

RISK MANAGEMENT STRATEGY

PROGRAMME AREA RESPONSIBILITY: AUDIT AND PERFORMANCE MANAGEMENT

CABINET

15TH APRIL, 2004

Wards Affected

County-wide.

Purpose

To approve the revised Risk Management Strategy for Herefordshire Council and the arrangements for the development, promotion and monitoring of Risk Management within the Council.

Key Decision

This is not a key decision.

Recommendation

THAT the implementation of the Risk Management Strategy be approved.

Reasons

The revised Risk Management Strategy further develops the Council's approach to this important issue.

Considerations

1. There is a need to refocus the Council's attention and thinking on Risk Management due to the greater emphasis now being placed on Corporate Governance nationally. What has gone before has been robust and has laid a solid foundation for the future but now needs to be formalised.
2. Risk Management needs to be a key consideration when undertaking Service Planning, Project Management (Prince 2), Best Value reviews, Budget Planning, Performance Management, Annual Insurance report, Internal Audit reports, Cabinet Reports, External Inspections and Improvement Planning.
3. The comments and recommendations made by the Audit Commission, organisations such as ALARM (The Association of Local Authority Risk Managers) & CIPFA and the results of the Comprehensive Performance Assessment have been taken on board in order to ensure that the Council's strategy complies with all of their requirements. However considerable attention has also be paid to making the document as "user friendly" as possible.

Further information on the subject of this report is available
Mr I Hyson, County Treasurer on (01432) 260235

4. The Head of Performance Management and the Performance Leads have been fully engaged in developing this strategy as it links intrinsically with performance management and project management. They will take the lead on monitoring it acting as the Council's corporate risk management group.
5. The necessary training and resources must be secured in order that this strategy is incorporated across the whole authority. Performance Leads have undergone a one-day training session and sessions to include all managers are scheduled for March/April 2004. The introduction of Risk Management within induction training will also be pursued.
6. The need to ensure that elected members are kept informed will be addressed in the near future by way of a seminar.
7. Each Directorate/Department should in time review its training needs in relation to Risk Management and should make this known via their member on the Performance Leads Group.
8. The attached appendices set out in full the revised Risk Management Strategy along with guidance to aid officers in its implementation
9. The Risk Management & Insurance Officer will collate the strategic risks identified to produce a corporate risk register. (However, it must be stressed that the risk management & insurance officer is not the owner of the risk. The ownership and therefore the responsibility to regularly monitor and review the risk stays with the individual manager). The corporate risk register will form the basis of a quarterly review by the Head of Performance Management and Performance Leads and an annual review of strategic risks and the Strategy itself, to be reported to Cabinet and the Strategic Monitoring Committee.
10. It is proposed that the initial tasks of identifying the strategic risks is undertaken by 31st March with a report to Chief Executive Management Team during April and Cabinet and Strategic Monitoring Committee thereafter.

Risk Management

The development of a Risk Management Strategy is critical to the effective management of all risks.

Consultees

Chief Executive's Management Team.

Background Papers

None identified.