

AUDIT COMMITTEE	AGENDA ITEM No. 8
26 MARCH 2018	PUBLIC REPORT

Report of:	Simon Machen - Corporate Director Growth & Regeneration		
Cabinet Member responsible:	Councillor Seaton - Cabinet Member for Resources		
Contact Officer(s):	Helena Hansen-Fure	Tel.	0797049313 4

RISK MANAGEMENT - STRATEGIC RISKS

RECOMMENDATIONS	
FROM: Helena Hansen-Fure	Deadline date: N/A
<p>It is recommended that Audit Committee:</p> <ol style="list-style-type: none"> 1. Comment on and note the latest Risk Management Report. 	

1. ORIGIN OF REPORT

1.1 This report is submitted to the Audit Committee as a routine planned report on risk management.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to provide the Committee with:

- a) Update on the role of the Risk Management Board
- b) Updates on proposed minor changes to the Risk Management Policy

2.2 This report is for Audit Committee to consider under its Terms of Reference No. 2.2.1.12

To monitor the effective development and operation of risk management and corporate governance in the Council.

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
---	-----------	----------------------------------	-----

4. BACKGROUND AND KEY ISSUES

4.1 In accordance with best practice, the Council operates a risk management approach at corporate and service levels across the organisation, seeking to identify key risks which might prevent the Council's priorities from being successfully achieved.

4.2 The risk management approach is encapsulated in the following document:

- Risk Management Policy

This document sets out the Council's Policy on the management of risk, including the Council's approach to the level of risk it is prepared to countenance as expressed as a maximum risk appetite.

The Risk Management Policy states that the Council aims to manage risk in a manner which is proportionate to the risk faced based on the experience and expertise of its senior managers, although this must be within the Council's risk appetite. Audit Committee members are therefore reminded that accepting a residual risk score of amber is appropriate provided that an objective risk assessment has been undertaken.

This document details the procedures through which the Council will identify, assess, monitor and report key risks. The Risk Management Procedures document is owned by the Corporate Management Team (CMT).

The proposed minor changes to the Policy reflect the revised governance approach through the new Risk Management Board which has replaced the risk management group.

4.3 The key role of Audit Committee in the management of risk is:

- to provide independent assurance of the adequacy of the Council's risk management framework and the associated control environment.

4.4 CMT are due to review the Corporate Risk Register in March. The previous review took place in November 2017 where the CMT was confident that the CRR gave a comprehensive expression of the main risks faced by the Council and that mitigation was either in place, or in the process of being developed, to ensure that each risk was appropriately managed.

4.5 The purpose of the Risk Management Board is to challenge and support risk management across the Council and partner agencies and to identify key issues for escalation. The group includes senior officers from each directorate and is chaired by the Corporate Director of Growth and Regeneration. The terms of reference of the Board are appended to this report.

5. CONSULTATION

5.1 N/A

6. ANTICIPATED OUTCOMES OR IMPACT

6.1 Audit Committee note and comment on the contents of this report.

7. REASON FOR THE RECOMMENDATION

7.1 Risk management is a key component of the Council's Corporate Governance Framework which will take time to review and embed effectively.

8. ALTERNATIVE OPTIONS CONSIDERED

8.1 None.

9. IMPLICATIONS

Financial Implications

9.1 None.

Legal Implications

- 9.2 The Accounts and Audit Regulations 2015 require the Council to have a sound system of internal control which includes effective arrangements for the management of risk.

Equalities Implications

- 9.3 The identification of risks and the proper management of those risks will ensure that:
- The Council's environmental policies and ambitions can be met; the Council is able to mitigate against potential financial losses, litigation claims and reputational damage; the Council is able to effectively deliver its strategic priorities.

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 10.1 Peterborough City Council Risk Management Policy v5.0
Terms of references Risk Management Board v2.0

11. APPENDICES

- 11.1 App A - RISK Management Board - Terms of Reference - JAN 2018.doc

This page is intentionally left blank