

Report to: Audit Committee
Date of meeting: 14 March 2012
Report of: Head of Strategic Finance
Title: Strategic Risk Register

1.0 SUMMARY

- 1.1 This report informs the Committee of the Strategic Risk Register which was reviewed and approved by Leadership Team on 6th March 2012. This register will be deposited upon the Council's Intranet and is reviewed on a regular basis.

2.0 RECOMMENDATIONS

- 2.1 That the Strategic Risk Register at **Appendix 1** is approved.

3.0 DETAILED PROPOSAL

- 3.1 The Strategic Risk register is reported annually to the Audit Committee (last report 16th March 2011) and is constantly being reviewed. The next section of this report provides some necessary background context.

3.2 Strategic Risk Register (SRR)

- 3.2.1 This seeks to identify key strategic risks and should not seek to replicate all the detail within service risk registers. For example, a project such as the Health Campus has over 50 detailed risks within its project documentation whereas the SRR has identified 4 overarching risks. Equally there will be some risks that relate purely to a service area and have no place within the corporate Strategic Risk Register.
- 3.2.2 It is also necessary to consider the volume of risks within the SRR, the ideal number probably being 12 whereas the current SRR has 20 such risks. This reflects the fact that Watford is not a normal authority and has a number of major investment projects.
- 3.2.3 The SRR continues to be structured as follows:
- Major Investment
 - Service Delivery
 - Reputational
 - Functional

- 3.2.4 Inevitably, a key risk will generally start life as a 'red' denoting high risk (if it started life as a 'green' then it shouldn't feature on the register in the first place). A two stage 'control' process then occurs which should have reduced the risk to a manageable situation (and invariably shows as a yellow traffic light). In some cases the risk can be managed down to 'green' but equally there will be instances where the risk remains 'red' and will require further actions to be taken to reduce down the risk.

4.0 IMPLICATIONS

4.1 Financial

The Head of Strategic Finance comments that there are no financial implications arising directly out of this report.

4.2 Legal Issues

The Head of Legal and Property Services comments that there are no legal implications arising out of this report.

4.3 Potential Risks

Potential Risk	Likelihood	Impact	Overall Score
That the register fails to identify all key risks	2	3	6
That the necessary controls are not put in place to manage down the risk	2	3	6
That the register is not regularly reviewed	2	3	6