CORPORATE RISK MANAGEMENT REPORT

<u>**Submitted by:**</u>   **Head of Business Improvement, Central Services and Partnerships**

<u>**Portfolio:**</u>   **Communications, Policy and Partnerships**

<u>**Ward(s) affected:**</u>   **All**

<u>**Purpose of the Report**</u>

To provide Members with the reviewed Risk Management Policy Statement and Strategy documents.

<u>**Recommendations**</u>

The Committee is asked to:-

(a)   Approve the current Risk Management Policy and Strategy for the 2014/15 year, subject to changes listed in the documents, and ask that the Chief Executive and Leader of the Council agree and sign the Risk Management Policy Statement.

<u>**Reasons**</u>

The risk management process previously adopted by the council has been reviewed to incorporate changes in the way the council works and to provide continuity and streamlined reporting of risks to the necessary stages so that it becomes further embedded at each level of the authority. This will further develop the identification of key risks that potentially threaten the delivery of the corporate priorities. The new Risk Management Strategy will provide a formal and proportionate framework to manage these identified risks and thus reduce the council's exposure.

To assist the council in its corporate ambitions by helping deliver effective corporate governance, this proactive approach also helps demonstrate good risk management in terms of evidencing that effective risk management is further embedded within corporate business processes.

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1.   <u>**Background**</u>

1.1   The council monitors and manages all its risks through the various risk profiles contained within GRACE (Governance Risk and Control Environment) – the council's software for recording and managing risk.

The council currently reviews its High Red 9 risks at least monthly and its Medium Amber risks at least quarterly.

The last review of these risks was reported to the Council's Audit & Risk Committee in April 2014. The next review will take place in September 2014.

Risk owners are challenged by the Risk Champions in respect of controls, further actions, ratings and emerging risks and challenge reasons for inclusion or non-inclusion and amendment of these.

Projects are managed to a high level in relation to risk and are reviewed in accordance with the Risk Management Strategy – monthly.

2.   <u>**Issues**</u>

2.1   Since the last meeting, officers have rolled out a development of the GRACE system. The update is a web-based version of the system that allows easier access to users. A number of features have also been included, which allows for better governance of the system for officers. It allows officers to be advised of up-coming risk reviews and further actions, along with overdue reviews via the automatic email system. Functions are available for more than one action owner to be allocated against it – this is where cross-department actions need completing. The general "face" of the system is easier and cleaner to view – it now shows only the users' risk profiles, instead of the whole structure (this is still available for officers to view if they need to).

2.2   This upgrade was at no further or increased cost to the council.

2.3   **Strategic, Operational, Project and Partnership Risk Registers (Appendices)**

The Council regularly reviews and refreshes its risk registers in accordance with the Risk Management Strategy.   This is co-ordinated by the Strategic Risk Champion who works closely with the Directors, Operational Risk Champions and the Risk Owners.

The risk map below shows the descriptions of the ratings, for ease of use.

L I K E L I H O O D	High 3	7 Amber	8 Amber	9 High Red
	Medium 2	4 Green	5 Amber	6 Amber
	Low 1	1 Green	2 Green	3 Amber
		Low 1	Medium 2	High 3

IMPACT

During this quarter there have been no additional risks added of a final rating of Medium 7, 8 or High 9.

2.4   **Risk Management Policy and Strategy**

Appendix A is the reviewed and updated policy to be accepted and communicated to all officers and Members.

2.5   Issues from last meeting

None were raised.

3.   **Outcomes Linked to Corporate and Sustainable Community Priorities**

3.1   Good risk management is key to the overall delivery of Council and local improvement priorities.

4.   **Legal and Statutory Implications**

4.1   The Accounts and Audit (England) Regulations 2011, state that:

*"The relevant body **is** responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control, which facilities the effective exercise of that body's functions and which includes arrangements for the management of risk"*

5. **Equality Impact Assessment**

5.1 There are no differential equality impact issues in relation to this report.

6. **Financial and Resource Implications**

6.1 None where actions are to be taken in order to mitigate the risks as these will be met from within existing budgets. Where this is not possible, further reports will be submitted to Members.

7. **List of Appendices**

Appendix A

8. **Background Papers**

None