Sefton Council

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Corporate Risk Management Handbook

Risk and Audit Service
December 2017

Contents

Introduction

As '**One Council**' we aim to make Sefton a great place to be.
Our vision focuses on six key priorities:

- Economy
- Environment
- The Most Vulnerable
- Health and Wellbeing
- Resilient Communities
- Reshaping the Council

We need to make sure that risk, that prevents or compromises the achievement of our aims and objectives are managed and adequately monitored.

We need to understand the positive and negative aspects of risk as there is potential for events to create opportunities as well as threatening success.

This approach is a fundamental element of the Council's Code of Corporate Governance and forms part of the Annual Governance Statement.

The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. Whilst it is recognised that it cannot eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable assurance of effectiveness.

On an ongoing basis, the system of internal control is designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The Annual Governance Statement submitted to the Audit and Governance Committee will include a review of the effectiveness of the risk management process.

Defining Risk

'Factors, events or circumstances that could prevent or negatively impact on the achievement of the Councils strategic and service plan objectives'

Risk could lead to the Council encountering significant or serious legal, reputation and financial harm. The possibility of 'risk' needs to be integral in all planning and decision making and be considered as an integral part of all performance management.

In addition, the performance of strategic partnerships, key suppliers, schools and major projects are important elements that effect the achievement of Sefton's strategic targets.

Considering the risk profile and changes to scoring enables those that are high or very high to be identified so that they can be escalated and included in Sefton's Corporate Risk Register. Risks that have factors which lead to a score increase can also be identified before they become 'high' so that action plans can be implemented appropriately.

Inherent or gross risk is defined as the assessment of the risk, highlighted as a numerical score, ignoring the effect of the existing controls. Residual or net risk is the assessment of risk, again highlighted as a numerical score, left after the current controls are implemented. The residual score should always be lower or at worst the same value as the inherent score, as this reflects the effectiveness of the current controls. Where the inherent and net score are the same it is indicating that there are either no key controls in place or that the identified key controls are ineffective at mitigating risk. Further actions to manage the risk are normally required to reduce the risk score to a manageable level. The scale and extent of further action required is dependent on the Council's appetite for risk and further guidance is provided below.

The identified risks and current controls should be regularly monitored to ensure that they are effective. In addition where there are further actions to reduce the risk score to at or below the Council's risk appetite these should be regularly reviewed to ensure that the actions are implemented in a timely manner and they are as effective as originally intended.

The formal risk registers in place, the regular monitoring and implementation of actions are all evidence that help to demonstrate the implementation of risk management within the Council.

Risk management arrangements will be periodically reviewed based upon the severity of the risk together with an annual review of the strategy and process.

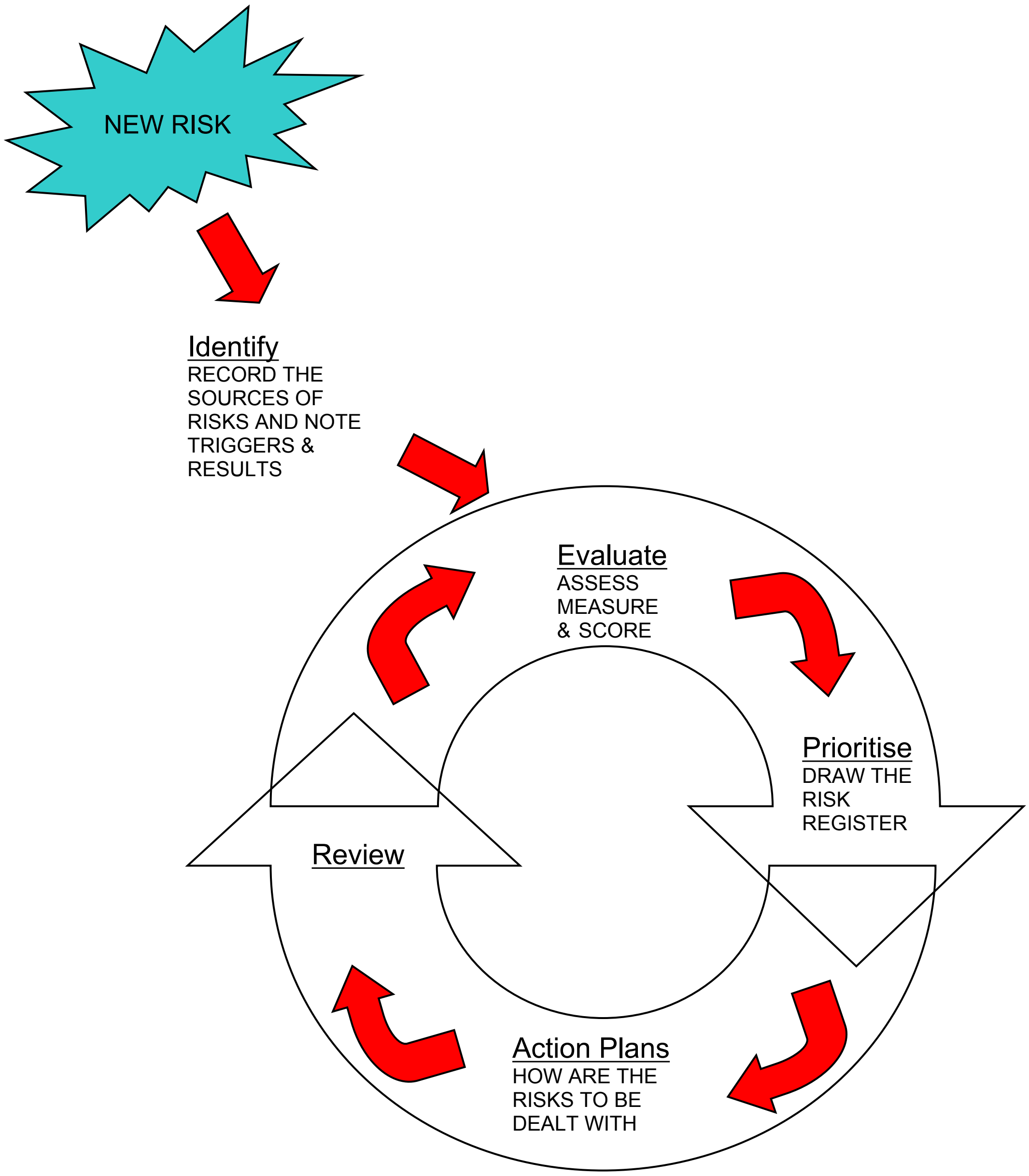
Benefits of Risk Management

- Alerts Councillors and officers as to the key risks that may threaten achievement of the Council's plans
- Enable risk mitigation and management
- Provide appropriate assurance to Councillors, relevant Committees and officers as to the adequacy of arrangements and enhance awareness of risks and appropriate approach
- Demonstrates accountability to regulatory bodies
- Create focus towards objectives
- Help inform and manage change
- Give flexibility in responding to issues
- Support innovation
- Improve transparency and justify decisions
- Inform the budget and MTFP process
- Identify the appropriate level of controls
- Share knowledge in controls
- Protect reputations

Risk Management Process

The process described below details the stepped approach to identifying, assessing and recording risk. This is also represented by the following diagram:

Risk Management Process Model



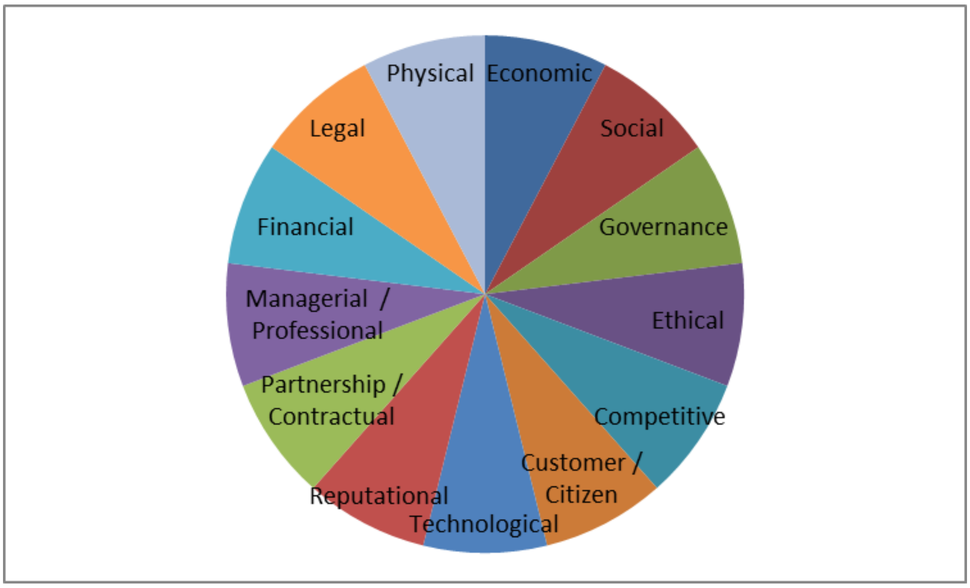
Risk Identification

Officers should devote sufficient time to identifying risk, as this is the more complex area of risk management. The aim of this stage is to identify and log in a risk register the key risks that could prevent the Council from achieving its objectives. The objectives could stem from the business plan or the Council's vision or the objectives for a project. It is important to have a clear shared understanding of the objectives before you start to assess the risk otherwise the risk identification process is likely to be ineffective.

You should ensure that relevant staff to the project or service area are involved in the risk identification process to ensure that a holistic assessment of risk is obtained and gathered.

Risks are normally identified using a systematic approach by considering risks by type such as legal, reputational, financial for example using the Risk Wheel below. Not all risk types are applicable in every assessment of risk however it is a useful tool to run through at each risk identification session. Both internal and external factors that will impact on the achievement of the Council's objectives need to be considered. Once the risk is identified then a structured process can be implemented to ensure that the risk is fully evaluated and appropriately managed.

Risk Wheel



An ideal method to identify risks is through brain storming sessions with relevant staff or where this is not possible through interviews on a one to one basis. Risks should be recorded as an uncertainty and the language used should reflect this for example failure to achieve business plan objective.

Key Points

- Keep it simple
- Prioritise the risks in the risk register with the highest scoring risks at the front of the register and the rest of the risks in descending order
- Consider external and internal factors including risk shifting across services

- Consider tried and tested methods and best practice
- Ensure there is a clear link between objectives and risks
- Revisit regularly to ensure the insignificant risks stay that way
- Ensure that responsibilities for risk management are delegated to named individuals

Potential Risk Areas – (examples, not exhaustive)

- Managing change
- Reputation damage
- Legal compliance
- Government policy
- Health and safety
- E- commerce
- Staff retention
- Integrity of staff
- Fraud
- Security of funding
- Debt management
- Disaster recovery
- Financial external regulators
- Ethics / culture
- Funding availability
- Physical disasters
- Data integrity
- Operational
- IT failure
- Treasury management
- Stakeholder pressure

Trigger and Result

The risk identification process should consider and document the triggers (root cause of the risk) and the results (consequences) of risk which add context and an understanding of the dynamics of that risk. The defining of the trigger and results aids the identification of appropriate controls and mitigating actions that can be implemented to prevent the risk occurring or mitigate the impacts or support speedy recovery. Identifying the result creates the understanding of the impacts should the risk be realised.

Triggers are recorded as a statement or a factual event for example a change in government policy. There may be multiple triggers for a risk and care should be taken as to whether they should be recorded together or as separate line in the risk register and scored differently as often the risk scores and the controls used to manage the risk with more than one trigger are different. A common pitfall at this stage is confusing when a risk is a trigger and vice versa. Time should be spent ensuring that the relationship between the risk and trigger is clarified and understood.

The results of the risk are the consequences of the risk occurring for example loss of revenue. There are often multiple consequences of the risk which should be recorded and will help to shape the scoring of the risk.

Risk Ownership

The effective management of risk requires that each risk should have a named owner this is to ensure that ownership of the risk is clearly identified and accountable. Ownership should be vested at individual officer level using their post title and not at team level or entity level.

Risk Assessment – Scoring

Risks will be evaluated in accordance with a 5x5 scoring matrix, which is an industry standard approach. The Risk Register template (*Annex B*) should be completed in line with the scoring below.

Select a score from **Likelihood** and a score from **Impact** and then multiply them together. This means that the impact is multiplied by the probability; the worst case scenario would be a catastrophic impact (score 5) multiplied by a very high probability that it will happen (score 5) giving a total score of 25.

The initial risk assessment scoring identifies the inherent or gross risk values which ignores the controls in place and should in the vast majority of cases be higher, and in a small minority of cases the same, as the residual risk score. The assessment should take into account previous history of similar risks and their impact as well as consideration of whether action would perhaps have automatically been taken to address the risk.

Table 1 – Risk descriptors for likelihood

Likelihood	Score	Probability	Time period	Certainty
Highly Probable	5	>90%	Once in three months	Almost certain
Probable	4	30 to 90%	Once in a year	More likely than not
Possible	3	10% to 30%	Once in five years	Fairly likely
Unlikely	2	3% to 10%	Once in ten years	Unlikely
Remote	1	<3%	Not in 50 years	Extremely unlikely

Table 2 – Risk descriptors for impact

Level of impact	Score	Description	Symptoms (applicable in isolation or collectively)
Catastrophic	5	Total failure of systems and services	• Total system dysfunction • Total shutdown of services • Financial loss in excess of £1 million • Officers/Members resignation / removal • Fatality
Significant	4	Disruption of all service areas	• All operational areas of an area affected • Financial loss up to £1m • Sustained adverse publicity in national media • Member Dissatisfaction • Significant Injury
Moderate	3	Disruption of several operational areas	• Disruption of a number of operational areas • Financial loss up to £100K • Significant adverse publicity in national media • Injury – lost time • Injury – Compensation claims
Minor	2	Some disruption but can be managed	• Some service disruption but manageable through altered operational routines • Financial loss up to £40k • Significant adverse publicity in local media • Minor injury – no time lost
Insignificant	1	No real interruption to service	• No interruption to services • Minor industrial protest • Financial loss up to £20k • Minor adverse local publicity • Incident – no lost time

Table 3 - Risk Evaluation Scoring Matrix

		LIKELIHOOD				
		Remote 1	Unlikely 2	Possible 3	Probable 4	Highly Probable 5
IMPACT	Catastrophic 5	**5**	**10**	**15**	**20**	**25**
	Significant 4	**4**	**8**	**12**	**16**	**20**
	Moderate 3	**3**	**6**	**9**	**12**	**15**
	Minor 2	**2**	**4**	**6**	**8**	**10**
	Insignificant 1	**1**	**2**	**3**	**4**	**5**

Existing Controls

In this section of the risk register identify the **existing** controls that are in place that are being used to mitigate the risks. These are the specific, relevant controls used to manage the risk.

Controls are defined as "any action taken by management, the board and other parties to manage risk and increase the likelihood that established objectives and goals will be achieved. Management plans, organises and directs the performance of sufficient actions to provide reasonable assurance that objectives and goals will be achieved".

In practical terms controls can be any action that is undertaken from selecting experienced qualified staff to using external providers to give advice to formal procedure manuals. A list of examples of key controls include but not exhaustively:

- Recruitment of qualified experienced staff
- Recruitment procedures
- Business Plan approved by Cabinet
- Team meetings
- Financial procedures
- Formal consent by service users
- Bank reconciliations
- Cabinet approved policies

Residual Risk Score

Following the identification of the existing controls, an assessment of the residual risk score should be undertaken. This score directly identifies the effectiveness of the existing key controls and indirectly the priority to complete further action.

Where the existing controls are ineffective or only provide limited mitigation the residual risk score could be the same or a small reduction against the inherent risk score.

Consideration of risk scores assists management in prioritising resources to mitigate risks. The following table outlines the options normally available for mitigating the risks.

Table 4 - Options for mitigation of risk

LEVEL	Options for mitigation of risk
MAJOR	• Terminate activity • Treat • Transfer
MODERATE	• Treat • Transfer
MINOR	• Treat – where cost is not prohibitively expensive • Tolerate

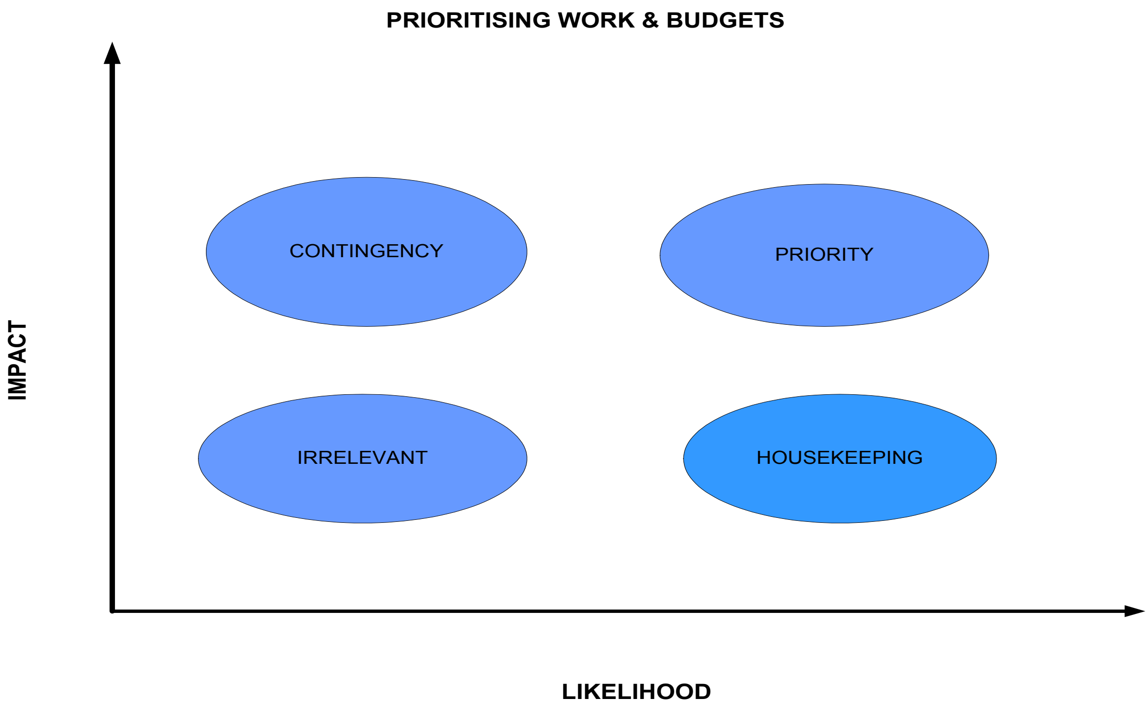
There are four standard options for mitigating risk and these are:

- **Terminate** - can you avoid the activity as the risk is unacceptable due to consequences due to the impact on reputation, financial loss or death? This normally applies to risks with very high residual risk scores.
- **Treat** - can you mitigate the risk? the checks and balances which are built into our everyday business processes (the main type of mitigation)
- **Tolerate** - can you accept the risk? This normally applies to very low residual score risks only.
- **Transfer** - can you transfer the risk? For example through an insurance programme.

Proposed Actions to Reduce Residual Risk Score

After identifying the residual risk score there should be consideration as to whether further actions are required to reduce the residual risk score to the Council's risk appetite. Risk appetite will vary dependent on whether the activity or objective's importance to the Council. The risk owner is responsible for ensuring that reasonable actions to further mitigate the risk score to the Council's appetite are identified, allocated and implemented in a timely manner.

Evaluation - resource allocation / prioritisation



The diagram above illustrates how resource allocation should be viewed in terms of the risk evaluation mechanism. Clearly, high impact / high likelihood risks require resources to be allocated to mitigate risk as a priority.

Response and Assurance

Response

- Identify how each risk is to be dealt with
- Ensure this reduce the level of risk
- Assess whether the control is cost effective and does not exceed the cost of the risk being realised
- Create an action plan with a named owner
- Ensure action plan is managed
- Don’t stifle with control

Assurances

- Is the assurance acceptable
- Are there are effective controls in place
- How are the controls tested
- Is there an auditable trail to demonstrate risk management

Action Planning

If it is identified that the residual risk score is deemed to be above the Council's risk appetite and should be reduced, further actions should be designed so that when they are implemented they reduce the residual risk score to the deemed risk score. In determining the mitigation required to manage a risk, regard must be had to the proportionality of the cost of the mitigation to the cost impact if the risk occurs, i.e. it would make no sense if the cost of control exceeded the cost of impact.

A risk action owner, who may not be the risk owner, should be assigned as the named owner and an achievable target time scale for completion should be formally agreed. It is unacceptable to set a target date of "ongoing" as this does not facilitate the effective management of action delivery.

Risk Monitoring

Risk registers should be monitored on at least a quarterly basis at all levels of management, i.e. SLB, service, division, project to ascertain:

- If all key risks are included
- If new controls need to be put in place
- If any risks can be closed
- The progress in implementing agreed actions. The completed actions should be transferred to the existing key controls column
- If residual risk scores should be rescored, e.g. to reflect completed actions

Managers should have regard to potential risk at all times and should use the risk management approach to help them analyse and manage such risks at the point they are identified. Managers should not wait for the next formal quarterly review.

Risk Reporting

Where issues are identified in undertaking action to mitigate risk, or where the risk has reduced, then the risk owner should consider either escalating a risk upwards (e.g. from service area risk to corporate risk register) or downscaling the risk (e.g. from corporate risk register to service area risk register).

Where to record and escalate a risk

Identify Risks			
Assess Each Risk			
Evaluate Each Risk			
	Minor	**Moderate**	**Major**
*	Record In Operational Risk Register	**Record in Service Area Risk Register**	**Record on Corporate Risk Register**
	Allocate an Owner - Section Head and / or lower tier management as appropriate	Allocate an Owner - (HOS) and / or Section Head	Allocate an Owner - Exec Board and / or HOS
	Manage the risk - consider 4 T's which apply	Manage the risk - consider 4 T's which apply	Manage the risk - consider 4 T's which apply
	Define actions, responsible officers and timescales	Define actions, responsible officers and timescales	Define actions, responsible officers and timescales
	Report to Section Head	Report to DMT	Report to SLB & Members as appropriate.
	Review the residual risk	Review the residual risk	Review the residual risk
	Re-assess	**Re-assess**	**Re-assess**

* In determining where the risk is recorded, please note:

- The distinction between 'Inherent' and 'Residual' risk; based on the prevailing control environment (as per the 'Key Controls') column of the register, it is the 'residual' risk that determines where the risk is recorded.

- The importance of ensuring that the 'Key Controls' defined against each risk are in place and operate effectively, since reliance is placed on them to reduce the inherent risk value.

- Whilst it is recognised that 'Projects' will include their own designated risk registers and arrangements for reporting and accountability, it is important that the principles in terms of risk evaluation and reporting are still applied; in particular, any project risks scored as 'Major' should always be reported to SLB.

- On a quarterly basis, the Audit and Governance Committee receives a report on the Corporate Risk Register so as to support the Committee in delivering its responsibilities in respect of risk management.

Annual Assurance

The Chief Executive, Executive Directors and Heads of Service will provide annual assurance in respect of the development, maintenance and operation of effective control systems for risks under their control. This will provide a key assurance source for the Annual Governance Statement which is prepared by the Council as part of the annual Statement of Accounts.

Risk Management in other Business Processes

The risk management processes defined in other business processes should be complied with. Other business processes include:

Councillors' Decision Making

- Risk associated with proposals must be considered and be included with the standard reporting procedures for Committee.

Service Planning

- Senior managers must consider the risks to achieving their service plans and ensure that these are recorded in the Service level Risk Register.
- Growth and saving proposals should include a risk assessment.
- Reports requesting approval of annual and medium term plans will include risk assessment.

Business Continuity

- The Civil Contingencies Act 2004 places a statutory responsibility on the local authority to establish a system of Business Continuity Management to ensure that critical services continue to be delivered at a time of disruption.

Project Management

- Risk and issue management is a key part of effective Project Management and should be recorded throughout the life time of the project, and link to service and corporate risk registers.

Risk Management Awareness

- The Council is committed to ensuring that all members, officers and partners (where appropriate) have adequate knowledge of the Council's Risk Management approach and this will be delivered through workshop, briefings and internal communication channels.

Completing the "Risk Implications" requirements For Committee and Executive Reports

1. **Reports dealing with Key Decisions contained in the Forward Plan**
   A Key Decision is defined as follows:
   - Any executive decision which is not in the Annual Revenue Budget or Capital Programme approved by the Council and which requires a gross budget expenditure, saving or virement of more than £100,000 or more than 2% of a Departmental Budget, whichever is the greater.

Or

   - Any decision where the outcome will have a significant impact on a significant number of people living or working in two or more Wards.
     - *Such reports would require a risk assessment exercise to have been carried out prior to the report being written.*
     - *The associated risks would need to have been identified and scored according to the prescribed process.*
     - *Mitigating controls should be identified and a 'net risk' score assigned.*
   - Any risks above low priority should be set out within the body of the report along with any proposed controls to further mitigate the risks.
   - The 'Risk Implications' comment should refer to the section of the report dealing with risks.

2. **Other Committee and Executive Reports**
   Reports for decision should contain a comment in respect of risk implications. A number of possible scenarios might apply
   - A full risk assessment has been carried out
     The exercise should be referred to in the body of the report. The 'Risk Implications' comment should refer to the appropriate section of the report.
   - No specific risk assessment has been carried out, but the risks associated with the report are already being addressed as part of the Service Level approach to risk management
     The main body of the report should state this, along with the main risks, control measures and proposed new controls. The 'Risk Implications' comment should refer to the Service Risk Management process.
   - The risks are not, or only partially addressed, either separately or as part of the Service Level approach.
     The 'Risk Implications' comment should state this. It should list the potential key risks, and should state that a separate exercise will be undertaken and reported to the relevant Cabinet Member.

Reports for information or decision where there are no risk implications should include the phrase *No risks have been identified* within the 'Risk Implications' comment.

Examples to assist when completing the 'Risk Implications' requirements on Committee Reports

Having completed your risk evaluation, the following standard phrases may assist you with describing the outcome of your risk assessments (choose the most appropriate statement):

1) A risk assessment has been undertaken; the identified risks have been scored in accordance with the process. Mitigating controls have been identified. The details are referred to in the main body of this report.

2) A risk assessment has been undertaken; the identified risks have been scored in accordance with the process. Mitigating controls have been identified. The residual risk has been entered to the Service / Corporate Risk Register (delete as appropriate*). The details are referred to in the main body of this report.*

3) A Risk Assessment has been undertaken. The most significant risk is in not meeting the required outcomes of this report. This is referred to in the main body of the report.

4) No specific risk assessment has been carried out, but the risks associated with the report are already being addressed as part of the Departmental approach to risk management.

5) The risks are not, or only partially addressed, either separately or as part of the Departmental approach.

Annex A

The Risk Management Strategy

The Risk Management Policy

Roles and Responsibilities

Risk Management Strategy

1. The aim of this strategy is to ensure that within Sefton, risks are identified and managed effectively and are aligned with the ISO 31000.2009 standards.

2. Risk Management is to be an integral part of the planning and decision-making processes of the Council.

3. The Strategy is intended to ensure that Risk Management is embedded in the overall planning process.

4. As Risk Management is integral to the planning and decision making processes, risks will be identified by all levels of management and staff to ensure that the process reflects both a top down and bottom up approach.

5. The process will be driven by a framework of monitoring, review and reporting both internally and by External Audit.

6. Whilst the process of risk management is routinely undertaken within the Council in a number of areas, both at a strategic level (e.g. Management Assurance Framework) and operationally (e.g. procurement 'Risk Assessment' system), it is recognised that there is scope to develop a more integrated risk management approach that facilitates provision of a clear 'golden thread' that links overarching strategic objectives (as per One Council objectives) with Service Area objectives and then to specific (section based) operational activities. As such, the 'three tier' approach ensures that:

   - All activity throughout the Council is focussed towards supporting strategic objectives, and management are better able to allocate resources efficiently (potential to generate savings).

   - There is a clear alignment between management accountability and responsibility (e.g. The Chief Executive / SLB should only be concerned with the most significant risks).

   - All staff, at all levels, operate with a greater understanding of how their role is valuable to the Council, and the importance of risk mitigation in the fulfilment of their duties (i.e. a fully embedded risk management approach).

7. In order to move towards a more formal, integrated, embedded approach, and recognising that such fundamental changes in approach and mind set cannot be achieved overnight, this strategy sets out a plan to bring together and develop existing risk management practices:

   2018 - The Service Area Risk Registers and Section (Operational) Risk Registers are reviewed / moderated (where sectional risk registers are already in place), and where required, sectional risk registers are created

8. In tandem with the above developments, it is important that an according level of training is provided, initially at senior management level, and then cascading down to other managers.

Risk Management Policy

Introduction

This policy defines how Sefton will implement the effective management of risks and opportunities.

Risk management is a central part of Sefton's strategic management and its corporate governance. Effective risk management makes sound business sense and is good management.

The focus of good risk management is the identification and treatment of risk.

Risk management should be a continuous and developing process which runs throughout the Council's activities. A systematic approach to identifying and analysing risks is an integral part of all management processes and day-to-day working, rather than a separate initiative.

Risks have always been managed but it is necessary to formalise this process and to make it transparent, as prescribed by 'Delivering Corporate Governance in Local Government' (CIPFA, 2016).

The Chief Executive and SLB have the responsibility for promoting the strategy throughout the Authority. The Head of Corporate Resources is the designated risk champion.

Objectives of the Risk Management Strategy

1. To embed risk management into the culture and operations of the Council.

2. To promote risk management as an integral element of business planning and decision making and performance management.

3. To maintain an effective process of key risks identification, analysis and control.

4. To manage risk in accordance with best practice.

5. To anticipate and respond to changing requirements whether political, economic, social, technological, legislative or environmental (PESTLE)

6. To ensure that there is clear accountability for both the ownership and cost of risk and the tools used to effectively reduce risk.

7. To improve governance and raise awareness of the need for risk management by all those connected with the Council's delivery of services.

8. To increase organisational resilience.

9. To improve stakeholder confidence and trust

10. To reduce the overall cost of risk

The Council aims to achieve these objectives by:

1. Establishing clear roles, responsibilities and reporting lines within the Council for Risk Management.
2. Developing a common approach to the identification and analysis of risk and evaluating the most cost effective method of treating each significant risk identified.
3. Developing a framework for allocating resources to identified priority risk areas.
4. Reinforcing the importance of effective risk management through training and providing opportunities for shared learning.
5. Incorporating risk management considerations into the Council's decision-making, business planning and performance management processes.
6. Monitoring risk management and internal control arrangements on a regular basis.
7. Reporting to Members and stakeholders on the effectiveness of the strategy.

Key Member Roles and Responsibilities

All Elected Members are responsible for governing the delivery of services to the local community. Members have a responsibility to understand the strategic risks that the Council face and will be made aware of how these risks are being managed through the annual strategic and service planning process.

Members should not seek to avoid, or delegate this overall responsibility, as it is key to their stewardship responsibilities.

Members' Key Responsibilities
Cabinet Member with Corporate Services portfolio will be the Council's Member Champion for Corporate Risk Management.

Cabinet

- Approve the risk management strategy and policy
- Monitor the Council's risk management and internal control arrangements through the Audit and Governance Committee.

Cabinet Members with Portfolio Responsibility

- Will work with Heads of Service to ensure effective Risk Management, by developing action plans for the key risks and establishing relevant PI's to measure their performance through the performance management framework.

Audit and Governance Committee

- Will approve the Annual Governance Statement that reflects the effectiveness of the Council's risk management process.
- Will review the effectiveness of the Council's risk management framework, and ensure that it is fit for purpose.

Overview and Scrutiny Committee

- Will review the strategic performance and associated risks of partners, through the powers of the Local Government and Public Involvement in Health Act 2007, and will hold partners to account where appropriate.

Key Officer Roles and Responsibilities

Chief Executive and the Strategic Leadership Board

The Chief Executive and the Strategic Leadership Board play key roles in promoting and embedding risk management within the Authority.
They will:

- Support and promote risk management throughout the Council
- Identify and assess strategic risks on a regular basis

The individual Heads of Service will be responsible for developing relevant action plans for key risks and establishing KPIs to measure their performance.

Head of Corporate Resources

- Will be the lead officer for the Council on Risk Management.
- Maintain an effective corporate risk strategy and policy and, through the Chief Internal Auditor, report to Audit and Governance Committee on the adequacy of the risk management arrangements.

Heads of Service

Heads of Service will demonstrate commitment to risk management by:

- Incorporating the risk management process into service planning processes
- Prepare, review and refresh service risk registers
- Encouraging staff to be innovative and to recognise their achievements.
- Encouraging staff to be open and honest in identifying risks or missed opportunities.
- Ensuring that the risk management process is part of all major projects, partnerships and change management initiatives.
- Regularly monitor and review actions plans and associated KPIs to reduce or control the significant risks.

Managers

- Need to understand their role in the risk management process
- Understand risk management and the benefits in order to achieve their objectives.
- Understand how to evaluate risks and when to accept the right risks in order to pursue an opportunity.
- Maintain sound systems of internal control.

All Employees

- Have responsibility for identifying opportunities as well as risks in their day-to-day duties and take advantage of opportunities or limit the likelihood and impact of risks.

Risk Management Coordinator - Chief Internal Auditor

- Co-ordinate and promote the adoption of the risk management processes across the Council
- Challenge risk identification and evaluation
- Annually review the risk management strategy

Risk Manager

- Manage the 'Risk Management Strategy' to facilitate evolution of the risk management function to a fully embedded system.
- Co-ordinate and maintain the central record of the Corporate Risk Register
- Will attend Service Management Meetings to support the revision of service risk registers and escalated risks on the Corporate Risk Register.

Internal Audit

Internal audit's role is to provide assurance to officers and members on the effectiveness of controls. Internal Audit reflects on the results of the corporate and departmental risk analysis when developing the annual audit plan.

Annex B

Risk Register Template

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(*name of service*) **Risk Register**								Reported to: Date:							
Details of Risk					**Inherent Risk**				**Residual Risk**			**Actions**			
Ref	**Risk Description**	**Trigger**	**Result**	**Owner**	**Probability**	**Impact**	**Score**	**Existing Controls**	**Probability**	**Impact**	**Score**	**Proposed Action Plans**	**Owner**	**Target Date**	**Action Status**
1															
2															
3															
4															
5															

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