

To:	Board	
Date of Meeting:	30 November 2011	Item: Paper (11)86

Title:	LSB Risk Management Strategy – Annual Review	
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Status:	Restricted	

Summary:

The LSB's Risk Management Strategy (**Annex A**) requires the Board to undertake an annual review of its approach to risk. The current version of the Strategy was approved by the Board in October 2010, after review by the Audit and Risk Committee (ARC).

The October 2010 review was comprehensive and included revisions to address recommendations from internal audit and the experience of managing risk to date within the organisation.

The Board's approach to risk management was also the subject of a subsequent internal audit by KPMG in early 2011. This reported that there were no areas for development.

In light of this background, and the ongoing, positive experience of managing risk at working level within the organisation, the Executive proposes only minor changes to the Strategy at this time:

- To amend 'roles and responsibilities' to make clear that the maintenance of the Corporate Risk Register is by the Business Planning Associate (and not the Board Secretary) and that responsibility for risk management lies with the Corporate Director NOT the Director of Finance and Services.
- To ensure that, going forward, the Corporate Risk Register will also include a separate register of 'issues' i.e. risks that have crystallised and which are under active management
- To re-classify a risk with a likelihood of 'possible' and an impact of 'significant' from yellow to amber (from material to severe) to reflect requirement for active management.

Risks and mitigations

Financial:

FoIA:

Legal: N/A.

Reputational:

Resource:

Consultation	Yes	No	Who / why?
Board Members:	✓		Audit and Risk Committee
Consumer Panel:		✓	N/A.
Others:	N/A.		

Recommendations:

Based on the recommendation of the Audit and Risk Committee, the Board is invited to endorse and adopt the revised LSB Risk Management Strategy set-out in Annex A.