

ITEM NO:10

DECISION-MAKER:	AUDIT COMMITTEE		
SUBJECT:	STRATEGIC RISK REGISTER 2008-09		
DATE OF DECISION:	24 SEPTEMBER 2008		
REPORT OF:	Executive Director of Resources		
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STATEMENT OF CONFIDENTIALITY

NOT APPLICABLE

SUMMARY

The 'Internal Control' section of the 'Comprehensive Performance Assessment ("CPA") - Use of Resources' requires that 'the Council maintains and reviews a register of its corporate business risks linking them to strategic business objectives and assigns named individuals to lead on the actions identified to mitigate each risk'.

The Council's Strategic Risk Register for 2008-09 has been developed in consultation with the Chief Officer's Management Team ("COMT") and the Policy Co-ordinators Team ("PCoT") Resources Board. With the latter being responsible for co-ordinating risk management activities through the management of all key business risks and ensuring that risks are appropriately 'owned' and managed.

The Risk Register also takes account of, and is aligned with, a range of key strategic documents including the output from the Directorate Risk Registers together with a review of 2007-08 Strategic Risk Register

RECOMMENDATIONS:

The Audit Committee is asked to:-

- (i) Review the Strategic Risk Register (Appendix 1) and be satisfied that the document adequately reflects the key strategic risks facing the Council and/or to highlight any other significant key risks that may need to be considered.

REASONS FOR REPORT RECOMMENDATIONS

1. The report is presented to the Audit Committee in their capacity as the member body with responsibility for providing independent assurance to the Standards and Governance Committee on the adequacy of the risk management framework and the internal control and reporting environment.
2. The Audit Committee is also responsible for providing assurance to the Standards and Governance Committee that appropriate action is being taken on risk and internal control related issues identified by the internal and external auditors and other review and inspection bodies.

3. The Internal Control section of the CPA - Use of Resources requires that 'Members with responsibility for corporate risk management receive reports on a regular basis and take appropriate action to ensure that corporate business risks are being identified and effectively managed, including reporting to full council as appropriate'.

CONSULTATION

- 4 The Strategic Risk Register has been developed in consultation with both PCoT Resources Board, who are responsible for co-ordinating risk management activities through the management of all key business risks and ensuring that risks are appropriately 'owned' and managed, and COMT.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5. No alternative options have been considered.

DETAIL

6. The Strategic Risk Register is intended to capture the key risks that may prevent or have a significant adverse affect on the achievement of the Council's key objectives. The register has been developed following a review of key strategic documents including the Corporate Improvement Plan 2008-09, the Medium Term Service and Financial Plan 2007-10, the Southampton Partnership Strategy and the Audit Commission's Annual Audit and Inspection Letter 2006-07. It also takes into account the output from 2008-09 Directorate Risk Registers (Appendix 2) together with a review of 2007/08 Strategic Risk Register.
7. Each of the risks has an associated risk management action plan ("RMAP") which identifies the risk owner together with the actions required to manage the risk to a level that is acceptable to the organisation. The risk register and associated RMAPs are reviewed bi-annually by PCoT Resources Board with any significant proposed changes reported to COMT for formal adoption. In addition COMT undertakes a formal annual review of the register with mid term review. The purpose of the ongoing review process is to:-
 - Consider whether the risk profile is changing;
 - Gain assurance that risk management is effective, and to identify when further action is necessary; and
 - *Consider any new or emerging risks i.e. as a result of new initiatives, new legislation, changes in the political or social environment etc*
8. The risk register should be seen as a tool for communicating risk information and the output can be assessed in terms of how well stakeholder and internal objectives are supported; and how well stakeholders and the organisation are safeguarded (in terms of the capacity to achieve objectives).

FINANCIAL/RESOURCE IMPLICATIONS

Capital

9. None.

Revenue

10. None.

Property

11. No specific property implications have been identified in this report.

Other

12. None.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

13. The Audit Commission Act 1998 and the Accounts and Audit Regulations 2003 require the Council to adopt Good Governance arrangements in respect of the discharge of its functions. The above arrangements are intended to meet those responsibilities.

Other Legal Implications:

14. None.

POLICY FRAMEWORK IMPLICATIONS

15. None.

SUPPORTING DOCUMENTATION

Appendices

1.	Draft Strategic Risk Register 2008-09
2.	Summary – Directorate Risk Registers 2008-09

Documents In Members’ Rooms

1.	NONE
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Background Documents

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	None.	
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Background documents available for inspection at: Internal Audit Office, North Block Basement, Civic Centre

FORWARD PLAN No: N/A **KEY DECISION?** N/A

WARDS/COMMUNITIES AFFECTED: N/A