Risk Register which was approved by Full Council in February.

Recommendations

2. None

Financial Implications

3. None. There are no costs associated with the recommendations.

Background Papers

4. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

None

Impact

- 5.

Communication/Consultation	The Risk Register is discussed and updated by the Strategic Management Board at least quarterly.
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	None

Workforce/Workplace	None
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Situation

6. The Corporate Risk Register (Appendix 1) sets out the key risks associated with delivering the council's primary objectives as detailed in the Corporate Plan.
7. The Corporate Risk Register is reviewed on a quarterly basis by the Strategic Management Board, where scoring, mitigating actions and new risks are discussed and agreed. The Register is then reported quarterly to the Performance and Audit Committee.
8. Significant changes have been made in the council's approach to corporate risk in the last two years after it was identified as an area in need of improvement by the Audit Commission.
9. A small working group officers and a former councillor, who was a compliance manager in the financial sector by profession, led the project to revamp the council's approach.
10. External support and training was provided by a risk management expert from Zurich Municipal and a new strategy and corporate and operational risk registers were put in place at the beginning of 2010.
11. The improvements mean that risk identification, at both corporate and operational level, are now closely aligned with the service planning and budget setting process and monitoring of those risks is a robust and regular occurrence.
12. Previously, the Performance Select Committee asked to see just those risks scoring at or above the council's risk appetite of 9. However, the intention now is to bring the full register to the Performance and Audit Committee each quarter.

Risk Analysis

13.

Risk	Likelihood	Impact	Mitigating actions
That the council does not effectively monitor the risks it faces in delivering its corporate aims	1 – The register was created, and regularly monitored, by the Strategic	3 – If mitigating actions are not identified and acted upon, then there	Each corporate action and associated risk is owned by a member of the Strategic Management Board. Colleagues provide

and objectives	Management Board	could be serious consequences for the delivery of services	challenge and discussion regularly to ensure steps are being taken to reduce the likelihood and/or impact of those risks.
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1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.