



REPORT TO: Audit and Corporate Governance
Committee
LEAD OFFICER: Executive Director (Corporate Services)

31 March 2017

REVIEW OF RISK MANAGEMENT STRATEGY AND PROCESS

Purpose

1. The purpose of this report is for the Audit and Corporate Governance Committee to conduct a review of the Council's Risk Management Strategy and note the proposed Risk Management Process as recommended by EMT.
2. This is not a key decision but it has been brought because:
 - (a) it enables the Audit and Corporate Governance Committee to exercise its governance responsibility for risk management;
 - (b) annual review of the Risk Management Strategy and process is good practice to ensure that these remain relevant, adequate and effective

Recommendations

3. EMT recommended to the Audit and Corporate Governance Committee that the committee approves the proposed revised Risk Management Strategy, as set out in this report.

Reasons for Recommendations

4. The proposed revised Risk Management Strategy (Appendix A) has been updated to reflect the changes in the Council's approach to managing the risks throughout last year.
5. The Strategic Risk Register, the risks included, assessments of their impact and/or likelihood, and associated control measures / sources of assurance, have been considered at the meetings of Cabinet on 14 July, 15 September and 17 November 2016, and 9 February 2017.

Background

6. The Council's Risk Management Strategy was first adopted in January 2004 and has been updated several times since. It was last updated in June 2016, to reflect recommendations resulting from internal audit's risk management review, together with management responses, actions taken and proposed updates to the Risk Management Strategy.

Considerations

7. Proposed Risk Management Strategy has been re-worked into 2 documents, separating Strategy and Process (Appendix B). This will give greater weight to the strategy and facilitate alignment between the Council's strategy and that of our shared service partner, Cambridge City Council. This is important as it will allow risks to be managed in similar ways in both the councils and within shared services. It is

expected that Cambridge City Council will adopt the same Risk Management Strategy at the time of their annual review.

8. The Risk Management Process will be reviewed and approved by the Corporate Management Committee prior to implementation.
9. Audit and Corporate Governance Committee monitors the responsible portfolio holder's review and approval of the Council's Strategic Risk Register on an annual basis. Cabinet reviews of the Strategic Risk Register during 2016-17, led by the Corporate and Customer Services Portfolio Holder, took place as outlined above, resulting in relevant amendments to the Strategic Risk Register.
10. During the year greater control and responsibility for the risks was given to the risk owners. For this purpose Service Risk Registers were transferred to risk management software, which is an online database. Access to the database was given to Risk and Action owners across the Council, who were also provided with information and training. The format of the database provides users with guidance on the categorisation and scoring of risks. The database is shared with Cambridge City Council.
11. Other changes related to the process of review of the Service Risk Registers: with the creation of the Corporate Management Team, review of Service Risk Registers has passed into their domain.

Options

12. Audit and Corporate Governance Committee could recommend approval of the changes proposed, and the resulting proposed revised Risk Management Strategy. (***This is the recommended option.***)
13. Alternatively, Audit and Corporate Governance Committee could suggest other improvements or enhancements to the Risk Management Strategy, risk management process or document formats.

Implications

14. In the writing of this report, taking into account financial, legal, staffing, risk management, equality and diversity, climate change, community safety and any other key issues, the following implications have been considered: -

Risk Management

15. The updated Risk Management Strategy will continue to ensure the authority has an effective risk management process, reflecting the authority's political arrangements and management structure and the Council's Aims and Objectives, and providing appropriate ownership and assurance.

Effect on Strategic Aims

An Innovative and Dynamic Organisation – adopting a more commercial and business-like approach to ensure we can continue to deliver the best possible services at the lowest possible cost.

16. The annual review of the Council's Risk Management Strategy contributes to the Council's corporate governance responsibilities and ensures that risks involved in the

delivery of the Council's Corporate Plan and in meeting its strategic Objectives are identified and managed adequately and effectively.

Background Papers

Where [the Local Authorities \(Executive Arrangements\) \(Meetings and Access to Information\) \(England\) Regulations 2012](#) require documents to be open to inspection by members of the public, they must be available for inspection: -

- (a) at all reasonable hours at the offices of South Cambridgeshire District Council;
- (b) on the Council's website; and
- (c) in the case of documents to be available for inspection pursuant to regulation 15, on payment of a reasonable fee required by the Council by the person seeking to inspect the documents at the offices of South Cambridgeshire District Council.

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