

**REPORT TO:** Council  
**LEAD OFFICER:** Executive Director, Corporate Services

21 May 2015

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## **Risk Management**

### **Purpose**

1. The purpose of this report is to enable Council to note the Risk Management Strategy and the Strategic Risk Register.
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 and the Strategic Risk Register once a year to Council.

### **Recommendations**

3. It is recommended that Council notes the Risk Management Strategy and the Strategic Risk Register.

### **Reasons for Recommendations**

4. The Risk Management Strategy applies best practice to the Council's risk management arrangements. Executive and governance roles are appropriately allocated between Cabinet, led by the Corporate & Customer Services Portfolio Holder, as the designated lead executive Member for risk management, and Corporate Governance Committee. The committee retains the key role of providing independent assurance that the Council's Risk Management Strategy and process are relevant, adequate and effective.
5. The Strategic Risk Register forms the record of corporate risks the Council faces in the delivery of services and the achievement of strategic aims, together with control measures to address / sources of assurance over the risks. Review of the Strategic Risk Register throughout the year enables the Council to manage its strategic risks to an acceptable level.

### **Background**

6. 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.
7. The Council's Risk Management Strategy was first adopted in January 2004 and has since been updated several times.

8. Also since January 2004, the authority has maintained a Strategic Risk Register, which is reviewed by Executive Management Team (EMT) and Cabinet, led by the Corporate and Customer Services Portfolio Holder (as the executive Member responsible for risk management) throughout the year.

### **Considerations**

9. Corporate Governance Committee approved the revised Risk Management Strategy, attached as **Appendix A**, at its meeting on 27 March 2015.
10. Cabinet reviewed and approved the Strategic Risk Register, attached as **Appendix B**, at its meeting on 12 February 2015, as part of the Position Statement report on Finance, Performance and Risk.

### **Implications**

11. 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: -

#### ***Financial, Legal, Staffing***

12. There are no immediate financial, legal or staffing implications resulting from this report. Some control measures in the Strategic Risk Register may have financial, legal or staffing implications; if so, these will be considered separately.

#### ***Risk Management***

13. The Risk Management Strategy ensures the authority has an effective risk management process, reflecting the Council's Aims, and providing appropriate ownership and assurance. The Strategic Risk Register is reviewed quarterly 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***

14. The Risk Management Strategy and the authority's risk management processes have no inherent equality and diversity implications; however, Equalities is included as a risk area on the Strategic Risk Register.

#### ***Climate Change***

15. 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 on the Strategic Risk Register.

### **Consultation responses (including from the Youth Council)**

16. The Corporate and Customer Services Portfolio Holder and members of EMT did not suggest any changes to the Risk Management Strategy. There was no review of the Risk Management Strategy scheduled in Internal Audit's Strategic Audit Plan for 2014-15.
17. Risk owners and members of EMT were consulted regarding the review of the Strategic Risk Register. EMT considered the proposed updated risk register in January 2015 and its approval, which Cabinet did at its meeting on 12 February 2015.

## **Effect on Strategic Aims**

### **Aim 1 – Engagement: Engage with residents, parishes and business to ensure we deliver first class services and value for money**

18. The Risk Management Strategy contributes to the Council's corporate governance responsibilities. The Strategic Risk Register 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.

## **Background Papers**

No background papers were relied upon in the writing of this report.

**Report Author:** John Garnham – Head of Finance, Policy & Performance  
Telephone: (01954) 713101