
RISK MANAGEMENT UPDATE

1 SUMMARY

1.1 This report outlines the progress being made with risk management.

2 RECOMMENDATIONS

2.1 This report is noted.

3 DETAIL

3.1 This report outlines the progress being made with risk management. It covers 3 aspects:

- Ongoing risk management activity
- Risk management framework, strategy and approach
- Review of risk registers

Ongoing Risk Management Activity

3.2 The Operational Risk Registers (ORRs) are still held on the Pyramid performance management system. Services have been updating the ORRs each quarter. The ORR information feeds into the service and departmental performance scorecards for summary reporting of risks. A separate quarterly report on all the ORRs showing the trend over the year and with explanatory comments on key changes was prepared as at the end of December and reported to SMT. This will now become a standard quarterly report.

3.3 The Strategic Risk Register (SRR) is also held on the Pyramid performance management system. This is updated taking into account changes in the ORRs each quarter. The SRR information feeds into the Council Scorecard for summary reporting of the SRR risks. A separate quarterly report on the SRR showing the trend over the year and with explanatory comments on key changes was prepared as at the end of December and reported to SMT. This will now become a standard quarterly report.

Risk management framework, strategy and approach

3.4 The review of the risk management framework etc has been completed and documentation drafted. This will be reviewed by Improvement and HR to ensure consistency with the Planning and Performance Management Framework and will then submitted to SMT for approval. The following documentation has been drafted:

- Risk Management Policy Statement
- Risk Management Framework

- Risk Management Strategy
- Risk Management Action Plan
- Risk Management Guidance Manual

The Risk Management Guidance Manual as well as “how to” information also contains the process and templates for reporting on risk management as part of the planning process, at the financial year end and on a quarterly basis throughout the year. It also covers roles and responsibilities in relation to risk management.

- 3.5 It is planned that the revised documentation as outlined above will be approved by 31 March 2011 and become operational for the 2011-12 financial year.

Review of risk registers

- 3.6 The next area to be reviewed is the risk registers. This will include a review of the SRR to ensure we have identified and evaluated the appropriate risks in an appropriate manner. This will provide the starting point for the next round of planning and budgeting and updating of the corporate plan. The ORRs will also be reviewed. Staff in Strategic Finance will work with each service to review the current ORR and make changes to it to ensure the ORRs have identified and evaluated the appropriate risks in an appropriate manner.

- 3.7 It is planned to complete the review of the SRR and ORRs by the end of April 2011.

4 CONCLUSION

- 4.1 The report confirms that risk management is continuing on an ongoing basis. The improvements identified in previous audit reports are being progressed. Although progress is behind schedule it is felt that the detailed and structured approach will ensure that risk management becomes embedded.

5 IMPLICATIONS

Policy – None as the report is for information/noting
 Financial - None as the report is for information/noting
 Legal – None as the report is for information/noting
 HR - None as the report is for information/noting
 Equal Opportunities - None as the report is for information/noting

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