



Report of: **Executive Member for Finance and Resources**

Meeting of	Date	Agenda Item	Ward(s)
Audit Committee	January 2015		

Delete as appropriate		Non-exempt
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SUBJECT: Risk Management Update January 2015

1.Synopsis

- 1.1.A risk management report on the Council's refreshed approach to risk management and the outputs of implementing the new approach across the Council.
- 1.2.This report sets out the Council's principal risks as agreed with CMB in November 2014.

2. Recommendations

2.1. The Audit Committee are asked to note the contents of the report and:

- Consider and be satisfied as to the adequacy of the risk management approach;
- Note the progress made in embedding the new risk management framework and the planned risk management activities going forward;
- For major risk exposures, be satisfied with the proposed action.

3. Background

- 3.1. In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk. The Council has approved and adopted a refreshed approach to risk management which is line with best practice industry standards (Institute of Risk Management and the International Standard ISO3100 for Risk Management).
- 3.2. The report explains how the risk approach has been used across the council, outputs from the development and implementation of a top-down and bottom-up approach to risk management, and future planned activities to embed risk management into the culture of the organisation.

4. Implications

4.1. Financial implications

The programme of work has been met from within the existing Internal Audit revenue budget.

4.2. Legal Implications

None specific to this report.

4.3. Environmental Implications

There are no environmental implications

4.4. Equality Impact Assessment

There are no direct equality implications arising from the recommendation in this report

5. Conclusion and reasons for recommendations

To further embed the improved risk management process, we will continue to undertake the activities outlined above and the following activities over the next 12-months:

- Continue to facilitate, moderate and provide an independent challenge through detailed risk discussions management teams and provide progress updates to CMB and AC biannually.
- Deliver a risk management training session for Audit Committee members;
- Communications for staff to raise awareness of risk and opportunity management and its application;
- Develop early warning indicators (EWI) for principal risks. EWIs are metrics which act as an early warning signal and will be used to monitor identified exposures over time.
- Development of an online training tool/workshop package for day-to-day managers across the Council to heighten level of risk based thinking.
- Encourage risk discussions and joint collaboration/interdependencies with various risk streams across the Council e.g. Health & Safety, Insurance, Business Continuity, Information Security.
- Agreed to help Strategic Procurement to develop a supplier risk assessment tool to help minimise the possibilities of supply chains risks and build the Council's resilience.

- Align risk management requirements within transformation programmes/projects with the overall risk management framework

Final Report Clearance

Signed by



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Corporate Director of Finance

Date

Received by

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Head of Democratic Services

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Date

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