

**REPORT
FOR:**

**GOVERNANCE AUDIT AND
RISK MANAGEMENT
COMMITTEE**

Date of Meeting:	6 September 2011
Subject:	Risk Management Update and Draft Risk Management Strategy
Responsible Officer:	Tom Whiting, Assistant Chief Executive
Portfolio Holder:	Councillor Graham Henson - Portfolio Holder for Performance, Customer Services and Corporate Services
Exempt:	No
Enclosures:	Appendix 1 – Draft Risk Management Strategy

Section 1 – Summary and Recommendations

The Governance Audit and Risk Management Committee (GARM) support Cabinet in its role by reviewing internal policies and arrangements. This includes providing an assurance to Cabinet that the Risk Management Strategy is in line with current guidance and best practice.

This report is provided to ensure GARM is aware of the Council's progress in risk management, to comply with the governance framework and ensure the Council's risk management framework continues to align with best practice.

Recommendations:

GARM is requested to:

- note the risk management position; and
- comment on and endorse the draft Risk Management Strategy.

Section 2 – Report

Risk Management position

The Council's key risk management achievements in the past 12 months and planned initiatives in 2011/12 are:

Key Achievements

- Delivery of a council-wide assurance mapping project to identify and strengthen the operation of assurance groups at the Council and also the robustness of risk registers in relation to these key groups
- Best practice visit and sharing of information on risk management with Councils recognised as excellent
- Review and update of the risk management strategy
- Attending CSB Performance meetings as required
- Quarterly update of the strategic risk register, corporate operational risk register and directorate risk registers with corporate directors, providing challenge to ensure risk registers were complete and robust.
- Facilitating meetings and provision of secretariat functions to the Corporate Risk Steering Group (CRSG).
- The Corporate Risk Steering Group met 4 times during 2010-11 covering such issues as risk management training, the assurance mapping project and the risk management strategy, as well as generally sharing information and lessons learned on risk and risk issues at the Council
- The CRSG also provided challenge on the robustness of the strategic and corporate operational risk registers and the adequacy of controls to mitigate the risk
- Membership and strong risk management input into to the following project groups/work streams at the Council – the Corporate Governance Working Group, the Capital Forum, Planned and Reactive Maintenance and Harrow Highways Construction tender/procurements

Key Deliverables and Initiatives Underway / Planned

- Ensure that approved changes to the risk management strategy are reflected in other council risk management policies, guidance and training, where appropriate.
- Integrate and embed the approved risk management strategy
- Establish and develop the roles of GARM Lead Member Risk Champion and Council Risk Champion
- Capture of positive risk opportunities in risk registers
- Merge, consolidate and streamline the strategic and corporate operational risk registers into a single corporate risk register
- Produce a high level risk summary report for distribution to CSB
- Investigate and recommend a course of action relating to the potential purchase and use of a risk management software system, particularly in regard to the generation of risk management reports.
- Review/refresh the terms of reference of the CRSG to ensure it continues to be effective and continues to meet the needs of members

Risk Management Strategy

The Risk Management Strategy (October 2010) was reviewed to identify ways to further enhance it and to ensure it continues to reflect best practice. The updated strategy:

- Is linked more strongly and explicitly to the new strategic vision set for the Council of Working Together; Our Harrow, Our Community
- Streamlines risk reporting outputs/formats to more efficiently meet the information needs of users of risk management information, e.g. the strategic and corporate operational risk registers are being consolidated into a single corporate risk register so that all key strategic risks are reported in a consistent way in one risk register
- Recognises relevant changes since 2010 in the structure and workings of the Council affecting the risk management function e.g. in the introduction of commissioning panels.

To support the new Risk Management Strategy, the existing Risk Management Guide will also be reviewed so as to ensure it is fully consistent with it. The Guide provides detailed step-by-step advice on how to conduct a risk assessment and complete the risk register. The Corporate Risk Steering Group will be asked to approve the Guide.

To ensure the new Risk Management Strategy is fit for purpose, comments have been sought from a range of stakeholders in the risk management function , e.g. corporate directors, heads of service and the corporate risk steering group and amendments will be made where appropriate to make the strategy more focused on their needs.

Comments are sought from the Committee as part of this consultation process.

Financial Implications

The risk management support service is delivered within the available budget within the Risk, Audit & Fraud Division and part of this support role is to ensure that resources across the council are prioritised on a risk based approach.

Risk Management Implications

There are no risks to the Council in approving the Risk Management Strategy. Should the recommendation not be accepted, there is a risk that the Council's Risk Management Strategy and related guidance will not continue to align with best practice or clearly define the Council's requirements for the management of its risk.

Corporate Priorities

The Risk Management Strategy supports the achievement and delivery of all of the Council's Corporate Priorities and the vision set for it in Working Together; Our Harrow, Our Community

Section 3 - Statutory Officer Clearance

Name: Jennifer Hydari	<input checked="" type="checkbox"/>	on behalf of the* Chief Financial Officer
Date: 25 August 2011		
Name: Matthew Adams	<input checked="" type="checkbox"/>	on behalf of the* Monitoring Officer
Date: 26 August 2011		

Section 4 - Contact Details and Background Papers

Contact: Neale Burns, Interim Risk Manager, Extension 5299

Background Papers: None