



**Audit Committee**  
11 January 2017

**Report from the Chief Finance  
Officer**

For Information

Wards Affected:  
ALL

**Risk Management Arrangements and Strategic Risk Register**

**1. Summary**

- 1.1 This report presents the Council's current Strategic Risk Register (SRR).
- 1.2 The report also seeks to update on an on-going review of Risk Management, the full outcome of which will be reported to the March Committee.

**2. Recommendations**

- 2.1 The Audit Committee review and comment on the latest version of the Strategic Risk Register.
- 2.2 Audit Committee note the progress and objectives of the planned review.

**3. Detail**

- 3.1 Risks are contained within the departmental registers which can be viewed via the infostore system. Each risk has an owner responsible for ensuring that the information captured is accurate, complete and timely. There is an escalation process for risks to be considered for inclusion of the Strategic Risk Register.
- 3.2 This Strategic Risk Register has been updated by risk owners and presented for challenge at the Risk Management Group before being agreed by the Corporate Management Team (CMT). The Risk Register is provided as an appendix to this report. The focus of discussions on risk however at CMT were around the future strategy and procedures relating to risk management as part of the on-going review.
- 3.3 An audit of the Risk Management Arrangements was included as part of the 2016/17 Internal Audit Plan. This audit has been superseded by a review by the Interim Head of Audit and Investigations which will:

- provide assurance to CMT and Members;
- inform the update of the Council's Risk Management Strategy;
- form the basis for assurances contained within the 2016/17 Head of Internal Audit Opinion; and
- Contribute, along with the assurance mapping exercise undertaken by PriceWaterhouseCoopers (PwC) to the audit planning process for 2017/18.

3.4 The review will assess:

- the interaction between service/directorate risks and the Strategic risk register;
- how embedded risk management is into services/directorates;
- efficiency and Effectiveness of the Framework – capturing and communicating risk; and
- maturity of Risk Management Framework – level to which it can be demonstrated that risk is considered within decision making.

3.5 As part of the review the roles and responsibilities will also be considered in particular the role of the Risk Management Group that currently meets every eight weeks.

3.6 The outcome of the review and recommendations for consideration will be reported to CMT in February and a new Strategy will be presented to the Audit Committee in March for approval.

3.7 The first stage of the review commenced in September 2016 and involves reviewing the risk registers held at Departmental Management Team (DMT) level and providing challenge to operational directors and their management teams with regards the risks identified, controls and assurances sited and the ratings awarded to each risk. This work is most progressed in Children and Young People Services and Regeneration and Environment.

3.8 It was agreed by CMT that in the New Year sessions would be run at each DMT meeting to discuss: risk registers and risk management process, the assurance maps and assurance gaps for 2017/18 to inform audit planning.

#### **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 Chief Finance Officer 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**

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