

**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL**

**CABINET – TUESDAY, 1 MAY 2018**

Title of report	<b>RISK MANAGEMENT POLICY</b>
Key Decision	a) Financial Yes b) Community Yes
	<p>Councillor Richard Blunt 01530 454510 <a href="mailto:richard.blunt@nwleicestershire.gov.uk">richard.blunt@nwleicestershire.gov.uk</a></p> <p>Strategic Director of Housing and Customer Services 01530 454819 <a href="mailto:glyn.jones@nwleicestershire.gov.uk">glyn.jones@nwleicestershire.gov.uk</a></p> <p>Head of Finance and Section 151 Officer 01530 454707 <a href="mailto:tracy.ashe@nwleicestershire.gov.uk">tracy.ashe@nwleicestershire.gov.uk</a></p>
Purpose of report	To receive the updated Risk Management Policy and associated risk management framework for approval.
Reason for decision	<ol style="list-style-type: none"> <li>1. The Risk Management Policy is required to be reviewed and updated on a periodic basis.</li> <li>2. To obtain support from Members for the updated risk management framework.</li> </ol>
Council priorities	Value for Money
Implications:	
Financial/Staff	The Council manages its risks within existing budgets. Effective risk management protects the Council from insurance and/or compensation claims, fraud, and a range of other financial liabilities.
Link to relevant CAT	No direct link.
Risk Management	As detailed within the report.
Equalities Impact Screening	Not applicable.
Human Rights	Not applicable.
Transformational Government	Not applicable.

Comments of Head of Paid Service	Report is satisfactory
Comments of Section 151 Officer	Report is satisfactory
Comments of Monitoring Officer	Report is satisfactory
Consultees	Audit and Governance Committee 21 March 2018
Background papers	<a href="#">Report to Audit and Governance Committee 21 March 2018</a>
Recommendations	<p><b>1. THAT CABINET FORMALLY ADOPT THE UPDATED RISK MANAGEMENT POLICY.</b></p> <p><b>2. THAT CABINET APPROVE THE UPDATED RISK MANAGEMENT FRAMWORK.</b></p>

## 1.0 BACKGROUND

- 1.1 Cabinet previously approved the Risk Management Strategy at its meeting on 29 July 2014. As part of the council's annual review of governance and issue of its Annual Governance Statement for 2016/17, a commitment was made to review the council's Risk Management Strategy.
- 1.2 The attached Risk Management Policy (see Appendix 1) and associated documents, if approved, will now supersede the strategy referred to in 1.1 .
- 1.3 One of the requirements of the Strategy is for members of the Audit and Governance Committee and Cabinet to receive details of the high level risks monitored through the Corporate Risk Register. The new and updated Risk Register can be found at Appendix 2 and a quarterly review of this will be a standing agenda item for the Audit and Governance Committee going forward. The updated Risk Register will also be included as an appendix to the Quarterly Performance Reports presented to Cabinet, with any exceptional items being highlighted.

## 2.0 PROPOSALS

- 2.1 Oversight of risk management is the responsibility of the Strategic Director of Housing and Customer Services, who currently chairs the Council's Risk Scrutiny Group and this long term arrangement was confirmed in the senior management proposals which were approved by Council on 23 January 2018. Progress and updates on corporate risk management will be reported to Members through performance reports to the Audit and Governance Committee. The Leader of the Council, as the Corporate Portfolio Holder, is the Cabinet Member with overall responsibility for risk management.
- 2.2 Reports presented to the Audit and Governance Committee on 6 December 2017 and 21 March 2018 described how the previous Risk Register presented information around

rather generic risk 'areas', and the intention to produce an updated register which clearly stated the specific risks. It was also proposed that the causes and impacts of corporate risks be more fully described, as well as the accountable owners and the timescales for completing the mitigating actions.

- 2.3 A newly formatted Risk Register has now been produced to reflect these priorities and is attached at appendix 2 for approval by Cabinet. As well as the inclusion of additional information, a new risk has been added around the potential reduction in income to NWLDC ( Ref No. 11).
- 2.4 An individual Risk Mitigation Plan has also been developed for each corporate risk and a sample skeleton plan is attached at Appendix 3 for Cabinet's information. Completion of each Mitigation Plan will help ensure that the Control Measures described in the Corporate Risk Register are tracked and implemented. The Risk Scrutiny Group will monitor progress against the delivery of each Mitigation Plan.
- 2.5 The Risk Scrutiny Group will review the corporate risks quarterly and recommend any changes through the Corporate Leadership Team prior to the information being presented to the Audit and Governance Committee.
- 2.6 Within the Risk Management Policy there is a requirement to complete an annual review of the risk management process across NWLDC, which will be overseen by the Risk Scrutiny Group. As well as assessing progress against the Mitigation Plans, this review will require all service areas to complete a Corporate Risk Self Evaluation Matrix, and a copy is attached at Appendix 4 for your information.
- 2.7 The Risk Management Policy has been updated to reflect the new governance arrangements, links to the Internal Audit function, updated assessments of risk impacts and the operation of the annual review. The Audit and Governance Committee agreed the Policy at its meeting on 21 March 2018 so formal adoption by Cabinet is now being requested.