
Meeting: Audit Committee
Date: 26 September 2011
Subject: Quarter 1 Risk Report
Report of: Peter Fraser – Head of Partnerships and Community Engagement
Summary: The purpose of this report is to give an overview of the Council's risk position as of the end of quarter 1 2011/12. This was requested by the Audit Committee on 4 April 2011.

Contact Officer: Peter Fraser, Head of Partnerships and Community Engagement
Public/Exempt: Public
Wards Affected: All
Function of: Audit Committee

CORPORATE IMPLICATIONS

Council Priorities:

Good risk management enables delivery of CBC policy aims and objectives. Good risk management ensures that we adopt a planned and systematic approach to the identification and control of the risks that threaten the delivery of objectives, protection of assets, or the financial wellbeing of the Council.

Financial:

There are no direct financial implications.

Legal:

There are no direct legal implications.

Risk Management:

There are no specific risks. The Audit Committee has, in its terms of reference, the responsibility to monitor the operation of risk management within CBC and to provide independent assurance on the adequacy of the risk management framework.

Staffing (including Trades Unions):

There are no direct staffing issues

Equalities/Human Rights:

There are no direct implications to equalities/human rights.

Community Safety:

There are no specific community safety implications with regard to this strategy.

Sustainability:

There are no direct sustainability issues.

RECOMMENDATION:

That the Audit Committee note the risks facing Central Bedfordshire Council, as contained in the risk summary dashboard attached at Appendix A.

Background

1. The Audit Committee, in its terms of reference, has the responsibility to approve the Risk Management Policy Statement, and monitor the operation thereof. At its meeting on 4 April 2011 the Audit Committee agreed and endorsed the Council's 2011/12 Risk Management Strategy. In order to meet the responsibility of monitoring the operation of the Risk Management Policy Statement the Committee requested a quarterly risk report.
2. The purpose of this report is to give an overview of the Council's risk position as of the end of quarter 1 2011/12. The quarter 1 risk summary dashboard is attached at Appendix A.
3. The risk summary dashboard highlights the Council's twelve strategic risks. The number of strategic risks has reduced from thirteen to twelve over the last quarter as a result of a Transparency Agenda risk being reviewed and removed. The risk was no longer considered to be strategic in nature.
4. The two risks with the highest residual exposure continue to be financial pressures (STR0001) and staffing (STR0004). These risks relate to the Council's ability to achieve its efficiencies targets and the impact on staff of any subsequent reduction in resources.
5. The growth agenda risk (STR0003) has been reviewed. Although the residual risk score remains the same, an additional mitigating action has been added, which is: "Endorse for development control the submission version of the Core Strategy as an interim planning framework".
6. The risk summary dashboard also highlights the top operational risks facing the Council. These have been drawn directly from Directorate risk registers as uploaded onto the JCAD risk management system. Please note that the report highlights only the top ten, and not all of the operational risks faced and managed by the Council. The highest rated risk on the Directorate's registers relates to the payroll contract.

7. In line with best practice, CMT is planning a full and fundamental review of the risks that appear on the strategic risk register. This will happen in late September. It is therefore likely that the quarter 2 risk report will contain a number of different risks and scores.

Appendices:

Appendix A – Quarter 1 risk summary dashboard

Background Papers: (open to public inspection)

CBC Constitution – Part I2 (Code of Financial Governance)

Location of papers: Priory House, Chicksands