

**Committee Name and Date of Committee Meeting**

Audit Committee – 30 November 2021

**Report Title**

Risk Management Policy and Guide Refresh 2021

**Is this a Key Decision and has it been included on the Forward Plan?**

No

**Strategic Director Approving Submission of the Report**

Jo Brown, Assistant Chief Executive

**Report Author(s)**

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**Ward(s) Affected**

Borough-Wide

**Report Summary**

The Council introduced a completely revised Risk Policy and Guide in late 2015 which was approved by the Audit Committee on 24th November 2015. The Policy and Guide has been received and refreshed annually since then and was last considered by the Committee on 26th November 2019.

The changes to the Policy and Guide this year are minor and are mainly to improve clarity of information for users. The last extensive refresh of the Policy and Guide was undertaken in 2018.

In the course of the coming year, work will continue to ensure the Council's approach to risk management is well embedded across all projects and all staff, by providing training, clear guidance, supporting the Risk Champions and reporting according to agreed timelines.

**Recommendations**

1. The Audit Committee is asked to note and approve the attached reviewed Risk Management Policy and Guide

**List of Appendices Included**

Appendix 1 Revised Risk Management Policy and Guide 2021

**Background Papers**

Report to Audit Committee; 26th November 2019 (Risk Management Policy and Guide Refresh 2019)

Report to Audit Committee; 19 January 2021 (Corporate Strategic Risk Register)

Report to Audit Committee: 22 June 2021 (Risk Management Annual Summary for 2020-21)

Report to Audit Committee: 29 July 2021 (Corporate Strategic Risk Register)

Report to Audit Committee 29 July 2021 (Internal Audit Report 2020/21)

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**

This paper is not intended to be circulated to other Council Committees or Panels.

**Council Approval Required**

No

**Exempt from the Press and Public**

No

## **Risk Management Policy and Guide Refresh 2021**

### **1. Background**

- 1.1 This report aims to inform the Committee of the results of a review and refresh of the Council's risk Management Policy and Guide.
- 1.2 The Council introduced a completely revised Risk Policy and Guide in late 2015 which was approved by the Audit Committee on 24<sup>th</sup> November 2015. The Policy and Guide has been refreshed annually since then and was last considered by the Committee on 27<sup>th</sup> November 2019.
- 1.3 The 2018 annual review introduced significant changes including the removal of references to the Corporate Improvement Plan and Commissioners as well as expanding on the role of the Audit Committee in risk management to align with the Committee's current Terms of Reference.
- 1.4 The annual review of 2020 did not take place due to resources focusing on the pandemic and the management of the threats and risks associated with Covid-19.
- 1.5 The Risk Management Annual Summary for 2020-21 was presented to Audit Committee in June 2021, in accordance with the risk management standard ISO31000. The report summarised the principal risk management activity carried out in the Council throughout the financial year.
- 1.6 The Strategic Risk Register and directorate risk registers are presented to Audit Committee annually as part of a rolling programme.

### **2. Key Issues**

- 2.1 The risk management process was subject to an Internal Audit review in May 2021 against the requirements of the relevant International standard, ISO31000. The review concluded that substantial assurance could be derived from the controls that were in place. This is the highest assurance level possible.
- 2.2 The Internal Audit Report 2020/2021 made two recommendations, including a review of the corporate Risk Management Policy and Guide to ensure it aligns with current practice, in line with the Council's Code of Corporate Governance. The second recommendation has now been implemented.
- 2.3 There have been no significant changes to the Council's overall management and government arrangements since the Risk Management Policy and Guide was last updated in November 2019 and the specific risk management processes in which the Council operates have remained broadly unchanged.
- 2.4 Consequently, there have been no significant changes in either the Risk Management Policy, or in the Guide this year. Any amendments have been

limited to clarification, the updating of dates and names, and the addition of two diagrams to visualise timeframes and roles and responsibilities.

2.5 The Council's Risk Management Objectives are to:

- Ensure the Council successfully manages risks and opportunities corporately, operationally and within projects and partnerships
- Ensure that risk management makes an effective contribution to Corporate Governance and a satisfactory Annual Governance Statement
- Ensure that all parties understand their roles and responsibilities in the implementation of effective risk management
- Provide simple, intuitive processes to assist in the identification and prioritisation of risk and the appropriate allocation of resources
- Incorporate the principles of effective risk management into all planning and management processes to achieve consistency of approach

2.6 Work is continuing to implement the principles contained in the Risk Management Guide and to further embed risk management processes across the Council's operations. The Strategic Risk Register is reviewed quarterly at the Strategic Leadership Team and the Directorate Risk Registers are reviewed monthly at Directorate Leadership Team meetings and risk owners monitor risks on an ongoing basis. The Strategic Risk Register is also considered annually by Audit Committee and Directorate Risk Registers are presented on an annual rolling programme.

2.7 The Risk Management Group, which includes the Risk Champions, continues to meet bi-monthly to co-ordinate and drive risk management development throughout the Council.

2.8 In addition to the work of the Risk Management Group, the main driver behind embedding risk management is training for staff at management levels in the Council. A programme of training was in place for new starters and manager M2 grades or above, however this was put on hold due to the refocussing of resources during the pandemic, with the last session held in December 2019.

2.9 To fulfil the training requirement, the online risk management training module is currently being refreshed and the training programme is set to start up again early in the new year.

2.10 In February 2022, an external risk consultant will be delivering a bespoke in-house training course and staff participating will have the opportunity to gain a qualification accredited by the Institute of Risk Management (IRM).

2.11 As part of the Members Induction Programme, all Councillors will also have an opportunity to attend performance and risk management training in February 2022.

2.12 The Risk Management Policy and Guide underpins the Council's approach to risk management and continues to underpin all risk management training and risk registers. The policy and guide are available to all staff through the intranet

and all managers are referred to it when they complete their risk management training. Manager and staff briefings will also be produced to make people aware of the revised policy and guide.

2.13 The refreshed Risk Management Policy and Guide is attached in Appendix A.

### **3. Options considered and recommended proposal**

3.1 This report only considers the refresh of the Risk Management Policy and Guide, so no specific options have been considered.

### **4. Consultation on proposal**

4.1 Risk Champions have been consulted on the revised policy and guide and their comments/amendments have been incorporated.

### **5. Timetable and Accountability for Implementing this Decision**

5.1 The Corporate Improvement and Risk Manager will be responsible for ensuring that the revised Risk Management Policy and Guide is made available on the staff intranet once approved and communicated to staff.

### **6. Financial and Procurement Advice and Implications**

6.1 There are no direct financial implications on the Council's budget as a result of the recommendations of this report. The Risk Policy and Guide does not require additional cost at this time. There are no procurement issues. The risks contained in the Council's risk registers require ongoing management action. In some cases, additional resources may be necessary to implement the relevant actions or mitigate risks. Any additional costs associated with the risks are reported to the Strategic Leadership Team and elected Members for consideration.

### **7. Legal Advice and Implications**

7.1 There are no direct legal implications arising from this report. Any actions taken by the Council in response to risks identified will take into account any specific legal implications.

### **8. Human Resources Advice and Implications**

8.1 HR colleagues are actively engaged with supporting delivery of the proposed training scheduled for 2022.

### **9. Implications for Children and Young People and Vulnerable Adults**

9.1 Risk Management arrangements are designed to identify Children and Young People's Services risks where appropriate.

### **10. Equalities and Human Rights Advice and Implications**

10.1 Proposals for addressing individual risks captured by our arrangements incorporate equalities and human rights considerations where appropriate.

## 11. Implications for CO2 Emissions and Climate Change

11.1 The proposed refresh of the risk guide will support the Council's aim to achieve net zero aims, by improving the organisation's risk management process and thereby allowing climate risks to be identified and managed.

11.2 The recommendation in this report will have no direct significant impact on emissions. It will however improve risk management processes within the Council and may contribute to identifying climate change-related risks in indirectly contribute to the reduction of emissions.

## 12. Implications for Partners

12.1 There are no direct implications for partners. SLT have a responsibility, where appropriate, to promote a risk management culture with partners and stakeholders.

## 13. Risks and Mitigation

13.1 It is important to review the effectiveness of our approach to capturing, managing, and reporting risks on an ongoing basis. This report sets out how the approach to risk management will be developed over the course of the coming year.

## 14. Accountable Officer(s)

Tanya Lound, Acting Corporate Improvement and Risk Manager  
Approvals obtained on behalf of:-

	<b>Named Officer</b>	<b>Date</b>
Assistant Chief Executive	Jo Brown	18/11/21
Service Manager Legal Services	Elizabeth Anderton	19/11/21
Head of Corporate Finance	Rob Mahon	17/11/21
Assistant Director of Human Resources	Lee Mann	16/11/21

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