

EAST HERTS COUNCIL

EXTRAORDINARY COUNCIL – 25 MARCH 2008

REPORT BY THE LEADER OF THE COUNCIL

4. RISK MANAGEMENT STRATEGY

WARD(S) AFFECTED: ALL

'D' RECOMMENDATION – that in accordance with Financial Regulations, the revised Risk Management Strategy be approved.

1.0 Purpose/Summary of Report

1.1 The purpose of this report is to consider the revised Risk Management Strategy.

2.0 Contribution to the Council's Corporate Priorities/Objectives

2.1 **Fit for purpose, services fit for you**

Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.

Leading the way, working together

Deliver responsible community leadership that engages with our partners and the public.

3.0 Background

3.1 The current Risk Management Strategy was approved on 8 November 2005. The principles of risk management are embedded in the Council's Financial Regulations and Financial Procedures. It is the responsibility of the Executive to approve the Risk Management Strategy. The Audit Committee's functions include the following:

- Consider the effectiveness of the Council's risk management arrangements, controls and anti fraud and corruption strategy.
- Obtain assurance that action is being taken on risk related issues identified by auditors/inspectors.
- Be satisfied that the Council's assurance statements properly

reflect the risk environment and actions required to improve it.

A number of strategic and operational risks have been identified as part of the Council's Integrated Service Planning process.

Appropriate risk registers have been created giving details of action plans to mitigate and control the risks. A quarterly monitoring report is considered by the Executive and the Audit Committee.

4.0 Report

4.1 The Corporate Risk Management Group has reviewed the strategy. The revised draft is contained in Appendix 'C', pages 98 – 123). The amendments are shown as tracked changes.

4.2 To add clarity to the document, details of the risk management cycle, the risk assessment process and the impact/likelihood matrix have been included.

4.3 Section 3 has been amended to take account of the new training arrangements for Members and the role of the Council's Audit Committee to monitor the development and operation of risk management. The amendments take account of the key lines of inquiry for use of resources (2008 assessments).

4.4 A new section has been added on risk management and partnerships which is contained in section 5.

5.0 Consultation

5.1 The Council's Corporate Risk Management Group has been involved in the review of the strategy

6.0 Legal Implications

6.1 There are no specific legal implications.

7.0 Financial Implications

7.1 The strategy will be implemented within existing budgets.

8.0 Human Resource Implications

8.1 Training of staff will be provided.

9.0 Risk Management Implications

9.1 If the Council did not have a robust strategy, there is a risk that the Council would not be managing risks appropriately. This may affect the ability of the Council to deal with risks effectively.

Background Papers

Existing Risk Management Strategy and the key lines of inquiry for use of resources (2008 assessments).

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