



## AUDIT COMMITTEE - 5TH MARCH 2014

**SUBJECT: RISK MANAGEMENT – CORPORATE RISK REGISTER**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES & S151 OFFICER**

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### 1. PURPOSE OF REPORT

- 1.1 To provide an update of the Corporate Risk Register in accordance with the recommendations to Audit Committee at their meeting 17th September 2013.
- 1.2 To afford Audit Committee the opportunity to satisfy itself that appropriate arrangements are in place for the council's risk management processes to be regularly and robustly monitored and scrutinised.
- 1.3 Members have a critical role to play in evaluating the council's risk management arrangements and in particular understanding how the council identifies, manages and, where possible, mitigates/removes risk. Risk Management is crucial to the effective delivery of council services.

### 2. SUMMARY

- 2.1 At its meeting on the 17<sup>th</sup> September 2013 Audit Committee accepted the council's new Risk Management Strategy and supporting Guidelines, which were subsequently approved by Cabinet on the 2<sup>nd</sup> October 2013.
- 2.2 The Strategy identified the role of Audit Committee in the risk monitoring process as being:
  - Review the effectiveness of the risk management and internal control framework
  - Review the Council's Risk Management Strategy and how it is being implemented
  - Review and challenge the risk register and resultant action plans for the council's key strategic and corporate risks
  - Satisfy itself that robust processes and procedures exist and are applied for the management of operational risks including health & Safety risks.
- 2.3 For some time Corporate Management Team (CMT) has identified and monitored the council's key corporate risks. This monitoring regime has thus far been limited to CMT and it is now being expanded, as part of the council's Improving Governance Programme, to include Cabinet and Audit Committee.
- 2.4 The Strategy identifies that the Corporate Risk Register should be owned and understood by Cabinet and CMT. It also recognises that Audit Committee would be the guardians of the risk management strategy and should satisfy itself that it is being adhered to.
- 2.5 A programme of Risk Management training has been introduced for members commencing with Audit Committee (30<sup>th</sup> October 2013) closely followed by Cabinet.

### **3. LINKS TO STRATEGY**

- 3.1 Service improvement and delivery is key to delivering council priorities and risk management is a crucial element.

### **4. THE REPORT**

- 4.1 Attached as Appendix 1 is the most recent version of the council's Corporate Risk Register. These risks are currently reviewed on a 6 monthly basis by CMT and include:

- A description of each individual risk
- An assessment of the risk using the normal RAG identification
- Details of mitigation measures put in place
- Impact on council resources, if any
- Identification of the risk owner

To reflect the latest 6 monthly review the previous 12 months results are recorded to allow any trends over a period of 18 months to be highlighted.

In response to the WAO findings from its Corporate Governance Review CMT has increased discussions on the Corporate Risk Register to monthly from February 2014.

- 4.2 The Corporate Risk Register is compiled generally in the following ways:

1. CMT collectively identify organisational risks that arise from such sources as national/regional agendas, changing legislation, budget settlements, partnership risks, project risks etc
2. CMT collectively identify whole authority operational risks that could result from Regulatory inspections/reviews, political influences, work force planning, performance management etc
3. Directors escalate operational risks that in their opinion require a corporate approach to their management

- 4.3 The Corporate Risk Register is a 'living document' and changes at every review as new risks are introduced, existing risks are closed, or existing risk's RAG assessment is updated.

### **5. EQUALITIES IMPLICATIONS**

- 5.1 The Local Government Measure defines fairness and access as one of the criteria that constitutes 'improvement' within the Wales programme for Improvement 2009

### **6. FINANCIAL IMPLICATIONS**

- 6.1 There are no financial implications associated with this report

### **7. PERSONNEL IMPLICATIONS**

- 7.1 There are no personnel implications associated with this report

### **8. CONSULTATIONS**

- 8.1 There are no consultees that have not been included in the overall report.

## **9. RECOMMENDATIONS**

- 9.1 It is recommended that Audit Committee accepts the Corporate Risk Register update as part of their ongoing commitment to regularly reviewing the Register.

## **10. REASONS FOR THE RECOMMENDATIONS**

- 10.1 To ensure compliance with the Council's Risk Management Strategy

## **11. STATUTORY POWER**

- 11.1 Local Government Measure 2009, Wales Programme for Improvement 2010

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Appendices:  
Appendix 1 – Corporate Risk Register (February 2014)

Background Papers: Risk Management Policy & Guidelines