



Audit Committee – 30th April 2014

RISK MANAGEMENT FRAMEWORK REVIEW

1. Purpose of Report

- 1.1 The purpose of this report is to submit the draft revised Risk Management Framework for consideration and comment, before consideration and approval by Cabinet.
- 1.2 It is important that the Risk Management Framework remains up to date in order to accurately reflect the effective and efficient management of risks to the achievement of objectives. This is of particular relevance given the Future Council programme.

2. Recommendations

2.1 It is recommended that the Audit Committee:-

- (i) Considers the draft Risk Management Framework; and,**
- (ii) Subject to changes emanating from the comments of the Committee, that the full draft revised Risk Management Framework is referred to Cabinet for further consideration and approval.**

3. Introduction

- 3.1 Risk Management is not about eliminating risk or being risk averse, it is about being aware of and managing acceptable risk in the pursuit of agreed objectives. The Risk Management Framework includes the Risk Management Policy Objective Statement and Risk Management Strategy, which sets out how the Authority will seek to embed this approach to risk into its normal activities through the ongoing development of a risk management culture.
- 3.2 The Risk Management Framework, including the Risk Management Policy Objective Statement and Risk Management Strategy are also key elements in the implementation of good governance arrangements and form key elements of the Council's Annual Governance Review process.
- 3.3 The Risk Management Policy Objective Statement and Risk Management Strategy were last reviewed in 2013, and it is now appropriate to consider a full review of the complementary framework, in order to ensure it reflects the rapidly changing national and local context and the Authority's own situation with regard to the medium term financial position and the ongoing arrangements relating to the Future Council Programme.

4. Risk Management Framework - Key Issues

- 4.1 The delivery of the Risk Management Policy Objective Statement, contained within the Risk Management Framework is crucial to the successful

embedding of a culture where Risk Management is considered a part of normal business processes.

4.2 The recent review of the Risk Management Framework included consideration of any appropriate changes or amendments to the Risk Management Policy objectives, which were last amended in March 2013. The review of this document identified that inclusion of the development of business units as part of the Future Council programme should be included. A revised copy of the Policy Objective Statement is attached as Appendix One to this report.

4.3 The Risk Management Strategy document sets out the essential elements for the successful delivery of the Policy Objectives, and also sets out how assurance will be provided that risks are understood and are being managed appropriately. The Framework contains the following documents:

- Risk Management Strategy;
- Risk Management Policy Statement;
- Risk Champion Role Description;
- Risk Tolerance and Escalation Model;
- Risk Challenge Process;
- Cabinet Report Writing Guidance;
- Project and Programme Risk Management Protocol;
- All Member Guidance Note; and,
- Risk Management Training Strategy.

4.4 This iteration of the Strategy has been significantly amended to include recommendations identified following the completion of the ALARM / CIPFA Benchmarking exercise for 2013/14. The outcomes of this, relevant to the Risk Management Framework included:

- A forward to the Framework, produced and endorsed by a member of the Authority's Senior Management Team;
- Amendments to the language contained within the Framework which encourage the consideration of 'up-side' or opportunity risk management;
- Details of how any potential conflicts would be resolved, within the Roles and Responsibility section of the Risk Management Strategy;
- Quantifiable Risk Management Performance Indicators;
- A three year strategic plan, detailing broad objectives for future years; and,
- Development of the Authority's Risk Appetite or Risk Acceptance Model - previously referred to as the 'Risk Tolerance Model';

The significant changes to the Framework are therefore contained within the **Risk Management Strategy**, the **Risk Champion Role** and the Risk Tolerance and Escalation Model (now known as the **Risk Acceptance Model**), all of which are detailed within this report.

5. Risk Management Strategy

- 5.1 The revised iteration of the Risk Management Strategy is attached as Appendix Two to this report. This document now benefits from a short introductory paragraph, written by the Director Finance, Property and Information Services, which aims to position Risk Management as a way:

'...to success and excellent performance. It should be no longer considered a barrier to change, or a way of justifying the status quo...'

It is envisaged this will assist in further developing a culture of managed risk taking within the Authority.

- 5.2 The Risk Management Strategy has also been revised to include, where appropriate consideration of Opportunity Risk Management. This is particularly relevant to the consideration of Future Council activity and associated change management, where it is clear a significant amount of risk taking is being encouraged in order to successfully achieve the ambitions of the Future Council strategy.
- 5.3 Section Five of the Strategy details the Roles and Responsibilities within the Risk Management arrangements. These have been amended to include a short section on conflict resolution in the event of any tension between stakeholders.
- 5.4 Section 12 of the Strategy details the performance metrics to assist in the measurement of the success of the delivery of the Risk Management Framework. Significant revisions to these metrics have been considered, and a revised suite of indicators are now included.
- 5.6 Section 13 details a broad, three year Strategic Plan for the further development and embedment of Risk Management activities within the Authority, which will be used to define and develop future workplans and operational outcomes.

6. Risk Acceptance Model

- 6.1 The Risk Management Framework previously included the Risk Tolerance and Escalation Model, which was designed to encourage the upwards escalation of significant risks. The introduction of the Public Sector Internal Audit Standards (PSIAS), and the publication of advice from the Institute of Risk Management (IRM) has encouraged consideration of an organisational wide Risk Appetite model.
- 6.2 In order to encourage a culture of informed and managed risk taking, the Risk Appetite Model for BMBC has been branded as the 'Risk Acceptance Model'. The significant differences between the old Risk Tolerance and Escalation Model, and the new Risk Acceptance Model include:
- Consideration of the risk Current and Target Scores, and the appropriateness of risk mitigation actions in the context of improving or maintaining risk scores; and,

- Consideration of the 'Statement of Acceptance' for different groupings or risk themes;

6.3 The revised Risk Acceptance Model is attached as Appendix Three to this report.

7. Risk Champion's Role

7.1 The Risk Champion role has been further developed to include details of suggested / expected activities and outcomes that a risk champion is expected to deliver, or be involved in the delivery of. These activities have been broken down into those expected to be undertaken on an annual, bi-annual, quarterly and monthly basis. The revised Risk Champion role is attached as Appendix Four to this report.

8. Policy Objective Statement

8.1 It is envisaged that following discussion and subsequent approval by the Audit Committee, the Chief Executive and the Cabinet Spokesperson for Corporate Services will sign and endorse the revised Risk Management Policy Object Statement for 2014 / 15.

9. Delivering Corporate Plan Priorities and Future Council Themes

9.1 The Risk Management Policy Objective Statement and Strategy seeks to ensure that those significant risks which could impact upon the delivery of the Authority's objectives, as set out in the Corporate Plan are appropriately managed in order to minimise the significant potential obstacles to the achievement of corporate objectives. Likewise, the Policy Objective Statement and Strategy is positioned to support the consideration of innovative solutions relating to the Future Council Programme.

10. Risk Management Issues

10.1 The report focuses upon the development of the Risk Management Policy Objective Statement and Strategy and the contribution this will make to the embedding of a risk management culture throughout the Authority.

11. Financial Implications

11.1 There are no specific financial implications arising directly from this report although there is often a cost in taking (or not taking) specific action identified through the risk management process. Most individual Cabinet reports have financial implications and so the application of good risk management principles as set out in the Policy and Strategy are vital to ensure the most effective use of resources.

12. Appendices

12.1 Appendix One – Risk Management Policy Objective Statement
Appendix Two – Risk Management Strategy
Appendix Three – Risk Acceptance Model
Appendix Four – Risk Champion's Role

13. Background Papers

- 13.1 Various paper and electronic files which are available for inspection at the Westgate Plaza One offices of the Authority.

Contact Officers: Head of Internal Audit and Risk Management

Telephone: 01226 773241

Date: 17th April 2014

Barnsley Metropolitan Borough Council Risk Management Policy Statement

The Council and its employees are committed to the embedding into Corporate business processes and operations Risk Management policies and procedures which maximise opportunity and minimise uncertainty, through the identification and appropriate control of all significant risks which may affect the achievement of Corporate Objectives.

Policy Objectives:

The Council and its employees will seek to achieve the statement above through the following Risk Management Policy Objectives:

- To manage risks (and benefits or opportunities arising) in accordance with best practice through a culture where responsible, informed and controlled risk taking is encouraged, within agreed Risk Tolerance parameters;
- To respond to new and emerging risks, including risks arising from changes in economic, financial, social, legislative, compliance, sustainability and environmental requirements;
- To consider and monitor all aspects of risk arising from Programmes, Projects and significant Partnerships or Relationships;
- To have in place plans for dealing with risks which may occur, including the development, maintenance, exercising and testing of comprehensive Authority wide and service based emergency resilience and business continuity plans in order to help mitigate the effects of a major incident or significant service disruption;
- To contribute to the effective Corporate Governance arrangements within the Authority, through the embedding of Risk Management policies and procedures into the Authority's processes and operations;
- To contribute to the achievement of budget savings by advising on the Future Council Programme and assisting in the assessment of Key Lines of Enquiry (KLoEs) related risk areas to provide assurances to the Senior Management Team that risks are being effectively managed and mitigated, that Leadership are making informed, risk based decisions and to assist in the provision of assurance that the Authority remains 'safe', including the development of Business Units;
- To support and where possible enable partners and community groups to become more actively involved in the provision of services that may be delivered on behalf of the Authority, by improving their capacity and competency in terms of risk awareness and controlled risk taking; and,
- Supporting the developing Area Council arrangements to ensure they are well governed and 'risk enabled' in their own decision making and operational activities.

The Objectives will be supported through:

- The continued development and implementation of a Risk Management Framework which facilitates the effective and efficient management of Risk;
- The integration of Risk Management into the Corporate business processes of the Authority;
- The support and encouragement of Risk Management activity throughout the Authority and the recognition of the roles and responsibilities of all stakeholders;
- The provision of practical guidance for management in developing best practice and core competencies and skills for Risk Management;
- The development and delivery of training schemes in risk awareness for all appropriate employees, Elected Members and other relevant parties;
- The regular review of Risk Registers including the escalation of risks falling outside of agreed acceptance levels; and,
- The provision of assurance through timely and regular reports that the significant risks relating to the achievement of Corporate Objectives are appropriately managed.

Signed:

Signed:

Date:

Date:

**Chief Executive
Barnsley Metropolitan Borough Council**

**Cabinet Spokesperson (Corporate Services)
Barnsley Metropolitan Borough Council**

Barnsley Metropolitan Borough Council Risk Management Strategy March 2014

1. Forward

The period 2014 and beyond represents a difficult and challenging time for Barnsley Metropolitan Borough Council.

Ongoing austerity measures, changes to the governance structures of the Authority in light of Area Councils, and a significant transformational programme that seeks to identify and develop the 'Future Council' model and business units, means there will be unprecedented uncertainties and threats to the ongoing delivery of high quality services by BMBC.

The effective management of risk will therefore play an important part in the overall management and delivery of this change programme. We cannot afford to simply drive forward in pursuit of our goals and vision without first proper understanding the threats, and opportunities that may be presented.

By applying Risk Management techniques, we will be able to better understand these threats and either make plans to mitigate them, or decide to accept the risk and adapt to it.

Risk Management is an enabler to success and excellent performance. It should be no longer considered a barrier to change, or a way of justifying the status quo.

Effective Risk Management does not intend to eliminate risk, or foster risk aversion. It aims to provide a mechanism to identify, understand and be aware of the threats to our objectives.

I therefore commend the revised Risk Management Policy and Strategy to you.

*Frances Foster, CPFA
Director Finance, Property and Information Services
March 2014*

2. Introduction

What is Risk?

Risk can be defined as the threat that an event or action will adversely affect an organisations ability to achieve its own objectives.

A 'risk' is made up of an **event**, which if it manifests will have a **negative impact** on the Council's **objectives**.

Risk is considered in terms of the probability of an occurrence, together with the possible impact, usually expressed by the potential financial loss, and damage to reputation.

However, Risk should also be considered and thought of more positively in terms of the context of both missed opportunities, and opportunities that have not been maximised or properly exploited.

What is Risk Management?

Risk Management is the structure, process and culture that is employed to assist in maximising opportunity, whilst minimising any associated uncertainty.

Risk Management assists in the delivery of the Council's own agenda, including the three main corporate priorities for the Borough, as described in the Corporate Plan for Barnsley (2011 –2015), which are as follows:

- Growing the Economy;
- Improving peoples potential and achievement; and,
- Changing the relationship between the Council and the Community.

These are further underpinned by a priority regarding 'how' as an organisation we are going to ensure that we improve and change, which is broken down into three themes:

- Customers;
- People; and,
- Resources.

2.1 Managing the risks that could influence the achievement of policy objectives is an essential part of the Authority's Corporate Governance arrangements and Internal Control Framework. This is recognised in the Accounts and Audit Regulations 2011, which requires an authority to have:

'... a sound system of internal control which facilitates the effective exercise of that body's functions and which includes arrangements for the management of risk.'

2.2 The aim of the Risk Management Policy and Strategy is to manage risks to corporate objectives and, where possible, reduce these to an acceptable level. However, it is not the intention to be risk averse, and it is recognised that risks taken in pursuit of objectives will not always be capable of mitigation to the agreed, acceptable levels.

2.3 Considerable progress has been made throughout the Authority in the last few years in the introduction of Risk Management policies and procedures which contribute to the development of a Risk Management culture. However, in light of unprecedented changes to Local Government in more recent years, it is envisaged that robust and embedded Risk Management systems are needed more than ever to facilitate and support change in terms of new models of service delivery, to assist in the identification of risks (and opportunities) therein, and to ultimately contribute to the provision of assurance regarding the Authority's compliance, performance and overall robustness of its Internal Control and Governance Framework.

2.4 This Strategy document sets out how a culture of Risk Management will be further developed in the next few years. The essential elements required to encourage the further development of a Risk Management culture are an agreed policy, process and framework which assists in the achievement of corporate objectives and priorities (incorporating linkages to Service Delivery Plans, the Future Council Programme and the development of Business Units) without imposing undue regulation.

- 2.5 Risk Management should be seen to be an essential enabler to the delivery of services, the achievement of objectives and the effective performance management of the Authority.

3. Risk Management Policy

- 3.1 The Policy sets out the overall vision and purpose of Risk Management within the Authority, defines the objectives necessary to the successful delivery of that vision, and details how those objectives will be supported.
- 3.2 The Policy is subject to regular review and any proposed amendments are then agreed and accepted by the Senior Management Team and Cabinet.

4. Risk Management Strategy

- 4.1 The purpose of the Strategy is to provide the components for delivering the Policy and ensuring that Risk Management arrangements are maintained throughout the Authority. The components of the Strategy are:

- Roles and Responsibilities;
- Risk Management Process;
- Risk Review;
- Risk Acceptance;
- Risk Recording;
- Guidance, Training and Facilitation;
- Assurance;
- Performance Management; and,
- Strategic Plan.

These components are further detailed later in this document.

- 4.2 Whilst the principles and mechanics of Risk Management remain fairly constant, the environment in which the Authority operates is changing fast. Where there is change, there is risk and it is therefore critical that across the Authority, Managers and Elected Members are clear about the Risk Management process, and its intended benefits to minimise the chance of something going wrong, or missing an opportunity.

5. Roles and Responsibilities

- 5.1 In order to ensure that the Authority's Risk Management arrangements are implemented and delivered successfully, it is essential that corporate and individual roles and responsibilities are clearly defined.
- 5.2 It is therefore important to ensure that everyone within the organisation understands how their responsibilities fit into the Risk Management Framework. The following tables sets out a summary of the individual roles and responsibilities of Elected Members, specific officers, Managers and employees. It also sets out the support available to discharge those responsibilities and how assurance on the overall effectiveness of the Risk Management Framework is established:

The following roles are designed to assist in the **delivery** of effective Risk Management:

Role:	Outcome(s):
Elected Members	<p><i>Cabinet Spokesperson (Corporate Services) is the Risk Management Champion at Member level.</i></p> <ul style="list-style-type: none"> ▪ To oversee the effective management of risk by officers; and, ▪ Be involved in the identification of high level, strategic risks.
Cabinet	<ul style="list-style-type: none"> ▪ To approve the Risk Management Policy and Strategy; ▪ To ensure risk is considered as part of the decision making process; and, ▪ Ownership of the Strategic Risk Register.
Chief Executive	<ul style="list-style-type: none"> ▪ To lead in the embedding of a Risk Management culture within the Authority; and, ▪ To endorse the Risk Management Policy Objective Statement.
Senior Management Team	<p><i>Director Finance, Property and Information Services is the SMT Risk Champion for the delivery of the Risk Management Framework.</i></p> <ul style="list-style-type: none"> ▪ To ensure that the organisation manages risk effectively; and, ▪ Approval of levels of risk appetite;
Directorate Management Teams	<ul style="list-style-type: none"> ▪ To ensure risks are managed in each service area, projects and relationships for which they are responsible.
Service Managers / Project Managers / Partnership Lead Officers	<ul style="list-style-type: none"> ▪ To manage risk effectively in their service area, project or relationship for which they are responsible; and, ▪ Adherence to relevant controls such as Prince 2 for project managers, and / or the Partnership Governance Framework for partnerships.
Employees	<ul style="list-style-type: none"> ▪ Be aware of and consider risks in the fulfilment of operational duties and contribute to service, division and Directorate Risk Management arrangements as appropriate.

These roles are further **supported** by:

Role:	Outcome(s):
Risk Management Section	<ul style="list-style-type: none"> ▪ To support the Council and its Services in the effective development, implementation and review of the Risk Management Framework; and, ▪ To manage the delivery of the Policy Objectives and monitor the progress towards the achievement of Risk Management Performance Indicators.
Risk Champions	<ul style="list-style-type: none"> ▪ To promote and facilitate Risk Management arrangements within their Directorate - see full role description attached as Appendix 3 to this report.

All of the above roles are designed to provide **assurances** to:

Role:	Outcome(s):
Audit Committee	<ul style="list-style-type: none"> ▪ To provide assurances to the Council on the adequacy and effectiveness of the Risk Management Framework and challenge,

Role:	Outcome(s):
	through the consideration of periodic reports, how the Risk Management Framework is being implemented, and its overall impact.
Internal Audit	<ul style="list-style-type: none"> ▪ To provide assurance to management on the effectiveness of Internal Controls, including the Risk Management Framework through an annual audit.

5.3 In the event of any conflicting interests, the Head of Internal Audit and Risk Management will arbitrate and adjudicate between the conflicting parties in order to identify a suitable resolution for all parties.

5.4 The Roles and Responsibilities regarding the successful implementation and delivery of the Risk Management framework are also detailed in the Authority's Competency Framework.

6. Risk Management Process

6.1 The Risk Management Process provides a systematic and effective method of managing risks at different levels within the Authority. The process requires every significant risk to be:

- Identified, described and owned / allocated to a named manager;
- Assessed for likelihood and impact;
- Mitigated; and,
- Reviewed.

6.2 Risks are contained within a series of Risk Registers, at strategic, operational, partnership and project levels. Each register is reviewed on a regular basis and new and emerging risks are considered at that time.

7. Risk Review

7.1 Each Risk Register is subject to a formal periodic review by register owners both in relation to current risks, and the consideration of new and emerging risks. Following each review, those risks falling outside of defined acceptance levels should be escalated and reported to management in accordance with the Risk Acceptance Model.

7.2 Operational Risk Registers are also subject to periodic detailed and facilitated reviews, or 'Challenges' undertaken by the Risk Management Section in conjunction with register owners. This process includes a review of the alignment of risks to Service Delivery Plan objectives, the consideration of generic risks, and the reporting and escalation arrangements for 'out of acceptance' risks.

8. Risk Acceptance

8.1 It is recognised that at times, risks which exceed agreed acceptance levels will be accepted in the pursuit of an objective. Procedures are in place to ensure that these risks are appropriately recognised and reported. Equally, risks which fall within agreed acceptance levels can be reviewed to ascertain

whether resources can be safely channelled to other areas that require further mitigation.

- 8.2 Risk Appetite is the overall level of exposure to risk which is deemed acceptable within the organisation. It is a series of boundaries, authorised by Senior Management in order to give clear guidance on acceptable limits of risk, whether a threat or opportunity. The Public Sector Internal Audit Standards (PSIAS) makes direct reference to the risk appetite of the organisation in the context of determining priorities for internal audit activity. This is also underpinned by the Institute of Risk Management's publication on Risk Appetite and Acceptance.
- 8.3 Risk Appetite is translated into Risk Acceptance levels, which are defined through the Category Score, allocated to each risk. Risks which fall outside of agreed Risk Acceptance levels are reported to Senior Management, using the Risk Acceptance Model.
- 8.4 All reports to Cabinet are required to provide details of any potential significant risks in proposed policy changes, Programmes or Projects. The report must include a specific section on Risk Management implications, where an articulation of the significant risks associated with the proposal, along with assurances that appropriate mitigations actions are (or will be) in place should be detailed. This activity will ensure that report authors are able to provide accurate and appropriate information on the management of risk.

9. Risk Recording

- 9.1 The recording, control and monitoring of corporate risks is facilitated through the use of the Corporate Risk Management system, Morgan Kai Insight (MKI). Risks are recorded in a series of Risk Registers which incorporate specific information about individual risks, the existing controls in place, and action plans intended to further mitigate those risks.
- 9.2 The software system ensures a structured, comprehensive and consistent approach to the recording and categorising of risks across all Risk Registers. The benefits of this include the adoption of a common approach, the comparison of risk profiles across services and the development of an overall risk profile and Risk Appetite. It also provides the framework for the continuous monitoring and review of risks, and a common approach to the reporting of risks.
- 9.3 The MKI software is available to all Services and training on its use is provided by the Risk Management Section to nominated users. Training is complemented by a detailed BMBC produced User Manual to assist users in maximising the usage of MKI.
- 9.4 In certain circumstances some project and programme registers will be maintained outside of the corporate software system, MKI. These will be managed within the P2.net Project and Programme Management system, such as Future Council / Key Lines of Enquiry activities. A Project and Programme Risk Management Protocol has been written to provide guidance to assist in the harmonisation of Corporate Risk Management and Project and Programme Risk Management. Essentially:

- Risks to the successful delivery of the KLoE or activity are logged, managed and reported through the P2.net system; and,
- Risks to the post KLoE position / ongoing service delivery are logged, managed and reported through the MKI system.

9.5 Similarly, some Partnership related risk registers are contained within other applications and systems, outside of MKI and the Authority's own Risk Management Framework. The provision of assurance is embedded within the Risk Management reporting arrangements, to ensure that the Authority is satisfied that relevant partnership and relationship risks are managed appropriately.

9.6 A stand alone Risk Register has been designed as part of the Schools Risk Management Framework, as it is not currently possible for Schools to access either MKI or P2.net.

10. Guidance, Training and Facilitation

10.1 Comprehensive information contained within the Risk Management Framework can be found on the Risk Management Intranet site.

10.2 Periodic training for Elected Members and Managers is available from the Risk Management Section on all aspects of Risk Management. All forms of training and facilitation offered by the Risk Management Section are detailed in the Risk Management Training Strategy, which forms part of the Risk Management Framework.

10.3 Furthermore, a Risk Management awareness module is now included in the Authority's electronic learning resources, BOLD.

11. Assurance

11.1 The provision of assurance that risks are understood and managed appropriately is an essential measure of the adequacy and effectiveness of the Authority's Risk Management Framework. This assurance is provided in the following ways.

11.2 The Risk Management Section ensures the presentation of an annual Risk Management report to the Audit Committee. This will be supplemented by further update reports throughout the year, and specific reports on the development of the Strategic Risk Register. Where possible, these reports are initially circulated to Risk Champions for comment, prior to being presented at Audit Committee.

11.3 Reports on the development of the Strategic Risk Register will also be presented to the Senior Management Team and Cabinet.

11.4 An annual, independent review of the Risk Management arrangements is undertaken by the Authority's Internal Audit Section.

11.5 The Risk Management arrangements of each Service are subject to review as part of the process for the compilation of the Annual Governance Statement.

12. Performance Management

- 12.1 It is essential that the success of the Risk Management Strategy can be measured. The measurement of performance corporately is however difficult and somewhat subjective. Work is continuing to develop appropriate measures to manage risk management across the Authority. An initial indicative list of performance indicators (PIs) have been developed, and are attached as appendix one.
- 12.3 A number of proposed PIs make reference to the maintenance or improvement of scores relating to the ALARM / CIPFA Benchmarking exercise. The results of this exercise are described in terms of an overall percentage, which is then compared to national averages, as well as summarised in terms of overall maturity. It is proposed to focus on the overall maturity levels, rather than focus on the detailed percentage scores.
- 12.4 The PI relating to 'deviance from previous average risk category score' provides a snapshot of the overall risk category score for all risks logged in MKI. This is intended to provide assurances regarding the overall level of risk for the Authority regarding risks logged in MKI.

13. Strategic Plan

- 13.1 The consideration of longer term objectives for the RMS are detailed below:

Year	Activity
14/15	Implementation and embedment of Morgan Kai version 8 including the encouragement of risk owners and managers to participate in process
	Further integration and support to South Yorkshire Joint Secretariat arrangements, including the maintenance of external clients
	Resolution of conflicts between Morgan Kai Insight and other corporate systems and databases in current use
	Completion of Institute of Internal Auditors Certificate for Corporate Risk Management Officer to contribute to the overall professionalism and development of the service
	Development of Future Council Risk Management arrangements, including supporting the emerging Business Units and their own governance arrangements
15/16	Supporting and developing Risk Management arrangements for Business Units and Trading Services
	Embedment of Future Council Risk Management arrangements
	Supporting the Town Centre Delivery Board's Risk Management arrangements
16/17	Review and refresh of Future Council Risk Management arrangements
	Full review and refresh of Strategic Risk Register to reflect Future Council arrangements

14. Opportunity Management

- 14.1 The development of the Future Council model and the creation of a Local Authority trading company structure provides the framework for the Authority to move towards a new approach to service delivery in terms of trading services or Business Units.

- 14.2 The creation of Business Units offers new opportunities for these trading services to potentially generate new income streams going forward from 2015/16 onwards, thereby securing their immediate future and providing viable and sustained employment for staff.
- 14.3 These opportunities must be carefully managed via robust and realistic Business Cases, and this is where, by applying risk management principles and techniques, the chances of lost or missed opportunities can be minimised, and the risks to the viability and overall success of the business units can be identified and addressed at an early course. Although this area of change is currently in a planning phase, it is envisaged that the RMS will be able to offer assistance and guidance to assist in the delivery of these new ways of working.

15. Risk Management Arrangements for Other Bodies

- 15.1 The Risk Management Section will seek to expand the service by exploring opportunities for market testing its services, where there is a clear benefit in terms of operational synergies, economies of scale, service continuity and employee development. Consideration will always be given to ensuring the continuity and quality of service to existing (internal) clients.

16. Advice and Guidance

- 16.1 Guidance documents relating to the matters detailed in the Risk Management Strategy are available on the Authority's Risk Management Intranet site. Further advice and guidance can be provided by the Risk Management Section. Contact details are as follows:

Name / Designation	Contact Details
Adrian Hunt – Principal Corporate Risk Management Officer	adrianhunt@barnsley.gov.uk 01226 77 3119
Ian Walker – Corporate Risk Management Officer	ianwalker@barnsley.gov.uk 01226 77 3146
Rob Winter – Head of Internal Audit and Risk Management	robwinter@barnsley.gov.uk 01226 77 3241

17. Appendices

- 17.1 Appendix One: Draft Performance Indicators 2014/15

Appendix One: Draft Performance Indicators 2014/15

Indicator	Quarter One: 01/04/2014 - 30/06/2014	Quarter Two: 01/07/2014 - 30/09/2014	Quarter Three: 01/10/2014 - 31/12/2014	Quarter Four: 01/01/2015 - 31/03/2015
Process:				
% of Services completing Operational Risk Register Review on time	100%	100%	100%	-
Maintenance / improvement of ALARM / CIPFA Benchmarking scores relating to Leadership and Management	Assessed Level: '4: Embedded and Integrated' (Actual score 77: +0.6% deviance on national average)			
Maintenance / improvement of ALARM / CIPFA Benchmarking scores relating to Policy and Strategy	Assessed Level: '5: Driving' (Actual Score 85: +6.9% deviance on national average)			
Maintenance / improvement of ALARM / CIPFA Benchmarking scores relating to People	Assessed Level: '5: Driving' (Actual Score 85: +8.7% deviance on national average)			
Maintenance / improvement of ALARM / CIPFA Benchmarking scores relating to Partnerships and Resources	Assessed Level: '3: Working' (Actual Score 65: -5.1% deviance on national average)			
Maintenance / improvement of ALARM / CIPFA Benchmarking scores relating to Processes	Assessed Level: '4: Embedded and Integrated' (Actual Score 72: -5.5% deviance on national average)			
Changes to Risk Profile:				
Deviance from previous Average Risk Category Score	3.09	-	3.23	-
Outcomes:				
Maintenance / improvement of ALARM/CIPFA Benchmarking scores relating to Risk Handling	Assessed Level: '3: Working' (Actual Score 49: -21.3% deviance on national average)			
Maintenance / improvement of ALARM/CIPFA Benchmarking scores relating to Outcomes and Delivery	Assessed Level '3: Working' (Actual Score 50: -17.7% deviance on national average)			

Risk Acceptance Policy (Risk Tolerance and Appetite Model)

October 2013

1. Background and Context

- 1.1 In order to help mitigate against the impacts of the current austerity measures and to drive forward the changes that will assist in delivering the vision for the Authority, it is necessary to ensure the organisation is able to maximise and exploit important opportunities and innovative solutions.
- 1.2 In the context of changing public services, relating to how services will be delivered, to what level and by whom, it is essential to ensure the Authority is able to:
- Respond positively to challenges;
 - Make the most of limited, and reducing resources;
 - Ensure plans, projects and programmes are appropriately resourced to maximise success and deliver the intended priorities and outcomes; and,
 - Implement robust arrangements to performance manage progress.
- 1.3 In order to enable the changes required to deliver the 'Future Council' model, and change the way the Authority thinks and acts, it is important to provide a framework in which innovation and managed risk taking is encouraged, within the overall tolerances and boundaries in which the Authority operates. Within this framework it is also important to ensure the Authority's stakeholders are provided with robust assurances that ultimately, the organisation remains safe and well governed.
- 1.4 Whilst risk management within the Authority is embedded and working, issues regarding tolerance, risk taking / opportunity taking and the overall level of risk the Authority is willing to accept when dealing with cultural, economic, social and demographic challenges requires review. This will help ensure these issues contribute, and enable the changing culture from traditional risk aversion to one of managed, informed risk taking and acceptance.

2. Risk Appetite – What can we accept?

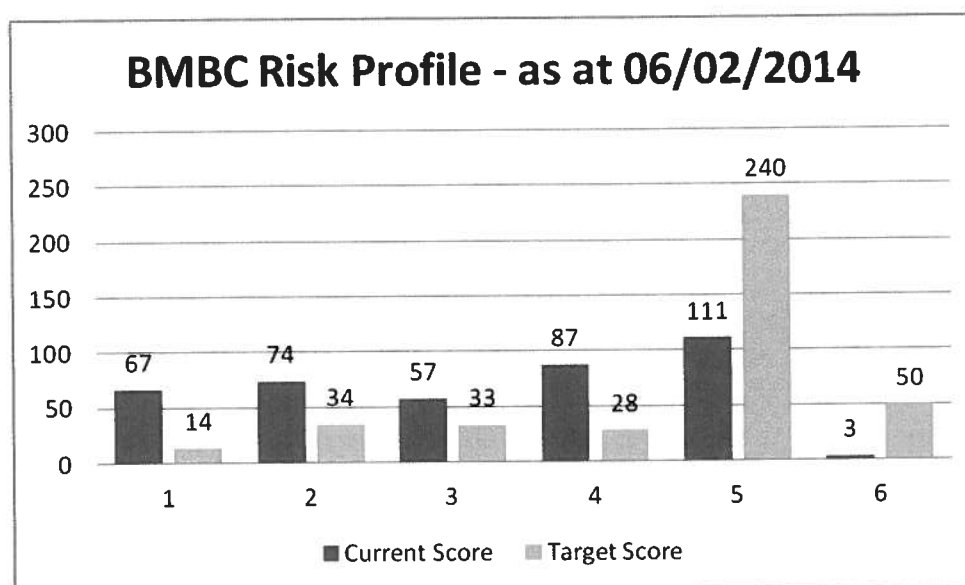
- 2.1 Risk appetite or risk acceptance is the overall level of risk the Authority is prepared to tolerate or accept in order to deliver objectives and services. This is defined in BS ISO: 31000 (the International Standard for Risk Management), as:

'The amount of risk that an organisation is prepared to seek, accept, tolerate'

- 2.2 This consists of all risks which fall within accepted risk tolerance levels, aggregated with those additional higher rated risks which the Authority has agreed to accept. Application of the [Risk Tolerance Model](#) identifies those risks which contribute towards the overall risk appetite or acceptance, and also defines the acceptable level of risk within each Service area, Project or Partnership.
- 2.3 Recent guidance, issued by the Institute of Risk Management 'IRM Guidance Paper – Risk Appetite and Risk Tolerance', and CIPFA / CIIA 'Public Sector Internal Audit Standards' both highlight the

benefits in developing a proportionate risk appetite or acceptance model that will enable decision makers to be better aware of the risks being taken to achieve the Authority's goals and objectives.

- 2.4 The corporate risk management software system, Morgan Kai Insight (MKI) contains a wealth of information which helps to determine risk appetite. This requires all risks to be assessed for the actual or 'Current' risk score, and the residual or 'Target' risk score, once all mitigation actions have been completed and delivered successfully.
- 2.5 The following table shows the council's risk profile derived from the strategic and operational risk registers as at February 2014. The 'Target' risk data is a strong indicator of risk appetite as it equates to the overall level of anticipated residual risk. Within this there are 48 risks that are logged as being either Category 1 or 2, showing that these risks, regardless of mitigations and resource, will always remain outside of the Council's tolerance level:



- 2.6 This compares to some 141 risks that are currently logged as being Category 1 or 2, in terms of the Current risk score. Continued work in terms of risk management and mitigation will be required to reduce the overall risk profile to a level that 'fits' the principle of acceptable risks (or risks within the Authority's appetite), including the reduction in the number of red risks from 141 to 48.
- 2.7 Essentially, the concept of risk acceptance relies on:
- The Current and Target risk category score; and,
 - The individual 'Statement of Risk Appetite' for each identified risk grouping.
- 2.8 Appropriate application of risk appetite and acceptance will enable:
- Significant risks being escalated to DMT's, and where appropriate, SMT:
Some risks that are traditionally 'out of tolerance' may not require immediate escalation, if it felt that the Target Score is achievable with the current level of resources being applied to the risk / mitigation action(s). Both DMT's and SMT will be able to focus their attention on only the significant, unacceptable risks; and,
 - Risk Owners and Risk Managers to be encouraged to manage the risk themselves:
It is likely Risk Owners and Risk Managers will be able to deploy more innovative solutions to the management of significant risk.

2.9 The following sections provide a narrative for Risk Owners or Risk Managers to consider when applying the concept of risk appetite and tolerance to their own risks.

3. What is the Current and Target Risk Category Score?

3.1 Category 5 or 6 (Green):

Monitor and Review:

These risks are well within tolerance and can be considered 'acceptable' risks. Generally, they do not require explicit mitigation, and the level of probability and impact will suggest any further action or resource that could be applied would not necessarily be cost effective.

- It is likely that these risks have both a Current and Target category score that have been assessed as being either category 5 or 6 (Green).

A risk mitigation can be logged to acknowledge this monitoring position – 'Monitor and Review 2013 / 14' with a 'Review Date' set for the next Operational Risk Register review closedown date. This mitigation action can be managed by the named risk mitigation owner.

Although the risk has been assessed as being 'acceptable' it does not mean the risk can be closed; an appropriate period of monitoring the risk will be required, to ensure the result of the assessment remains acceptable.

3.2 Category 3 or 4 (Amber):

Manage and Monitor:

These risks are within tolerance, but have the potential to become more significant if not carefully managed. These risks therefore require robust mitigations to ensure the probability and / or impact assessments do not increase – monitoring these risks is simply not enough.

- Those risks that have a Current category score of 3 or 4 (Amber), but a Target category score of 5 or 6 (Green) clearly can be mitigated to acceptable levels; or,
- Those Risks that have a Current category score of 3 or 4 (Amber), but a Target category score of 3 or 4 (Amber) also are identified as being concerns that are perhaps more difficult to mitigate to acceptable levels.

Risk mitigations therefore need to be specific and aimed at either reducing or maintaining the current risk assessment. These mitigation actions will be monitored and updated as part of the Operational Risk Register review process. These mitigation actions will require management by the named Risk Manager.

3.3 Category 1 or 2 (Red):

Manage and Mitigate:

These risks are outside of the Authority's risk tolerance, and therefore, these risks should be considered as significant, and unacceptable.

A full understanding of the risk assessment should be undertaken in order to properly understand the dynamics of the individual risk, in terms of:

- Those risks with a significant level of probability, by their nature are more likely to occur, and therefore require attention before other risks – a ‘worst first’ approach;
- Those risks with a significant level of probability, but a less significant level of impact, should have mitigations in place to address both the likelihood and impacts. The priority for these risks will generally be to reduce the level of probability to a more acceptable level; and,
- Those risks with a high or very high impact, but a low or very low probability assessment should be addressed by considering the effect of the risk, and ensuring that robust responses to the *impact* are considered. Attempts to reduce the impact should be considered, along with robust methods of dealing with the manifestation of the impact, perhaps using Business Continuity or Emergency Planning responses.

Risk mitigations must be focussed on both reducing the probability of the risk occurring, and reducing the impact of the risk, should it manifest. These mitigation actions should be regularly monitored and managed by the Risk Owner or the relevant DMT. It is expected that evidence of the monitoring by the Risk Owner or DMT can be made available to the RMS on request, in order to provide assurances to interested parties such as the Authority’s Audit Committee.

4. What is the Statement of Acceptance for the Risk?

4.5 For risks that have assessed as being category 1 or 2 (Red) Risks, consideration should be given to the ‘Statement of Risk Acceptance’ for each grouping of Risk;

4.6 The following table will assist risk managers in identifying the appropriate Statement of Risk Acceptance:

Theme / Grouping	Description	Statement of Acceptance
Financial Management	Use of Resources, Treasury and Investment Management, Capital Programmes, Financial Management strategies and policies, adherence to Financial Controls, Budget Setting / Monitoring, Cash-flow, MTFS, Balanced Budgets, Grant Applications, responsibilities as Accountable Body, Council Tax, Insurance, Financial Reporting.	The Authority does not accept risks which have a significant negative impact on its financial sustainability.
Income	Cash receipting, Cash Handling, Banking, Cheques.	
Payments	Creditors, Imprest Accounts, Payments to third parties, Payment of benefits.	
Financial Regulations	Regulations such as Fair Funding, regulations between Authority and Schools, regulations between Authority and Partners.	
Equality and Diversity	Equality and Diversity legislation, Equality Impact Assessments, Employee Equality Development, Equality Objectives.	The Authority does not accept risks which relate to safety, compliance and the legal integrity of its actions.
Legal	Non-compliance with Laws, Statute, Regulations, damages / compensations, responding to new legislation.	
Health and Safety	Compliance with H&S requirements.	
Fraud and Corruption	Actual and risk of Frauds, proactive anti-fraud activities.	The Authority does not accept risks which could compromise the reputation of the Authority through the inappropriate behaviours or actions of its employees.
Information	Data Security, FOI / DP, Retention and Disposals.	

Theme / Grouping	Description	Statement of Acceptance
BCP / Emergency Resilience	Compliance with BCP requirements.	The Authority does not accept risks that relate to the provision of support to identified stakeholders in the event of an Emergency Event.
Human Resources	Payroll, Personal Files, Employee Conduct, Retention and recruitment of staff, professionalism of staff, external influence on staff (Unions), keeping workforce safe, Modernisation of workforce, Job Evaluation, managing attendance, Staff and Member conduct, Training.	The Authority accepts some risks (where the Target category score is assessed as being Amber or Green) which relate to the effective and sustainable deployment of employees in roles commensurate with their own skills and competencies to ensure the right outcomes are delivered for our stakeholders.
Performance and Delivery	Objectives, policy setting, performance management / indicators, data collection, change management, delivery of services, data quality.	
Risk Management	Corporate Risk Management, compliance with RM Process.	
Contracts / Procurement	Ordering, Tendering, Commissioning, Contract Standing Orders, Value for Money	
Assets	Management and maintenance of assets, loss of assets, sale / leasing of assets, inventories, capital value, risk transfers.	The Authority accepts some risks (where the Target category score is assessed as being Amber or Green) which relate to enabling activities that are aimed at improving outcomes for stakeholders.
Environment and Sustainability	Long term effects if Climate Change, quality of life for stakeholders, physical environment, protecting communities from crime and disorder.	
Partnerships and Governance	Partnership Governance, Relations with other organisations.	
Technological	Systems, security, usage and access, systems supporting Authority activity, use of new technology, acquisitions and development.	

5. Application

- 5.1 The following table identifies the Current and Target scoring, the Statement of Acceptance and whether the risk is within the Authority's Risk Tolerance. The table then identifies the appropriate action for each risk, based on the combination of these factors:

Current Category Score	Target Category Score	Statement of Acceptance	Comment
5 – 6 (Green)	5 – 6 (Green)	Does not accept	Monitored and Reviewed via ORR's.
		Accepts some	
3 – 4 (Amber)	5 – 6 (Green)	Does not accept	Managed and Monitored via ORR's.
		Accepts some	
3 – 4 (Amber)	3 – 4 (Amber)	Does not accept	Managed and Monitored via ORR's.
		Accepts some	
1 – 2 (Red)	5 – 6 (Green)	Does not accept	Managed and Mitigated via ORR's.
		Accepts some	
1 – 2 (Red)	3 – 4 (Amber)	Does not accept	Escalated.
		Accepts some	Managed and Mitigated via ORR's.
1 – 2 (Red)	1 – 2 (Red)	Does not accept	Escalated.
		Accepts some	

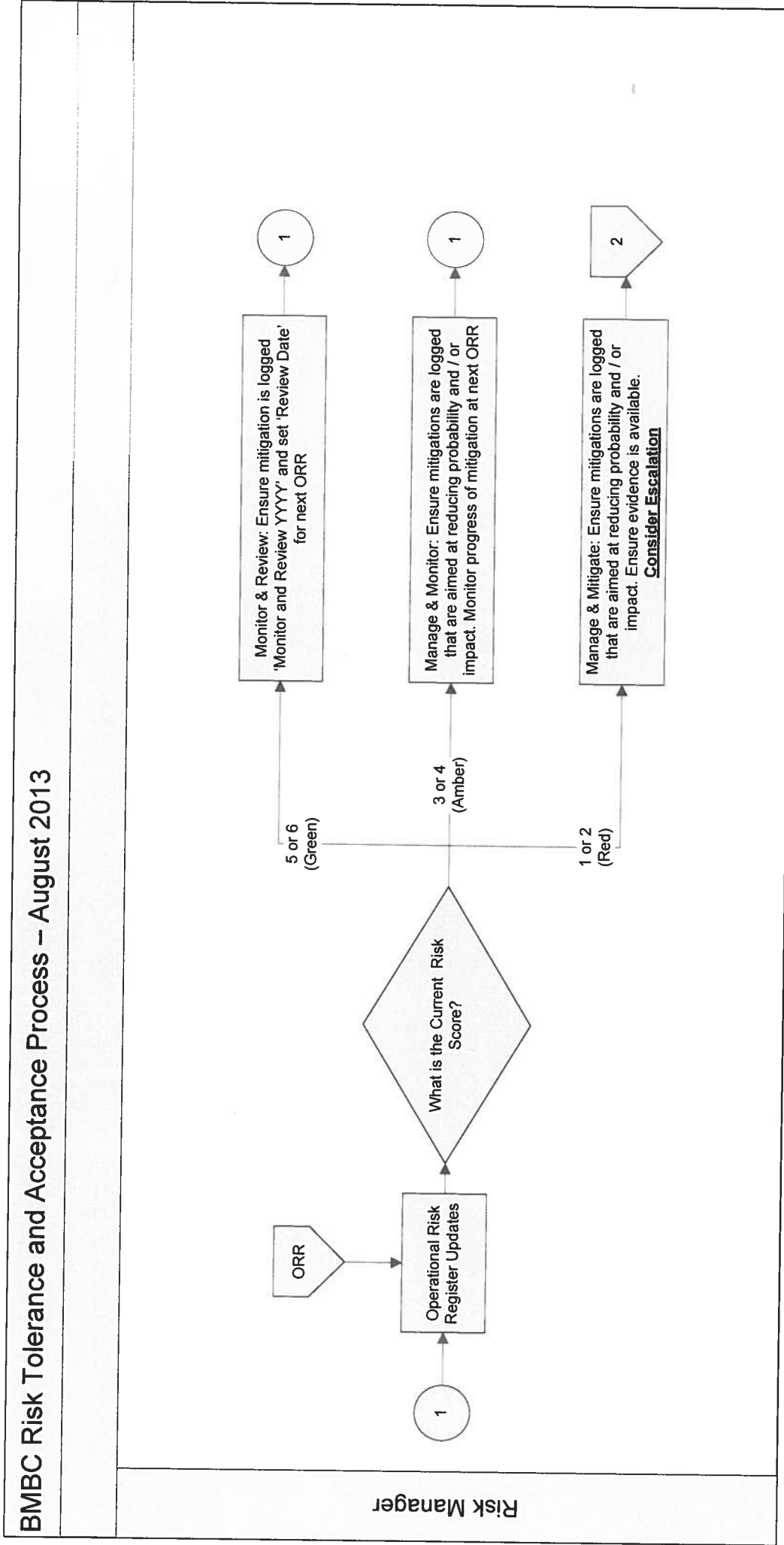
6.2 Appendix one details a process map, which has been designed to assist Risk Owners or Risk Managers in applying the principles of Risk Acceptance to their own risks, following Operational Risk Register reviews.

6. Assurance

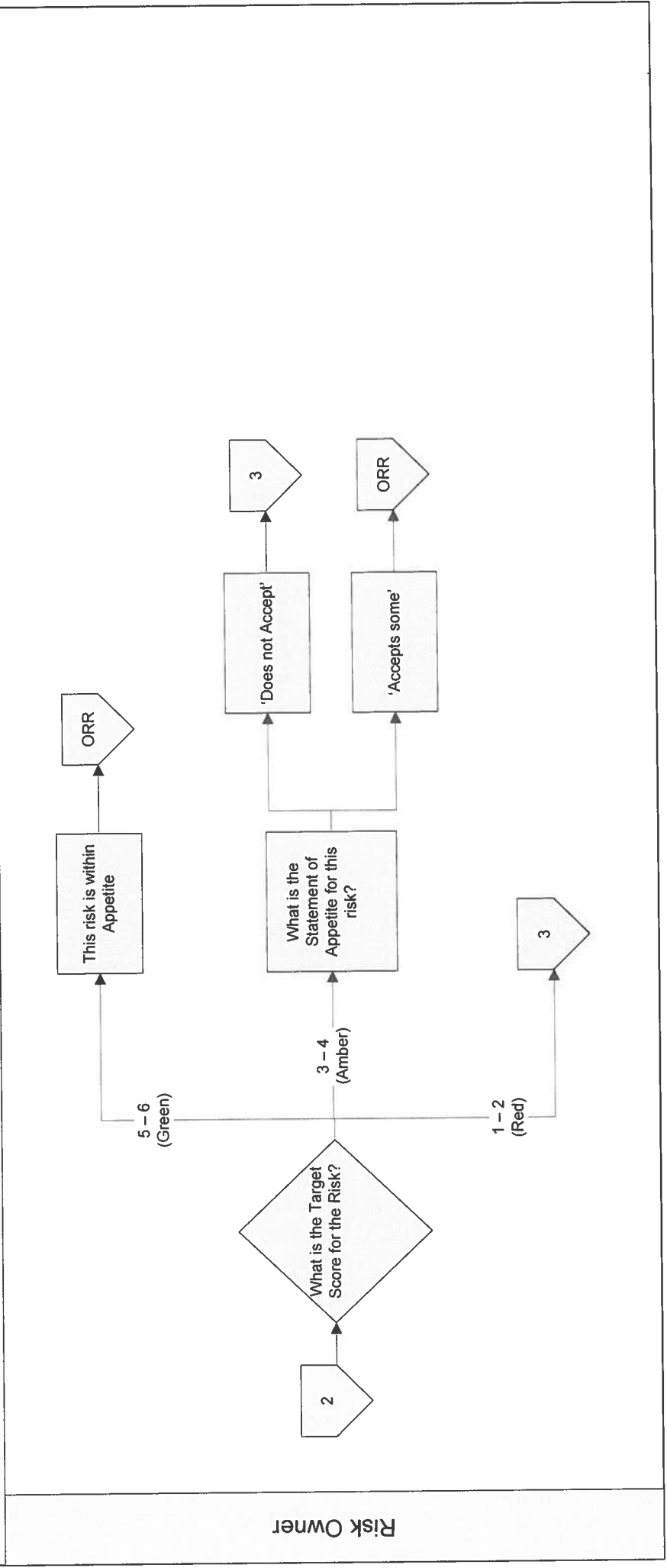
7.1 The Risk Management Section will prepare regular reports to SMT summarising the overall risk profile of the SRR, alongside those significant out of tolerance and acceptance risks.

7.2 As part of this reporting and assurance process, the management of significant strategic, operational and project risks are reported to the Audit Committee and Cabinet within existing reporting processes.

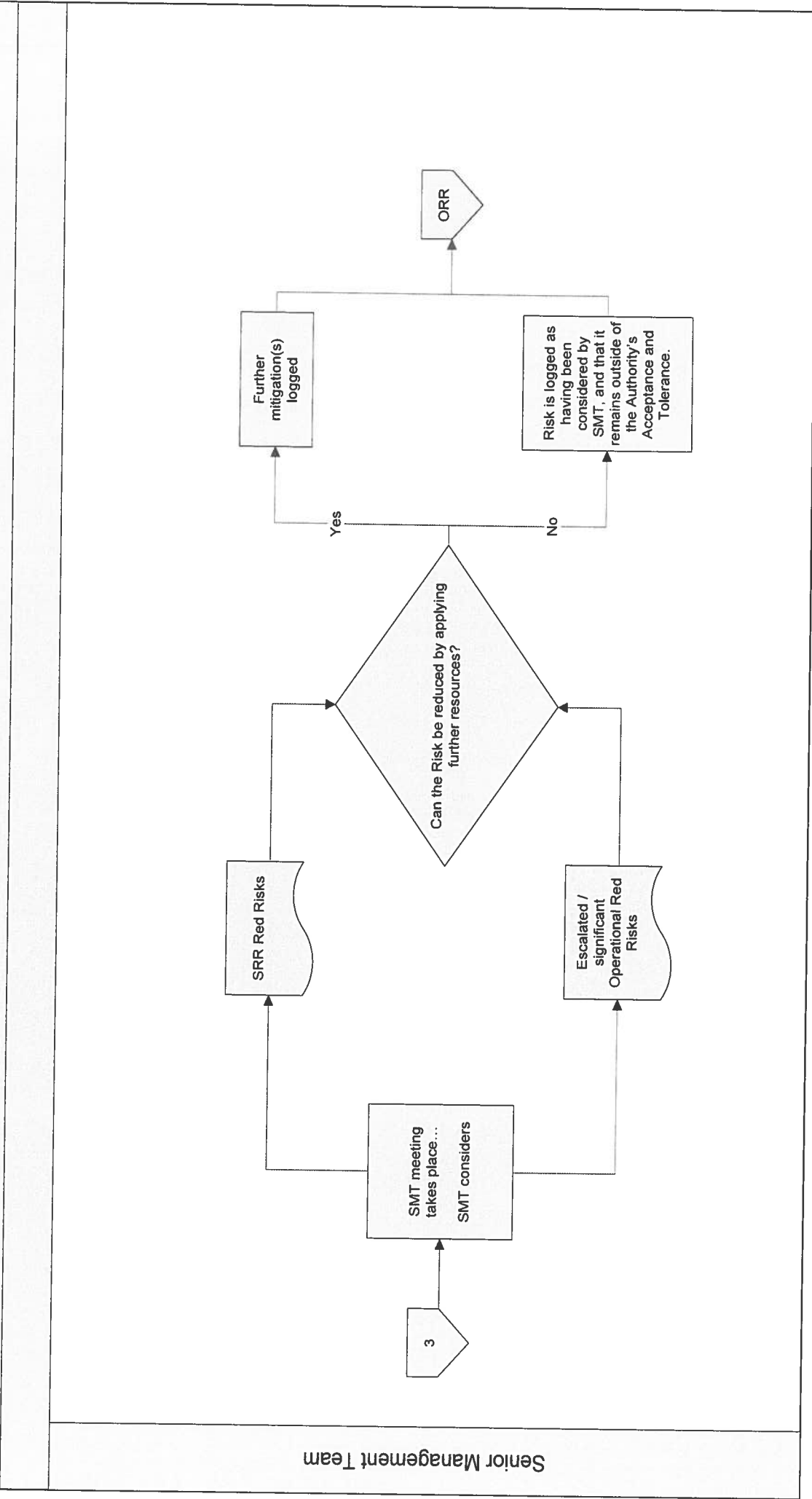
Appendix One: Risk Acceptance Process Map



BMBC Risk Tolerance and Acceptance Process – August 2013



BMBC Risk Tolerance and Acceptance Process – August 2013



Senior Management Team

Risk Champion Role – October 2013

Each identified Service Area or Directorate shall identify and nominate an appropriate person (either an Assistant Director, or Manager who reports directly to an Assistant Director who will assume the role of the Risk Champion. It is likely this person will have a named officer to act as a resource to assist in achieving the outcomes identified for the role.

The role of the Risk Champion is to:

- Assist in the implementation and delivery of the Authority's Risk Management Policy, Strategy and Framework:

This can be achieved by:

- Encouraging and participating in the identification, development and communication of new and emerging risks, ensuring they are appropriately considered, discussed, and where appropriate, logged and included in risk register(s);
 - Encouraging, facilitating and contributing towards the review of operational risk registers in accordance with the Operational Risk Register review timeline; and,
 - Supporting the development and review of Project and Partnership risk registers (and Future Council / KLoE risk logs, where appropriate).
- Contribute towards the development of a culture of risk management, where innovation and managed risk taking is encouraged, within the overall tolerances and boundaries in which the Authority operates:

This can be achieved by:

- Ensuring significant risks (those that are outside of the Authority's Risk Appetite and Tolerances) are appropriately escalated and communicated to senior management; and,
 - Being a Champion for, and supporting the use and development of the corporate risk management software system, Morgan Kai Insight (MKI) as the means of recording and managing risks, prompting Risk Owners and Risk Managers to ensure risks are logged in the P2.net system, as determined by the Risk Management Project and programme Risk Protocol.
- Ensure Risk Management good practice is disseminated across the Authority:

This can be achieved by:

- Providing a conduit for Risk Management issues to be cascaded to all areas of the Authority; and,
- Act as a resource to assist, support and develop good Risk Management practice.

Risk Champions – Activities

Annual Activities	
What?	Why? / How?
Contribution to Directorate / Service Annual Governance Statement (AGS) returns	Demonstrates that arrangements for the review of the effectiveness of the framework for identifying and managing risks and demonstrating clear accountability are in place and embedded.
Contribution to Directorate / Service annual <u>Fraud Risk Self Assessment (FRSA)</u>	Participation in the completion of the Directorate / Service AGS return and submission to Internal Audit. Ensure the consideration of increased fraud risks due to reductions in budgets, staff numbers and the economic operating conditions. Management (assisted by Risk Champions) should review risks and the likelihood of fraud(s) occurring. In addition, where frauds have been experienced in the past, Management should provide assurances that the reasons that led to the fraud have been identified and corrective action has been taken.
Participation in annual RMS Satisfaction Survey	Participation in the completion of the Directorate / Service annual Fraud Risk Self Assessment and submission to Internal Audit. Contribution to improvement opportunities relating to the service provided by the RMS.
Participation in annual <u>Morgan Kai Insight (MKI) Satisfaction Survey</u>	Completion of survey and submission to the RMS. Possible involvement in follow-up / improvement activities. Contribution to improvement opportunities relating to the corporate risk management system, MKI.
Assistance in developing linkages between Partnering organisation risk registers and appropriate BMBC operational risk registers Or... (refer to specific tasks within Partnership Governance Framework)	Completion of survey and submission to the RMS. Possible involvement in follow-up / improvement activities. The Council's Partnership Governance Framework sets out the approach to managing work with significant partnerships and provides the mechanism for significant partnerships to ensure that the Council and Partner are clear about their roles and responsibilities within the partnership. The Framework includes an annual self assessment review of the governance arrangements of all partnerships deemed significant in terms of whether there is any strategic, reputational or financial risk to the Council through membership of the partnership.
Contribution to the annual review of the <u>Risk Management Framework</u>	Participation in the review of partnering organisations risk management frameworks / risk register, and consideration of implications / impacts on Council activity. Logging of newly identified risks in appropriate operational risk register(s). Contributes to the ability of the Risk Champion to complete the AGS. Provides an opportunity for Champions to contribute and influence the development and implementation of a Risk Management Framework that is sets the correct 'tone', is proportionate and reflects the context in which the Authority operates.
Contribution to <u>Risk Management Annual Report to Audit Committee</u>	Consideration of draft Risk Management Framework and provision of amendments and / or agreement of content to the RMS, prior to submission to Audit Committee. Allows Risk Champions the opportunity to contribute towards the provision of assurance (or otherwise) regarding the overall effectiveness of risk management arrangements and activities during the year. Consideration of draft report and provision of amendments and / or agreement of content to the RMS, prior to submission to Audit Committee.

Risk Champions – Activities

Annual Activities	
What?	Why? / How?
Contribution to, and participation in annual Internal Audit of Corporate Risk Management arrangements	<p>Contribution towards the provision of assurances regarding the corporate risk management framework, ensuring it is robust and operating efficiently, particularly as the Authority works towards the 'Future Council'.</p> <p>Participation in discussions with Internal Auditors regarding the effectiveness of risk management arrangements. Consideration of draft report and provision of amendments and / or agreement of content, prior to final report being issued by Internal Audit.</p>
Attendance and participation in corporate <u>Risk Management training / awareness sessions</u>	<p>Ensures Risk Champions have a strong understanding of new and emerging themes relating to risk management and associated activities. Provides an opportunity to raise awareness and improve competencies relating to risk management outcomes.</p> <p>Attendance at training event(s) including participation in workshop / group discussion / tasks. Risk Champions will also ensure an appropriate attendance by managers, senior officers and others involved in the risk management framework and processes within their Directorate / Service.</p> <p>An important indicator of the development of a risk management culture is the extent to which appropriate consideration is given to risk issues within Cabinet Reports.</p>
Ensuring the outcomes of <u>RMS Cabinet Report analysis</u> are appropriately cascaded and circulated throughout Directorate / Service	<p>The RMS annually evaluate Cabinet Reports, and provide feedback to Risk Champion, who are asked to circulate and cascade this information, and promote the embedment of identified learning points identified within their own Directorate / Service.</p>
Participation in Risk Champions Skills Audit / Competency Review	<p>Ensures that the competencies and capabilities of Risk Champions are analysed, and any identified gaps in skills are considered by the RMS as part of the development of further training or awareness sessions.</p> <p>Completion of Skills Audit / Competency Review pro-forma and submission to the RMS. Participation in any identified training / awareness sessions being offered by the RMS.</p>

Risk Champions – Activities

Bi-Annual Activities	
What?	Why? / How?
Contribution to review of <u>Strategic Risk Register (SRR)</u> risks	<p>In order to provide assurance that the SRR is being appropriately managed, reviews of the register are facilitated by the RMS on a six monthly cycle. The results of these reviews are discussed by the Authority's Risk Champions, and reported to SMT for further consideration and action. The outcome of this process is then reported to Audit Committee and Cabinet.</p> <p>Consideration of draft SRR, and provision of comments to the RMS for inclusion in the SRR or accompanying report, as appropriate.</p> <p>Allows Risk Champions the opportunity to contribute towards the provision of assurance (or otherwise) regarding the overall effectiveness of risk management arrangements and activities during the period.</p>
Contribution to <u>Risk Management Update reports to Audit Committee</u>	<p>Consideration of draft report and provision of amendments and / or agreement of content to the RMS, prior to submission to Audit Committee.</p>
Encourage, facilitate and contribute towards the review of operational risk registers in accordance with the <u>Operational Risk Register review timeline</u> including the provision of assurances to the RMS regarding the quality and timeliness of the review	<p>Operational risk registers are reviewed on a (no less than) half yearly basis to ensure the risks remain relevant and the identified risk mitigation actions are being implemented. The risks contained with Operational risk registers are aligned to corporate processes, and in particular, Service Delivery Planning.</p>
Support the development and review of Future Council / KLoE risk logs	<p>Review of all risks logged with operational risk registers in accordance with the Authority's risk management process. Providing confirmation to the RMS that the operational risk register review is completed. Consideration of any quality assurance advice provided by the RMS, post review.</p> <p>Risks to the delivery of Future Council / KLoE activity should be logged in the P2.net system, and reviewed on a regular basis to ensure the risks remain relevant, the identified risk mitigation actions are being implemented, and ultimately that the KLoE remains deliverable.</p>
Ensure significant risks are appropriately escalated to senior management in accordance with the <u>Authority's Risk Appetite Model</u>	<p>Participation in the review of all risks recorded within P2.net KLoE risk logs, in accordance with the Authority's Programme and Project Management processes.</p> <p>Those risks that are assessed as being outside the Authority's own acceptance of risk must be escalated to senior management to ensure significant risks are being communicated throughout the Authority.</p> <p>Application of the Authority's Risk Tolerance and Appetite Model, attendance at DMT or other appropriate forum to present and ensure a robust discussion takes place with the risk owners and risk managers and the appropriate ED.</p>
Contribution to, and circulation of <u>Risk Management Bulletin / Awareness material</u> throughout Directorate / Service	<p>Provision of a 'conduit' from the corporate centre (RMS) to operational areas / directorates / divisions to enable the effective dissemination of risk management good practice and emerging risks.</p> <p>Disseminate bulletins, advice, training opportunities, reports, minutes of meetings etc as appropriate throughout the relevant Directorate / Service.</p>

Risk Champions – Activities

Quarterly Activities	
What?	Why? / How?
Attendance at Risk Champion meetings, including the production and presentation of Risk Champion Activity Reports	Risk Champion meetings are designed to focus activity within Directorates, aimed at further embedding a culture of Risk Management within the Authority. The provision of Risk Champion reports is designed to ensure all Champions are aware of the expected activity and outputs commensurate with their role, and for them to be able to provide detailed assurances regarding risk management activity within their own operational areas / directorates / divisions.
Consideration and communication of development opportunities relating to MKI	Attendance at quarterly Risk Champion meetings (no more than 1 hour per meeting) plus completion and submission of a quarterly Risk Champion activity pro-forma to the RMS. Participation in opportunities to develop and improve MKI in order to ensure the functionally and overall usability of the system is in accordance with the users of the system.
Maintain an awareness of the RMS intranet site and ensure best practice is communicated throughout Directorate / Service	Consideration of improvement opportunities relating to MKI, and communicating these potential improvements to the RMS. Regular examination of the risk management intranet site will ensure Champions are aware of the practical advice and guidance that is available, prior to escalating discussions or concerns to the RMS. Maintaining an awareness of the risk management intranet site, and ensuring any updates or improvements to the intranet site by the RMS are examined, understood, and where appropriate communicated within their own Directorate / Service.

Risk Champions – Activities

Monthly / Weekly / Regular Activities	
What?	Why? / How?
Contribution to / facilitating consultation regarding Cabinet Reports / decision making reports	<p>Consulting with Cabinet Report authors and contributing to reports should enable a more mature risk management culture within the Authority, where risk management is embedded in the decision making processes of the Authority.</p> <p>Liaison with Cabinet Report authors and supporting them in the production of reports that contain an appropriate expression of risks and opportunities relating to the proposal or decision. Escalation of significant reports to the RMS for possible consultation and input.</p> <p>Horizon scanning relating to specific Directorate / Service activities will provide some assurances that the Authority is aware of emerging threats to the effective delivery of services.</p>
Consideration of new and emerging risks arising from Directorate / Service activities, including the appropriate communication / logging of relevant risks	<p>Maintaining an awareness of Directorate / Service activities and liaising with Managers and Heads of Service to ensure threats to the effective delivery of services are identified analysed and where appropriate logged and communicated throughout the organisation.</p> <p>The management of risk is an integral part of any project or programme governance structure. By ensuring the effective management of risk within projects of programmes, the likelihood of successfully delivering the ambitions of the project will be increased.</p>
Contribution towards project / programme related Risk Management activity within Directorate / Service	<p>Attendance at Project or Programme boards / steering groups. Facilitation of risk identification / analysis with project managers, or liaison / referral to the RMS to undertake liaison with the project / programme manager.</p>