DRAFT

AGENDA ITEM NO

AUDIT COMMITTEE
21 June 2010

Subject:	**Update report on Risk Management/ Corporate Governance**
Director/Head of Service:	**Director of Corporate Services**
Decision Issues:	These matters are within the authority of the Audit Committee
Decision:	Non-key
Classification:	Non-confidential
Ward:	**All**
Summary:	*This report updates members on the key risks facing the council.* *Appendix 1 lists the changes since the last quarterly report to this committee, a summary ranking to highlight the major risks and the detailed version of the Risk Register showing how risks are being managed.*
To Recommend	**To note the current position and to make comments, if required to Full Council.**

SUPPORTING INFORMATION

1. **Issues for consideration**

Regulation 4 of the Accounts and Audit (Amendment) (England) Regulations 2006 requires from 1st April 2006:

"The relevant body shall be responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body's functions and **which includes arrangements for the management of risk**."

The risk register is maintained under the direction of the Corporate Government/Risk Management officer-working group, chaired by the Director of Corporate Services.

Management Team formally considers these key risks on a quarterly basis and confirm with the relevant Head of Service what action is being taken to mitigate them. Attention is centred on those, which are High or, Medium to High. There is a standing item at every Management Team meeting to consider any emerging risks, which need to be added to the risk register.

The report to members is to inform them of these risks and show how they are being controlled.

2. **Any consultations planned or undertaken**

No consultation required

3. **Options available (set out the various options available)**

To consider the current position and make such comments to Full Council as this committee sees appropriate.

4. **Any implications known as this stage**

Effective Internal Controls are essential for ensuring, economy, efficiency and effectiveness in the delivery of council services and sound governance arrangements to reduce risks from whatever source.

Risk management / corporate governance arrangements are one of the factors considered by the Audit Commission in the Use of Resources Judgement.

5. **Any conclusions which can be drawn at this stage**

The business risks associated with the complexity of both local government and the rapidly changing business environment require the establishment of robust structures, systems and internal control procedures to effectively manage risk.

Independent review of these arrangements ensures that adequate attention is given to managing these business risks.

6. **Next stage in process**

To make comments as considered appropriate to the Council.

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List of background papers (excluding published works) for this report:

Appendix 1 – 21 June 2010 Strategic Risk Register