

<b>DECISION-MAKER:</b>	AUDIT COMMITTEE		
<b>SUBJECT:</b>	STRATEGIC RISK REGISTER		
<b>DATE OF DECISION:</b>	22 SEPTEMBER 2011		
<b>REPORT OF:</b>	Mark Heath - Director of Corporate Services		
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#### **STATEMENT OF CONFIDENTIALITY**

NOT APPLICABLE

#### **SUMMARY**

Risk Management is a key component of the Council's governance framework. The risk registers are designed to capture, in one place, those key risks that need to be managed in order to support the successful delivery of the Council's priorities and challenges and to enable opportunities to be exploited. This reflects the identified need to move from a 'risk averse' to a 'managed risk' approach to delivering the Council's priorities.

The risk registers are intended as a management tool and to provide assurance that key risks are understood and being managed in accordance with an agreed risk appetite or tolerance.

#### **RECOMMENDATIONS:**

The Audit Committee is asked to:-

- (i) Review the Strategic Risk Register and associated Risk Management Action Plans (RMAPs) - Appendix 1, and be satisfied that the document adequately reflects the key strategic risks facing the Council.
- (ii) Note the Summary of Directorate Risk Registers (Appendix 2)

#### **REASONS FOR REPORT RECOMMENDATIONS**

1. The report is presented to the Audit Committee in its capacity as the member body with responsibility for providing independent assurance to the Standards and Governance Committee on the adequacy of the risk management framework and the internal control and reporting environment.
2. The Audit Committee is also responsible for providing assurance to the Standards and Governance Committee that appropriate action is being taken on risk and internal control related issues identified by the internal and external auditors and other review and inspection bodies.

#### **CONSULTATION**

3. The list of Strategic Risks was agreed by the Management Board of Directors in May 2011 with the Risk Management Action Plans and Summary of the Directorate Risk Registers reviewed by the Board on 6th September 2011.
4. At the suggestion of the Management Board of Directors, a meeting involving a senior representative from each of the Directorates is to be held to review the Directorate Risk Registers with a view to further developing the process and ensuring that a consistent approach is adopted.

## **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

5. No alternative options have been considered.

### **DETAIL**

6. The Strategic Risk Register has been developed by the Leadership Team (Senior Managers) as part of the development of the Council Plan. It is to be reviewed on a quarterly basis either via a report to the Management Board of Directors or as part of the Quarterly Business Review process.
7. The risk registers provide evidence of a formal commitment by the 'risk owner' to develop and implement necessary actions to manage the risk to an acceptable level and within an agreed timescale.
8. The development of a Directorate Risk Register is an integral part of the Council's business planning process. Directorate Risk Registers are intended to reflect the key risks identified by the respective Directorate Management Teams based on their service priorities and objectives.
9. It is the responsibility of the respective 'Management Team' to periodically review the 'Action Plans' to ensure that the 'Required Action/controls' are still appropriate and that they are being actioned in accordance with the agreed 'target/due date'. The 'Update of Required Management Action/Controls' field is intended to capture the most up to date position.
10. All information in respect of Strategic and Directorate risks is held within CorVu (the Council's performance management software system) and a suite of standard risk reports is available.

## **FINANCIAL/RESOURCE IMPLICATIONS**

### **Capital**

11. NONE

### **Revenue**

12. NONE

### **Property**

13. No specific property implications have been identified in this report.

### **Other**

14. NONE

## **LEGAL IMPLICATIONS**

### **Statutory power to undertake proposals in the report:**

15. The Audit Commission Act 1998 and the Accounts and Audit Regulations 2003 require the Council to adopt Good Governance arrangements in respect of the discharge of its functions. The above arrangements are intended to meet those responsibilities.

### **Other Legal Implications:**

16. NONE

## **POLICY FRAMEWORK IMPLICATIONS**

17. NONE

**SUPPORTING DOCUMENTATION**

**Appendices**

1.	Strategic Risk Register and associated Risk Management Action Plans
2.	Summary of Directorate Risk Registers

**Documents In Members' Rooms**

1.	NONE
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**Background Documents**

Title of Background Paper(s)

Relevant Paragraph of the  
Access to Information  
Procedure Rules / Schedule  
12A allowing document to be  
Exempt/Confidential (if  
applicable)

1.	NONE	
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**Background documents available for inspection at:** Internal Audit Office, North  
Block Basement, Civic Centre

E-mail: [peter.rogers@southampton.gov.uk](mailto:peter.rogers@southampton.gov.uk)

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**FORWARD PLAN No:**

N/A

**KEY DECISION? N/A**

**WARDS/COMMUNITIES AFFECTED:**

NOT APPLICABLE