

DECISION-MAKER: GOVERNANCE COMMITTEE
SUBJECT: RISK MANAGEMENT STRATEGY 2015-16 AND
ANNUAL ACTION PLAN

DATE OF DECISION: 27 APRIL 2015

REPORT OF: CHIEF FINANCIAL OFFICER

CONTACT DETAILS

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STATEMENT OF CONFIDENTIALITY

N/A

BRIEF SUMMARY

The Risk Management Strategy sets out the council's overall approach to managing risk. The strategy is subject to annual review to ensure that it continues to reflect good practice and remains aligned with current business processes. In addition, the Risk Management Action Plan summarises the intended activities / actions that are planned for the forthcoming period in respect of further developing and embedding the approach to managing risk.

RECOMMENDATIONS:

- (i) to note and approve the Risk Management Strategy 2015-16 (Appendix 1);
- (ii) to note and approve the Risk Management Action Plan 2015-16 (Appendix 2); and
- (iii) to note the content of the Risk Management Actions: Status Report 2014-15 (Appendix 3).

REASONS FOR REPORT RECOMMENDATIONS

1. The Governance Committee has responsibility to provide independent assurance on the adequacy of the risk management framework and the internal control and reporting environment, including (but not limited to) the reliability of the financial reporting process and the annual governance statement. In addition, the Committee needs to satisfy itself that appropriate action is being taken on risk and internal control related issues identified by the internal and external auditors and other review and inspection bodies.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. No alternative options have been considered.

DETAIL (Including consultation carried out)

3. Risk management is an essential part of good governance within any organisation and is intended to provide a framework and process that enables an organisation to manage uncertainty (risk) in a systematic, effective, consistent and efficient way. It supports informed decision making

thereby enabling opportunities to be exploited or action to be taken to mitigate or manage risk to an acceptable level.

4. The Accounts and Audit (England) Regulations 2011 also state that the Council is responsible for ensuring 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 facilitates the effective exercise of that body’s functions and which includes arrangements for the management of risk”.
5. Risk management is also a key component of the council’s overall corporate governance arrangements, and is recognised as such in the CIPFA/SOLACE Delivering Good Governance in Local Government Framework and associated guidance.
6. The Risk Management Strategy 2015-16 (Appendix 1) has been reviewed and updated taking in account good practice and changes in organisational structure. It is recognised that further changes in both organisational structures and business processes will take place as the New Operating Model is implemented and this will need to be reflected in the Strategy going forward.
7. The Risk Management Action Plan 2015-16 (Appendix 2) summarises the range of actions considered necessary to ensure that existing good practice is maintained and/or arrangements are further developed as appropriate. The target dates are indicative noting that the plan needs to be flexible in order to be able to respond to other priorities should they arise during the period.
8. The Risk Management Actions: Status Report 2014-15 (Appendix 3) provides an update in respect of the actions for this period.

RESOURCE IMPLICATIONS

Capital/Revenue

9. None

Property/Other

10. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

11. The Accounts and Audit (England) Regulations 2011 require the Council to adopt Good Governance arrangements in respect of the discharge of its functions. The above arrangements are intended to meet those responsibilities.

Other Legal Implications:

12. None

POLICY FRAMEWORK IMPLICATIONS

13. None

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED: N/A

SUPPORTING DOCUMENTATION

Appendices

1. Risk Management Strategy 2015-16
2. Risk Management Action Plan 2015-16
3. Risk Management Actions: Status Report 2014-15

Documents In Members' Rooms

1. N/A

Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out. No

Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1. N/A	