

DECISION-MAKER:	AUDIT COMMITTEE		
SUBJECT:	RISK MANAGEMENT ACTION PLAN AND REVIEW OF STRATEGY		
DATE OF DECISION:	23 JUNE 2010		
REPORT OF:	EXECUTIVE DIRECTOR OF RESOURCES		
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STATEMENT OF CONFIDENTIALITY
NOT APPLICABLE

SUMMARY

In accordance with the Council's 'Risk Management Strategy' document the 'Corporate Risk Management Lead' shall present an annual report to the Audit Committee summarising achievements and outlining the planned activities for the forthcoming year.

RECOMMENDATIONS:

The Audit Committee is asked to:-

- (i) Note and approve the Risk Management Action Plan for 2010-11 (Appendix 1).
- (ii) Note the Risk Management Action Plan 2009-10: Status Report (Appendix 2).

REASONS FOR REPORT RECOMMENDATIONS

1. This report is presented to the Audit Committee in their 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, including (but not limited to) the reliability of the financial reporting process and the Annual Governance Statement.
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 development of the action plan has been informed by the Resources Board which has responsibility for assisting with the development and communication of the Council's corporate approach to managing risk.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

4. No alternative options have been considered.

DETAIL

5. Effective management of risk is a key component of the Council's overall corporate governance arrangements, and is recognised as such in:-
 - The CIPFA/SOLACE Corporate Governance Framework; and
 - CIPFA's guidance on the Annual Governance Statement
6. The Accounts and Audit (Amendment) (England) Regulations 2006 also state that the Council is "responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control which facilitates the effective exercise of its functions, and which includes arrangements for the management of risk".
7. The 2010-11 Risk Management Action Plan is intended to encompass the range of actions considered necessary to ensure that existing good practice is maintained and, where appropriate, to build upon or develop robust risk management arrangements that are aligned with and support the organisation in meeting its objectives.
8. The Risk Management Strategy 2009-10 has also been reviewed and updated for 2010-11 however no significant amendments were required although reference to the CAA and Use of Resources has been deleted.
9. The review also took into account current good practice, in particular the international standard, ISO 31000, Risk Management – Principles and Guidelines' and the 'Structured Approach to Enterprise Risk Management and the requirements of ISO 31000' document issued by the Institute of Risk Management ("IRM"), the Association of Insurance and Risk Managers ("AIRMIC") and the Association of Local Authority Risk Managers ("ALARM").
10. As no significant amendments were considered necessary, and in accordance with the agreed annual review process, there is no requirement for the revised document to be circulated to the Committee for approval.

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.	Draft Risk Management Action Plan 2010-11
2.	Risk Management Action Plan 2009-10: Status Report

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, Risk and Assurance Office, North Block Basement, Civic Centre

KEY DECISION? N/A

WARDS/COMMUNITIES AFFECTED: NOT APPLICABLE