

TITLE	Risk Management Policies and Guidance
FOR CONSIDERATION BY	Audit Committee on 8 December 2015
WARD	None Specific
DIRECTOR	Andrew Moulton

OUTCOME / BENEFITS TO THE COMMUNITY

The Enterprise Risk Management (ERM) Policy and supporting guidance provide the framework for sustaining effective management of risk at the Council. A robust risk management process will enable officers and members to make better informed decisions and become less risk adverse through a focus on risk and return. Effective risk management will help to reduce uncertainty and make effective provision for adverse events. These in turn will enhance the value for money delivered to taxpayers.

RECOMMENDATION

The Audit Committee recommend that Executive approve:

- 1) Enterprise Risk Management Policy; and
- 2) Enterprise Risk Management Guidance.

SUMMARY OF REPORT

Both the policy and guidance have been subject to a high level review. They have been found to be sound and present a solid basis for the management of risk going forward.

The main changes are:

- The role of the Risk Champions and the Risk Management Group has been split between Departmental Leadership Teams and the Council Risk Facilitator – see section 5 of the Policy
- The Risk Register template has been updated – see section 11 of the Guidance
- Further detail added in explain Risk Appetite – see section 12 of the Guidance

The ERM Policy sets out the Council's approach to risk management. The policy aims to achieve a pragmatic and effective approach to risk management that adds value to decision makers and does not impose an excessive bureaucratic or administrative burden.

Background

Both documents in their current form were last approved by the Executive in January 2015.

Analysis of Issues

The key issue for Audit Committee is whether the policy and supporting guidance provide a sufficiently robust framework for the management of the Council's key

strategic risks.

Audit Committee may like to use this opportunity to consider the Council's overall approach to risk management and whether this is aligned to the current level of risk the Council is taking.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	N/A	Yes	N/A
Next Financial Year (Year 2)	N/A	Yes	N/A
Following Financial Year (Year 3)	N/A	Yes	N/A

Other financial information relevant to the Recommendation/Decision

N/A

Cross-Council Implications (how does this decision impact on other Council services, including properties and priorities?)

N/A

Reasons for considering the report in Part 2

N/A

List of Background Papers

None

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