Gloucester City Council

Meeting:	SMT	Date:	21st October 2014
	Cabinet Briefing		19th November 2014
	Audit & Governance Committee		19th January 2015
	Cabinet		28th January 2015
Subject:	**Risk Management Strategy - revised**		
Report Of:	**Leader of the Council**		
Wards Affected:	**Not applicable**		
Key Decision:	**No**	**Budget/Policy Framework:**	**No**
Contact Officer:	**Stephanie Payne – Audit, Risk Management and Value for Money Officer**		
	Email: stephanie.payne@gloucester.gov.uk		**Tel: 396432**
Appendices:	**1: Risk Management Strategy – revised**		

FOR GENERAL RELEASE

1.0 Purpose of Report

1.1 To present the revised Risk Management Strategy to Members for their consideration and approval.

2.0 Recommendations

2.1 Audit & Governance Committee is asked to endorse the revised Risk Management Strategy and **RECOMMEND** to Cabinet that the revised Risk Management Strategy (at Appendix 1) is approved.

2.2 Cabinet is asked to **RESOLVE** that the revised Risk Management Strategy (at Appendix 1) is approved.

3.0 Background and Key Issues

3.1 'Risk management is the culture, process and structures that are directed towards effective management of potential opportunities and threats to the Council achieving its priorities and objectives' – ALARM, the public risk management association.

3.2 Risk management is a core part of the Council's corporate governance framework and internal control environment. It is one of the six core principles within the Council's Code of Governance (part of the Council Constitution) –

'taking informed and transparent decisions which are subject to effective scrutiny and managing risk'.

3.3 A Risk Management Strategy should provide a framework for the effective management of risks and opportunities within the Council, support decision making at all levels, and aid delivery of the Council Plan priorities and objectives.

3.4 The Risk Management Strategy was last updated and approved by Members in March 2012. Whist the main principles of the Strategy remain relevant, the document does require update to take account of the Council's current structure, objectives and up to date best practice guidance.

4.0 Risk Management Strategy - main areas of revision

4.1 The Risk Management Strategy (Appendix 1) main areas of revision include consideration and reflection of:

- The Council Plan 2014/17
- The Council's management and service structure
- Good practice guidance – e.g. CIPFA: Audit Committees – Practical Guidance for Local Authorities & Police (2013 edition)
- Member review of the strategic risk register by Audit & Governance Committee and Cabinet on a biannual basis (issue raised by the Leader and Member Risk Management Champion)

4.2 The revised Strategy is intended to reaffirm and improve effective risk management in the Council, comply with good practice and in doing so, effectively manage potential opportunities and threats to the organisation achieving its objectives.

4.3 Ensuring that there is an understanding of 'risk' and that the Council adopts a consistent approach to identifying, prioritising and reporting risks, should lead to conscious and transparent choices over the most appropriate method for dealing with each risk – e.g. risk elimination, reduction, transfer or risk acceptance.

5.0 Alternative Options Considered

5.1 No other options have been considered.

6.0 Reasons for Recommendations

6.1 The Council Code of Governance requires the Council to ensure that an effective risk management approach is in place. The existence and application of an up to date and effective Risk Management Strategy is a fundamental part of this.

7.0 Future Work and Conclusions

7.1   Implementation of the revised Risk Management Strategy will support the development of the Council's risk management approach and ensure that it is in line with current good practice.

7.2   Following approval, the revised Risk Management Strategy will be rolled out within the Council through corporate communication and update workshops for both officers and Members. The Member and Officer Risk Management Champions will support this process and help embed the approach.

7.3   In order to ensure the Strategy remains relevant, an annual review will be undertaken by officers. Where revision is required, the revised Strategy will be reported to Audit & Governance Committee for endorsement and Cabinet for approval.

8.0   Financial Implications

8.1   The delivery of the Risk Management Strategy will be completed by responsible officers and delivered within existing resources.

        (Financial Services have been consulted in the preparation this report).

9.0   Legal Implications

9.1   It is fundamental that the Council has and maintains a Risk Management Strategy which considers identification, recording and management of risks to the Council in the delivery of its priorities and objectives.

9.2   The existence and application of an effective Risk Management Strategy assists prudent decision making. Failure to deliver and embed the Strategy could lead to unnecessary liability and costly legal challenge as a result of the non management of risks.

        (Legal Services have been consulted in the preparation this report).

10.0   Risk & Opportunity Management Implications

10.1   The lack of a robust approach to the management of risks and opportunities could result in inappropriately informed decision making and non achievement of the Council's priorities and objectives at both strategic and service levels.

11.0   People Impact Assessment (PIA):

11.1   The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

12.0   Other Corporate Implications

Community Safety

12.1   There are no community safety implications arising out of the recommendation in this report.

Sustainability

12.2   There are no sustainability implications arising out of the recommendation in this report.

Staffing & Trade Union

12.3   There are no staffing and trade union implications arising out of the recommendation in this report.

Background Documents:

CIPFA: Audit Committees – Practical Guidance for Local Authorities & Police (2013 edition)