

**CYNGOR SIR POWYS COUNTY COUNCIL**

**AUDIT COMMITTEE**

**17<sup>th</sup> October 2014**

**REPORT AUTHOR: David Powell, Strategic Director Resources**

**SUBJECT: Update Report on Risk Management**

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**REPORT FOR: Information**

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**1.0 Summary**

**1.1** An update has been requested by the Audit Committee on Risk Management within the Council following a report to the previous Committee on 11<sup>th</sup> July 2014.

**1.2** This report outlines the position statement for Risk Management within Powys, and progress made since the last committee.

**2.0 Background**

**2.1** At the previous committee it was reported that the Risk Management System had a number of issues that needed addressing as duties have not previously been fulfilled since the Risk & Resilience Manager left the Council in January 2013.

**2.2** The Internal Audit Manager previously examined and consolidated the Risk Register in September 2013, and this was presented to the Audit Committee.

**3.0 Progress**

**3.1** Since then, further risks have been identified as part of the Service Improvement Planning process for 2014-17, and these have been included in the register.

**3.2** Interim steps have been taken and the previous and current risks have been consolidated. Programme Risks from the One Powys Plan 2014-17 have also been included within the Register.

**3.3** A process of engaging with Heads of Service has begun to validate and review the current risks, to ensure that control measures are identified, and that the information that we currently hold is correct. So far eight Heads of Service have completed the moderation process, and meetings are scheduled with the remainder of the Heads of Service.

**3.4** Engagement has been positive and Heads of Service are keen for us to visit Service Management Teams to explore further risks that aren't included within the register, and to also identify further control measures.

**3.5** To simplify the reporting process, further reporting methods have been investigated. A Heat Map method has been adopted which will provide an overview of all of the Council's risks at a glance on one page, with the level of risk identified. Further interrogation can be made by referring to the risk reference within the register which is attached 'behind' the Heat Map.

**4.0 Further Work**

**4.1** Programme risks are being reviewed to establish whether or not they are being escalated to the Corporate Risk Register.

**4.2** Further work needs to be undertaken to complete the process of moderating current risks with the remaining Heads of Service.

**4.3** Once the moderation process is complete, service area Management Teams will be attended to identify further risks with Heads of Service and Service Managers.

**4.4** A process of monitoring progress of mitigating control measures will be developed to ensure that risks are reduced to the minimum level, and that the correct level of risk is reported.

**4.5** In the longer term we will update the Risk Management Strategy and the Risk Management Toolkit to further assist services to identify and manage their risks.

**5.0 Statutory Officers**

**5.1** The Strategic Director, Resources (S151 Officer) has identified a funding source in 2014/15 to address this key area to create capacity. In order to fund this on the required permanent basis funding will be built into the 2015/16 budget. If the issue of BCM and risk is not adequately addressed the Council will have potential wider financial exposure.

The Solicitor to the Council (Monitoring Officer) has made the following comment:

Solicitor to the Council's comments to follow.

**6.0 Future Status of the Report**

Not applicable

<b>Recommendation:</b>	<b>Reason for Recommendation:</b>
<b>That the Audit Committee comments on the approach being taken to meet Risk Management requirements, including the approach outlined to fund capacity to deliver risk management on a permanent basis</b>	<b>To ensure the adequate management of risk, and safeguard the Council.</b>

<b>Relevant Policy (ies):</b>	
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<b>Within Policy:</b>	<b>Y / N</b>	<b>Within Budget:</b>	<b>Y / N</b>
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<b>Relevant Local Member(s):</b>	<b>Not Applicable</b>
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<b>Person(s) To Implement Decision:</b>	
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<b>Date By When Decision To Be Implemented:</b>	
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<b>Contact Officer Name:</b>	<b>Tel:</b>	<b>Fax:</b>	<b>Email:</b>
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