



Haringey Council

Agenda item:

[No.]

Audit Committee

On 28 January 2008

Report Title: **Risk Management Progress Report – 2007/08**

Forward Plan reference number (if applicable): **N/A**

Report of: **Head of Audit and Risk Management**

Wards(s) affected: **All**

Report for: **Non-key decision**

1. Purpose

To inform the Audit Committee of the work undertaken to implement the council's risk management strategy during 2007/08.

2. Recommendations

2.1 That the Audit Committee notes the progress made during 2007/08 to date and agrees the approach set out in section 6 of the report.

Report Authorised by: **Chief Financial Officer**

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

Tel: 020 8489 5973

Email: anne.woods@haringey.gov.uk

3. Local Government (Access to Information) Act 1985

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

4. Background

4.1 The Council's revised Risk Management strategy was approved by CEMB, and the Audit Committee, in October 2005. This document is reviewed on an annual basis. Consultation on a revised and updated strategy is currently ongoing and the final version will be brought to the next Audit Committee for final approval.

- 4.2 During 2007/08, Internal Audit has been working with business unit and departmental representatives to review, test and update the risk registers. The review and testing of risk registers formed part of the 2007/08 annual audit plan and will be an ongoing process in 2008/09 to ensure the key controls to manage identified risks are effective and operate as intended. This will also ensure compliance with the agreed strategy.
- 4.3 At the last Audit Committee, members requested a detailed summary of progress across the council to ensure that their responsibilities according to the committee terms of reference were being appropriately discharged. This report provides an update on progress since October 2007, and identifies those processes which will continue during 2008/09 as part of the annual audit plan.

5. Progress during 2007/08

- 5.1 The Council underwent a re-shaping exercise during the last quarter of 2006/07, with new directorates in place from April 2007. There were changes in the reporting arrangements for some business units as a result of the reshaping exercise. Internal audit worked with both business units and directorates to realign risk business unit and departmental risk registers within the new reporting arrangements during 2007/08.
- 5.2 Training was given and workshops held on risk management to managers and staff by Internal Audit during the year as responsibilities for risk management changed and/or new staff were appointed. Training on risk management was also provided to Audit Committee members during 2007/08 by an external facilitator.
- 5.3 Table 1 below shows the progress made to date during the current financial year in reviewing and updating the risk registers at corporate, departmental and business unit level. This is an ongoing process and business unit and departmental registers are updated in line with the business planning timetable to reflect current and ongoing priorities.
- 5.4 All Business Units' risk registers reflect the agreed 2007/08 business plans and departmental risk registers have been agreed by respective management teams. Managers are required to formally consider their key business unit risks as part of their Pre-Business Plan Review submissions (September) and again when they submit their final business plans (March). Table 1 below provides a summary of each risk register as at January 2008.
- 5.5 The testing of risk registers by Internal Audit has continued during 2007/08, based on the revisions and updates made by business units. During 2007/08 to date, Internal Audit has tested the controls specified for the risk register of recreation services and has provided advice and support as part of the compilation of the risk registers for various key council-wide projects including the re-tender and implementation plan for the new banking arrangements and the supporting people programme.
- 5.6 In addition to risk registers, the council has been working towards embedding risk management processes across all its key functions and processes. Risk management is part of the business planning process, including the pre-business plan review stage and the final business plans, where business units are required to consider the key risks to the achievement of their objectives.

Table 1 – as at January 2008

	Department	Level	Register Title	Risk Register status
1	Corporate - CEMB	Corporate	Corporate Register	Updated January 08 – for approval 29/01/08
2	CE – Policy Performance Partnerships & Communication	Dept	Policy Performance Partnerships & Communication	Updated & agreed by mgmt January 08
3	CE – PPPC	BU	Safer Communities	Updated & agreed by mgmt August 07
4	CE – PPPC	BU	Neighbourhood Management	Updated & agreed by mgmt January 08
5	CE – PPPC	BU	Communications	Updated & agreed by mgmt January 08
6	CE – PPPC	BU	Improvement and Performance	Updated & agreed by mgmt January 08
7	CE – Organisational Development	Dept	Organisational Development	Updated & agreed by mgmt January 08
8	CE – OD	BU	Human Resources	Updated & agreed by mgmt January 08
9	CE – OD	BU	Local Democracy and Member Support	Updated & agreed by mgmt January 08
10	CE – OD	BU	Organisational Development & Learning	Updated & agreed by mgmt January 08
11	Corporate Resources (CR)	Dept	Corporate Resources	Updated & agreed by mgmt January 08
12	CR	BU	Legal Services	Updated & agreed by mgmt August 07
13	CR	BU	IT Services	Updated & agreed by mgmt December 08
14	CR	BU	Customer Services	Updated & agreed by mgmt December 07
15	CR	BU	Benefits & Local Taxation	Updated & agreed by mgmt November 07
16	CR	BU	Corporate Finance	Updated & agreed by mgmt October 07
17	CR	BU	Audit & Risk Management	Updated & agreed by mgmt October 07
18	CR	BU	Corporate Procurement	Updated & agreed by mgmt August 07
19	CR	BU	Corporate Property Services	Updated & agreed by mgmt July 07
20	Children and Young People's Service (CYPS)	Dept	Children and Young People's Service	Updated & agreed by mgmt December 07
21	CYPS	BU	Children & Families	Updated & agreed by mgmt December 07
22	CYPS	BU	School Standards and Inclusion	Updated & agreed by mgmt December 07
23	CYPS	BU	Business Support & Development	Updated & agreed by mgmt December 07

	Department	Level	Register Title	Risk Register status
24	Adults Culture and Community Services (ACCS)	Dept	Adults Culture and Community Services	Updated & agreed by mgmt October 07
25	ACCS	BU	Commissioning & Strategy	Updated & agreed by mgmt October 07
26	ACCS	BU	Adult Services	Updated & agreed by mgmt October 07
27	ACCS	BU	Recreation Services	Updated & agreed by mgmt August 07
28	ACCS	BU	Adult learning, Libraries & Culture	Updated & agreed by mgmt October 07
29	Urban Environment (UE)	Dept	Urban Environment	Updated & agreed by mgmt December 07
30	UE	BU	Strategic & Community Housing	Updated & agreed by mgmt July 07
31	UE	BU	Street scene	Updated & agreed by mgmt December 07
32	UE	BU	Planning & Environment Control	Updated & agreed by mgmt October 07
33	UE	BU	Enforcement	Updated & agreed by mgmt December 07

6. The planned programme

- 6.1 Internal audit will continue with the programme of support and assistance to departments and nominated representatives to ensure that all risk registers are maintained appropriately. In addition, the annual audit plan has dedicated resources included to test the effectiveness of the controls identified in key areas. Resources will be included in the 2008/09 annual audit plan to continue with this work.
- 6.2 In order to assess the progress made across the council, compliance with the overall risk management strategy and its implementation has been included in the 2007/08 audit plan and will be reviewed towards the end of the financial year. The outcome of this will be reported to the Audit Committee as part of the regular quarterly reporting process.
- 6.3 As part of the process to update and review risk management arrangements, the council's risk management strategy will be updated to reflect the progress made to date. The Audit Committee will be provided with the revised risk management strategy for approval. The revised strategy will incorporate recommendations made by the Audit Commission as part of their Use of Resources review.
- 6.4 Regular reports will be made to the Audit Committee and CEMB during 2008/09 on risk management and the implementation of the strategy. The Audit Committee will receive the corporate risk register for review twice per year and the Head of Audit will highlight any significant issues as a result of the testing of risk registers to the Audit Committee as part of the quarterly reporting process. Any urgent issues will be brought to members' attention in accordance with current reporting arrangements.