Committee Name and Date of Committee Meeting
Audit Committee – 29 November 2022

Report Title
Risk Management Policy and Guide Refresh 2022

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)
Simon Dennis, Corporate Improvement and Risk Manager
Simon.Dennis@rotherham.gov.uk

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 30th November 2021.

The changes to the Policy and Guide this year are minimal. The Risk Management Policy is being presented this year as a separate document so that it can be formally adopted by Cabinet. In order to ensure that the Policy can be read in isolation, some additional information has been included which previously only appeared in the Guide. The detail of these additions is set in paragraph 2.3 of this report.

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 comment on the attached Risk Management Policy and
2. Approve the Risk Management Guide

List of Appendices Included

Appendix 1   Revised Risk Management Policy 2022

Appendix 2 Revised Risk Management Guide 2022

Background Papers

Report to Audit Committee: 22 June 2021 (Risk Management Annual Summary for 2020-21)
Report to Audit Committee 30 November 2021 (Risk Management Policy and Guide Refresh 2021)
Report to Audit Committee 11 January 2022 (Corporate Strategic Risk Register)
Report to Audit Committee 28 June 2022 (Risk Management Annual Summary 2021-2022)
Report to Audit Committee 28 July 2022 (Corporate Strategic Risk Register)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

None – although the Risk Management Policy will be submitted to Cabinet for approval following consideration by the Audit Committee

Council Approval Required

No

Exempt from the Press and Public

No

Risk Management Policy and Guide Refresh 2022

1.   Background

1.1   This report aims to inform the Committee of the results of a 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 24th November 2015. The Policy and Guide has been refreshed annually since then and was last considered by the Committee on 30th November 2021.

1.3   Whilst previous reviews have included significant changes (in 2021 due to the impact of the pandemic for example), there are no significant changes required this year. However, the Risk Management Policy has been produced as a separate document for the first time. This is to enable separate approval of the Policy by Cabinet once the Audit Committee has considered it.

1.4   The Risk Management Annual Summary for 2021-22 was presented to Audit Committee in June 2022, 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.

1.5   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 2022 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   There have been no significant changes to the Council's overall management and governance arrangements since the Risk Management Policy and Guide was last updated in November 2021 and the specific risk management processes in which the Council operates have remained broadly unchanged.

2.3   Consequently, there have been no significant changes in either the Risk Management Policy, or in the Guide this year although, as set out above, the policy has been separated from the Guide for the first time. This separation has necessitated the expansion of the section on "Roles and Responsibilities" at section 4 to repeat the content of the Guide. As a result, paragraphs 4.2 to 4.9 of the Policy are additions that repeat the content of the graphic in section 12 of the Guide.

2.4   The Council's Risk Management Objectives remain 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.

2.5 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.

2.6 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.

2.7 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 is in place for new starters and manager M2 grades or above and is currently delivering training to approximately 150 managers a year.

2.8 Additionally, the online risk management training module has been refreshed and is set to start up again shortly, having been delayed by technical issues with the design.

2.9 In February 2022, an external risk consultant delivered bespoke in-house training and staff participating gained a qualification accredited by the Institute of Risk Management (IRM).

2.10 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.

2.11 The refreshed Risk Management Policy attached in Appendix 1 and the Risk Management Guide at Appendix 2.

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   Internal Audit 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   The are no direct financial implications on the Councils 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 2023.

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)
Simon Dennis, Corporate Improvement and Risk Manager
Approvals obtained on behalf of:-

	Named Officer	Date
Assistant Chief Executive	Jo Brown	17/11/2022

Report Author:
Simon Dennis, Corporate Improvement and Risk Manager Simon Dennis,
Corporate Improvement and Risk Manager
Simon.Dennis@rotherham.gov.uk

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