

For publication

Risk Management Strategy 2023 - 2027 (GV010)

Meeting:	Council
Date:	15.05.23
Cabinet portfolio:	Governance
Directorate:	Corporate
For publication	

1.0 Purpose of the report

- 1.1 To seek Council approval for the adoption and implementation of the Council's Risk Management Strategy 2023 – 2027 and note the latest version of the Strategic Risk Register summary.

2.0 Recommendations

- 2.1 That Council approves and adopts the Risk Management Strategy 2023 – 2027.
- 2.2 That the Strategic Risk Register summary be noted and note that the Strategic Risk Register remains a 'live' document and is updated regularly via the Corporate Risk Management Group.

3.0 Reasons for recommendations

- 3.1 To keep members informed about the Council's risk management strategy. To ensure the Council maintains an approved framework for the effective and systematic management of risk.

4.0 Report details

- 4.1 This report was considered by Cabinet on 14th March 2023. Where it was resolved that the report and its recommendations be supported and recommended to Council for approval.

4.2 Risk Management Strategy – overview and background

The Risk Management Strategy for 2023 - 2027 is attached at Appendix 1. This strategy is a framework for the effective and systematic management of risk. This strategy leads on from the previous one-year strategy 2022/23.

- 4.3 The strategy enables effective risk management by:
- Supporting the achievement of the Council's vision and priorities
 - Providing a consistent approach to managing risk
 - Establishing and embedding effective risk management processes to inform good decision making and business planning
 - Protecting the Council and our communities from known, foreseeable and anticipated risks
- 4.4 The strategy includes examples of key strategic and operational risks and how applying a consistent approach across the Council enables risks to be effectively identified and managed. Where necessary the risks can then be treated and or escalated. This is supported by clearly defined roles and responsibilities, alongside clear links to other plans and activities including emergency planning and business continuity.
- 4.5 The Corporate Risk Management Group will produce quarterly updates for Portfolio holders and the Corporate Leadership Team to raise awareness and enable challenge of risk management activity. Standards and Audit Committee will consider an annual monitoring report.
- 4.6 The Risk Management Strategy was developed alongside the Council Plan 2023 – 2027 and the Medium-Term Financial Plan. Standards and Audit Committee have also been consulted and helped to shape the strategy.
- 4.7 Strategic Risk Register

The Corporate Risk Management Group have reviewed the Council's Strategic Risk Register periodically throughout the year utilising a variety of information, data and techniques including:

- Risks escalated via Directorate risk registers
- Any new learning from Internal Audit and External Audit reports
- Annual Governance Statement
- Horizon scanning to consider emerging or changing legislative, emergency planning, business continuity, economic, environmental, technological, insurance and health and safety factors

4.8 The Strategic Risk Register summary is attached at Appendix 2, gives an overview of the Council's key strategic risks. The strategic risk register is a live document and is regularly updated throughout the year.

5.0 Alternative options

5.1 None – the current Risk Management Strategy ends in 2023 and a new strategy has been developed which aligns to the new Council Plan 2023 – 2027 and the Medium Term Financial Plan.

6.0 Implications for consideration – Financial and value for money

6.1 The Council transfers funds during the year to maintain a £5k balance on the Risk Management Reserve which is managed by the Corporate Risk Management Group. This reserve can be used on priority risk management activities which contribute towards preparing for or mitigating key risks.

6.2 As part of our insurance contract with Zurich, £2,500 per annum is held by Zurich in a risk management reserve for us to spend on risk related products with Zurich. Previous activities have included risk management training.

6.3 Decisions on budget spend for these two small funding pots is delegated to the Corporate Risk Management Group.

7.0 Implications for consideration – Legal

7.1 A key element of the risk management process is ensuring measures are in place for legislative compliance across functions and activities. Legal and legislative considerations are on every agenda of the Corporate Risk Management Group to inform the Risk Management Strategy, Strategic Risk Register and Directorate Risk Registers.

8.0 Implications for consideration – Human resources

8.1 Risk management training is mandatory for all managers and is delivered via Aspire learning. Managers are responsible for cascading risk information and discussing risk with their teams. The Council’s risk management group has been refreshed and is well attended by key officers with risk expertise and responsibilities.

9.0 Implications for consideration – Council plan

9.1 The Risk Management Strategy 2023 - 2027 and Strategic Risk Register underpin and inform the development and delivery of the Council Plan priorities.

10.0 Implications for consideration – Climate change

10.1 Climate Change remains a strategic risk within the Strategic Risk Register, identifying a range of mitigation activity taking place across the Council and links back into the Climate Change Strategy and action plan.

11.0 Implications for consideration – Equality and diversity

11.1 Equality analysis was undertaken as part of the development of the strategy. No negative impacts have been identified in relation to protected characteristics.

12.0 Implications for consideration – Risk management

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Failure to accurately identify and assess key strategic risks.	H	M	<ul style="list-style-type: none">• Risk Management Strategy in place.• SHSRM role added new resource to this area and further consideration regarding strengthening of the service is taking place.• Corporate Risk Management Group draw on a variety of information sources and horizon scanning techniques to identify	M	L

			<ul style="list-style-type: none"> and assess existing and emerging risks • Feed-up and down and across opportunities from Directorate and Strategic Risk Registers • Risk management training 		
Failure to deliver on key mitigation activity for key strategic risks.	H	M	<ul style="list-style-type: none"> • Regular review at Corporate Risk Management Group • Monitoring and oversight arrangements developed with Corporate Leadership Team, Portfolio holders, Standards and Audit and Council • Internal Audits of Risk Management • Risk Management identified as a consideration for decision making reports and projects/programmes 	M	M
Failure to identify and manage project risks	H	H	<ul style="list-style-type: none"> • Significant directorate risk register review underway (new template). • SHSRM awareness of key projects, sitting on project teams • Project risk registers 	M	H

Decision information

Key decision number	1127
Wards affected	All

Document information

Report author
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Background documents
These are unpublished works which have been relied on to a material extent when the report was prepared.
None
Appendices to the report
Appendix 1 – Risk Management Strategy
Appendix 2 – Strategic Risk Register Summary