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**STRATEGIC RISK REGISTER**

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**1.0 INTRODUCTION**

- 1.1 This report provides members with an update on the Council's Strategic Risk Register (SRR) and summarises recent revisions to the Council's risk management processes.

**2.0 RECOMMENDATIONS**

- 2.1 It is recommended that the Audit and Scrutiny Committee endorse the updated SRR (Appendix 1).

**3.0 DETAIL**

- 3.1 The Council's Constitution requires the Chief Executive to attend one meeting of the Audit and Scrutiny Committee per annum to report on how the Council is addressing its key strategic risks and other matters of interest.

- 3.2 The SRR and the Operational Risks Registers (ORR) have been subject to regular review and update over the last few years with the format of both being subject to periodic change to reflect audit recommendations. Updates to the Performance Improvement Framework and the introduction of business outcomes and service plan challenges resulted in a need to further review the ORRs.

- 3.3 In early 2018 the Chief Internal Auditor reviewed the SRR and ORR process and proposed changes which were discussed and agreed by the Strategic Management Team (SMT). The Council's risk management manual has been revised to reflect these operational decisions, formalise the risk management process and provide guidance to officers on risk management. The revised manual, approved by the Policy and Resources Committee on 24 May 2018, confirms that the governance of risk management is the responsibility of the SMT and Departmental Management Teams (DMT) and that:

- SRR will be updated on a bi-annual basis by the SMT
- ORRs will be updated on a quarterly basis by DMT

- 3.4 Noted below are some of the key changes agreed:

- the ORR format is now very similar to the SRR and operational risks are no

- longer categorised as 'supply' or 'demand'
- strategic risks are aligned to corporate outcomes and operational risks are aligned to service plan challenges
- key actions for risks to be 'treated' are documented
- an agreed timeframe for ORR to be reviewed has been agreed with SMT to ensure there is consistency across the departments
- risk registers are now documented in excel spreadsheets with consideration being given as to how this can be replicated in Pyramid
- SMT will review all risks in the ORRs classified as "red" by the DMTs.

3.5 In line with the agreed timeframe, all the ORRs were reviewed in April 2018 and the SMT reviewed and updated the SRR on 30 April 2018. As required by the revised risk management manual, the SMT also reviewed all risks in the ORRs which had been classified as 'red' by the DMTs.

3.6 Appendix 1 to this paper provides a copy of the current SRR and demonstrates how the Council are treating the identified risks in terms of the mitigations currently considered to be in place and the action being taken to further reduce the residual risk.

#### **4.0 CONCLUSION**

4.1 The SRR is subject to regular review by the SMT as are the red risks highlighted in ORRs by the DMTs. Risks are actively managed to reduce their impact upon the Council and the likelihood of them being realised.

#### **5.0 IMPLICATIONS**

5.1 Policy – None

5.2 Financial - None directly from this report however effective risk management assists with effective governance and stewardship of Council resources

5.3 Legal – None

5.4 HR - None

5.5 Equalities - None

5.6 Risk – The report sets out the strategic risks facing the Council

5.7 Customer Service - None

**Cleland Sneddon**  
**Chief Executive**  
**19 June 2018**

**For further information please contact:** Internal Audit (01436 657694)

**Appendices:**

**1. Strategic Risk Register**

