



## AUDIT COMMITTEE REPORT

<b>Report Title</b>	<b>Risk Management Update – Strategic Risk Register</b>
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**AGENDA STATUS: PUBLIC**

<b>Meeting Date:</b>	21 <sup>st</sup> March 2011
<b>Policy Document:</b>	No
<b>Directorate:</b>	Finance and Support
<b>Accountable Cabinet Member:</b>	Cllr David Perkins

### 1. Purpose

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1.1 To enable the Committee to review the updated Strategic Risk Register.

### 2. Recommendations

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2.1 To note the Strategic Risk Register and suggest any amendments.

### 3. Issues and Choices

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#### 3.1 Report Background

3.1.1 At the meeting on 8<sup>th</sup> November, Audit Committee requested that the Strategic Risk Register be submitted for review once Management Board had approved the Register.

#### 3.2 Issues

3.2.1 Over recent months Management Board has undertaken a significant refresh of the Strategic Risk Register. The aim was to create 5 or 6 new risks that are true Strategic Risks.

3.2.2 The following definition was adopted by Management Board and used to assist in the identification and classification of strategic risks, 'strategic risks are those risks concerned with ensuring overall business success, vitality and viability'.

3.2.3 Each of the old strategic risks were measured against the above definition. Those that were not deemed to fit with the definition were allocated to the Service Area best placed to manage the risk from a Corporate perspective.

3.2.4 Please refer to Appendix A for a copy of the new Strategic Risk Register.

- 3.2.5 Each of the new strategic risks have been assigned a Risk Lead, however the ownership of each of the risks remains with the Chief Executive.
- 3.2.6 For each of the risks a series of mitigating actions have been identified. Each action has a designated Action Owner.
- 3.2.7 The register is reviewed by Management Board Quarterly.
- 3.2.8 The following table summarises the Council's Risk Hierarchy and illustrates where strategic risks sit in relation to other levels of Council risk.

<b>Level of Risk</b>	<b>Description</b>	<b>Responsibility</b>	<b>Minimum Review Frequency</b>
<b>Strategic</b>	Risks concerned with ensuring overall business success, vitality and viability.	Management Board.	Quarterly.
<b>Corporate</b>	High-level risks owned by a particular service area but with crosscutting implications.	Head of Service.	Monthly at DMTs. Twice a year by Management Board.
<b>Service</b>	Risks relating to achieving service objectives.	Head of Service.	Monthly at DMTs.
<b>Programme Project Partnership</b>	Risks relating to the delivery of a specific programme, project or partnership.	Project, Programme or Partnership Lead.	Monthly.
<b>Operational</b>	Day to day risks associated with operational service activities.	Service Manager.	Monthly.

### **3.3 Choices (Options)**

- 3.3.1 To suggest any additional areas to cover in future updates.

## **4. Implications (including financial implications)**

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### **4.1 Policy**

- 4.1.1 None.

### **4.2 Resources and Risk**

- 4.2.1 This report supports the Council's Risk Management Strategy.

### **4.3 Legal**

- 4.3.1 There are no specific legal implications arising from this report.

#### **4.4 Equality**

4.4.1 There are no specific equalities implications arising from this report.

#### **4.5 Consultees (Internal and External)**

4.5.1 The Head of Finance has been asked to comment on this report. Management Board has approved the new Strategic Risk Register.

#### **4.6 How the Proposals deliver Priority Outcomes**

4.6.1 Providing an early warning system to alert Officers and Members to potential opportunities and threats.

4.6.2 Targeting resources at areas and issues of greatest risk where the Council's objectives are most under threat.

4.6.3 Reduction in interruptions to service delivery.

4.6.4 Continuity of critical Council activities.

4.6.5 Enabling the Council to act proactively, avoiding reactive management wherever possible.

4.6.6 Protecting and enhancing the reputation of Northampton Borough Council.

#### **4.7 Other Implications**

4.7.1 Not applicable

### **5. Background Papers**

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Appendix A - Strategic Risk Register – please print on A3 paper.

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