

	<b>Audit Advisory Committee</b> 10 January 2018
	<b>Report from the Chief Finance Officer</b>
<b>Strategic Risk Register Cover Report</b>	

<b>Wards Affected:</b>	N/A
<b>Key or Non-Key Decision:</b>	N/A
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>No. of Appendices:</b>	One: • Strategic Risk Register (December 2017)
<b>Background Papers:</b>	None
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## 1.0 Purpose of the Report

- 1.1 The terms of reference of the Audit Advisory Committee includes the review of the adequacy and effectiveness of the risk management framework within the Council. This is a periodic report to update the Committee on the corporate risks currently facing the council; no decision is required.

## 2.0 Recommendation

- 2.1 It is recommended that the Committee considers the current Strategic Risk Register (Appendix 1) to assure itself that it includes all appropriate strategic risks facing the Council and that all necessary and appropriate actions are being taken to safeguard the Council's business and reputation.

## 3.0 Detail

### 3.1. Roles and Responsibilities

- 3.1.1. The Accounts and Audit Regulations 2015 requires the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance. The management of risk is a key element of the Council's governance arrangements.

3.1.2. As outlined within the Council's Risk Management Policy, the Corporate Management Team is responsible for identifying and managing strategic risks and cross-cutting risks and opportunities facing the Council and ensuring that the management of risk continues to be within the Council's risk appetite. The Audit Advisory Committee is responsible for considering the effectiveness of the Council's strategic risk management arrangements and receiving regular reports on the adequacy and effectiveness of the Council's risk management arrangements and management of key risks.

### **3.2 Strategic Risk Register (SRR)**

3.2.1 The Council's Strategic Risk Register includes details of:

- Corporate risks that could impact on the achievement of the aims / priorities articulated within the Council's Borough Plan and also its longer term objectives including the Brent 2020 vision;
- It includes the significant events that could impact upon the infrastructure and the efficient operation of the Council; and
- Risks that cover the full range of principal objectives which are likely to require ongoing control.

3.2.2 Since the last Risk Management report which was presented to the Committee in June 2017, there have been only minor changes made to the register and no new risks have been added.

3.2.3. The current register includes eight risks, the residual risk assessment of which is summarised as follows:

Rating	B/fwd from Q1 2017/18	Risks Added	Risks Withdrawn	Totals as at end of Q3 2017/18
High Risks	1	0	0	1
Medium Risks	4	0	0	4
Low Risks	3	0	0	3
Total	8	0	0	8

3.2.4. The Committee should note that a review of the Council's Risk Management arrangements is due to be undertaken between January and March 2018. The results of the review will be brought before the Committee. This will include an assessment of how consistently and effectively the identification, assessment and mitigation of risk is occurring. It will also look at the effectiveness of reporting to senior management and the Audit Advisory Committee.

### **4.0 Financial Implications**

4.1 None. There are no specific financial implications associated with noting this report. However, effective risk management helps to avoid or minimise financial loss.

### **5.0 Legal Implications**

- 5.1 Regulation 3 of the Accounts and Audit Regulations 2015 specifically requires that a relevant authority must ensure that it has a sound system of internal control which includes effective arrangements for the management of risk.

**6.0 Equality Implications**

- 6.1 None. There are no equalities issues arising directly from this report.

**7.0 Consultation with Ward Members and Stakeholders**

- 7.1 None.

**8.0 Human Resources/Property Implications (if appropriate)**

- 8.1 None.

**Report sign off:**

**CONRAD HALL**  
Chief Finance Officer