

AGENDA
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SOUTH HAMS DISTRICT COUNCIL

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NAME OF COMMITTEE	Audit Committee
DATE	8 January 2015
REPORT TITLE	Strategic Risk Assessment - 6 monthly update
Report of	Finance Community of Practice Lead
WARDS AFFECTED	All

Summary of report:

In accordance with the Joint Risk Management Policy adopted by South Hams District Council on 10 May 2012 and by West Devon Borough Council on 17 May 2012, this report provides the required 6 monthly update to Members. The report includes the current corporate strategic risk assessment and a summary of the management and mitigation actions to address the identified risks.

Financial implications:

There are no direct financial implications arising from the report, although effective corporate risk management may help protect the Council from future losses.

RECOMMENDATIONS:

1. That the Committee review the strategic risks and makes recommendations to Council on any further action the Committee concludes should be considered.

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1. BACKGROUND

- 1.1 The Council at its meeting on 10 May 2012 resolved to adopt the Joint Risk Management Policy.

1.2 The Joint Risk Management Policy requires the Senior Management Team to undertake reviews of the Corporate Risk Tables on a monthly 'light touch' basis and more comprehensively on a quarterly basis. It also stipulates that a member of the Senior Management Team will provide update reports to the Audit Committee on a six monthly basis. This is the responsibility of the Finance Community of Practice Lead (S151 Officer).

2. STRATEGIC RISK REGISTER

2.1 The risks currently monitored by SMT are set out as follows:

- Appendix A - Strategic Financial and Asset Risks, Strategic Management Risks, Strategic Staffing Risks, Corporate Issues Risks,
- Appendix B - Transformation Programme 2018 Risks

2.2 The tables include a summary of mitigating and management actions undertaken or proposed, to manage the identified risks. Monitoring requires both a proactive approach to assessing potential risk, as well as carrying out retrospective reviews to improve learning from risk and embedding it across the two Councils. Appended to the risk tables is a Risk Scoring Matrix which has been used to identify risk status. A risk rating is developed by assessing risk impact/severity and multiplying it by the likelihood/probability of the risk occurring. The risk score identified is the assessment based on the mitigation being successful.

2.3 The final attachment within Appendices A and B summarises the strategic risks, identifying the key risks at the point of the review. The tables are living documents and will regularly change in response to issues arising. Members should note that while risk is assessed collectively within SMT, the judgments in relation to the scores are inevitably subjective and Member challenge of the officer conclusions is therefore welcomed.

2.4 It is suggested that the Committee's attention is focussed on those risks with the highest score i.e. the risks with a score above 16. While members are invited to focus on the key risks, members are welcome to review any of the risks identified, including questioning whether the risk is appropriately scored, or whether further mitigating actions are required.

3. LEGAL IMPLICATIONS

3.1 The Audit Committee has a role in keeping under review and recommending to Council improvements in relation to effective risk management.

3.2 There are no direct legal implications arising from the report although a strategic focus on risk management is good practice.

4. FINANCIAL IMPLICATIONS

4.1 There are no direct financial implications of the report, although effective corporate risk management may help protect the Council from future losses.

5. OTHER CONSIDERATIONS

Corporate priorities engaged:	All
Statutory powers:	None specifically identified.
Considerations of equality and human rights:	Factored into individual risk assessments where appropriate. Equalities Impact Review of the Risk Management Policy in place.
Biodiversity considerations:	Factored into individual risk assessments where appropriate.
Sustainability considerations:	Factored into individual risk assessments where appropriate.
Crime and disorder implications:	Factored into individual risk assessments where appropriate.
Background papers:	Joint Risk Management Policy.
Appendices attached:	Appendix A - Strategic Financial and Asset Risks, Strategic Management Risks, Strategic Staffing Risks and Corporate Issues Risks Appendix B - Transformation Programme 2018 Risks