

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Corporate Governance Committee
AUTHOR/S: Executive Director (Corporate Services)

28 June 2013

RISK MANAGEMENT

Purpose

1. The purpose of this report is for Corporate Governance Committee to approve the Council's Risk Management Strategy and process.

Recommendations

2. That Corporate Governance Committee approves the Risk Management Strategy set out at Appendix A.

Reasons for Recommendations

3. The Risk Management Strategy had been updated prior to Corporate Governance Committee's meeting on 19 March 2013, to address recommendations resulting from Internal Audit's risk management review. It has now been amended in line with the recommendations of that meeting and to reflect subsequent comments. It therefore represents appropriate application of risk management best practice to the Council's strategy and process.

Background

4. The Council's Risk Management Strategy was first adopted in January 2004 and has since been updated several times.

Considerations

5. As well as being amended in line with recommendations from Corporate Governance Committee's meeting on 19 March 2013, comments from members of the committee have been taken into account in the Risk Management Strategy as follows:
 - (a) paragraph 4.1: the image has been made into a picture to avoid future distortion;
 - (b) paragraph 5.2.2: the wording has been clarified (here and elsewhere) to "the Council's risk tolerance line", with a reference to paragraph 6.2.2 which defines it;
 - (c) paragraph 8.5.4 has been amended to "Relevant director(s) / the Executive Director (Corporate Services) shall provide on request from a portfolio holder a briefing/update on the service area risk register(s) appropriate to that portfolio.";
 - (d) paragraph 8.5.10: 'can' has been replaced by 'may' for consistency;
 - (e) paragraph 9.2.1: the wording of the fourth bullet point reflects that training for staff depends to some extent on changes in posts/postholders/responsibilities, as well as developments in risk management; for Members, Planning and Licensing are regulatory committees and Employment requires some formal training, while other Member training comes under Member Development;

- (f) Annex B: implementation of legislation is already provided for under different aspects of the various categories, rather than including specific individual references, which would mean continually having to update the annex;
- (g) Annex C: service area risk registers use direction of travel arrows; however, the Strategic Risk Register is monitored through CorVu, the Council's performance management system, which enables two things:
 - (i) risk viewed alongside the corporate plan, key projects, performance, customer satisfaction and feedback, staffing and resources; and
 - (ii) an early indication of any changes to risk impact/likelihood scores from CorVu's red/amber/green mechanism.

CorVu's report function is the basis for the quarterly reports to EMT and PFH; to show direction of travel in a different way would mean having to adapt that report, causing extra work and losing the benefit of its direct derivation from the CorVu system. The Corporate and Customer Services Portfolio Holder has advised that he wants to retain the CorVu red/ amber/green format.

- 6. The amended Risk Management Strategy is attached at **Appendix A**.

Options

- 7. Corporate Governance Committee could approve the amended Risk Management Strategy (**this is the recommended option**). Alternatively, the committee could suggest other improvements or enhancements to the Risk Management Strategy, risk management process or document formats.

Implications

8. Financial, Legal, Staffing	There are no immediate financial, legal or staffing implications resulting from this report.
Risk Management	The amended Risk Management Strategy will ensure the authority has an effective risk management process, reflecting the authority's political arrangements and management structure and the Council's Aims, and providing appropriate ownership and assurance. Risk management is undertaken regularly in order to minimise the possibility of the Council being adversely affected should either an unforeseen risk arise or an assessed risk not be properly planned for.
Equality and Diversity	The Risk Management Strategy and process has no inherent equality and diversity implications; however, Equalities is included as a risk area on the Strategic Risk Register.
Equality Impact Assessment completed	No A Partial Equality Impact Assessment (EqIA) of the Risk Management Strategy was prepared in March 2011; the impacts were assessed as neutral, with no issues arising.
Climate Change	The Risk Management Strategy and process has no inherent climate change implications; however, 'Safeguarding the Council's services against climate change' is included as a risk area on the Strategic Risk Register.

Consultations

- 9. Corporate Governance Committee Members were consulted on the amended strategy; the Corporate and Customer Services Portfolio Holder was copied in to the

consultation; comments received have been taken into account as reported in paragraph 5 above.

Consultation with Children and Young People

10. There has been no consultation with children and young people regarding this report.

Effect on Strategic Aims

11. The Risk Management Strategy relates to the Council's commitment to deliver first class services and value for money:
 - (a) it contributes to the Council's corporate governance responsibilities;
 - (b) it also ensures that risks involved in the delivery of the Council's Corporate Plan and in meeting its strategic Aims are identified and managed adequately and effectively.

Conclusions / Summary

12. This report proposes amendments to the Risk Management Strategy in line with recommendations resulting from Corporate Governance Committee's meeting on 19 March 2013 and to reflect subsequent comments.

Background Papers: the following background papers were used in the preparation of this report:

None unpublished

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