EXECUTIVE **02 DECEMBER 2009**	**Agenda Item No.**

Title	Risk Management Progress Report
For further information about this report please contact	Richard Barr Tel: (01926) 456815 E Mail: richard.barr@warwickdc.gov.uk
Service Area	Finance
Wards of the District directly affected	Not applicable
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No
Date and meeting when issue was last considered and relevant minute number	Executive – 15th July 2009 (included as part of Annual Risk Management Progress Report).
Background Papers	Minutes of Risk Management Group meetings

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No

Officer/Councillor Approval

With regard to officer approval all reports *must* be approved by the report authors relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).

Officer Approval	**Date**	**Name**
Relevant Director	10 Nov 2009	Andrew Jones
Chief Executive		
CMT		
Section 151 Officer	10 Nov 2009	Mike Snow
Legal	10 Nov 2009	Peter Oliver
Finance		As S151 Officer
Portfolio Holder(s)	11 Nov 2009	Councillor Mobbs

Consultation Undertaken

Not applicable

Final Decision?	Yes

Suggested next steps (if not final decision please set out below)

1 SUMMARY

1.1 This report sets out the latest update of the Corporate and Strategic Risk Register for those items that score 12 or more.

2 RECOMMENDATIONS

2.1 The Executive considers the Corporate and Strategic Risk Register for those items scoring 12 and above which is attached at Appendix 1 and considers if any further actions should be taken.

3 REASON FOR RECOMMENDATIONS

3.1 To assist members fulfil their role in overseeing the organisation's risk management framework (see section 7, below).

4 ALTERNATIVE OPTION(S) CONSIDERED

4.1 This report is not concerned with recommending a particular option in preference to others so this section is not applicable.

5 BUDGETARY FRAMEWORK

5.1 Although there are no direct budgetary implications arising from this report, risk management performs a key role in corporate governance including that of the Budgetary Framework. An effective risk management framework helps to ensure that the Authority manages its resources and achieves its objectives economically, efficiently and effectively.

5.2 The risk register sets out when the realisation of risks might have financial consequences. One of the criterions for severity is based on the financial impact.

6 POLICY FRAMEWORK

6.1 The register is based on the Council's corporate priorities and key strategic projects that reflect the Corporate Strategy.

7 RESPONSIBILITY FOR RISK MANAGEMENT

7.1 In its management paper "Worth the risk: improving risk management in local government", the Audit Commission sets out clearly the responsibilities of members and officers:

> "Members need to determine within existing and new leadership structures how they will plan and monitor the council's risk management arrangements. They should:
>
> - decide on the structure through which risk management will be led and monitored;

- consider appointing a particular group or committee, such as an audit committee, to oversee risk management and to provide a focus for the process;
- agree an implementation strategy;
- approve the council's policy on risk (including the degree to which the council is willing to accept risk);
- agree the list of most significant risks;
- receive reports on risk management and internal control – officers should report at least annually, with possibly interim reporting on a quarterly basis;
- commission and review an annual assessment of effectiveness: and
- approve the public disclosure of the outcome of this annual assessment, including publishing it in an appropriate manner.

The role of senior officers is to implement the risk management policy agreed by members.

It is important that the chief executive is the clear figurehead for implementing the risk management process by making a clear and public personal commitment to making it work. However, it is unlikely that the chief executive will have the time to lead in practice and, as part of the planning process, the person best placed to lead the risk management implementation and improvement process should be identified and appointed to carry out this task. Other people throughout the organisation should also be tasked with taking clear responsibility for appropriate aspects of risk management in their area of responsibility."

8. BACKGROUND

8.1 The June 2005 Executive considered a report on Risk Management and asked for all items which score 12 or above on the Corporate and Strategic Risk Register to be monitored and reported to the Executive on a quarterly basis. The Audit and Resources Overview and Scrutiny Committee (as was) suggested some refinements to the register and it now includes a timescale for the further actions required to bring the risk back to an acceptable level. Items in bold are new items. The Finance and Audit Scrutiny Committee always consider the risk register at their meetings and pass comments to the Executive as they feel appropriate.

8.2 The key issues arising from this quarter's update are:

- Based on some recent situations the risk of the Authority being sued for libel or slander has now been included. Instructions are to be issued to staff concerning making comments to the media and the Insurance Officer is to initiate some awareness training.

- The risk of not achieving savings through the BIP programme has now been included. This will be address through closer monitoring by Finance and Audit Scrutiny Committee and Executive.

8.3 The corporate risk register considers all risks to the Councils operations, key priorities, and major projects. Individual services also have their own risk register which helps inform this process.

8.4 The Register was last reviewed by SMT on 14th October 2009. The Register is reviewed in full on a quarterly basis. The complete Corporate and Strategic Risk Register was reported to the July 2009 Executive, with the Annual Risk Management Progress report.

8.5 The scoring criteria for the risk register are judgemental and are based on the likelihood of something occurring, and the impact that might have. Appendix 2 sets out the guidelines which are applied.