

 <p>Brent</p>	<p>Audit Committee 29 September 2014</p> <p>Report from the Chief Finance Officer</p>
<p>For Information</p>	<p>Wards affected: All</p>
<p>Corporate Risk Register</p>	

1. Summary

1.1. This report presents the council’s current Corporate Risk Register.

2. Recommendations

2.1. Audit Committee to review and note the contents of the Council’s updated Corporate Risk Register.

3. Detail

3.1. The risk register attached at appendix 1 sets out the council’s strategic and key operational risks.

3.2. Strategic Directors are required to maintain an operational risk register and review this periodically with their Departmental Management Teams. A new Risk Management Group has been established by the Chief Executive and chaired by the Chief Finance Officer. The purpose of this group is to review the operational registers and prepare the strategic risks for review by the Corporate Management Team.

3.3. This Risk Management Group is scheduled to meet on 6th October and their work will inform a refresh of the strategic register. There has been a change to the scoring of financial impacts where limits have been raised as follows:

Impact Score	1	2	3	4	5	6
Descriptor	Insignificant	Minor	Moderate	Significant	Serious	Very Serious
Old Guidance	Financial loss up to £50,000	Loss up to £100,000	Loss up to £200,000	Loss up to £300,000	Loss up to £500,000	Loss greater than £500,000
New Guidance	Financial loss up to £100,000	Loss up to £250,000	Loss up to £500,000	Loss up to £1,000,000	Loss up to £3,000,000	Loss > £3,000,000

- 3.4. The current register is attached at appendix 1. There are a number of changes since the Audit Committee last reviewed the register in March 2014. These are set out below:

Strategic Risks – Each risk has now been linked to an existing Borough Plan theme. These being the key objectives for the council.

A number of updates have been made to the risks to reflect the current position.

Operational Risks –

Regeneration and Growth: Risks promoted from the departmental register onto the corporate register due to high risk scores include risk of lack of business investment in the borough resulting in reduced NNDR receipts (R&G1); customer service transformation (R&G13); Employment training initiatives (R&G22);

Risks removed due to low residual risk scores include: Assaults within the Civic Centre (R&G14);

Environment and Neighbourhood: Removal of risk on recycling target not being met by March 2014 (EN4); Removal of risk around mobilisation of public realm contract (EN8)

Finance and IT: Removal of fraud risk (FD1); Failure to produce medium term financial strategy (FD2); Pension fund position (FD4) and IT systems failure (ITU1) due to reduced risk scores.

Addition of a risk concerning data security.

Assistant Chief Executives Department: Removal of all existing risks due to reduced risk scores. Addition of two new risks concerning public health.

4. Legal Implications

- 4.1. The Accounts and Audit Regulations (England) 2011 section 4(1) require the council to “ensure that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body’s functions and which includes arrangements for the management of risk.”
- 4.2. Further section 5 (1) (4) (i) requires that the Director of Finance and Corporate Services determines accounting control systems which include adequate measures to ensure that risk is appropriately managed.

5. Financial Implications

- 5.1. None

6. Diversity Implications

6.1. None

7. Contact Officer Details

Simon Lane, Head of Audit & Investigations, Room 1, Town Hall Annexe.
Telephone – 020 8937 1260

Conrad Hall
Chief Finance Officer