

Report to:

AUDIT COMMITTEE

Relevant Officer:

Tracy Greenhalgh, Head of Audit and Risk

Meeting

21 January 2021

RISK MANAGEMENT FRAMEWORK 2021-2025

1.0 Purpose of the report:

1.1 To consider the revised Risk Management Framework for 2021-2025.

Once considered by the Audit Committee the Framework will be formally launched through the various risk management groups across the Council.

2.0 Recommendation(s):

2.1 To approve the Risk Management Framework 2021-2025.

3.0 Reasons for recommendation(s):

3.1 To ensure effective risk management across the Council.

3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.3 Is the recommendation in accordance with the Council's approved budget? Yes

4.0 Other alternative options to be considered:

4.1 None

5.0 Council priority:

5.1 Effective risk management contributes to the achievement of all of the Council's priorities.

6.0 Background information

6.1 The revised Risk Management Framework sets out the Council's approach to risk management for the period of 2021-2025.

The document has been aligned to the Government's Orange Book which incorporates the latest thinking in terms of risk management in the public sector.

6.2 The aim of the Risk Management Framework is to enable the Council to identify, evaluate and cost-effectively control risks and ensure any residual risk is at an acceptable level.

It is intended to promote best practice in risk management at all levels and in all activities, including those delivered with external partners, and links into the Council's framework for good governance.

The following key principles will be the key drivers for implementing good risk management across the Council:

- Risk management shall be an essential part of governance and leadership and fundamental to how the organisation is directed, managed and controlled at all levels.
- Risk management shall be an embedded part of all organisational activities to support decision making in achieving objectives.
- Risk management shall be collaborative and informed by the best available information and expertise.
- Risk management processes shall be structured.
- Risk management shall be continually improved through learning and experience.

6.3 Does the information submitted include any exempt information? No

7.0 List of Appendices:

7.1 Appendix 8(a) – Risk Management Framework 2021-2025

8.0 Financial considerations:

8.1 The aim of risk management is to try, as far as possible, to minimise things going wrong therefore avoiding unplanned financial impacts.

9.0 Legal considerations:

9.1 The Council has a duty to effectively manage its risks and protect public funds.

10.0 Risk management considerations:

10.1 Implementing the framework is a key tool in risk management and helps the Council effectively reduce risks in a considered and consistent manner.

11.0 Equalities considerations:

11.1 Risk management processes should consider risks in relation to equalities as part of its risk identification and assessment process.

12.0 Sustainability, climate change and environmental considerations:

12.1 Risk management processes should consider risks in relation to sustainability, climate change and the

environment as part of its risk identification and assessment process.

13.0 Internal/external consultation undertaken:

13.1 Consultation has been undertaken with the Corporate Risk Management Group and Good Governance Group. The framework was approved by the Corporate Leadership Team on 22 December 2020.

14.0 Background papers:

14.1 HM Government – The Orange Book