

Report of	Meeting	Date
Head of Shared Assurance Services	Audit Committee	19/03/09

STRATEGIC RISK REGISTER 2009/10

PURPOSE OF REPORT

1. To present for members consideration the latest Strategic Risk Register (SRR) which has been revised following the annual review of the Corporate Strategy.
2. To describe the process undertaken to develop the document and provide context to explain the significance of the SRR within the Council's Risk Management Framework.

RECOMMENDATION(S)

3. That the report is noted and the SRR attached at Appendix 1 is approved and adopted.
4. That the Head of Shared Assurance Services be authorised to approve any minor changes and amendments required to the document.

EXECUTIVE SUMMARY OF REPORT

5. The Strategic Risk Register (SRR) is the most important element of the Council's Risk Management Framework and is the vehicle by which the Council aims to identify and address any potential risks to the achievement of its strategic objectives and goals. It complements the Corporate Strategy and assists in managing its ongoing delivery.
6. The latest SRR is appended to this report for members' information and its contents are explained in the paragraphs below. Members will note that the layout of the document has changed since it was last presented for approval and is now summarised over 2 pages in the same style as the Corporate Strategy overview.
7. The prime aim of this report is to provide assurance that the SRR remains fit for purpose and provides an effective tool for managing the key business risks faced by the Council.

REASONS FOR RECOMMENDATION(S)

8. The Audit Committee's terms of reference require it to oversee all aspects of governance including risk management. It is therefore the Audit Committee that provides the overview and scrutiny role in respect of the action taken to manage strategic risk by receiving regular update reports.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

9. No alternative options are appropriate to this item

CORPORATE PRIORITIES



10. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region		Develop local solutions to climate change.	
Improving equality of opportunity and life chances		Develop the Character and feel of Chorley as a good place to live	
Involving people in their communities		Ensure Chorley Borough Council is a performing organization	✓

BACKGROUND - BUSINESS RISK MANAGEMENT

11. Business risk management describes the process for identifying and resolving any **threats** to the achievement of the Council's objectives. This includes dealing with any inherent **weaknesses** within the organisation.
12. There is also an 'upside' to risk management, in that it is equally important to understand what the Council's main **strengths** and **opportunities** are and that measures are in place to exploit them for the benefit of the local community.
13. Risk management is therefore a cornerstone of good corporate governance and the Council has established a system of risk management as an integral part of the Business Improvement Planning Process which involves the creation of **risk registers** at both the corporate and directorate levels.

STRATEGIC RISK REGISTER

14. When the Corporate Strategy is reviewed each year, the Council conducts an analysis of the strengths, weaknesses, opportunities and threats that it faces (SWOT) to ensure that appropriate action is planned to address any significant risk issues that are identified. This constitutes the strategic risk assessment and is carried out for each separate strategic objective in the Corporate Strategy
15. The risk issues emanating from the SWOT exercise are recorded in the Strategic Risk Register (SRR). The aim is to identify corrective actions to address all the significant risk issues identified and ensure that these are included in the relevant Directorate Business Improvement Plans (BIPs) for the year ahead.
16. Also known as the "Big Issues" process, the SWOT exercise requires a collective effort and involves chief officers and senior members to identify the key strategic risk issues facing the Council.
17. Actually compiling the SRR and identifying the corrective actions is also a joint exercise and has tended to involve the Assistant Chief Executive (BTI), the Head of Shared Assurance Services, Risk Manager and the Policy Adviser (Programmes & Projects).
18. This year we have sought to make the process even more inclusive by consulting with each Corporate Director to achieve a consensus on the strategic risks and to agree upon the detailed corrective actions which need to be included in individual BIPs.
19. The key projects in the Corporate Strategy are the prime means of addressing the main strategic risks (shown in red) or exploiting the main opportunities (shown in green). The SRR provides a vehicle for recording and monitoring the remaining detailed actions contained in individual BIP's.

20. We have also responded to suggestions to make the SRR more visible and user friendly by producing it in the same format as the Corporate Strategy overview.

FURTHER WORK

21. Given the close relationship between the corporate planning, performance management and risk management processes it is our intention to work with the relevant Directors to integrate performance, risk and financial reporting. This will include a review of the best use of technology to minimise human input and members will be appraised of the results in due course.

IMPLICATIONS OF REPORT

22. This report has no implications for specific Directorates. The matters raised in the report are cross cutting and impact upon the authority as a whole.

GARRY BARCLAY
HEAD OF SHARED ASSURANCE SERVICES

There are no background papers to this report.

Report Author	Tel	Date	Doc ID
Andy Armstrong Garry Barclay	01772 625256 01772 625272	19/03/09	SRR.doc