

North Somerset Council

REPORT TO THE AUDIT COMMITTEE

DATE OF MEETING:	30TH JANUARY 2019
SUBJECT OF REPORT:	DRAFT RISK MANAGEMENT STRATEGY
TOWN OR PARISH:	ALL
OFFICER PRESENTING:	JEFF WRING – AUDIT WEST
KEY DECISION:	NO

RECOMMENDATION

The Audit Committee endorses the Draft Risk Management Strategy subject to any comments made at the meeting (Appendix 1).

1. SUMMARY OF REPORT

The report and appendices outline a refreshed approach to the risk management framework to ensure good governance is applied across all Council Services.

2. POLICY

A sound risk management framework supports the council's senior officers and members that effective corporate governance is in place and actions to mitigate risk are sufficient in ensuring delivery of the council's objectives.

3. DETAILS

Whilst the Council already has a long-standing strategy and process this was devised prior to the unprecedented financial challenge over recent years. Coupled with a rapidly changing risk environment around increasing demand, significant demographic changes, a fast paced digital expansion of services and rising customer expectations an organisations' approach to risk management needs to be agile as well as supportive to decision-making.

The proposed strategy to manage risk therefore recognises that both taking and accepting more risk as a result of these challenges is part of modern service delivery. However in accepting more risk we must do this in both a transparent and informed way to achieve the best results for citizens and customers.

Active risk management is an integral component of our local code of corporate governance which is designed to help us achieve our aspirations, priorities and outcomes to deliver the Council's Vision. This strategy therefore expects that we

focus on taking the right actions to address risks and opportunities both in a transparent way and based on evidence.

We therefore want to promote an approach that focusses on the effective identification and management of risks to ensure the council is focussed on minimising adverse impacts and maximising benefits within the delivery of its objectives throughout all of its services.

The Strategy (& toolkit) is also designed to support Officers and Members in delivering on the Council's plans and operational objectives.

Our detailed approach to risk management is further explained and outlined in our Risk Management Toolkit which will be finalised following endorsement of the Strategy. An example of how the toolkit might look is attached at Appendix 2 where we have developed a similar approach at a neighbouring Council.

The strategy document attached also outlines our risk management objectives, how we will achieve them and embed good practices along with key milestones and expectations.

4. CONSULTATION

The content of the reports has been consulted with the S151 Officer and relevant other officers.

5. FINANCIAL IMPLICATIONS

There are no direct financial implications as this is a strategy document focussed on process, indirectly it affects all key decisions and the financial implications of these is assessed on an individual basis to ensure full transparency.

6. LEGAL POWERS AND IMPLICATIONS

There are no direct legal implications from this report which is focussed on strategy and process.

7. RISK MANAGEMENT

Risk Management is an essential component of our local code of corporate governance. Significant risks to the council can occur which include lack of internal control, failures of governance, failure to follow statutory obligations or make poor decisions. A sound risk management framework assists the council in helping to identify risks, improve decision making and resource allocation and by institutionalising good governance.

8. EQUALITY IMPLICATIONS

Embedded within the risk management process is consideration of compliance with statutory guidance which includes those relating to equality and diversity.

9. CORPORATE IMPLICATIONS

Failure to establish a sound risk management framework may result in an inability to protect the council's assets and resources, ensure statutory obligations are complied with and provide assurance to officers, members and the public of the soundness of the council's corporate governance.

10. OPTIONS CONSIDERED

This is a refresh of an existing strategy, best practice from across the local authority network and consultation with officers. The Strategy proposed was assessed as the most effective to ensure it was applied and used across all of the Council's activities.

AUTHOR

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