

Meeting:	GLT	Date:	11th September 2012
	Audit & Governance Committee		24th September 2012
	Cabinet Briefing		26th September 2012
Subject:	Risk Management Annual Report 2012		
Report Of:	Group Manager, Audit & Assurance		
Wards Affected:	Not applicable		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	Not applicable		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 To provide Members with an update on the Council's risk management activities from the past year and also future planned actions.

2.0 Recommendations

- 2.1 Audit & Governance Committee is asked to recommend that:

- (1) Members endorse the risk management progress undertaken to date and planned future work.

3.0 Background and Key Issues

3.1 Background

- 3.1.1 'Risk management is the culture, process and structures that are directed towards effective management of potential opportunities and threats to the Council achieving its priorities and objectives' – ALARM, the public risk management association.

- 3.1.2 Risk management is a key element of the Council's corporate governance framework. It is one of the six core principles of the Council's Code of Governance - 'taking informed transparent decisions which are subject to effective scrutiny and managing risk'.

- 3.1.3 In the past year, work has been completed within the Council to support the risk management process and help embed good practice across the Council.

3.2 Progress

3.2.1 Confirmed approach

A Member Risk Management Champion and officer Risk Management Champion were appointed to support the Council's risk management process.

The Council Risk Management Strategy was updated and approved by Audit Committee in March 2013. The document confirms the Council's risk management appetite and objectives; links to the Council's Corporate Plan; and provides guidance on risk management approach and scoring.

The approach was rolled out to officers at both Group Managers Group and Gloucester Management Team meetings.

3.2.2 Strategic risk management

The Risk Management Strategy states the need for a formal review of the strategic risk register to identify risks associated with the achievement of the Council's aims and objectives within the Corporate Plan 'Transforming Your City'. Risks are aligned with the Plan's core principles.

The strategic risk register review is led by the Group Managers Group reporting to Gloucester Leadership Team. Review is completed on a regular basis to ensure appropriate update and action. The up-to-date strategic risk register will be presented to the Audit & Governance Committee at the November 2012 meeting.

3.2.3 Service risk management

Service Managers are responsible for completing a service risk register containing risks relevant to service objectives (set within services' business plans). A standard risk register template has been compiled to support this task. The service risk register should be reviewed with the relevant Group Manager on a regular basis to ensure the risk register content is appropriate and that suitable actions are taken.

Review as at 30 August 2012 by the Risk Management Champion found the majority of service risk registers in place. Actions have been agreed with GLT to ensure the four outstanding service risk registers are completed in the short term. The review has also identified areas where greater support is required and these will be captured through future risk management work (see section 6).

3.2.4 Training

As part of awareness training for officers, risk management presentations have been completed at Group Managers Group and Gloucester Management Team to promote the Risk Management Strategy and approach.

Regular communications have also been issued to the Managers to promote risk management good practice.

4.0 Alternative Options Considered

4.1 Not applicable.

5.0 Reasons for Recommendations

5.1 In accordance with the Council's Risk Management Strategy, the Group Managers Group is required to produce a formal annual risk management report for Gloucester Leadership Team and Audit & Governance Committee review.

6.0 Future Work and Conclusions

6.1 In the next six months, the following risk management actions are planned:

- 22nd November 2012: Gloucester Management Team service risk register workshop
- 6th December 2012: Members risk management training (to build on the Modern Councillor e-learning tool)
- Ongoing support and good practice advice from the Risk Management Champion to Managers via 1-2-1 meetings; presence at Management Team/Group; and regular communications
- Appointment of a new Member Risk Management Champion

6.2. The Risk Management Champions will continue to work with Members and officers to help promote and embed risk management within the Council.

7.0 Financial Implications

7.1 There are no direct financial implications arising out of this report. Risk management activity is delivered within existing resources.

8.0 Legal Implications

8.1 It is fundamental that the Council has and maintains a Risk Management Strategy and standard approach which considers identification, review and mitigation of risks to the Council in the delivery of its aims and objectives.

8.2 The individual character of each organisation will determine its exposure to legal risk, and the tools required to manage that risk. Failure to deliver and embed the Strategy could lead to unnecessary liability and costly legal action against the Council.

9.0 Risk & Opportunity Management Implications

9.1 Lack of a robust approach to the management of risks and opportunities may result in ill-informed decision making and non-achievement of the Council's aims and objectives at both a strategic and service level.

10.0 People Impact Assessment (PIA):

10.1 The risk management approach is delivered in house. Equality in service delivery is demonstrated by officers being subject to, and complying with, the Council's equality policies.

10.2 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

11.0 Other Corporate Implications

Community Safety

11.1 There are no community safety implications arising out of this report.

Sustainability

11.2 There are no sustainability implications arising out of this report.

Staffing & Trade Union

11.3 There are no staffing and trade union implications arising out of this report.

Background Documents: Risk Management Strategy 2011/13
Code of Governance