



Havering
LONDON BOROUGH

AUDIT COMMITTEE

25 June 2012

Subject Heading:

Annual Review of Risk
Management

Report Author and contact details:

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Policy context:

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To inform the Audit Committee of the
results of the annual review.

Financial summary:

N/A

The subject matter of this report deals with the following Council Objectives

Clean, safe and green borough	X
Excellence in education and learning	X
Opportunities for all through economic, social and cultural activity	X
Value and enhance the life of every individual	X
High customer satisfaction and a stable council tax	X

SUMMARY

This report provides Members with details of the annual review of risk management arrangements as well as providing an update on developments during the last year and new initiatives going forward.

RECOMMENDATIONS

1. To note the work continuing to take place on Risk Management.
2. To note the updated Corporate Risk Register, Appendix A.

3. To approve the Risk Management Strategy, Appendix B.

REPORT DETAIL

1. During 2011/12 a report on the future of risk management was presented to Corporate Management Team (CMT). As a result a Corporate Leadership Team (CLT) Working Group was established to undertake a review of Risk Management and make recommendations to CMT on how the arrangements could be strengthened. A report updating the Committee on the outcome of the working group was presented to the April meeting.
2. Since February the new approach to Risk Management has been presented to CLT and agreed. A refresh of the Corporate Risk Register has been finalised using the new document templates implemented and Heads of Service have commenced implementing the new approach within their own service areas, the deadline for this is August 2012 ready for the first Risk Register Review which is planned for September.
3. The current Corporate Risk Register is included as Appendix A of this report.
4. The contents of the Risk Register was produced by:
 - The CLT Working Group reviewing the old register, considering the objectives in the Corporate Plan; reviewing the outcome of the last Service Risk Register review and considering what Risk specialists consider to be the top risks currently;
 - The twelve risks identified being agreed by CLT and allocated a CMT and CLT lead;
 - New risk analysis templates have been completed by lead officers and submitted; and
 - The final version of the Risk Register has been agreed by CMT.
5. A review of the Strategy has been completed in light of the new approach to ensure it is current and reflects the outcome of the working group. The updated Strategy is included as Appendix B of this report.
6. Following Member approval of the Strategy, further actions are planned to implement this and embed the new approach, and approximate timescale has been identified for each action:
 - Revive the operational risk management group in order to link key officers who support the organisation by providing guidance and assurance with regards risk (June);
 - Update officer guidance and the intranet (July);
 - Continue to attend Service Management Teams to workshop risk and support the implementation of the new approach (July/August);

- Consider the training needs of management and produce an action plan (August);
 - Undertake a review of all Service Risk Registers and supporting documentation (September);
 - Review the success of the new approach and identify any areas for improvement (September);
 - Review and update the Corporate Risk Register (October)
7. The Corporate Risk Register will be presented again at the December meeting along with an update on the activity undertaken.

IMPLICATIONS AND RISKS

Financial implications and risks:

There are no financial implications or risks arising directly from this report. An annual review of Risk Management and the Risk Management Strategy are essential to ensure that the Council's approach to Risk Management is concurrent and is subject to examination by the Audit Committee.

Legal implications and risks:

There are no direct implications or risks from consideration of the Report. However, the corporate risk strategy inherently considers the whole gamut of risks affecting the Council including legal risks, and the review of that strategy may have indirect implications for the management of risks.

Human Resources implications and risks:

None arising directly from this report.

Equalities implications and risks:

None arising directly from this report.

BACKGROUND PAPERS

None