

## **RISK MANAGEMENT**

### **1 SUMMARY**

- 1.1 This report provides Members with the latest Corporate Risk Register and an update on progress in embedding risk management throughout the Authority.

### **2 INTRODUCTION**

- 2.1 It is the policy of the Council to adopt a proactive approach to Risk Management and one of the tools to achieve this is the Council's Corporate Risk Register, which is included as an appendix to this report.
- 2.2 A draft Register was previously reported to the former Finance & Procedures Overview & Scrutiny committee in April 2006. At the time, the Register was incomplete as Risk Owners had not been identified and there had been no detailed evaluation of the adequacy of controls in place. Members asked for the next progress report to be made to this committee in October.
- 2.3 Monitoring of the Risk Register is carried out by the Officer Corporate Risk Group who report into the Senior Management Team. There will be routine annual reports to committee, with additional reports if the risk environment changes materially.

### **3 CORPORATE RISK REGISTER**

- 3.1 Since April, the Register has been fully completed. Individual Risk Owners have been identified for each risk and they are responsible for confirming the adequacy of controls and ensuring that any required actions are completed.
- 3.2 The controls already in place have been assessed for adequacy in reducing the likelihood of the individual risks on a scale of Excellent, Good, Fair and Poor.
- 3.3 The risk assessment has been reviewed by the Corporate Risk Group with moderation by the Senior Management Team, including the Chief Executive and Corporate Directors. The suggestions made by Members at the Finance & Procedures Overview & Scrutiny Committee meeting in April 2006 have been taken into account on the risk assessments of Item 3 – "Significant Changes to local economic or social environment" – and item 17 – "High volumes of staff/client/contractor fraud".
- 3.4 As part of the ongoing Risk Management process, there will be changes to the risks identified on the Corporate Risk Register:-

Housing Transfer process

- 3.5 Items 22 to 26 on the Corporate Risk Register. Although the process and impact is being closely managed, the obvious uncertainty of the outcome of the ballot due to take place in the Autumn, means that some of these risks must currently be judged High Risk to the Authority.

Access to Services

- 3.6 The Audit Commission is due to undertake this inspection in December. The risk assessment of the risk of failing to prepare for the inspection has been assessed as Low in view of the work that has already taken place including the setting up of an officer working group.

Failure to meet e-government requirements

- 3.7 Following the end of the e-government funding, the Council no longer has set targets set by Government so this risk will be deleted.

**4 BUSINESS CONTINUITY RISKS**

- 4.1 A project team was set up in July this year to focus on the identification of business critical areas. Following the completion of Divisional Business Continuity Plans, the project team will be updating the Corporate Business Continuity Plan.

**5 NEXT STEPS**

- 5.1 The Corporate Risk Group are now working on standard documentation to support the identification of corporate risks, risk assessments and the monitoring of action plans. The Group will be monitoring the Corporate Risk Register and an annual report will be presented to the Audit Committee in one year's time.
- 5.2 As part of the Members' Training Programme, the Authority's insurers, Zurich Municipal, will be delivering two training sessions on 15 November.

**6 RISK IMPLICATIONS**

- 6.1 In the current climate of change in local government, it is essential that the Council has a strong Risk Management Policy and a risk aware culture throughout the organisation as risks threaten the achievement of the Council's aims and objectives.

**7 RECOMMENDATION**

7.1 It is proposed that the Committee **RESOLVES**

- (1) To note the contents of this report and agree the current Corporate Risk Register
- (2) That the annual review of the Corporate Risk Register will be reported to the Audit Committee in one year's time.

Yvonne Woodward

Head of Finance, Audit and Performance Management

---

**Background Papers:-**

None

For further information please contact Mrs Yvonne Woodward on:-

Tel:- 01702 318029

E-Mail:- [yvonne.woodward@rochford.gov.uk](mailto:yvonne.woodward@rochford.gov.uk)