



OVERVIEW AND SCRUTINY BOARD

24 August 2004

Draft - Risk Management Strategy and Strategic Risk Register

1.0 PURPOSE OF THE REPORT

- 1.1 To advise the Board of the proposed content of the Strategic Risk Register and the Risk Management Strategy and seek comment.

2.0 RECOMMENDATION

- 2.1 That the Board notes and comments on the draft Risk Management Strategy and the Strategic Risk Register.

3.0 BACKGROUND

Risk management in public sector organisations has gained an increasing profile over the last few years. External regulators and in some cases funders, expect local authorities to have robust council-wide risk management strategies as well as a sound approach to operational risk management in specific areas.

- 2.2 Several recent findings from the Council's auditors and inspectors have identified the Council's current risk management approach as in need of development. For example, risk management only scores a 2, and has been assessed as less than adequate in the round of auditor judgements which feed into the annual CPA refreshment exercise. Although there are various elements of good practice at the operational level which have been acknowledged by the auditors, the absence of a corporate risk management strategy, together with gaps in operational processes and strategic risk identification, have resulted in risk management being identified as an area in need of improvement.
- 2.3 A paper proposing the way forward for developing a risk management strategy and a strategic risk register was taken to CMT and agreed. Consequently a special CMT was organised at which the Strategic Risk Register was developed, this is attached at Appendix A.

- 2.4 A Risk Management Strategy has been drafted and is attached at Appendix B. The attached Risk Management Strategy outlines how the Council intends to identify, assess, address, review and report risk at both strategic and operational level.

BACKGROUND PAPERS

Worth the risk – improving risk management in local government
Audit Commission

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