

AUDIT AND GOVERNANCE COMMITTEE

Thursday, 25th July 2019

REPORT OF THE ASSISTANT DIRECTOR FINANCE

RISK MANAGEMENT QUARTERLY UPDATE

EXEMPT INFORMATION

None

PURPOSE

To report on the Risk Management process and progress to date for the current financial year.

RECOMMENDATIONS

That the Committee endorses the Corporate Risk Register

EXECUTIVE SUMMARY

One of the functions of the Audit & Governance Committee is to monitor the effectiveness of the authority's risk management arrangements, including the actions taken to manage risks and to receive regular reports on risk management. Corporate risks are identified and managed and monitored by the Corporate Management Team (CMT) on a quarterly basis.

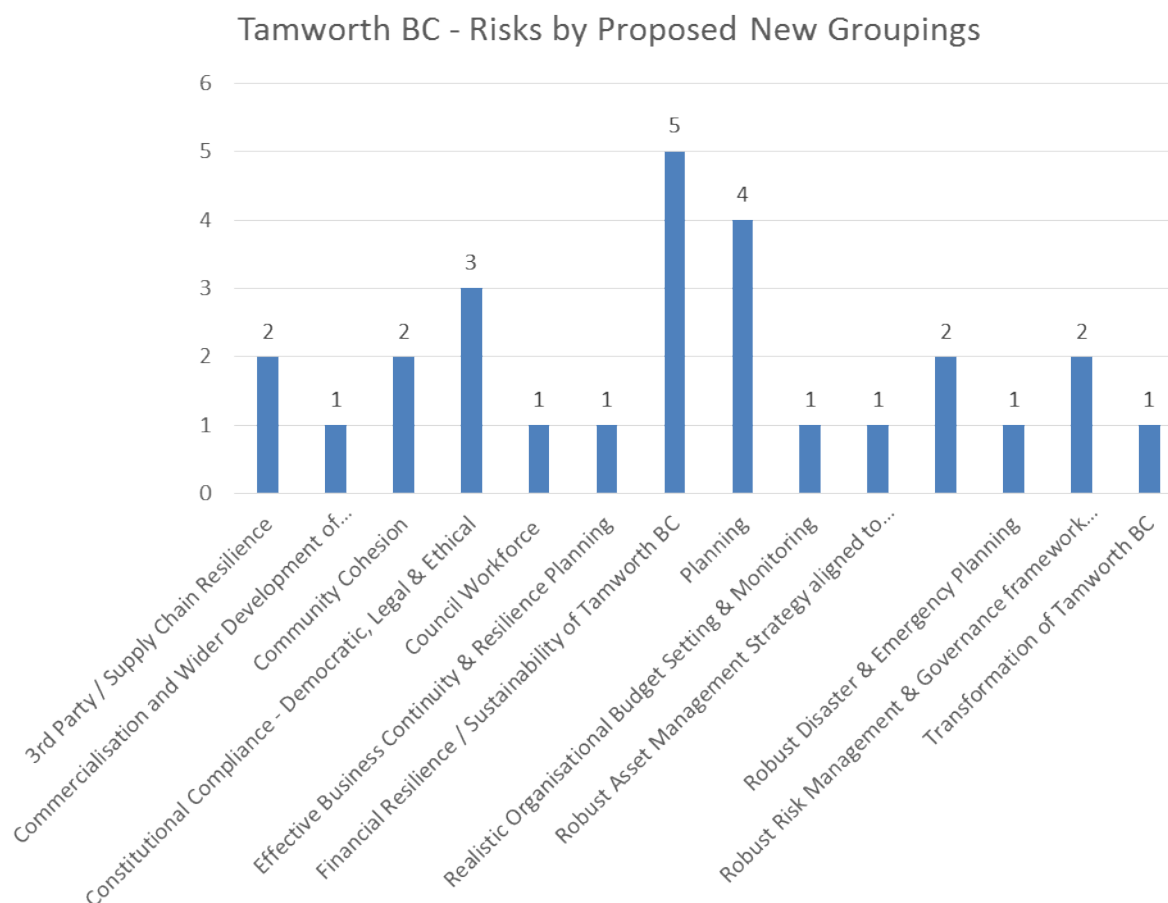
Following the recent organisation changes a review is currently underway to ensure that the flow of risk information from the strategic level through to the operational level and back reflects the corporate risks and objectives. It is also expected that we will be able to show the strategic nature of the risks across service units.

The review covers:

- How the current risk system is being utilized across services
- How the corporate risks are captured, aligned and reported
- Identify potential opportunities to rationalize and co-ordinate mitigating actions & controls
- Align the risks to the Corporate plan (where possible)

The strategic risks also need to relate and take account of the wider economic, social and political environment and to assist with this we are working with an external risk consultant. As the review progresses Corporate Management Team and Members will be kept informed so they can confirm the direction of travel and provide guidance. Once substantive progress has been made details will be presented to the Audit and Governance committee.

Currently the review is looking at the structure of the quarterly report to make it more 'punchy' and key risks easier to highlight. The initial re-grouping of the current risks are shown in the graph below.



We have also identified members of staff in service areas across the Authority and these will be brought together to discuss how risk management can be developed in their areas to support the strategic and operational processes.

Corporate risks have been assigned to relevant members of the Corporate Management Team. Through regular review, risks may be added or removed from the Corporate Risk Register. The summary of the current Corporate Risk Register is attached as **Appendix 1** and the detailed for information is attached as **Appendix 2**.

RESOURCE IMPLICATIONS

Zurich Municipal agreed to part fund the cost of the review by reducing the insurance premiums with the remainder funded from the insurance reserve.

LEGAL/RISK IMPLICATIONS BACKGROUND

None

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

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LIST OF BACKGROUND PAPERS

None

APPENDICES

Appendix 1 Summary Corporate Risk Register

Appendix 2 Detailed Corporate Risk Register

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