

# Cabinet



*St Edmundsbury*  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Recommendation of the Performance and Audit Scrutiny Committee: 30 July 2015 – West Suffolk Risk Management Approach and Principles</b>	
<b>Report No:</b>	<b>CAB/SE/15/055</b>	
<b>Report to and date:</b>	<b>Cabinet</b>	8 September 2015
<b>Portfolio Holder:</b>	Ian Houlder Portfolio Holder for Resources and Performance <b>Tel:</b> 01284 810074 <b>Email:</b> <a href="mailto:ian.houlder@stedsbc.gov.uk">ian.houlder@stedsbc.gov.uk</a>	
<b>Chairman of the Committee:</b>	Sarah Broughton Chairman of the Performance and Audit Scrutiny Committee <b>Tel:</b> 01284 787327 <b>Email:</b> <a href="mailto:sarah.broughton@stedsbc.gov.uk">sarah.broughton@stedsbc.gov.uk</a>	
<b>Lead Officer:</b>	Rachael Mann Head of Resources and Performance <b>Tel:</b> 01638 719245 <b>Email:</b> <a href="mailto:rachael.mann@westsuffolk.gov.uk">rachael.mann@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To consider a new, positive approach to risk based on context, proportionality, judgement and evidence-based decision making that is considered on a case by case basis.	
<b>Recommendation:</b>	<b>It is <u>RECOMMENDED</u> that, the West Suffolk Risk Management Approach and Principles, attached at Appendix 1 and the Supporting Flowchart attached at Appendix 2 to Report No: PAS/SE/15/018, be adopted.</b>	

<b>Key Decision:</b> <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>		
<i>The decisions made as a result of this report will usually be published within <b>48 hours</b> and cannot be actioned until <b>five clear working days of the publication of the decision</b> have elapsed. This item is included on the Decisions Plan.</i>			
<b>Consultation:</b>	• See Report No: PAS/SE/15/018		
<b>Alternative option(s):</b>	• See Report No: PAS/SE/15/018		
<b>Implications:</b>			
<i>Are there any <b>financial</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> • See Report No: PAS/SE/15/018		
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> • See Report No: PAS/SE/15/018		
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> • See Report No: PAS/SE/15/018		
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> • See Report No: PAS/SE/15/018		
<i>Are there any <b>equality</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> • See Report No: PAS/SE/15/018		
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
See Report No: PAS/SE/15/018			
<b>Wards affected:</b>		All Wards	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		Report No: <a href="#">PAS/SE/15/018</a> – West Suffolk Risk Management Approach and Principles  Report No: <a href="#">F76</a> - West Suffolk Strategic Risk Register (including West Suffolk Toolkit) dated 31 July 2014  Report No: <a href="#">PAS/SE/15/010</a> - West Suffolk Strategic Risk Register Quarterly update - 4 June 2015  Report No: <a href="#">PAS/SE/15/009</a> – Performance management report 2015-16 – 4 June 2015	
<b>Documents attached:</b>		None	

## **1. Key issues and reasons for recommendation**

### **1.1 Key Issues**

#### A new approach to Risk

- 1.1.1 The Committee received Report No: PAS/SE/15/018, which set out a new, positive approach to risk based on context, proportionality, judgement and evidence-based decision making that was considered on a case by case basis.
- 1.1.2 The new approach to risk was based on seven core principles as detailed in Appendix 1 to Report No: PAS/SE/15/018.
- A positive approach;
  - Contextual decision making;
  - Informed risk-taking;
  - Proportionate;
  - Decision risks vs delivery risks;
  - A documented approach; and
  - Continuous improvement.

The new approach to risk commits staff and members to evidence-based decision making that is considered on a case by case basis, taking into account the seven principles set out above.

#### Evidence-based Risk Management

- 1.1.3 Attached at Appendix 2 to the report was a flowchart which provided a summary of the various tools and documents that supported this evidence-based approach. It was these documents and tools that would enable the Council to achieve a learning culture which supported staff and Members, enabling managed risk-taking through positive relationships.
- 1.1.4 The West Suffolk Strategic Risk Register already aligns the Council's new risk management approach and principles and would continue to remain a key evidence-based document for members. As the balanced scorecard was developed the strategic risk contained in the current register would start to become part of the Balanced Scorecard enabling another of the performance dependencies to be available within a single place for each service area for scrutiny.

#### Dissemination and implementation

- 1.1.5 Once scrutinised and agreed, it was intended that it underpinned all thinking about risk by Members and staff. A communication plan would be developed to ensure that all Members and staff were aware of the principles and the available tools. The new approach would be reviewed periodically to ensure it continued to be fit-for-purpose, and relevant to the new types of decisions that both councils were making.
- 1.1.6 The Performance and Audit Scrutiny Committee considered the report and has put forward a recommendation as set out on page one of this report.