

BROMSGROVE DISTRICT COUNCIL

AUDIT BOARD

17th MARCH 2008

RISK MANAGEMENT TRACKER

Responsible Portfolio Holder	Councillor Geoff Denaro
Responsible Head of Service	Head of Financial Services

1. SUMMARY

1.1 To present a summary of progress to date against all the improvement actions detailed on individual Service risk registers for the period 1st April to 31st December 2007.

2. RECOMMENDATION

2.1 The Audit Board is recommended to note progress to date against all Service risk register actions for 2007/08.

3. BACKGROUND

3.1 During December 2006 a review of the Council's risk management arrangements was undertaken by the Internal Audit section. Following the review a new approach, which included updated documentation, was adopted. The revised Risk Management Strategy was approved by the Executive Cabinet on the 7th March 2007.

3.2 As part of the new approach, each Service area is required to collate a risk register that details:

- Key Objectives;
- Risk Score;
- Current controls;
- Actions and improvements;
- Responsible officers and target dates for each action and improvement; and
- Progress against each action and improvement.

3.3 Service areas should update their risk registers on a regular basis to ensure that actions and improvements are being monitored and implemented. The actions and improvements are designed to reduce risks, improve controls and aid individual sections to achieve their objectives.

3.4 In addition reports to members have to consider the management of the risk associated with the item presented to demonstrate that any risk is being managed in a controlled environment.

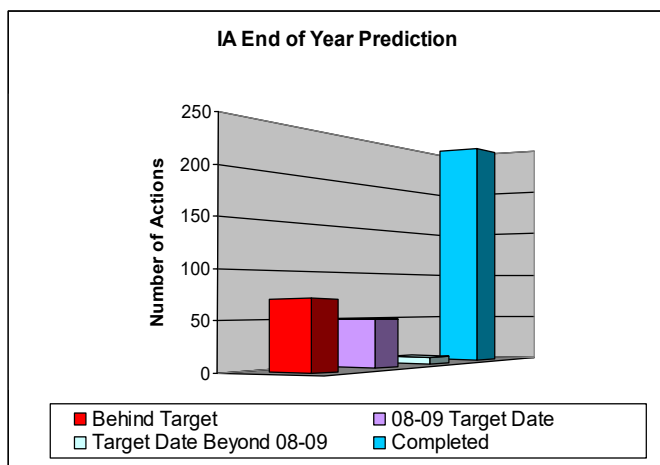
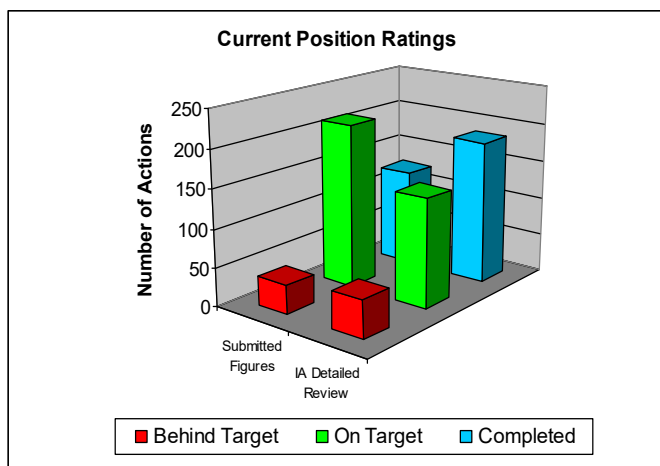
4. ACTIONS/IMPROVEMENTS SUMMARY

4.1 On a quarterly basis each Service area submits a return to Internal Audit that details the current position for each action and improvement included on their risk register. As each Service risk register was only signed off and agreed by the Risk Management Steering Group in August, the first set of submitted figures were for both quarter one and two.

4.2 During February 2008, the Internal Audit section completed a detailed review of the information provided on each action and improvement. This included a reasonableness test of the target date, current position rating and commentary. The review identified an improvement on the quality of information provided in the risk registers to enable Audit to make a more informed judgement on the position of the actions and improvements contained within the registers.

4.3 Following our detailed review and based on the number of actions and improvements completed during the period 1st April to 31st December 2007, Internal Audit have also predicted an overall position for the end of the financial year.

The information is summarised in the charts below.



From the above chart of Internal Audit's End of Year Prediction a total of 18.9% of Actions/Improvements will be behind target at the end of the financial year.

Furthermore, an additional 15.2% of Actions/Improvements have a target date beyond the current financial year. By including these Actions/Improvements Risk Registers are not being utilised as designed.

When completed, Actions/Improvements help reduce the current risk score to an acceptable level; however, with 15.2% of Actions/Improvements not due for completion during the current financial year these Actions/Improvements will have limited impact on reducing the current risk scores.

We acknowledge that in certain circumstances it is necessary to include Actions/Improvements for forthcoming financial years; however, in order to use the Risk Register as designed, documented Actions/Improvements should only reflect the actual actions that will be completed during the current financial year.

- 4.5 The Risk Registers for 2008/09 are currently being completed by risk champions and Heads of Service and a summary of the key risks identified will be reported to this Board in May.

5. RISK MANAGEMENT STEERING GROUP

- 5.1 The Council's Risk Management Steering Group meets on a monthly basis to review Service risk registers and to raise awareness of risk management throughout the Council. Membership of the steering group has been reviewed and updated and the meetings are now chaired by the Head of Financial Services.
- 5.2 The Risk Management Steering Group met on in February 2008 to review the quarter three action and improvement information. Individual feedback has been provided to all Heads of Service on their risk registers. The main areas of feedback included a need for Services to:
- Detail who the responsible officer is for each action and improvement;
 - Include more robust current position commentary;
 - Detail a current position rating;
 - Update their current risk scores;
 - Include a target completion date.

6. FINANCIAL IMPLICATIONS

- 6.1 None outside existing budgets.

7. LEGAL IMPLICATIONS

- 7.1 None except specific legislation associated with any of the risk registers key objectives.

8. COUNCIL OBJECTIVES

8.1 Council Objective 02: Improvement.

9. RISK MANAGEMENT

9.1 Developing and maintaining Service risk registers will assist the Council to achieve its objectives, priorities, vision and values. The development and continual review of the registers will also support the Councils achievement of the Use of Resources framework.

9.2 Improvements and actions are monitored as part of each individual Service risk register.

10. CUSTOMER IMPLICATIONS

10.1 No customer implications.

11. EQUALITIES AND DIVERSITY IMPLICATIONS

11.1 No equalities and diversity issues.

12. OTHER IMPLICATIONS

Procurement Issues: None
Personnel Implications: None
Governance/Performance Management: Effective governance process.
Community Safety including Section 17 of Crime and Disorder Act 1998: None
Policy: None
Environmental: None

13. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	No
Chief Executive	Yes
Corporate Director (Services)	No
Assistant Chief Executive	No
Head of Service	Yes
Head of Financial Services	Yes
Head of Legal, Equalities & Democratic Services	No
Head of Organisational Development & HR	No
Corporate Procurement Team	No

14. APPENDICES

14.1 None.

15. BACKGROUND PAPERS

15.1 None.

CONTACT OFFICER

Jayne Pickering – Head of Financial Services
E Mail: j.pickering@bromsgrove.gov.uk
Tel: (01527) 881207