

RISK MANAGEMENT

1. SUMMARY

Risk management is a relatively new requirement which has been placed on Councils. Audit Scotland in its Annual Accounts - Report to Members 2005/06 stated, "the council needs to further embed its risk management approach". The Council Constitution details the Audit Committee as responsible for scrutinising risk management aspects of the Council's business. With regard to the above the Audit Chairman has requested that a report be prepared for the Audit Committee, detailing the current status of risk management within the council. As part of the 2006/07 audit programme Internal Audit has carried out an audit of Risk Management. The report summary and Action Plan are provided for review by the Audit Committee in Appendix 1 and 2.

2. RECOMMENDATIONS

2.1 The contents of this report are noted and are to be followed up by Internal Audit.

3. DETAILS

3.1 The broad objective of the audit was to evaluate whether there is a Risk Management Framework (RMF) in place which can enable the risk management process to be carried out and developed in a comprehensive manner, aid the SMT and satisfy external audit requirements.

3.2 In the course of the audit it was found that a number of key steps have been taken to establish risk management within the Council. For example, risk management procedures are currently being developed by the Council in accordance with a nationally agreed standard.

3.3 However, areas were identified that require management action. The Internal Audit report outlines a process for the development of risk management within the Council. The report has now been agreed by Corporate Services management as has the Action Plan. The report summary and action plan are provided in Appendices 1 and 2.

3.4 Risk management will be included as a standing item on future Audit Committee agendas. This will ensure that regular progress updates from officers come forward for scrutiny.

4. CONCLUSIONS

An audit has been completed of risk management and a process outlined for its development within the Council. Regular quarterly progress reporting to the Audit Committee will now commence.

5.	IMPLICATIONS	
5.1	Policy:	None
5.2	Financial:	None
5.3	Personnel:	None
5.4	Legal:	None
5.5	Equal Opportunities:	None

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