

The Highland Council

Audit and Scrutiny Committee – 27th March 2014

Agenda Item	5
Report No	AS/3/14

Risk Management Arrangements

Report by Head of Internal Audit & Risk Management

Summary

This report provides details to Members as to the planned changes to the Council's Risk Management arrangements.

1. Introduction

1.1 The Committee's present remit with regard to Risk Management states that it should *"oversee the Council's risk management policies and strategies and receive reports annually from the Director of Finance on Risk Management Plans for all Services, including an update on Corporate and Cross Cutting Risks on a six monthly basis."* In practice the Corporate and Cross Cutting Risks (CCCR) is normally reported to Committee in March and September each year. This timetable has not been adhered since the Corporate and Cross Cutting Risks were last reported to Members in March 2013 due to:

- Staff restructuring within the Section which resulted in the deletion of the posts of Principal Auditor and the Insurance & Risk Manager and the creation of the new post of Audit & Risk Manager. The new post holder commenced on 1st September 2013 and has now been allocated a number tasks which when undertaken, will enhance the Council's present risk management arrangements. Further details are provided at 2.1 below.
- Restructuring of Services from seven to five. The restructuring and new Service arrangements will bring about new risks both at Service and Corporate levels. These risks need to be identified and appropriately managed. Discussions will take place with the Council's Senior Management Team in the next couple of months and it is intended that a CCCR update report will be provided to the Audit & Scrutiny Committee's June meeting.

It should be noted that whilst no update report has been provided to Committee, these risks continue to be managed by the Services.

1.2 Risk Management training was provided to Members on 14th February and the opportunity was taken to consult with the Members in attendance as to their view of the present process and to get a view as to the detail they wish to see in future reports. The overall view expressed was that better reporting needs to be provided in order to ensure that Members can better perform their duties with regard to Risk Management and Scrutiny. This will be addressed and the format and information contained within the new report to be provided in June will be agreed with the Committee Chair.

2. Proposed Changes

2.1 A plan has been agreed between the Head of Internal Audit & Risk Management and the Audit & Risk Manager as to the changes required over the forthcoming year and these consist of:

- A review of the Corporate and Cross Cutting Risk process by 30/06/14.
- Establishing a Corporate Risk Management Group which will encompass all risks including ICT and major projects by 30/09/14.
- Revision of the Council's Risk Management Strategy by 31/12/14.
- Improving the robustness of the process for recording and monitoring Service risks, including ICT and project risks by 31/03/15.

3. Implications

3.1 There are no resource, legal, equalities, climate change/Carbon Clever or risk implications arising from this report. The proposed changes will enhance the Council's present Risk Management arrangements.

Recommendation

Members are asked to note the planned changes to the Risk Management process.

Designation: Head of Internal Audit & Risk Management

Date: 17th March 2014

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Background Papers: