

Audit & Governance Committee

31 March 2009

Report of the Assistant Director of Resources (Customer Service & Governance)

Risk Management Policy & Strategy

Summary

- 1 The purpose of this paper is to present to Audit & Governance Committee (A&G) for discussion and comment, the council's Corporate Risk Management Policy and Strategy. The Policy (Annex A) and Strategy (Annex B) set out the council's commitment to managing risk and supports the organisation's overall governance arrangements.

Background

- 2 The council's current Risk Management Strategy was approved by Executive in 2001. Since then the risk management agenda has continued to develop and the existing strategy no longer reflects the way that risk is managed at the council.
- 3 The development of a new risk management policy and strategy will assist in ensuring that the key principles of best practice are embedded consistently across the council. The Policy & Strategy will apply to all business areas of the council, including, joint ventures with third parties, partnering and collaboration.

The Policy

- 4 The purpose of the Policy (Annex A) is to set out the aspirations and objectives of the council with regard to risk management. The Policy forms part of a practical and effective framework comprising the overarching risk management policy itself, underpinned by the risk management strategy and supported by supplementary risk management guidance documents and a comprehensive training and communication plan.
- 5 The policy reinforces the principles of risk management in the context of York and will support officers and Members in understanding the purpose and role of risk management. The application of the policy principles will help the organisation in making better informed

decisions while at the same time encouraging innovation and opportunity. The progress of embedding the policy effectively through the organisation will be monitored through the Use of Resources element of the CAA inspection process.

The Strategy

- 6 The Strategy (Annex B) provides the corporate framework which is designed to provide practical advice and guidance for implementing risk management practices within all activities of the organisation. It sets out the relevant roles and responsibilities and provides a comprehensive risk reporting process allowing risks to be escalated up and devolved down the organisation.
- 7 The Strategy provides practical guidance for officers and is supported by a number of supplementary guidance documents available through the Council's risk management website. Both the Policy and Strategy documents will form an integral part of the risk management training to be delivered to Members and Officers during 2009/10.

Options & analysis

- 8 Not relevant for the purpose of this report.

Consultation

- 9 The key elements of the strategy document have been used as part of the training delivered to Officers during the last twelve months. This report will allow A&G Members to give their views on the draft Policy and Strategy before it goes to Executive for final approval.

Corporate priorities

- 10 Risk management relates directly to the council's priority to *'improve leadership at all levels to provide clear, consistent direction to the organisation'* clear and consistent leadership and direction requires a thorough understanding of all the risks and challenges to the organisation. As risk management should be integrated into all the council's processes and routines it should help contribute to the effective delivery of all corporate priorities and is a fundamental component of the York Business Model. The key development issues reported in this paper support the actions required to improve the Council's CAA (Use of Resources) score of 2 for Risk Management to 3 as a minimum.

Implications

- 10 There are no specific financial, legal, HR, property, crime & prevention, IT&T or other implications arising from this report.

Risk Management

- 11 The risk associated with the recommendation of this report is “Failure to provide adequate documentation to achieve a level 3 for risk management in CAA UOR” and was originally assessed at a net level of 18 (High)

Recommendations

- 12 A&G are asked to:
- a) comment on the format and content of the Risk Management Policy & Strategy attached to this report at Annex A & B.

Reason

To seek A&G's views as to whether the Policy & Strategy meet their requirements and expectations.

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**Report
Approved**



Date 17th March 2009

Specialist Implications Officer(s)

Wards Affected Not applicable

All

For further information please contact the author of the report

Background Papers

Risk management strategy 2001

Annexes

Annex A – Risk Management Policy
Annex B – Risk Management Strategy