

# AUDIT & GOVERNANCE COMMITTEE

23rd April 2012

## RISK MANAGEMENT - UPDATE

Relevant Portfolio Holder	Councillor Michael Braley, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	
Relevant Head of Service	Teresa Kristunas, Head of Finance and Resources
Wards Affected	All Wards
Ward Councillor Consulted	No
Non-Key Decision	

### 1. SUMMARY OF PROPOSALS

To provide members of the Audit and Governance Committee with an opportunity to consider the Corporate Risk Register and consider the current arrangements for risk management within the Council.

### 2. RECOMMENDATIONS

**The Committee is asked to RESOLVE that**

**subject to any comments, the report be noted.**

### 3. KEY ISSUES

- 3.1. The Corporate Risk Register attached at Appendix 1 has been considered by the Corporate Management Team. Apart from the item relating the self-financing for the HRA, all other items within the Corporate Risk Register apply to both Redditch Borough Council and Bromsgrove District Council.
- 3.2. A number of risks previously included in the Corporate Risk Register have been downgraded and either removed completely or transferred to service based risk registers. Examples would include failure to deliver on the Council's procurement agenda and failure to manage the impact of job evaluation.
- 3.3. In addition to the corporate risks, all reports to Members include a section for the consideration of any risk implications arising from the proposals contained within the report. In addition risks in relation to shared services are for reported to the Shared Services Board.
- 3.4. Moving forward the proposal is for the process for managing risk to be reviewed now that more services are shared. There are benefits to be gained from standardising the approach to risk management across both Bromsgrove District Council and Redditch Borough Council.

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## **Financial Implications**

- 3.5 The Corporate Risk Register recognises the need to monitor the budget to ensure that the Council is able to deliver against the base budget. All reports to members include a section requiring officers to consider the financial implications of any proposals.

## **Legal Implications**

- 3.6 There are no legal implications.

## **Service/Operational Implications**

- 3.7 Departmental risk registers include service/operational risks.

## **Customer / Equalities and Diversity Implications**

- 3.8 Failure to manage the risks contained with the Corporate Risk Register could have implications for customers.

## **4. RISK MANAGEMENT**

The consideration and management of risk is good practice for any business. Risks need to be considered in order that they can be monitored and action taken to minimise the impact on the organisation. The aim of the risk management process is to encourage a downward shift from Very High to High and then to Medium/Low risk status through the continued effort of service managers in managing their risks to bring them down to a corporately acceptable level.

## **5. APPENDICES**

Corporate Risk Register

## **6. BACKGROUND PAPERS**

Risk Register held on 4Risk system.

## **AUTHOR OF REPORT**

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**Corporate Risk Register**

<b>Risk ref</b>	<b>Risk Title</b>	<b>Risk Owner</b>	<b>Inherent Risk Priority</b>	<b>Residual Risk Priority</b>
1	Unable to deliver the base budget	Jayne Pickering	High	Low
4	Failure to implement effective business continuity arrangements	John Staniland	High	High
32	Failure to realise the potential benefits of implementing shared services	Kevin Dicks	High	High
34	Failure to develop a vibrant Town Centre.	Ruth Bamford	Very High	High
36	Impact on the Council of a change in political direction.	Kevin Dicks	High	High
190	Failure to realise Self-financing for the HRA (RBC only)	Teresa Kristunas	High	Medium
192	Failure to realise the benefits of the Transformation Programme	Deb Poole	High	Medium