

MANAGING RISKS

1. Background

- 1.1 A Risk Management Strategy and Framework was developed in June 2009, to ensure that risk management is integral to, and incorporated into, all areas of the Council's activities. Following consultation with the Corporate Management Team and Governance and Constitution Committee, its adoption and implementation was thoroughly discussed at a Cabinet Briefing and then approved by Cabinet on 14th July, 2009.

The Corporate Risk Management Group (CRMG), which includes Councillor David Brown, and which plays a key role in the implementation of the Risk Management Framework, was subsequently established and has met on a number of occasions since June.

In addition to reporting to Corporate Management Team, regular updates have also been provided to Governance and Constitution Committee.

2. Corporate Risk Management Group

- 2.1 The Corporate Risk Management Group is a small, focused and very experienced group of Senior Managers with responsibility for:
- implementing the framework
 - developing, monitoring and reviewing the Strategic Risk Register, and reporting on this to Cabinet, Corporate Management Team and Governance and Constitution Committee.
 - individually representing their Departments on risk management, and helping to ensure that risk is embedded within all services.
 - assisting in providing guidance on Partnership and Project Risk Management.

3. Strategic Risk Register

- 3.1 A copy of the current Strategic Risk Register is attached (**Appendix 1**), together with a summary of the mitigating actions for each risk, and a 'score' to quantify each risk. The score is a combination of the likelihood of the risk occurring and the impact, should it occur. The scores identified on Appendix 1 are the 'net' scores, i.e. the risks with the current controls in place. **Appendix 2** outlines the scoring matrix.
- 3.2. **Appendix 3** provides further details of a number of the risks, as examples of the way in which each risk is profiled. For each risk there is a fuller

APPENDIX A

explanation of the risk, how it links to strategic priorities and objectives, the consequences should it materialise, and the controls and mitigating actions in place.

- 3.3 Having discussed this risk register with Cabinet, it has been requested to include a risk around reputational impact, which is to be owned by Cabinet. This will be fed back into the risk management process and discussed at the next Corporate Risk Management Group.

4 Training

- 4.1 The Corporate Risk Management Group received training in Risk Management at its meeting on 14th December, 2009, and Governance and Constitution Committee received training on 21st January, 2010. Training is currently being planned for Cabinet and for Corporate Management Team before the end of March.

5 Reporting

- 5.1 Progress on actions to mitigate and manage the strategic risks will continue to be reported to Cabinet, Corporate Management Team and Governance and Constitution Committee on a regular basis.

6 Performance Management

- 6.1 In order to fully integrate risk management into planning and performance management, regular discussions have taken and continue to take place with the Performance Management Team. Plans are in place to link the risk management process to the performance management system which is being developed. Risk management continues to be an integral part of Service Planning and it will be a key element within the current development of the Corporate Plan for 2010/11.

7 Recommendation

- 7.1 It is recommended that Cabinet:
- note the good progress made towards implementing an effective Risk Management Framework throughout the Council.
 - note, and discuss as appropriate, the current list of strategic risks.

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