

EAST HERTS COUNCIL

AUDIT AND GOVERNANCE COMMITTEE – 23 NOVEMBER 2016

REPORT BY THE EXECUTIVE MEMBER FOR FINANCE AND
SUPPORT SERVICES

RISK MANAGEMENT STRATEGY

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- The Risk Management Strategy has been reviewed and updated.

RECOMMENDATIONS FOR AUDIT COMMITTEE:

That:

(A)	The updated Risk Management Strategy be scrutinised; and
(B)	The Executive be advised of any recommendations.

1.0 Background

1.1 The Risk Management Strategy is reviewed annually. This report details amendments since March 2015, including following review by Audit Committee in March 2016.

2.0 Report

2.1 Risk management can be defined as:

The process which aims to help organisations understand, evaluate and take action on all their risks with a view to increasing the probability of their success and reducing the likelihood of their failure. (Source: The Institute of Risk Management).

2.2 By managing risks effectively, the Authority is in a stronger position to deliver services in accordance with corporate priorities. By managing opportunities, it is better positioned to provide

continuous improvement in its services, and better value for money.

- 2.3 The Risk Management Strategy is reviewed annually and was presented to Audit Committee on 18 March 2015 and 16 March 2016.
- 2.4 On 16 March 2016, Audit Committee supported the revised Risk Management Strategy in principle, but requested that changes to the senior management structure be reflected. The impact of the senior management and meeting structure changes on risk management processes were therefore considered by Leadership Team on 10 May 2016. A trial was then arranged at the end of quarter two, once new post holders were in place, before resubmission of the Risk Management Strategy through the Committee process.
- 2.5 Alterations have been tracked in **Essential Reference Paper 'B'**, with a "clean" version of the same document also provided at **Essential Reference Paper 'C'**. The Strategy will also be submitted to The Executive and Council.
- 2.6 The primary amendments are:
- 2.7 Reduction of the number of operational / service risks monitored.
- 2.8 Quarterly discussions now take place between the Risk Assurance Officer and individual Heads of Service, rather than challenge at the previous Department Management Team meetings. Any concerns are escalated to Leadership Team for consideration.
- 2.9 Covalent is used (for Members' benefit) to record strategic risks only. Use of Covalent for risk monitoring may be phased out altogether with a separate document available for Members, potentially on the intranet.
- 3.0 Implications/Consultations
- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

Risk Management Strategy – Audit Committee 16 March 2016 and 18 March 2015, Executive 2 June 2015 and Council 29 July 2015.

Contact Member: Cllr Linda Haysey
Leader of the Council
Ext 1642
linda.haysey@eastherts.gov.uk

Contact Officer: Adele Taylor
Head of Strategic Finance and Property
Ext 2050
philip.gregory@eastherts.gov.uk

Report Author: Graham Mully
Risk Assurance Officer
Ext 2166
graham.mully@eastherts.gov.uk