Public Report
Audit Committee

Committee Name and Date of Committee Meeting
Audit Committee – 24 November 2026

Report Title
Risk Management Guide Refresh 2026

Is this a Key Decision and has it been included on the Forward Plan?
No

Strategic Director Approving Submission of the Report
Jane Maxwell, Director of Policy, Strategy and Engagement

Report Author(s)
Katie Stead, Policy, Performance and Risk Manager
Katie.Stead@rotherham.gov.uk

Chloe Harrop, Corporate Improvement Officer
Chloe.Harrop@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 24 November 2015. The Policy and Guide have been refreshed and received regularly since then.

The Risk Management Policy was formally adopted by Cabinet on 23 January 2023 and is due for a refresh by 2028. The Guide was extensively refreshed alongside the Policy in 2023, with only minor updates made in 2024 and 2025. Audit Committee last considered the Guide on 25 November 2025.

This year, the Guide has been thoroughly reviewed and updated to refine and strengthen the process and align it with the Council's current operating environment. Work will continue to ensure the Council's approach to risk management is well embedded by providing training, clear guidance, and reporting according to agreed timelines.

Recommendations

The Audit Committee is asked to approve the Risk Management Guide 2026.

List of Appendices Included

Appendix 1 Revised Risk Management Guide 2026

Background Papers

Report to Audit Committee: 28 July 2026 (Risk Management Annual Summary for 2025/26 and Corporate Strategic Risk Register Update)
Report to Audit Committee: 13 January 2026 (Corporate Strategic Risk Register)
Report to Audit Committee 25 November 2025 (Risk Management Guide Refresh)
Report to Cabinet: 23 January 2023 (Risk Management Policy)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

None

Council Approval Required

No

Exempt from the Press and Public

No

Risk Management Guide Refresh 2026

1. Background

1.1 This report aims to inform the Committee of the results of a refresh of the Council's Risk Management 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 November 2015. The Policy was considered by Cabinet on the 23 January 2023 and is due to be refreshed by 2028, and the Guide was last considered by the Audit Committee on 25 November 2025.

1.3 This year the Guide has been thoroughly reviewed and updated to refine and strengthen the process and align it with the Council's current operating environment.

1.4 The Risk Management Annual Summary for 2025-26 was presented to the Audit Committee on the 28th July 2026, in accordance with the risk management standard ISO31000. The report summarised the principal risk management activity carried out by the Council throughout the financial year.

1.5 The Corporate Strategic Risk Register is presented to Audit Committee twice a year 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 March 2024 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 Since the Risk Management Guide was last updated in November 2025, there have been a number of changes to the Council's governance arrangements, including the establishment of the Policy, Strategy and Engagement Directorate and Corporate Services Directorate, subsequent service realignments, and revisions to management structures and job titles. However, the Council's risk management framework and processes have remained broadly unchanged, with directorate risks continuing to be reviewed and monitored on a regular basis.

2.3 Updates to the Risk Management Guide are listed below and referenced to the sections of the Guide in Appendix 1. In addition to minor changes that enhance readability, they include:

<u>Section 4.3 Step 1 – Risk Identification (page 5)</u>

- Guidance has been refined and enhanced to support risk identification, including clear examples of potential sources of risk and the processes through which risks can be identified.

- Specific content on fraud risk identification has been added to highlight the importance of identifying, assessing and mitigating fraud-related risks as part of the Council's wider risk management arrangements. This is in response to an external audit recommendation to develop a Council-wide view of fraud risks (Value For Money audit, 2023/24, REC IR4). A new Appendix (D) lists areas of established fraud risks.

- The Council's risk register template has been updated (Appendix A), and a 'risk code' column added to improve consistency in risk recording and tracking.

- The example summary risk register template (previously Appendix D) has been removed as it is not used by services. (Section 5 – Documentation updated in line with this).

- The risk numbering protocol has been revised to reflect changes to directorate structures and associated risk numbering conventions (Appendix C).

Section 4.5 Step 3 – Management of Risk (page 8)

- The Council's risk appetite has been brought into this section (previously Appendix C) to clarify the Council's risk management approach.

- Content describing how risks can be managed ('the Four Ts' approach to risk treatment - tolerate, transfer, treat and terminate) has been removed to ensure clear focus on the risk appetite.

- Guidance on risk ownership and accountability arrangements for risks recorded at different organisational levels has been strengthened.

Section 4.7 Step 5 – Review and Report Risk (page 10)

- The risk management governance 'triangle diagram' has been updated to reflect revised management responsibilities and the move from bi-monthly to monthly Risk Management Group meetings.

- Review date protocols have been strengthened, aligned to the Council's risk appetite.

- Escalation and de-escalation processes have been updated to provide greater clarity on when risks should be escalated or removed from risk registers, including requirements for documenting decisions to de-escalate risks.

Section 6 Leadership, Roles and Responsibilities (page 13)

- The roles and responsibilities diagram has been updated to reflect changes to role titles and enhance presentation and readability. Council-

level responsibilities have been added to the governance structure to anchor risk management in strategy development.

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 Corporate Strategic Risk Register is reviewed quarterly by the Strategic Leadership Team, the Directorate Risk Registers are reviewed monthly at Directorate Leadership Team meetings and risk owners monitor risks on an ongoing basis. The Corporate Strategic Risk Register is also considered twice a year by Audit Committee and Directorate Risk Registers are presented on an annual rolling programme.

2.6 The Risk Management Group, comprising the Risk Champions, has continued to meet regularly to co-ordinate and drive the development of risk management across the Council. In line with the refreshed Risk Guide, the frequency of meetings will increase from bi-monthly to monthly to further strengthen risk management arrangements.

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.

2.8 Additionally, an online mandatory risk management training module is delivered through the e-learning system to all staff.

2.9 In March 2026, 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 underpin the Council's approach to risk management and continue to inform 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.

2.11 The refreshed Risk Management Guide is attached at Appendix 1.

3. Options considered and recommended proposal

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

4. Consultation on proposal

4.1 There has been no external consultation on the proposal.

5. Timetable and Accountability for Implementing this Decision

5.1 The Policy, Improvement and Risk Manager will be responsible for ensuring that the revised Risk Management 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 Council's budget because of the recommendations of this report. The Risk Guide does not require additional cost and 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 2026.

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)

Fiona Boden, Head of Policy, Performance and Intelligence

Approvals obtained on behalf of:-

	Named Officer	**Date**
Director of Policy, Strategy and Engagement	Jane Maxwell	6.11.26

Report Author: Katie Stead, Policy, Performance and Risk Manager.
Katie.Stead@rotherham.gov.uk

Chloe Harrop, Corporate Improvement Officer.
Chloe.Harrop@rotherham.gov.uk

This report is published on the Council's website.