

## **DRAFT STRATEGIC RISK REGISTER**

### **Audit Committee – 10 June 2014**

Report of                      Chief Finance Officer

Status:                      For Decision

Key Decision:              No

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**This report supports the Key Aim of** effective deliver of the Council's Vision and Promises

**Portfolio Holder**        Cllr. Ramsay

**Contact Officer(s)**     Bami Cole Ext. 7236

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#### **Recommendation to Audit Committee:**

Review the Draft Strategic Risk Register and make recommendations for any further amendments or additions to the register.

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**Reason for recommendation:** Review of the Council's Draft Strategic Risk Register by the Audit Committee helps to ensure that a wide range of view points are taken in to account in assessing the risk's the Council faces in delivering the Vision and Promises set out in the Corporate Plan.

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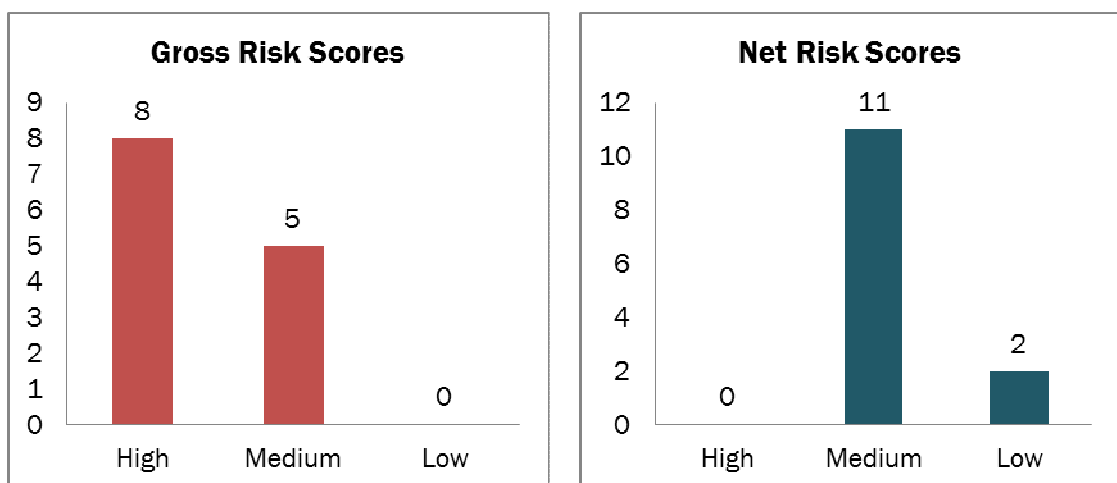
#### **Introduction and Background**

- 1        It is a requirement of the Audit Committee's Terms of Reference to maintain an overview of the effective development and operation of risk management in the Council.
- 2        At the Committee's meeting in January 2014 it considered and approved the revised Risk Management Policy Statement and in March 2014 recommended that the Risk Management Strategy be adopted by the Cabinet, which it do so in April 2014.
- 3        This report provides Members with the opportunity to review and comment on the Council's Draft Strategic Risk Register. The Draft Register has been developed by Officers, taking in the views of the Officers Risk Management Group, Service Managers and Chief Officers. It sets out those risks that Officers consider could prevent the Council delivering the Vision and Promises set out in the Council's Corporate Plan.
- 4        The consideration of the Draft Register by the Audit Committee provides an opportunity for Members to input their views and provides for a more robust assessment of the risks faced by the Council. The views of the Audit Committee

will be taken in to account before Cabinet is asked to review and adopt the Draft Risk Register at a future meeting.

### **Draft Strategic Risk Register**

- 5 Provided as Appendix A to this report is the Council's Draft Strategic Risk Register. The Draft Register has been updated to reflect the introduction of the Council's new Corporate Plan and to ensure that strategic risk management activity is focussed on mitigating and managing the risks associated with the Council achieving the Vision and Promises it sets out.
- 6 The Draft Register sets out 13 strategic risks that Officers consider to have the potential to influence the achievement of the Vision and Promises within the Corporate Plan. For each risk Officers have set out those factors that could cause the risk to occur and the potential effect that these events could have. The Gross risk scores reflect Officers opinion of the likelihood and impact of the risk occurring without any internal controls in place. The Net risk scores take in to account the internal controls that are currently in place and it is therefore the net risk score that gives the current status for each risk. The draft risk scores are summarised in the chart below.



- 7 Members are asked to consider the Draft Register and provide any suggestions for improvements or changes that can be incorporated in to it. Officers will review the comments of the Audit Committee and include them within a revised and updated register as appropriate. Any additional actions that are required to be taken to better mitigate or manage each risk faced will also be documented once the feedback from the Audit Committee has been taken in to account.
- 8 As set out in the Council's Risk Management Strategy Cabinet will be asked to adopt the Strategic Risk Register at a future meeting and a review of the Strategic Risk Register will be bought back to the Audit Committee in six months time, or more immediately if there are new risks arising or there is a significant shift in risk scores.

### **Other Options Considered and/or Rejected**

None.

## Key Implications

### Financial

Effective risk management reduces the risk of financial loss and better allows the Council to maximise the financial benefit of running efficient services, taking full advantage of opportunities and delivering effective projects.

### Legal Implications and Risk Assessment Statement.

A robust risk management framework enhances the Council's ability to minimise waste and improve efficiency and to deliver better services and outcomes for the community.

### Equality Impacts

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
a. Does the decision being made or recommended through this paper have potential to disadvantage or discriminate against different groups in the community?	No	
b. Does the decision being made or recommended through this paper have the potential to promote equality of opportunity?	No	
c. What steps can be taken to mitigate, reduce, avoid or minimise the impacts identified above?		

## Conclusions

The Council's Draft Strategic Risk Register has been updated to ensure that strategic risk management activity is focussed on mitigating and managing the risks associated with the Council achieving the Vision and Promises sets out in its Corporate Plan. Members are asked to review the Draft Strategic Risk Register and suggest any amendments before the Strategy is considered by Cabinet for adoption.

**Appendices**

Appendix A – Draft Strategic Risk Register

**Background Papers:**

Risk Management Policy Statement

<http://cds.sevenoaks.gov.uk/documents/s15122/Risk%20Management%20Update%20-%20Policy%20Statement%20-%20Appendix%20A.pdf>

Risk Management Strategy

<http://cds.sevenoaks.gov.uk/documents/s16844/07%20-%20Risk%20Management%20Strategy%20-%20Appendix%20A.pdf>

**Adrian Rowbotham**  
**Chief Finance Officer**