

**AUDIT COMMITTEE**

**DATE OF MEETING:** 26 MARCH 2019

**TITLE OF REPORT:** RISK UPDATE REPORT

**Report of:** Internal Audit Manager

**Cabinet Member:** Councillor David Neighbour, Leader of the Council and Portfolio Holder for Finance

**I PURPOSE OF REPORT**

1.1 The purpose of this report is to provide the Committee with an update on the effectiveness of the Council's risk management framework.

**2 OFFICER RECOMMENDATION**

2.1 That the Committee notes the effectiveness of the risk management framework.

**3 BACKGROUND**

3.1 The management of risk is a key element of the Council's governance arrangements. It is essential that the Audit Committee is able to obtain assurance on the effectiveness of the Council's risk management arrangements.

3.2 The content of the Corporate Risk Register is reported to Overview and Scrutiny half yearly. The last report was in September 2018.

3.3 The content of Operational Risks are reported to appropriate Service Boards.

3.4 An assessment of the effectiveness of the Risk Management Framework is shown in Appendix I. The current framework is considered to be operating as expected and there is sufficient evidence to provide a satisfactory level of assurance.

**4 FINANCIAL IMPLICATIONS**

4.1 There are no financial implications associated with this report.

**Contact:** Neil Carpenter, Ext 4140, [neil.carpenter@hart.gov.uk](mailto:neil.carpenter@hart.gov.uk)

**Appendix I – Effectiveness of Risk Management Framework**

## Appendix I

### Effectiveness of the Council's Risk Management Framework

**Date: March 2019**

**Prepared By: Audit Manager**

| Requirement  | How Achieved   | Effectiveness |
|--|--|---------------|
| Corporate Risk Register in place and reviewed                                  | <p>Corporate Risk Register is in place.</p> <p>The content of the register was reviewed by Leadership Team in March 2019.</p> <p>Content of the risk register was reported to Overview and Scrutiny in March 2019.</p> | Satisfactory  |
| Operational Risk Registers linked to Service Plans                             | Service Plans include a summary of operational risks. Service Plans reported to Service Boards on a regular basis.   | Satisfactory  |
| Risk clearly identified in key decision making process                         | Risks are included in Cabinet Reports for key decisions.   | Satisfactory  |
| Regular reviews by management of both Corporate and Operational Risk Registers | <p>Corporate Risk Register is reviewed in line with Audit Committee dates.</p> <p>Operational Risk Register reviewed quarterly in line with service plan updates to overview and Scrutiny.</p>                         | Satisfactory  |
| Ownership of risks that are identified   | Joint Chief Executives are the owners of Corporate Risks   | Satisfactory  |
| Risk Management Policy in place  | Revised policy was adopted in March 18.  | Satisfactory  |

## RISK PROFILE

| <b>Corporate Risk Register Profile</b> |               |
|--|---------------|
| <b>Assessment</b>                      | <b>Number</b> |
| Red                                    | 2             |
| Amber                                  | 4             |
| Green                                  | 1             |

| <b>Operational Risk Registers Profile</b> |            |              |              |
|---|------------|--------------|--------------|
|   | <b>Red</b> | <b>Amber</b> | <b>Green</b> |
| Corporate Services                        | 3          | 11           | 0            |
| Regulatory Services                       | 0          | 8            | 1            |
| Technical Services                        | 0          | 6            | 1            |
| Community Services                        | 0          | 6            | 2            |