

The Vale of Glamorgan Council

Cabinet Meeting: 8 February, 2016

Report of the Leader

Review of the Corporate Risk Management Strategy

Purpose of the Report

1. To present and gain approval from Cabinet of a revised Risk Management Strategy and the associated Risk Management Guide.

Recommendations

1. That Cabinet note the contents of this report.
2. That Cabinet endorse the revised Risk Management Strategy and the associated guide.
3. That Cabinet provides a copy of this report to Members of the Audit Committee and the Scrutiny Committee (Corporate Resources) for information.

Reasons for the Recommendations

1. To make Members aware of the changes to the Risk Management Strategy and the associated guide.
2. To ensure that a robust Risk Management Strategy is in place to effectively identify, manage and monitor risks.
3. To ensure that Members of the Audit Committee and Scrutiny Committee (Corporate Resources) are aware of the changes made to the Council's Risk Management Strategy.

Background

2. The Institute of Risk Management defines risk management as "understanding, analysing and addressing risk to make sure organisations achieve their objectives". Effective risk management can therefore be seen to minimise the threats presented by risks and, through careful management, maximising the potential the opportunities present. Doing so requires having in place appropriate mechanisms to minimise and manage the risks facing the Council. The Council's Risk Management Strategy sets out the way in which we manage risks across the council and provides a framework for identifying, recording, assessing, managing, monitoring and reviewing risks. The strategy can be applied to corporate risks (that are cross-cutting and longer term in

nature), service risks (service specific/day to day risks) as well as our project management risks (associated with project delivery).

3. A clear and robust Risk Management Strategy enables us to:
 - identify and achieve our corporate priorities/outcomes;
 - enhance corporate governance;
 - make informed decisions;
 - make effective use of resources;
 - prevent injury, damage and loss and reduce the cost of risk;
 - ensure legal and regulatory compliance;
 - promote continuous improvement;
 - integrate risk management into our culture; and
 - raise awareness of the need for proactive management of risk by all who are involved in delivering our services.

Relevant Issues and Options

4. The Council's Risk Management Strategy was last reviewed in April 2013. It is considered good practice to regularly review and update the Risk Management strategy to ensure it strengthens the Council's approach to risk management. As part of this review work, the strategy has been reviewed and refreshed with the addition of relevant detail to enhance its robustness, however the strategy has remained consistent in terms of its approach with the previous version.
5. In addition to the review of the Risk Management Strategy, a Risk Management Guide has also been produced that provides an overview of the strategy that can be used by elected Members and all officers to gain a greater knowledge and awareness of Risk Management. It is proposed that this risk guide be placed on StaffNet and publicised via the Core Brief (for all staff and members) and Departmental Management Team Meetings, as well as being used to inform the service planning process.
6. [Appendix A](#) provides Members with a summary of the key sections of the the Risk Strategy, the purpose of the section, a summary of the changes/revisions and the reasons for these changes.
7. The revised Corporate Risk Management Strategy is attached as [Appendix B](#) to this report and the Risk Mangement guide for staff and members is attached at [Appendix C](#).

Resource Implications (Financial and Employment)

8. There are no additional budgetary implications arising from this report. Managing and reducing risks effectively helps prevent unnecessary expenditure for the Council, reduces insurance claims and premiums and provides better protection for the Council and its staff and Members.

Sustainability and Climate Change Implications

9. Sustainability has been identified as one of 13 risk themes outlined in the Risk Register that is used to assess the nature of a risk and its potential effect.

10. Risk management contributes to the effective integrated planning of the Council and is a key corporate process that is reflected in the new Corporate Plan which is currently being consulted upon. This approach is congruent with the future requirements of the Well-Being of Future Generations (Wales) Act, 2015.

Legal Implications (to Include Human Rights Implications)

11. Identifying, managing and reducing risk effectively helps to prevent legal challenge.

Crime and Disorder Implications

12. None directly.

Equal Opportunities Implications (to include Welsh Language issues)

13. Equalities has been identified as one of 13 risk themes outlined in the Risk Register that is used to assess the nature of a risk and its potential effect. 8 of the 13 corporate risks have identified equalities as a key theme.

Corporate/Service Objectives

14. Risk management is an intrinsic part of corporate governance that is embodied within the principle of community leadership. Effective risk management assists the Council in managing its assets more efficiently and thereby promotes the achievement of the Council's objectives in relation to community leadership.

Policy Framework and Budget

15. This is a matter for Executive decision.

Consultation (including Ward Member Consultation)

16. Consultation has taken place with the Corporate Management Team.

Background Papers

Appendix A: Summary of Changes to the Risk Management Strategy

Appendix B: Corporate Risk Management Strategy 2015-17

Appendix C: Risk Management Guide

Contact Officer

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Officers Consulted

Corporate Management Team

Huw Isaac, Head of Performance and Development

Tom Bowring, Operational Manager - Policy and Performance

Julia Archampong - Performance Manager

Responsible Officer:

Rob Thomas, Managing Director