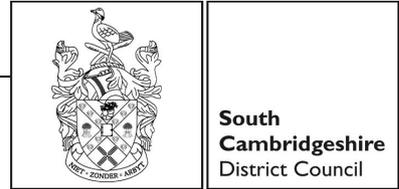


Risk Management Strategy

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Risk Management Strategy



Contents

1.	Definition of Risk	3
2.	Governance.....	3
3.	Risk Management – purpose and objectives	3
4.	Objectives of the Risk Management Strategy	5
5.	Approach to Risk Management	5

Appendix A Roles and Responsibilities

1. Definition of Risk

- 1.1 South Cambridgeshire District Council considers risk to be the possibility that an unwanted or uncertain action or event
- will cause injury, loss, damage,
 - will prevent the Council from identifying and taking advantage of opportunities or
 - will adversely impact the ability of the Council to deliver its services, or achieve its objectives and priorities.

2. Governance

- 2.1 The governance framework is the system which helps South Cambridgeshire District Council to ensure that it achieves the right outcomes for the residents of South Cambridgeshire in an open and honest way.
- 2.2 The Council's primary role is to fulfil its statutory obligations. The Council also has a Long Term Vision that South Cambridgeshire will continue to be the best place to live, work and study in the country. Supporting the Vision is a Corporate Plan with strategic objectives and associated actions.
- 2.3 The Council has a responsibility to consider risks involved in providing or enabling service delivery, both in fulfilment of its statutory obligations and in achieving its strategic objectives
- 2.4 EMT will review the report on Risk Management Strategy and Process annually, or more frequently if required, and make any recommendations regarding them to the Audit and Corporate Governance Committee. The Audit and Corporate Governance Committee will receive a report on the Risk Management Strategy and Process and approve the Strategy annually, or more frequently if required.

3. Risk Management – purpose and objectives

- 3.1 The objective of the Risk Management Process is to identify, evaluate and control risks. Risk Management is a key element of the Council's Governance framework.
- 3.2 It will not always be feasible completely to eliminate risk. Indeed, calculated risk-taking may be required in certain circumstances to achieve innovative or creative solutions.
- 3.3 Risk appetite - the amount and type of risk the Council is willing to take in order to meet its strategic objectives. The Council sets baseline level of risk it is prepared to accept before taking an action at financial loss of £50,000, as well as the likelihood and impact of threats having a net rating of 4 in accordance with the Council's risk scoring matrix.

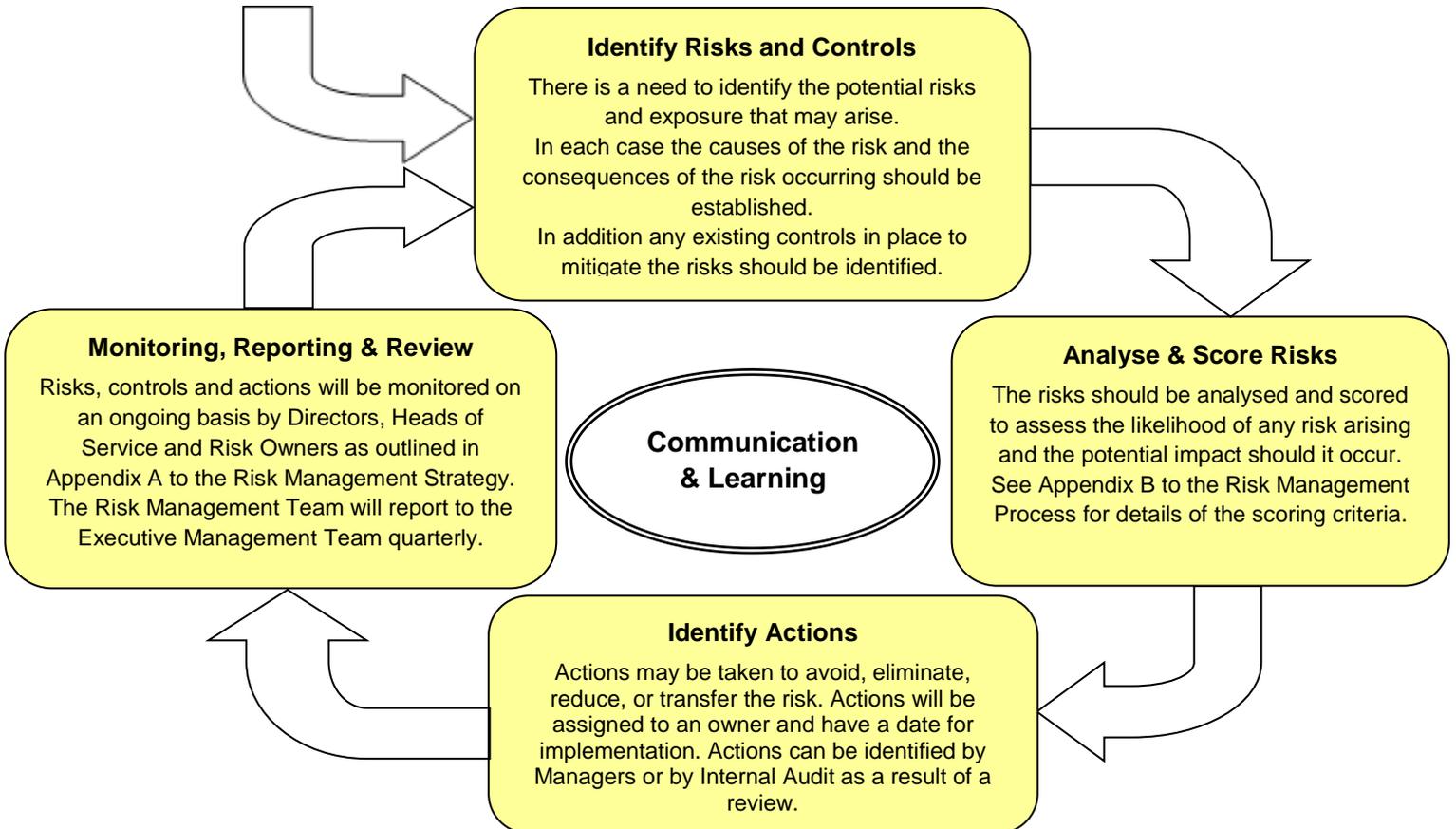
- 3.4 The Council's decision-making should be risk-aware but not risk-averse, as part of which risk appetite will be applied on a case by case basis, after evaluating the balance of risk and benefit presented.
- 3.5 The system of internal control is a key part of the governance framework and is designed to manage risk to a reasonable level. Internal Audit regularly reviews the system of internal control, providing independent assurance on the adequacy and effectiveness of the controls in place to manage risks. Actions are also agreed with management to improve controls.
- 3.6 Risk management also enables the Council to take up opportunities in a controlled manner, where the risks exist, but are recorded, mitigated and monitored.
- 3.7 Roles and responsibilities within the Council for embedding and monitoring Risk Management are outlined in Appendix A to this document.
- 3.8 The Benefits of Good Risk Management in assisting the Council to achieve objectives and deliver services are as follows:
- Support Governance Framework
 - Greater control of insurance costs
 - Helps to inform the decision making process
 - Better management of change programmes
 - Identifies and explores opportunities to enable innovation
 - Supports value for money
 - Supports the Performance Management Framework
 - Minimises the impact of failure
 - Maintains service provision through adversity
 - Manages partnerships, suppliers, contractors and ongoing services
 - Helps to comply with legal and regulatory requirements
 - Manage external changes in culture, political environment, etc

4. Objectives of the Risk Management Strategy

- 4.1 The objectives of the strategy are to:
- (a) Integrate Risk Management into the culture of the Council, including a process to identify and report upon existing and emerging risks to the Council.
 - (b) Manage risks in accordance with best practice, so that they are eliminated or controlled to an acceptable level.
 - (c) Raise awareness of the need for managers responsible for the Council's delivery of services to undertake Risk Management.

5. Approach to Risk Management.

5.1 The Council employs a simple four step process to manage its risks:



5.2 These steps, and how they are achieved, are outlined in greater detail in the Risk Management Process document and Roles and Responsibilities in Risk Management are outlined in Appendix A.

5.3 In accordance with best practice, Risk Management at the Council incorporates the identification and management of strategic risks, service area risks, project, programme and shared service risks. The process is thus embedded throughout the Council.

5.4 This Risk Strategy document aims to ensure that risk is appropriately managed in accordance with Statutory Instrument 2015 No. 234 for Local Government, England & Wales: Accounts and Audit Regulations 2015.