

Meeting:	Cabinet
Date:	28 <sup>th</sup> July 2005
Subject:	Risk Management - Strategic Risk Register - Strategy Document
Responsible Officer:	Myfanwy Barrett – Director of Finance and Business Strategy
Contact Officer:	Julia Bourne – Service Manager Risk
Portfolio Holder:	Sanjay Dighe – Business Connections and Performance
Key Decision:	No
Status:	Part 1

## **Section 1: Summary**

### **Decision Required**

Cabinet are asked to:

- Approve the strategic risk register.
- Agree that Cabinet will receive quarterly reports about risk management progress and the management of key risks.
- Consider and approve the risk management strategy document, which is a requirement of the CPA.

### **Reason for report**

Cabinet approval is required in line with best practice and to improve the Council's CPA rating under the recently published key lines of enquiry.

## Benefits

Support for the risk management, financial management and performance management processes.

## Cost of Proposals

None directly related to this report.

## Risks

That a strategic view of risk management is not taken and therefore the process is not properly embedded across the Authority, impacting on Harrow's ability to be a business like organisation.

## Implications if recommendations rejected

The Authority is not seen to be actively managing its key risks and best practice is not being adopted.

## Section 2: Report

### 2.1 Brief History

2.1.1 Officers started the process of identifying and managing strategic risks in 2003. Since then a number of risks have been addressed and the register has been refreshed on a regular basis.

2.1.2 The **strategic risk register** (appendix 1) has been revisited and updated by Zurich Municipal Management Services with the Executive Directors Group in June 2005. A risk register showing the key risks that will affect the Council's ability to meet its corporate objectives has been produced, with officers identified as having responsibility for each risk as well as a target rating for improvement. The risk register takes account of controls and mitigation already in place and the risk register shows the residual risk i.e. risk left over once consideration has been given to whether a risk can be terminated, insured against, or transferred to another organisation. This report has identified 17 key risks and these will be monitored and managed. There is now a good practice requirement to update Members regularly on the Council's strategic risks and therefore monitoring reports will be provided to Cabinet quarterly as part of the risk management framework. This will enable Cabinet to form a coherent strategic view of the Council's management of its key risks and provide leadership on the management of those risks.

2.1.3 The **draft corporate risk management strategy** (appendix 2) is marked as draft to take account of any changes required by Cabinet. The document is based on best practice guidelines and will be reviewed annually. It will drive the work of the risk management team during this year and sets out the roles and responsibilities of Council Members and Officers. The strategy document has been subject to consultation with External Audit,

Internal Audit, Zurich Municipal Management Services and the Corporate Risk Steering Group amendments have been made as necessary to take account of comments received.

2.2 Options considered

Not applicable to this report.

2.3 Consultation

As outlined in 2.1.2 above.

2.4 Financial Implications

Any costs associated with this report will be contained within the existing budget.

2.5 Legal Implications

None

2.6 Equalities Impact

Identified risks will assist with the Council's Race Equality Scheme.

### **Section 3: Supporting Information/Background Documents**

Appendices (circulated in the Supporting Documents Pack)

APPENDIX 1 – STRATEGIC RISK REGISTER

APPENDIX 2 – DRAFT CORPORATE RISK MANAGEMENT STRATEGY