

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Council
AUTHOR/S: Executive Director Corporate Services

26 April 2012

RISK MANAGEMENT STRATEGY

Purpose

1. The purpose of this report is to enable Council to approve the Risk Management Strategy.
2. This is not a key decision but it has been brought before Council because risk management best practice includes the reporting of the Risk Management Strategy once a year to Council.

Recommendation

3. That Council approves the Risk Management Strategy.

Reasons for Recommendation

4. The Risk Management Strategy applies best practice and internal audit recommendations to the Council's risk management arrangements, ensuring that these remain adequate and effective.

Background

5. Risk management best practice is that the executive and governance roles should be carried out separately. These roles were therefore allocated between the Executive and Corporate Governance Committee in February 2010, as follows:
 - (a) agreement and ownership of the strategic risks facing the Council - the executive role - to the Executive, led by the appropriate portfolio holder;
 - (b) approval of the risk management strategy; advice and assurance regarding the adequacy and effectiveness of risk management - the governance role - to Corporate Governance Committee.
6. The Council's Risk Management Strategy was first adopted in January 2004 and has since been reviewed and updated by Corporate Governance Committee in September 2007, September 2008, February and March 2010 and March 2011.
7. Also since January 2004, the authority has maintained a Strategic Risk Register, which is reviewed quarterly by Executive Management Team (EMT) and the Finance and Staffing Portfolio Holder (as the executive Member responsible for risk management).

Considerations

8. Corporate Governance Committee considered a revised Risk Management Strategy at its meeting on 23 March 2012 and has recommended it to Council (attached as **Appendix A**). Updates to the strategy included:

- (a) referencing risks to the Council's strategic Aims, Approaches and Actions for 2012/13;
- (b) enhanced guidelines for assessing likelihood of risks, to reflect a range of time periods;
- (c) possible escalation of service area risks for EMT to consider including in the Strategic Risk Register, if they are significant (and especially if they are new risks) or have a corporate nature;
- (d) including performance indicators as sources of assurance over risks, where relevant.

9. The Committee also noted the Finance and Staffing Portfolio Holder's review and approval of the Council's Strategic Risk Register at the portfolio holder's meeting on 20 March 2012. The Strategic Risk Register is available to view using the following link:
<http://scambs.moderngov.co.uk/documents/s63308/Agenda%20Item%2007%20Strategic%20Risk%20Register%20Appx%20A.pdf>.)

Options

- 10. Council could approve the Risk Management Strategy. (***This is the recommended option.***)
- 11. Alternatively, Council could suggest improvements or enhancements to the Risk Management Strategy, risk management processes or document formats.

Implications

12. Financial, Legal, Staffing	There are no immediate financial, legal or staffing implications resulting from this report.
Risk Management	The updated 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.
Equality and Diversity	The Risk Management Strategy and the authority's risk management processes have no inherent equality and diversity implications.
Equality Impact Assessment completed	No. A Partial Equality Impact Assessment (EqIA) was prepared with the help of the Equalities and Customer Services Assistant; the impacts have been provisionally assessed as neutral, with no issues arising.
Climate Change	The Risk Management Strategy and the authority's risk management processes have no inherent climate change implications.

Consultations

- 13. The review of the Council's Risk Management Strategy took into account recommendations from the Internal Audit risk maturity review.
- 14. EMT considered the proposed revised strategy in February 2012 and recommended that Corporate Governance Committee approve it.

15. The Finance and Staffing Portfolio Holder was consulted as the executive Member responsible for risk management, and advised his support for the proposed revised strategy.
16. Corporate Governance Committee has recommended the Risk Management Strategy to Council.
17. There will be liaison with officers as appropriate regarding the implementation of the revised strategy.

Effect on Strategic Aims

18. The Risk Management Strategy relates to the Council's commitment to listen to and engage with residents, parishes and businesses to ensure the Council delivers 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

19. The Risk Management Strategy provided at Appendix A applies best practice and addresses recommendations resulting from Internal Audit's risk maturity review, ensuring that the Council's risk management arrangements remain adequate and effective.

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

None unpublished

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