



**Report for:
INFORMATION**

Item Number: 10

Contains Confidential or Exempt Information	YES – Appendix A pursuant to paragraphs 3 & 5 of Schedule 12A of the Local Government Act 1972.
Title	Risk Management Update Report Quarter One 2015
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Portfolio	Cllr Johnson - Finance, Performance and Customer Services
For Consideration By	Audit Committee
Date to be Considered	8 September 2015
Implementation Date if Not Called In	N/A
Affected Wards	All
Keywords/Index	N/A

Purpose of Report:

This report describes the progress of the Council's Risk Management Framework and provides the Audit Committee with an update in respect of the review of risks completed at the end of Q1 2015/16.

1. Recommendations

1.1 It is recommended that the Audit Committee:

- Considers progress of the Council's Risk Management Framework
- Notes the current Strategic Risk Register (Appendix A) to assure itself that sufficient and appropriate actions are being taken to safeguard the Council's business and reputation.

1.2 The Audit Committee notes the progress of risk owners with regards to the timely management of risks contained within directorate risk registers.

2. Reason for recommendation and options considered

2.1 This is a periodic report to update the Audit Committee on the strategic risks facing the Council, no decision is required.

3. Key implications

3.1 Roles and Responsibilities

3.1.1 The Accounts and Audit (Amendment) Regulations 2011 and Public Sector Internal Audit Standards 2013 require the Council to maintain a robust, adequate and effective system of risk management in its delivery of core services. Operation of an effective and embedded risk management framework is an important element in order that the Council effectively discharges its corporate governance responsibilities.

3.1.2 As outlined within the Council’s risk management policy, Corporate Board is responsible for reviewing the Strategic Risk Register, ensuring that the management of risk continues to be within the Council’s risk appetite. The Audit Committee is responsible for considering the effectiveness of the Council’s strategic risk management arrangements.

3.2 Strategic Risk Register (SRR)

3.2.1 The Council’s SRR details:

- Corporate risks that could impact on the achievement of aims articulated within the Council’s Corporate Plan and also its longer term objectives;
- They include 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 Further to the Risk Management report presented to Corporate Board in May 2015, the SRR contains 16 strategic risks, which are assessed at a residual risk level as being managed within the organisations risk appetite. The table below summarises the current risks included with the SRR.

Rating	Q1 2015/16	Risks Added/ Escalated	Risks Withdrawn/ De Escalated	Total
High Risks	-	-	-	-
Medium Risks	15	-	-	15
Low Risks	1	-	-	1
Total	16	-	-	16

3.2.3 No new risks are being added or escalated to or withdrawn from the SRR following the completion of the Q1 review of the SRR.

3.3 Directorate Risk Registers

3.3.1 Currently 443 risks are contained within the directorate risk registers. As at the end of Q1 all risks had been subject to review and were in date. The table below provides a summary of the risks currently included within the directorate risk registers.

Total	High	Medium	Low
443	11	294	138

3.3.2 Currently there are 11 risks which are in excess of the organisations risk appetite and discussions are being held with the risk owners to review the risks with the objective of introducing further risk mitigation to ensure risks are managed within the approved risk appetite. Following this review, any risks that remain in excess of the approved risk appetite will be reported in detail to the next meeting of the Committee.

4. Financial

4.1 There are a number of risks which have possible financial implications which are articulated and managed through JCAD.

5. Legal

5.1 The Accounts and Audit (Amendment) Regulations 2011 and the Public Sector Internal Audit Standards (2013) require the Council to maintain a robust, adequate and effective system of risk management in the delivery of its core services. Operation of an effective risk management process is an important element in the Council's corporate governance responsibilities.

6. Value for money

6.1 Effective risk and opportunity management contributes to the effectiveness of the Council to deliver its plans and objectives.

7. Risk management

7.1 Ealing Council is responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of Ealing Council's functions and which includes arrangements for the management of risk.

8. Community safety

8.1 None

9. Links to strategic objectives

9.1 The effective identification, assessment and management of risk is an important foundation to the successful achievement of the strategic objectives in terms of managing resources effectively. The issues outlined in this report have therefore a focus on all six priorities.

10. Equalities and community cohesion

10.1 No equality Impact Assessment has been undertaken as the report is for information and does not affect the general duties of the Equality Act 2010.

11. Staffing/workforce and accommodation implications:

11.1 No Changes

12. Property and assets

12.1 None

13. Any other implications:

13.1 None

14. Consultation

14.1 Not Applicable

15. Timetable for implementation

15.1 Not Applicable

16. Appendices

- Appendix A: Strategic Risk Register
- Appendix B: Heatmap

17. Background Information

17.1 None

Consultation

Name of consultee	Department	Date sent to consultee	Date response received from consultee	Comments appear in report para:
Internal				

Name of consultee	Department	Date sent to consultee	Date response received from consultee	Comments appear in report para:
Ian O'Donnell	Executive Director of Corporate Resources	07/08/15	10/08/15	Throughout
Maria Christofi	Director of Finance (Deputy s151 Officer)	07/08/15	10/08/15	Throughout
Mike Stringer	Head of Finance Transformation	07/08/15	10/08/15	Throughout
Cllr Yvonne Johnson	Portfolio Holder – Finance, Performance & Customer Services	12/08/15		

1. Report History

Decision type: For information	2. Urgency item? No		
Authorised by Cabinet member:	Date report drafted:	Report deadline:	Date report sent:
Report no.:			
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