

**Regulatory and Other Committee**

**Open Report on behalf of Pete Moore, Executive Director for Finance and Public Protection**

Report to:	<b>Audit Committee</b>
Date:	<b>24 November 2014</b>
Subject:	<b>Review of Draft Financial Procedure 6 - Risk Management</b>

**Summary:**

One of the key roles of the Audit Committee is to ensure that the Council has effective risk management and counter fraud arrangements in place.

There are three key policy documents to support this activity:

- 1 Financial Procedure 6 - Risk Management
- 2 Risk Management Strategy
- 3 Counter Fraud Policy

This report presents the Committee with the revised Financial Procedure 6 for review and comment.

**Recommendation(s):**

That the Committee:

1. Considers and comments upon the revised Financial Procedure 6 - Risk Management.

**Background**

1. This procedure forms part of the Financial Regulations and procedures in the Constitution of the Council. It aims to inform staff and members of the mandatory requirements and provide guidance on good practice in risk management, counter fraud and insurance.
2. A copy of revised Financial Procedure 6 – Risk Management is attached in Appendix A.
3. In discharging its role of having oversight of the effectiveness of the Council's risk management and counter fraud arrangements the Committee are asked to consider content of the procedure - ensuring that:

- It includes the areas it wishes to be identified as **mandatory elements** and key areas of best practice
  - it robust enough to provide the Audit Committee with assurance (confidence) that if followed the Council's risk management and counter fraud arrangements will work well.
4. Following the Audit Committees review it is proposed to issue the draft procedure for wider consultation through the Council's Risk and Safety group.

## Conclusion

Effective risk management and counter fraud arrangements are a key component of the Council's governance framework. The Risk Management Financial Procedure will strengthen our policy and procedures in this area.

## Consultation

### a) Policy Proofing Actions Required

N/A

## Appendices

These are listed below and attached at the back of the report	
Appendix A	Financial Procedure 6 - Risk Management

## Background Papers

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
Risk Management Strategy	LCC Connect
Counter Fraud Policy	LCC Connect
Whistleblowing Policy	LCC Connect
Money Laundering Policy	LCC Connect

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