

# Risk Management Policy

June 2009

Draft 3



## **Hastings Borough Council - Risk Management Policy Statement**

Hastings Borough Council is determined to maintain our commitment to continuous improvement through regularly reviewing and reshaping the manner in which we deliver our services. The need for change in public bodies was highlighted by the Independent Review of Public Sector Efficiency (Gershon – July 2004).

In pursuing this commitment, the Council recognises that there are risks involved in everything it does and that it has a statutory duty to manage these risks in a balanced, structured and cost effective way. In doing so the Council will better achieve its objectives and enhance the value of the services it provides.

The Council has made significant progress in this respect to the extent that in the most recent 'Use of Resources' assessment by our External Auditors we achieved an overall score of 3 (on a scale of 1 – 4) with the message that Hastings "performs well and above Audit Commission requirements overall".

Risk management is about improving the quality of information about the likelihood and consequences of these events occurring and subsequently using this information to make informed decisions and judgements.

To comply with the statutory responsibility, and with best practice, the Council formulated a Risk Management strategy in 2003. This Policy and Strategy document replaces the 2003 version, all copies of which should now be destroyed. The objective of this updated document is to ensure that the authority continues to meet its objectives, protect assets and resources, and that it fully meets the requirements of the Audit Commission standard, demonstrating a clear link between risk management and internal control.

Adoption of this Policy Statement demonstrates this intention. The Policy is fully supported by Council Members, the Chief Executive and the Corporate Management Team who are accountable for the effective management of risk within the Council. The co-operation and commitment of all employees is required to ensure that the authority's activities and resources are managed within a consistent risk management framework.

### **Risk Management Objectives**

The Council's Risk Management Objectives are therefore to:

1. Maintain an environment where risk management is an integral part of planning and performance management processes and the general culture of the Authority rather than being viewed or practiced as a separate function.
2. Improve performance management.
3. Achieve better quality decision making that produces further reductions in costs and an increase in the probability of delivering the quality services which the Council is aiming for.
4. Work with partners, providers and contractors to heighten awareness and a common understanding of the Council's expectations on risk management.
5. Minimising possible failure through a thorough knowledge and acceptance of potential impacts of each major decision taken.
6. To manage risk in accordance with good practice.

7. To anticipate and respond to changing social, environmental and legislative requirements.
8. To ensure that risks are monitored on an ongoing basis and reported on annually in the Annual Governance Statement.

### **Achievement of Objectives**

The Council will continue to ensure that:

- Effective risk management is a key element of good governance and rigorous performance management.
- Risk is considered as an integral part of corporate and business planning and service delivery.
- Considered and responsible risk taking is encouraged as a legitimate response to opportunity and uncertainty.
- Better outcomes for the Council are achieved through a more realistic assessment of the challenges faced, through improved decision making and targeted risk mitigation and control.
- Good practice in risk management is engendered, reinforced and replicated.

This Policy and the Risk Management Strategy will be reviewed annually to take account of changing legislation, government initiatives, best practice and experience gained within the Council. Any amendments will be recommended for approval by Members.

Signed.....  
Roy Mawford  
Chief Executive

Signed.....  
Councillor M Beaver  
Member Champion &  
Cabinet Member for Corporate Resources