Risk Management Strategy 2017-2021

1.   Introduction

1.1   This strategy supports the Corporate Plan and the delivery of all key priorities supporting all key strategies, policies, and the delivery of services to the community.

1.2   Risk management is about managing opportunities and threats to objectives and in doing so help create an environment of "no surprises".

1.3   Good risk management improves governance through the Council's Code of Corporate Governance and enhances value for money.

1.4   The Risk Management Strategy has been updated to ensure risks are reviewed methodically and logically but avoid the creation of bureaucratic burden.

1.5   Effective risk management is an integral part of ensuring services are delivered during organisational change and the current financial pressures.

2. Objectives

2.1 The objectives of this strategy are to have integrated consistent approach through:

- Integrating risk management into the culture of the Council and its strategic and service planning processes;
- Implement the risk management framework;
- Communicate risk management to all staff, partners and stakeholders;
- Ensure the benefits of risk management are realised through maximising opportunities and minimising threats;
- Ensure compliance with health and safety, insurance and legal requirements.
- Preparing emergency and business contingency plans to secure business continuity and where there is potential for an event to have a major impact on Council's ability to function.

INTEGRATED APPROACH:

Risks are continually discussed and considered in the context of financial and performance management.

RISK PROCESS:

We have a consistent, iterative process of risk identification, risk assessment, risk monitoring and reporting.

GOVERNANCE:

Risk management roles and responsibilities are clearly defined and regularly reviewed.

3.   Risk Management

3.1   The focus of good risk management is the identification and treatment of risks. It increases the probability of success and reduces the likelihood of failure and the uncertainty of achieving objectives. Risk management should be a continuous and evolving process, which runs throughout the Council's strategies and service delivery.

3.2   Learning lessons from past activities helps inform current and future decisions by reducing threats and optimising the uptake of opportunities. Celebrating and communicating successful risk management in turn encourages a more daring but calculated approach.

4.   Integrated Risk Management

4.1   The Council aims to achieve integrated risk management through a range of processes. Risk Management is an essential element in corporate decision making, including strategic and service planning, financial planning and the Medium Term Financial Strategy, policy making, performance management, project management and partnership working.

4.2   The Council uses risk registers to record risk, they contain clear links to budget monitoring, council performance and any major programmes and projects being undertaken.

4.3   There are a number of levels of risk registers in place; these include the Leadership Risk Register, Service Risk Register, and the annual risk assessment of Budget Targets and the Fraud Risk Assessment.

5. Roles and responsibilities

5.1   Everyone has a role to play in the risk management process.

5.2   All employees and members involved in managing risk should be aware of their risk management responsibilities. However, the ultimate responsibility for risk management lies with the Leadership Team arrangements which are reported to the Audit, Crime & Disorder and Scrutiny Committee. Responsibilities for risk management are shown in the table below.

ROLE	RESPONSIBILITIES
Audit, Crime & Disorder and Scrutiny Committee	Oversee the effectiveness of the risk management arrangements and ensure key risks are identified, managed and monitored.
Leadership Team	Effective implementation, monitoring and review of the Council's risk management arrangements. Identify own and manage the key risks facing the Council.
Heads of Service	Own their service risks. Identify, prioritise and control risks as part of wider Council performance and challenge risk owners.
Managers	Take ownership for actions and report progress to management. Co-operate with risk representatives and report new and emerging risks.

Staff	Assess and manage risks effectively and report risks to management.
Corporate Governance Group	Identify and address cross cutting risks, including key project risks. Identify and escalate common themes to the Leadership Team and make recommendations or changes to corporate risk arrangements and strategic risk. Communicate risk management information to ensure it is understood
Internal Audit Team	Provide assurances that risks through an annual review are adequately managed.
Partnerships	Many services are provided with partnerships. Guidance is available on assessing partnerships and a register of partnerships maintained
Key Corporate Projects	Manage the risks of all key corporate projects through the Corporate Projects List and the project management framework .
Emergency Planning and Business Continuity	Managing the Council's responsibility for incidents that impact on the community and also to try and identify and put in place measures to protect the Council's priority functions in an emergency situation.

6. Risk Management Framework

Effective risk management requires a process of identifying, measuring, managing and monitoring. It is essential that risks are challenged and frequently reviewed.

Risk Identification
The Leadership Team and Managers continually identify risks as part of all strategic and service planning and delivery.

Risk Assessment
This ensures that all risks are judged uniformly across the Council, enabling risks to be objectively scored and compared. The outcome of service level risk assessments is the categorisation of risks according to their impact and likelihood. It assesses using a relatively simplistic grid shown in the Appendix below:

Risk Control

6.1   Actions to address the high and medium risks. The mitigating actions should be focused on reducing the impact or the likelihood of the risks.

Risk Reporting

6.2   The high level risks are kept under review by the relevant area and are reported and challenged.

Defined Strategic Risk Levels

	Low	Medium	High
Impact of risk materialising			
Finance –	Budget pressures < £100,000	Budget pressures between £100,000 and £200,000	Budget pressures > £200,000
Reputation	Loss of confidence and trust in the council felt by a small group or within a small geographical area	A limited loss of confidence and trust in the council within the local community	A major loss of confidence and trust in the council within the local community and wider with national interest
Service delivery	Disruption to a council service	Some disruption to more than one service across the council or severe disruption to one service	Severe wide spread disruption to services across the council
Health and Safety	Minor injury or illness requiring minimal intervention or treatment	Moderate injury or illness requiring professional intervention / multiple minor injuries	Extensive and multiple injuries including possible loss of life
Likelihood of risk materialising	Remote / low probability	Possible / medium probability	Almost certain / highly probably

The above is not a prescriptive criteria, but a guidance tool for management.