

TELFORD & WREKIN COUNCIL

CABINET - 8TH DECEMBER 2008

REVIEW OF THE RISK MANAGEMENT STRATEGY 2008

REPORT OF THE CORPORATE DIRECTOR RESOURCES

1.0 PURPOSE

1.1 For Cabinet to approve the revised risk management strategy.

2.0 RECOMMENDATIONS

2.1 Cabinet is asked to approve the revised risk management strategy attached as Appendix 1, noting the comments in Paragraph 5.2.

3.0 SUMMARY

3.1 In line with good corporate governance and the requirements of the Audit Commissions CPA Use of Resources, the risk management strategy is reviewed on an annual basis for continuing relevance and effectiveness.. The current risk management strategy was agreed by Cabinet in November 2007.

4.0 PREVIOUS MINUTES

Cabinet – 12th November 2007

5.0 INFORMATION

5.1 The risk management strategy has been reviewed in line with best practice and the requirements of CPA 2008. This revised draft strategy also incorporates comments from the Corporate Risk Management Group (CRMG).

5.2 The changes in the revised version of the Strategy are tracked so that they stand out and include:

Increased emphasis on Business Managers responsibilities to :

- actively involve their teams in risk identification workshops to further ensure that all staff understand their responsibilities with regards to managing risks.
- ensure that their staff are aware where they should be reporting risks and how they feed back on any progress.

Improved communication –

- document in the Strategy that upon completion of the review an article will be published in the Bulletin to inform staff of changes.
- Key Risk review – document in the Strategy that upon completion of the review an article will be published in the Bulletin to inform staff where they can find details of the latest Key Risks.

6.0 OTHER CONSIDERATIONS

AREA	COMMENTS
Equal Opportunities	If business decisions are made using risk management principles, they will ensure that equal access of opportunity is offered to all.
Environmental Impact	The changes made to the strategy support the delivery of the Council's sustainability agenda. In addition failure to manage environmental risks and abide by regulations could have significant impacts on the Council.
Legal Implications	Failure to manage risks could have severe legal consequences and affect the standing of the Council.
Opportunities and Risks	Ensuring our Risk Management Strategy is clear, concise and understandable assists in its' effective use and maximising opportunities whilst managing the risks.
Links with Corporate Priorities	The effective management of risk links with the priority of building an effective, modern council. It is also assessed as part of the CPA Use of Resources process.
Financial Implications	An effective risk management strategy will help prevent/ minimise financial losses and damage to the reputation of the Council.
Ward Implications	None.

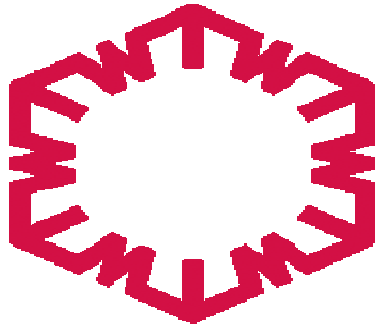
7.0 **BACKGROUND PAPERS**

Risk Management Strategy 2007

CPA Use of Resources 2008

Risk Management Strategies from other Local Authorities

Report prepared by Sarah Daffern, Principal Risk Officer, 01952 383112



Telford & Wrekin

C O U N C I L

Risk Management Strategy

~~October 2007~~ November 2008

This Risk Management Strategy has the full support of the Members, Chief Executive and the Corporate Directors Board. The co-operation and commitment of all employees is required to ensure that the authority's activities and resources are managed within a consistent risk management framework.

Cabinet Member: Resources – Lead Member for Risk Management – Cllr Adrian Lawrence

Corporate Director: Resources – Victor Brownlees

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Telford and Wrekin Risk Management Strategy

Risk Management is about maximising opportunities for innovation, whilst identifying and managing the opportunities and risks attached to them, in order to achieve objectives.

INTRODUCTION - RISK MANAGEMENT STRATEGY OBJECTIVES

The aim of this strategy is to give a clear explanation of what risk management is, and what is expected from members and employees at all levels of the council. It is not intended to constrain members or employees from innovation and effective service delivery but to assist them in their activities.

The function of Risk Management is to help the authority achieve its corporate objectives, and to protect the assets and resources of Telford & Wrekin_ against risk in the most efficient way. As such the objectives of the function are:

- To identify, assess and manage the opportunities and risks to which the authority is exposed, both at strategic and operational level and within Partnerships and Projects
- To assist in decision making at all levels within the authority
- To place a greater emphasis on identifying the opportunities and risks associated with the Council's budget options and levels of balances.
- To integrate, within the business planning and project planning processes, appropriate measures to ensure that all portfolios and partnerships are avoiding, reducing and economically controlling opportunities and risks.
- To support Members and and managersemployees in their responsibilities for implementing the risk management strategy and to promote the benefits of risk management.
- To enable effective service delivery to local people, to maximise the opportunities presented and to minimise the risk of significant service failures.
- To protect physical assets, promote employee and public safety and maximise resources.
- To utilise the corporate risk management group and or Corporate Directors Board to provide a forum for the implementation of the risk management strategy, give feedback, advice and recommend reviews of procedures, where necessary.
- To learn from risk failures to improve the systems of internal control and risk management
- To promote good corporate governance and therefore contribute to the annual assurance statement incorporating the statement on internal control.
- To raise awareness of the principles and benefits involved in the risk management process and obtain commitment to the principles of effective risk management.

The Council and this Strategy recognises that it is the responsibility of all members, officers and employees to have regard for risk in the carrying out of their duties. If uncontrolled, risks can result in a drain on resources that could better be directed to front line service provision and to meeting the authority's objectives.

This strategy will ensure that all areas of risk are identified, evaluated, controlled, monitored and reported. The process applies equally to both strategic and operational risks and is integrated into the business planning process.

1. THE TELFORD AND WREKIN METHOD OF MANAGING RISKS

The cycle of risk management involves a number of key stages which are outlined below but are shown in more detail in Appendix A attached:

Stage 1: Objectives

Agrees the objectives for the organisation, portfolio / Priority plan, business unit, project or partnership

Stage 2: Risk Identification

Identifies the risks or barriers to achieving the objectives through:

- Specifying the strategic risks to which the authority is exposed in meeting its corporate objectives.
- Creation and maintenance of a strategic 'risk register', including a list of the 'key' strategic risks to the organisation. (key risks are those with a residual score of 7 or higher).
- Risks to achieving portfolio objectives being identified in Portfolio Plans
- Operational risks being identified and recorded in business plans.
- Project Risks and opportunities being identified in their initiation documents and then reviewed on an on-going basis
- Partnership risks being identified in their relevant documentation

Stage 3: Risk Scoring/Evaluation

Using the Risk Matrix for each identified risk to give:

- An assessment of impact and likelihood.

The evaluation results are recorded in the Risk Register (template shown in Appendix A). All risks for any particular strategic/business area can then be prioritised.

Stage 4: Risk Mitigation/Control

Recognises and records the Controls which are currently in place to reduce the likelihood of the risk occurring and the impact of the risk on the Objective.

Stage 5: Re-assessment of risk

Once current controls have been identified the risk needs to be scored again to give the residual risk score.

Stage 6: Action Planning

Following evaluation there are four main control options to manage the risk:

Terminate	Do not undertake the activity
Transfer	Pass the risk on, for example to a contractor e.g. PFI or insurer
Treat	Manage it, put in place effective controls
Tolerate	Monitor and re-evaluate in the future

If the residual score is higher than acceptable, we need to identify what further action can be taken to further manage the risk to reduce the score

Stage 7: Allocate Responsibility

Each Risk is allocated a risk owner to take responsibility for managing the risk, ensuring controls remain effective and actions are taken.

Stage 8: Recording Risks in Risk Register

All risks, including controls, actions, gross and residual scores, as well as Risk Owners should be detailed in the Risk Register (Template shown in Appendix A)

Stage 9: Monitoring and Reporting

All risks can change over time and therefore need close monitoring to ensure that controls remain in place and are effective. Also new risks can be added to the risk register and those that are no longer a risk can be removed. All changes must be recorded and reported appropriately. This includes dating any changes so that there is evidence of reviewing the register.

2. TELFORD AND WREKIN RISK STRUCTURE:

Strategic Level:

- Strategic Risks which may affect the achievement of Corporate Objectives are detailed on the Strategic Risk Register and appropriate Portfolio or Priority Plan Risk Registers if necessary.
- Risk Owners are at Director / Chief Executive level and all risks are reviewed quarterly with each risk owner and are agreed by Directors and Cabinet and are reported to Standards and Audit Committee for information.
- Currently 289 Strategic Risks – 18 of these are key risks.
- Key Strategic Risk Register is shown on the Members Information Point and also the Risk Management Intranet Page.
- All reports submitted to Cabinet, must include the key risks which are associated with the decision, policy or action to be taken and how those risks will be managed. This risk assessment should include a Sustainability Impact Appraisal.¹

Priority Plan / Portfolio Level:

- Each Priority Plan / Portfolio should maintain a Risk Register which corresponds to their ~~portfolio~~ objectives.
- This register should be reviewed on a regular basis as part of the ~~portfolio~~ plan review and monitoring process.
- Priority Plan or Portfolio management teams on a quarterly basis should meet with Principal Risk Officer to update their risks and identify any which need to feed into the Strategic Risk Register
- All reports submitted to Cabinet, must include the key risks and opportunities which are associated with the decision, policy or action to be taken and how those risks and opportunities will be managed.

Business Units:

- Each Business Unit should establish a Risk Register which links to their Business Objectives. These should be reviewed on a regular basis and used to influence decision making.
- Top 5 risks or those scoring 7 and over should be detailed in the Business Plan in the corporate format.

¹ A Sustainability Impact Appraisal is the identification of the impact a decision, project or action will have on the achievement of sustainability targets

- Risks which have an impact on the [Priority Plan or](#) Portfolio Objectives should be fed into these [Portfolio Risk Registers](#)
- All reports submitted to Cabinet and Directors, must include the key risks which are associated with the decision, policy or action to be taken and how those risks will be managed.

Projects:

- Projects within the authority should be run to the principles of the PRINCE2 methodology. Risks must be identified, managed and reported through-out the project to the Project Board accordingly.
- At the initiation stages of the project, the risks and opportunities should be identified using the Corporate Methodology and reported in the initiation documentation. The Principal Risk Officer is available to assist in this process.
- This risk assessment process should include a sustainability impact appraisal.
- Risks attached to Projects should be fed into the appropriate [Priority Plan or](#) Portfolio Risk Register as well as the Strategic Risk Register if required.

Partnerships:

- We are required to identify and manage the risks attached to all Partnerships in which the authority is involved. These could be risks for the Council itself, and or the Partnership.
- The Corporate Risk Management methodology should be used. The Principal Risk Officer is available to assist in this process.
- Risks attached to Partnerships should be fed into the appropriate [Priority Plans or](#) Portfolio Risk Registers as well as the Strategic Risk Register if required.

3. RESPONSIBILITIES FOR RISK MANAGEMENT

- **Cabinet Member for Resources**
 - The lead member for risk management.
- **Cabinet members**
 - Have a collective responsibility to understand the strategic risks that the authority faces, to oversee the effective identification and management of these risks by officers.
 - Ensure that all identified risks and opportunities have been considered in decision making.
 - Seek clarification from Portfolios if risks are not specifically shown in reports
 - Agree the risk management strategy and review its effectiveness.
 - Quarterly agree the Councils key strategic risks taking account of any concerns raised by the [Standards and](#) Audit Committee.
 - Receive an annual report on risk management.
- **~~Standards and~~ Audit Committee Members**
 - Monitor the effectiveness of the authority's risk management arrangements, receiving quarterly reports and reviewing the Risk Management Annual Report to Council
 - Seek assurances that action is being taken on risk related issues identified by auditors and inspectors
 - Be satisfied that the authority's Governance statement, including the Statement on Internal Control, properly reflect the risk environment and any actions required to improve it.
- **All Members**
 - Have a responsibility to understand the strategic risks that the authority faces, to oversee the effective identification and management of these risks by officers.
 - Ensure that all identified risks and opportunities have been considered in decision making.
 - Seek clarification from Portfolios if risks are not specifically shown in reports
 - Use the Key Strategic Risk Register to help select items for Scrutiny reviews

- **Chief Executive**
 - Leads on the wider corporate governance agenda, of which risk management is a part.
 - Signs off the annual Governance Statement including the Statement on Internal Control (SIC) along with the Leader of the Council.
 - Ensures that risks are fully considered in all strategic decision making and that the risk management strategy helps the Council to achieve its objectives and protection of its assets.
- **Corporate Director: Resources**
 - The lead officer for risk management and owner of the Risk Management Strategy
 - Chairs the Corporate Risk Management Group.
- **Corporate Directors**
 - Provide leadership to ensure that the process of risk management is embedded into the processes of the authority and their portfolio to ensure the effective management of risk.
 - Ensure that all risks ~~on the~~ in the Priority or Portfolio Plan are reviewed on a regular basis with ~~their~~ senior management team officers and that any corporate risks are then fed into the Strategic Risk Register
 - Manage the Strategic Risks they have been allocated and review these with the PRO on a quarterly basis.
 - Identify any new Strategic Risks which need to be included in the Strategic Risk Register
 - Ensure that risks are fully considered in decision making within their portfolio and in all reports to Directors and Members.
 - Ensures that projects undertaken within their Portfolio are managed according to the Prince2 principles, including the establishment of a risk register for the project at the initiation stage.
 - To ensure that all reports presented from their service area contain the relevant risk and opportunity information, including sustainability impact appraisal
- **Heads of Service and Business Managers**
 - Cascade the principles of good risk management to their sections, report potential strategic risks to their management team and manage all the risks associated with their service.
 - Involve their sections in initial risk identification workshops to ensure everyone understands their role and responsibilities for risk management.
 - Ensure officers are aware who they report risks to.
 - Ensure officers who are managing risks feed back any progress to their teams.
 - Ensure that risks are fully considered in decision making processes.
 - Ensure that risks are reviewed on a regular basis and reported appropriately.
 -
 - Ensure that risks are managed appropriately in any projects and partnerships that they are responsible for or are involved with.
 - Ensure that any policies or procedures for which they are responsible make the appropriate linkages to risk management.
 - Ensure that all reports presented from their service area contain the relevant risk and opportunity information, including sustainability impact appraisal
- **Project Managers and Managers of Partnerships**
 - Use the Corporate Risk Management Methodology to identify and manage their risks.
 - Establish a risk register for their project or partnership at the initiation stage
 - Report their risks to the appropriate Partnership / Project Board on a regular basis.
 - Ensure that their risks are included in the appropriate Priority Plan or Portfolio Risk Register if necessary and / or the Strategic Risk Register
- **Corporate Risk Management Group** (The terms of reference and further details of this group are shown in Appendix B)
 - Annually review the strategy
 - Receive and approve the Annual Report on Risk Management

- Each Portfolio Representative is responsible for the co-ordination of the identification, analysis and control of risks in their portfolio.
- Support managers in the monitoring and review of risks.
- Oversee and authorise expenditure of the Risk Management Fund
- **Audit & Risk Manager**
 - Responsible for the management of the corporate risk management function.
 - Implementation of the Risk Management strategy on behalf of the Corporate Director Resources
 - Reporting to Members on Risk Management Strategy, Key Strategic Risk Register and Annual Report
 - Provides training and awareness for Members and Officers
- **Principal Risk Officer**
 - Maintains the authority's strategic risk register, monitors and reports the results to the Corporate Director Resources, Corporate Risk Management Group and Corporate Directors Board.
 - Supports and raises awareness of the authority's risk management strategy with all employees
 - Supports management teams, Projects and Partnerships and ensures that risk management continues to be an integral part of the service and financial planning process and the business planning process.
 - Provides training and awareness for Members and Officers
 - Liaises with the Insurance Manager regarding external insurers to ensure that future premiums reflect all risk management activities being undertaken, and that advice and resources available from insurers/brokers are made available to authority's sections/departments.
 - Liaises with the Insurance Manager to assess risk areas arising from insurance issues and to develop potential strategies for mitigating them.
 - Benchmarking and comparing with other Local Authorities in order to continuously improve practices.
- **Insurance Manager**
 - Day to day management of the insurance function, including arrangement, claims, etc.
 - Monitors claims experience and suggest ways that the authority could target resources in order to ensure that claims experience/levels are minimised.
 - Assesses insurance risk areas and liaises with the Audit & Risk Manager and Principal Risk Officer on recommended solutions and action required.
 - Identifies risk control strategies identified from the insurance function.
- **Every employee**
 - All employees have a responsibility for identifying and managing the risks that they face on a day to day basis, and reporting these to their managers.

4. STRATEGIC RISK REPORTING:

The risk management process requires a robust reporting and monitoring system, which will report effectively on the Council's current risk profile as follows.

- All reports submitted to Cabinet, must include the key risks which are associated with the decision, policy or action to be taken and how those risks will be managed.
- Reports to support Strategic Policy decisions in addition to risk and opportunity information should include a sustainability impact appraisal
- Quarterly report to CRMG on strategic risks
- Quarterly report to Corporate Directors to review Strategic Risks
- Quarterly report to Cabinet on key Strategic Risks
- Regular reporting to the ~~Standards and~~ Audit Committee who oversee the risk management process for the council
- Annual Report on progress in Risk Management to Cabinet and ~~Standards and~~ Audit Committee

- Cabinet Member Resources will be kept up to date of all issues around Risk Management
- Key Strategic Risks are reported on the Risk Management intranet site. A bulletin article is circulated when the Key Strategic Risks have been agreed informing staff where they can find them for reference.

5. COMMUNICATION OF RISK MANAGEMENT

- Strategy

The Risk Management Strategy is reviewed annually and approved by Cabinet. Prior to Cabinet's approval, the strategy is reviewed by the Corporate Risk Management Group. Once the Strategy has been approved it will be featured on the Bulletin to ensure that all employees are aware of any changes. All employees will also be made aware of where to find the strategy to refer to

- Key Risks

The Council reviews its key risks quarterly. Once the review is complete and agreed by Cabinet an article is published in the Bulletin to ensure all staff are fully aware of the key risks and where they can find a copy of the Key Strategic Risk Register.

- Employees

There is a dedicated Risk Management site on the Intranet. Also, in order to ensure that every employee within the organisation is aware of the importance of risk management, leaflets for Managers as well as Employees have been produced and distributed. Additional copies are available from the PRO.

Additionally the following media exist:

- Risk Management and Business Planning Guidance – available on the Best Value Intranet Site. Also the Principal Risk Officer can assist Business Units as necessary.
- Procurement Good Practice Guidance Note on the Procurement intranet site.

- Members

Members have a very important role to play in corporate governance and therefore risk management.

- They should be concerned with strategic risk management and the achievement of the corporate objectives.
- Awareness sessions are regularly held for the Cabinet and all members.
- There is information in the Members' Information Handbook, describing the reasons for, and benefits of, risk management.
- The Members Information Point is kept up to date with Risk Management issues.

CONTACTS:

Principal Risk Officer – Heather Gumsley (heather.gumsley@telford.gov.uk) Sarah Daffern (sarah.daffern@telford.gov.uk)

Audit and Risk Manager – Jenny Marriott (jenny.marriott@telford.gov.uk)

SUMMARY

The need for effective risk management in local government has probably never been greater as public expectations increase and tolerance of failure by public service organisations reduces by the day. Risk management is a continuous and improving process that runs through Telford and Wrekin.

The Council experiences a range of risks. This is because of the diverse range of its activities and the extensive changes taking place under the Government's agenda. The nature of our work means we are constantly changing and increasingly includes entering into partnerships and projects in order to achieve our objectives.

The risk management strategy aims to ensure that all the risks surrounding the authority's activities are consistently managed. It is integrated into the culture of the authority and is led by the most senior management with responsibility for risk being assigned throughout the organisation.

Appendix A - TELFORD & WREKIN – THE RISK MANAGEMENT PROCESS

Stage 1: Objectives

- Be clear on what the objectives are (Strategic, Priority Plan / Portfolio, Business Unit or Project or Partnership)

Stage 2: Risk Identification

- Once you know what your objectives are, have a risk workshop with your team to list all the risks (threats and opportunities) that could influence the ability to achieve your objectives. Include those risks related to partnerships or other parties you are working with. Be specific; try to avoid only identifying generalised risks such as staff shortages. The Principal Risk Officer Heather Gumsley Sarah Daffern can assist you with this.

Stage 3: Risk Scoring / Evaluation

- You need to use the Risk Matrix below to score each risk you have identified. You are assessing the **impact** it will have on you achieving your **objectives** and the **likelihood** of it happening. This is why the risks you identify need to be specific to achieving your objectives.
- Score the risk without controls in place to give you the “**gross**” risk score²

Risk Matrix

Catastrophic Impact

Impact

HIGH Impact LOW Likelihood 6	HIGH Impact MEDIUM Likelihood 7	HIGH Impact HIGH Likelihood 9
MEDIUM Impact LOW Likelihood 3	MEDIUM Impact MEDIUM Likelihood 5	MEDIUM Impact HIGH Likelihood 8
LOW Impact LOW Likelihood 1	LOW Impact MEDIUM Likelihood 2	LOW Impact HIGH Likelihood 4

Minor Impact

Very Unlikely

Very Likely

How to use the Matrix:

Likelihood

Scores are arrived at by assessing the impact of the risk on you achieving your objectives as high, medium or low, then assessing the likelihood of the risk occurring as high, medium or low. Where the two points meet is the score allocated to the risk.

² Gross risk is also known as inherent risk.

So if the Impact will be high (catastrophic) and the likelihood of it happening is high, the score will be 9.

However, if the likelihood of the risk happening is low, and the impact of it happening is also low, the score will be 1.

Stage 4: Risk Mitigation / Controls

- Once you have identified the risks and allocated them a gross score, you need to identify the controls you currently have in place to reduce the likelihood and or impact of this risk. ~~Something can only be a control if it is in place now~~ A control is a measure already in place which is "controlling" the risk. If it is something you plan to do, it is an action and does not currently have an effect on the residual risk score.
- Record the current controls on the risk register.

Stage 5: Residual Risk Score

- Decide if the controls identified reduce the gross risk score. ~~That is d~~ Do they reduce the likelihood or the impact of the risk? ~~?~~
- Use the risk matrix again to re-score the risk with the controls in place to give the '**Residual Risk Score**'. If the controls in place are working then this score is generally ~~Generally, this score is~~ lower than the gross score ~~if the controls are working.~~

Stage 6: Further Action

- Decide if you feel the Residual Score is too high. If it is, you will need to identify what further action you can take to reduce the impact or likelihood, including timescales for these actions.

Stage 7: Allocate responsibility

- Allocate responsibility for the risk to a named individual. This person is the Risk Owner, they are responsible for the risk and should ensure that all controls are working and relevant actions are taken.

Stage 8: Recording the Risk in Risk Register

- You will need to record the outcome of all these stages in your risk register in the format shown below.

Risk	Risk Description	Risk Category	Gross Risk Score	Key Controls	Residual Risk Score	Further Action required and timescales	Risk Owner	Obj
1.	Contractor fails to perform to the required standard	OP FIN STRAT	9	1. Contract specifies standards. 2. Performance is reviewed regularly	7	1. Continued close liaison with Project Manager	A.N.Other	1
2.	Loss of public support for the project	REP FIN STRAT	8	1. Embedded consultation process. 2. Strong press and public support	7	1. Involve key partners in decision making processes. 2. Media management	A.N.Other	3,4
3.	Vandalism causing major damage to the project	FIN	8	1. High visibility security measures in place.	5		A.N.Other	1,2

Stage 9: Monitoring and Review

- All risks on your risk register should be reviewed as part of the monitoring process for the Business Plan or Project Plan and reported appropriately.
- Best practise is that risks should be reviewed on a regular basis, more often in key projects or in times of change.
- You should monitor and manage risks attached to all Partnerships in which you are involved.
- Be aware that risk scores can go up as well as down.
- All changes should be recorded with a date of review.
- Key risks (those with residual risk scores of 7 and over) will need very close and regular attention in order to manage them effectively.

If the Residual Risk Score is 7,8 or 9	This would be classed as a key risk; immediate action is needed to further manage the risk to reduce its likelihood and impact.
If the Residual Risk Score is 4,5 or 6	You need to monitor this risk, consider what action you could take and consider a contingency plan
If the Residual Risk Score is 1,2 or 3	You will need to monitor this risk to ensure the likelihood and impact remains low.

Appendix B

CORPORATE RISK MANAGEMENT GROUP (CRMG)

The authority has a Corporate Risk Management Group which provides a forum to debate risk management issues. this group meets three times a year.

Terms of Reference

The Corporate Risk Management Group is responsible to the Corporate Director: Resources and concerns itself with the implementation of the risk management strategy of the authority, including the following:

- Annual review of the strategy
- Receive and approve the Annual report on Risk Management
- Each Portfolio Representative is responsible for the co-ordination of the identification, analysis and control of risks in their portfolio.
- Support managers in the monitoring and review of risks.
- Oversee and authorise expenditure of the risk management fund.

Members of the Corporate Risk Management Group

All portfolios of the authority are represented at a senior level. Members of the group include:

Chair – Corporate Director Resources
Head of Planning and Environment, Environment and Regeneration
Head of Planning and Resources or Capital and Facilities Manager, Children and Young People
Head of Performance and Standards, Adult Social and Consumer Care
Strategic Portfolio Business Manager, Community Services
Head of Policy and Performance, Chief Executives
Health and Safety Manager
Insurance Manager / Corporate Finance Manager
Business Manager Civil Resilience
Audit & Risk Manager
Principal Risk Officer

Appendix C

RISK CATEGORIES

CATEGORIES OF RISKS, these should be used as *a guide* in the risk management process.

Risk Category	Description
Operational	Those risks associated with the day-to-day running of a specific Portfolio / Business Unit.
Regulatory	Those associated with current or potential changes in national or European law.
Financial	Those affecting the ability of the Authority to meet its financial commitments. These include internal budgetary pressures, the failure to purchase adequate insurance, the consequences of proposed investment decisions or the loss of opportunity, lack of availability of capital investment, interest rate instability and inflation, etc.
People	For example, recruitment/retention of qualified staff, over reliance on key officers or inability to implement change. Also, lack of clarity over roles and responsibilities.
Reputation	For example, bad publicity in local press over an extended period, items in the national press, matters raised in Parliament or the EU.
Strategic	Those associated with the medium to long-term objectives of the council as a whole.
Information	Those associated with the security, accuracy, timeliness of any information held or given by the organisation.