



Haringey Council

Agenda item:

Audit Committee

On 2 November 2010

Report Title: Risk Management update Quarter 2 2010/11

Report authorised by: Director of Corporate Resources

J. P. W. 25/10/10

Report of and Contact Officer: Anne Woods, Head of Audit and Risk Management

Tel: 020 8489 5973

Email: anne.woods@haringey.gov.uk

Wards(s) affected: All

Report for: Information

1. Purpose of the report

1.1 To inform the Audit Committee of the current position on compliance with the corporate risk management policy for the management of risk registers across the Council.

2. State link(s) with Council Plan Priorities and actions and/or other Strategies:

2.1 Audit and Risk Management contribute to the Council priority to deliver excellent, customer focused, cost effective services by ensuring that the Council's risk management framework is in place and operating effectively. Internal audit reviews key risk registers, the controls in place to manage the identified risks. Recommendations for improvement are made, where appropriate.

3. Recommendations

3.1 The Audit Committee is recommended to note the compliance with the risk management strategy for the completion of risk registers across the Council.

4. Reason for recommendation(s)

4.1 The Audit Committee is responsible for approving the Council's Risk Management Policy and Strategy as part of its Terms of Reference. In order to facilitate this, and provide information on its implementation across the Council, the corporate Policy progress reports are provided on a regular basis for review and approval by the Audit Committee.

5. Other options considered

5.1 Not applicable

6. Summary

6.1 The internal audit service makes a significant contribution to ensuring the implementation of the Council's risk management framework throughout the authority. This report focuses on the compliance with the corporate risk management framework for risk registers during the second quarter of 2010/11.

7. Head of Legal Services Comments

7.1 The Head of Legal Services has been consulted in the preparation of this report, and advises that there are no direct legal implications arising from the report.

8. Chief Financial Officer Comments

8.1 The Chief Financial Officer confirms that there are no direct financial implications associated with this report however, regular review and challenge to existing and emerging risks should significantly mitigate against financial exposure. Should any highlighted risk materialise, the impact, mitigation and reporting of these would normally be addressed in a separate report. Any significant implications would be reported to the Audit Committee as part of the agreed Terms of Reference.

8.2 The Chief Financial Officer is satisfied that the Council is complying with the corporate risk management strategy in relation to the completion of risk registers. In one case where the latest update to the risk register is more than three months old, the Head of Service has been requested by the Chief Financial Officer to review and update this within one month.

9. Head of Procurement Comments

9.1 Not applicable

10. Equalities and Community Cohesion Comments

10.1 This report deals with how risk registers are managed across all areas of the Council. Improvements in managing risks and controls will improve services the Council provides to all sections of the community.

11. Consultation

11.1 No external consultation was required or undertaken in the production of this report. Consultation is undertaken with respective service managers, Assistant Directors and Directors in the production of risk registers and internal audit reports.

Their comments are included in the final report which is circulated in accordance with the agreed internal audit reporting protocol.

12. Service Financial Comments

12.1 There are no direct financial implications arising from this report. The work within internal audit to implement the Council's risk management framework is part of the contract with Deloitte and Touche which was awarded following a competitive tendering exercise in compliance with EU regulations from 1 April 2007. The costs of this contract and managing the corporate risk management policy are contained and managed within the Audit and Risk Management revenue budget. Service departments manage risks as part of the routine work to achieve their business plans and costs are contained within their revenue budgets.

13. Use of appendices

13.1 Appendix 1 – Update on risk registers Quarter 2 2010/11

14. Local Government (Access to Information) Act 1985

14.1 For access to the background papers or any further information please contact Anne Woods on 0208 489 5973.

15. Background

15.1 The Council's Risk Management strategy is reviewed on an annual basis to ensure that it reflects current operational requirements and best practice. The latest version was approved by the Audit Committee at its meeting on 25 March 2010.

15.2 The Chair of the Audit Committee requested that a report on risk management and compliance with the Council's strategy in respect of risk registers be presented to the Committee on a quarterly basis. The review and testing of risk registers forms part of the 2010/11 annual audit plan which was approved at the Audit Committee meeting on 25 March 2010. This is an ongoing process to ensure the key controls to manage identified risks are effective and operate as intended.

16. Risk Registers

16.1 All risk registers are managed electronically at business unit, department and corporate level. Appendix 1 shows the latest position for all Business Units and Directorates as at the end of quarter 2.

16.2 The corporate risk register is reviewed on a quarterly basis by the Chief Executive's Management Board and reported annually to the Audit Committee. The last review by

the Audit Committee was completed at its meeting on 24 June 2010. The corporate risk register is subject to its quarterly review at the CEMB meeting on 2 November 2010.

- 16.3 During the second quarter, a number of organisational changes have taken place across the Council. The functions of the previous PPP&C directorate are currently managed by other directorates and their risk registers are incorporated into the new reporting structures as follows: Safer Communities Business Unit now reports to the Director of Urban Environment; Policy and Performance and Communication and Consultation Business Units now report to the Assistant Chief Executive – People & Organisation Development. Appendix A reflects the changes made during quarter 2.
- 16.4 Covalent provides an audit trail to allow for monitoring and follow up by Internal Audit. One risk register (Benefits & Local Taxation) is currently being reviewed and will be updated on Covalent during October 2010. All other risk registers for business units and directorates have been reviewed and updated in accordance with the corporate policy.

Progress Report Quarter 2 2010/11 - Risk Register Update Summary

	Department	Level	Risk Register Title	Date of most recent review
1	Corporate - CEMB	Corporate	Corporate Register	June 2010
2	CE – People & Organisational Development (P&OD)	Dept	People & Organisational Development	October 2010
3	CE – P&OD	BU	Communication & Consultation	October 2010
4	CE – P&OD	BU	Policy & Performance	October 2010
5	CE – P&OD	BU	Human Resources	October 2010
6	CE – P&OD	BU	Local Democracy & Member Support	October 2010
7	CE – P&OD	BU	Organisational Development & Learning	October 2010
8	Corporate Resources (CR)	Dept	Corporate Resources	October 2010
9	CR	BU	Legal Services	October 2010
10	CR	BU	IT Services	October 2010
11	CR	BU	Customer Services	September 2010
12	CR	BU	Benefits & Local Taxation	July 2010
13	CR	BU	Corporate Finance	October 2010
14	CR	BU	Audit & Risk Management	September 2010
15	CR	BU	Corporate Procurement	September 2010
16	CR	BU	Corporate Property Services	September 2010
17	Children & Young People's Service (CYPS)	Dept	Children & Young People's Service	October 2010
18	CYPS	Dept	Safeguarding/JAR	September 2010
19	CYPS	BU	Children & Families	October 2010
20	CYPS	BU	School Standards & Inclusion	October 2010
21	CYPS	BU	Business Support & Development	September 2010
22	CYPS	BU	Children's Networks	October 2010
23	Adults Culture & Community Services (ACCS)	Dept	Adults Culture & Community Services	September 2010
24	ACCS	BU	Safeguarding & Strategic Services	September 2010
25	ACCS	BU	Adult Services & Commissioning	September 2010

Progress Report Quarter 2 2010/11 - Risk Register Update Summary

	Department	Level	Risk Register Title	Date of most recent review
26	ACCS	BU	Recreation Services	September 2010
27	ACCS	BU	Culture, Libraries & Learning	September 2010
28	Urban Environment (UE)	Dept	Urban Environment	October 2010
29	UE	BU	Strategic & Community Housing Services	October 2010
30	UE	BU	Frontline Services	October 2010
31	UE	BU	Planning & Policy Development	September 2010
32	UE	BU	Safer Communities	September 2010