APPENDIX B

Leicestershire County Council Risk Management Policy

1. All organisations face risk. Those which stimulate effective and efficient risk management and strive to create an environment of 'no surprises' should be in a stronger position to deliver objectives, sustain services and achieve better value for money.

2. Local government's purpose and relationship with its stakeholders is being redefined. Continuing and escalated austerity, increased expectations and rising demand alongside concerns about councils having the capacity and capability to respond are creating a lasting change. The movement from being service providers to service commissioners and strategic partners in order to facilitate outcomes, adds new layers of complexity and risk, but also opens up new opportunities for innovation, collaboration, transformation, community engagement and new approaches to service delivery. These include increasing health and social care integration, embracing digital technology exchanges and decentralising government powers to newly formed and jointly governed combined authorities. Leicestershire County Council (the Council) is also venturing into more commercial approaches and income generating activities.

3. The Council recognises that in order to successfully manage its own fundamental transformation, effective risk management is vital. The Council will develop a culture where managers are encouraged and supported to be innovative but also required to have a good understanding of risk and the implications of their decisions. Risk management is about taking informed decisions in order to achieve objectives and deliver results. By being risk aware, reviewing its risk appetite and tolerance, the Council will be better placed to both take advantage of opportunities and manage threats.

4. This Risk Management Policy Statement and supporting documentation form an integrated framework that supports the Council in the effective management of its risk. In implementing the framework, we will provide assurance to our stakeholders, partners and customers that the identification, assessment, evaluation and management of risk, plays a key role in the delivery and achievement of the Council's vision contained in its Strategic Plan 2014-18 and all of its other plans, strategies and programmes. In order for risk management to be most effective, and become an enabling tool, we must ensure we have a robust, consistent, communicated and formalised framework across the Council.

5. This Policy has the full support of Members and the Chief Executive, who are committed to embedding risk management throughout the Council and it requires the co-operation and commitment of all employees to ensure that resources are utilised effectively.

Signed:  Title: Chief Executive

Date: 14 January 2016 Review Date: December 2016

Leicestershire County Council Risk Management Strategy

1.0 Defining Risk and Risk Management

Under ISO31000 'Risk management – Principles and guidelines'–

Risk is defined as:

'*The effect of uncertainty on objectives'*

This recognises that there are positive possibilities as well as negative ones

Risk Management is defined as:

Coordinated activities to direct and control an organisation with regards to risk

The effect of uncertainty on achieving an organisation's objectives is risk. Risk management is the process of ascertaining what might go wrong, what the potential consequences may be, what could trigger the occurrence and deciding how best to minimise the risk materialising. If it does go wrong, as some things inevitably will, proactive risk management will ensure the impact is kept to a minimum.

This Risk Management Strategy outlines how Leicestershire County Council (the Council) will use risk management to successfully deliver corporate, departmental and service, objectives and priorities.

2.0 Why undertake risk management?

Statutory requirements

Part 2 of the Accounts and Audit Regulations 2015 (Internal Control) places explicit requirements on the Council around risk, that is: -

- Paragraph 3(c) - the Council must ensure that it has a sound system of internal control which includes effective arrangements for the management of risk;
- Paragraph 4.4(a - iii) – the Chief Financial Officer must determine, on behalf of the Council financial control systems which must include measures to ensure that risk is appropriately managed;
- Paragraph 5(1) the Council must undertake an effective internal audit to evaluate the effectiveness of its risk management processes

Constitutional requirements

Principle D (Decision-making) of the Council's Code of Corporate Governance requires that the Council will take informed and transparent decisions which are subject to effective scrutiny and managing risk. In order to achieve this, the Council will ensure that an effective risk management system is in place.

The Corporate Governance Committee has a delegated function to ensure that an adequate risk management framework and associated control environment is in place.

3.0 Benefits of risk management

Risk management is a tool that forms part of the governance system of the organisation. When applied appropriately it can bring multiple benefits:

- Helps the Council achieve its stated objectives and improves the likelihood of delivering its intended outcomes.
- Helps managers to demonstrate good governance, better understand service, project or partnership risk profiles and better mitigate risks (particularly uninsurable ones).
- Helps the Council to anticipate and respond to changing social, environmental and legislative requirements.
- Helps to enhance political and community support and satisfy stakeholders', partners' and customers confidence and trust.
- Better informed strategic decisions leading to increased effectiveness of transformation projects and programmes and improved efficiency of operations.
- Protection of budgets from unexpected financial losses.
- Protection of assets, reputation and people
- Reduces the risk of fraud and corruption
- Can gain a competitive advantage

4.0 Risk Management Strategy objectives

The objectives of the Risk Management Strategy are to:

- Integrate risk management fully into the culture of the Council and into its corporate and service planning processes;

- Improve the framework for identifying, assessing, controlling, reviewing and reporting and communicating risks across the Council;

- Improve the communication of the Council's approach to risk management;

- Improve the coordination of risk management activity across the Council;

- Ensure that the Corporate Management Team (CMT), Corporate Governance Committee and external stakeholders can obtain necessary assurance that the Council is mitigating the risks of not achieving key priorities and thus complying with corporate governance practice;

- Manage risk in accordance with best practice and ensure compliance with statutory requirements

5.0 Risk Appetite and Risk Tolerance

The Council recognises that only by taking risks can it achieve its aims and deliver beneficial outcomes to its stakeholders.

The Institute of Risk Management (IRM) defines risk appetite as "the amount of risk an organisation is willing to seek or accept in the pursuit of its long term objectives" and is about looking at both the propensity to take risk; and the propensity to exercise control. Risk tolerance is defined as the boundaries of risk taking outside of which the organisation is not prepared to venture in the pursuit of its long term objectives.

Risk appetite and risk tolerance help an organisation determine what high, medium and low risk is. In deciding this, the organisation can:

- More effectively prioritise risks for mitigation
- Better allocate resources
- Demonstrate consistent and more robust decision making
- Clarify the thresholds above which risks need to be escalated in order that they are brought to the attention of senior management and/or Members.

The CMT has collectively agreed that the Council currently exists in a 'riskier' environment and that this is likely to continue. In reality this will mean continuing to develop an understanding of acceptable risk levels (high, medium or low), depending on their impact and likelihood. Defining levels allows risks to be prioritised and appropriate actions assigned so that the management of identified risks will be proportionate to the decision being made, or the size of the impact on service delivery.

The Council will take risks in a controlled manner, thus reducing exposure to a level deemed acceptable. In order to take advantage of opportunities, the Council will support innovation and the imaginative use of resources. However, the Council will seek to control all highly probable risks which have the potential to:

- Cause significant harm to service users, staff and the public;
- Severely compromise the Council's reputation;
- Significantly impact on finances;
- Jeopardise the Council's ability to undertake it's core purpose;
- Threaten the Council's compliance with law and regulation
- Create opportunity for fraud and corruption

Taking the above into consideration, the Council's current overall risk appetite is defined as 'Moderate'. This means that the Council is tending towards exposure to moderate levels of risk in order to achieve acceptable outcomes. However, the Council's risk appetite is determined by individual circumstances. There will be areas where greater risk will be taken in supporting innovation in service delivery. These occasions will be offset by times when it maintains a lower than cautious appetite for example, in matters of compliance with law and public confidence in the Council. Risk appetite can therefore be varied for specific risks, provided this is approved by appropriate officers and/or Members.

The Council will review risk appetite and tolerance annually to ensure risks are being managed adequately.

6.0 Risk Management Maturity

Across all industries, sectors and organisations different levels of risk management maturity exist. Risk management maturity refers to the journey an organisation goes through when managing risk. Mature risk management arrangements are vital to achieve organisational transformation.

The Association of Local Authority Risk Managers (ALARM) has developed and published a National Performance Model for Risk Management in Public Services to illustrate what good risk management looks like in a public service organisation. There are 5 levels.

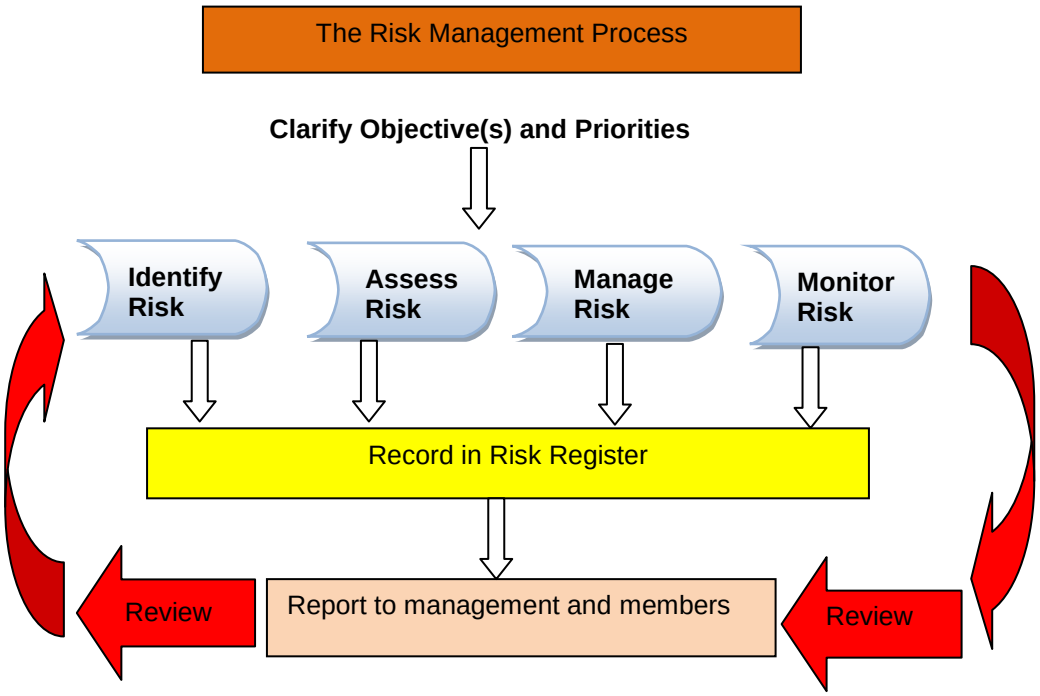
A detailed maturity review[1] was last undertaken and reported in January 2015. This scored the Council's level of risk maturity as between levels 3 ("Working") and 4 ("Embedded and Working"). A number of recommendations were made to further develop risk management processes and an action plan was produced to address the recommendations.

During 2015, significant progress was made to implement the recommendations. Nevertheless, the maturity level remained at Level 3/4

– Between Working and Embedded & Working and further development is necessary in some of the core areas. See Action Plan in Appendix 2. The Council will evaluate its risk maturity against ALARM guidance on a three-yearly frequency (maximum[2]) with the next review planned for December 2017.

1. Undertaken using the ALARM Performance Model by a Senior Internal Auditor not routinely involved in the Council's risk management framework, reporting to the Finance Manager within Strategic Finance to directly avoid any conflict of interests.
2. CMT will have the opportunity at each annual policy review to determine if, because of future events, the tri-annual risk maturity assessment should be more frequent.

7.0 The Risk Management Process



Risk management is a continual process involving the identification and assessment of risks, prioritisation of them and the implementation of actions to mitigate the likelihood of them occurring and impact if they did.The Council's approach to risk management will be proportionate to the decision being made or the impact of the risk, to enable the Council to manage risks in a consistent manner, at all levels.

Explanations of the stages within the risk management process: -

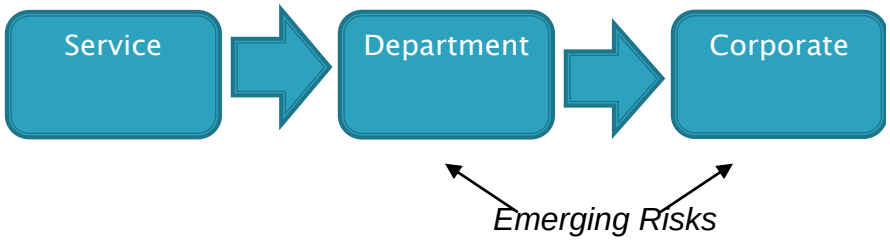
Identify risk	Clarify Objective(s) and Priorities from the Council's Departmental Service Planning process and identify risks which might create, prevent or delay achievement of the Council's objectives
Assess risk	Assess risks (Impact & Likelihood) using the Council's risk assessment criteria prior to the application of any

	existing/known controls i.e. evaluate the “Original risk score”
Manage risk	Identification and assessment of the controls already in place to mitigate each risk to arrive at the “Current Risk score”. If Current Risk score is still high even with controls: • Is the score correct? • Determine the best way to manage the risks e.g. terminate, treat, transfer, tolerate • Determine whether the cost of implementing further mitigating control is merited when compared to the risk reduction benefits achieved. • Development of further SMART actions to achieve the desired “Target Risk score”.
Monitor, Review and Report	Use the Risk Management Matrix and Risk Tolerance levels to determine the frequency of review, monitoring, risk escaluation and reporting.

The Risk Management Guidance on CIS provides full details of each step within the above process. It also includes various tools and templates that can be used to aid the whole cycle.

8.0 Application

There is an established framework in which consistent application of the process should ensure the flow of appropriate risk information across the Council as follows:



Department Risks:

Departments will undertake a risk identification exercise at least annually, as part of service planning. This will include:

- Risks to achieving objectives identified and assessed by managers at service area;
- Assessment will identify the risks to be managed within the service area and those that may need to be escalated to the next level i.e. Department Risk Register;
- Development of the Department Risk Register including:
    - Department specific risks

- Risks that may have been escalated up from service areas
- Relevant risks from programmes, projects and partnerships
- Any department horizon scanning of emerging risks

- In line with the framework, (risk matrix and risk tolerance levels), key risks should be escalated and reported to Departmental Management Team (DMT) regularly, settling clear accountability for managing risks;

- Review of department registers to identify continuing 'high scoring' risks for escalation to the Corporate Risk Register (CRR) either individually or consolidated with other risks.

This exercise will provide senior managers with a central record of departmental risks, with a clear audit trail of where the risk originates from and also provide assurance that risks are being managed.

<u>High ranking and Corporate and Cross-cutting risks - Corporate Risk Register</u>

This process will provide Directors and Members with a central record of corporate risks, to ensure consideration is given to high ranking, strategic risks that could impact the financial, political or reputational arena.

- Each quarter, Departmental Risk Champions and management teams will review Department Registers to identify and consider risks for escalation to the CRR, either individually or consolidated from Departmental Risk Registers;
- Internal Audit Service will confirm that the quarterly reviews have been consistently undertaken, and co-ordinate the production and reporting of the CRR, through to CMT and Corporate Governance Committee
- Whilst most risks are expected to come through this route they may not capture all of the strategic risks facing the Council. Therefore horizon scanning, information from relevant publications and minutes from key meetings will also provide a basis for including additional risks on the CRR.

<u>Programme, Project and Partnership Risks</u>

Risk implications relating to programmes, projects and partnerships will be assessed and considered for inclusion within the relevant Transformation Change Programme /Project Risk register and/or Departmental Risk Registers as appropriate. This process will also recognise that partnership working and the investment of Council funding in that context is becoming potentially more complex.

Business Continuity & Insurance

The Business Continuity Team co-ordinates the preparation of business continuity plans at a corporate level and for each department. Such plans aim to minimise the likelihood and/or impact of a business interruption by identifying and prioritising critical functions and their resource requirements. Critical risks will be captured through the service and departmental risk reporting framework. Progress against business continuity and insurance activities will also be regularly reported to the Corporate Governance Committee.

Support

The above process will be supported by the following:

- Ownership of risks (at appropriate levels) assigned to Directors, managers and partners, with clear roles, responsibilities and reporting lines within the Council;
- Incorporating risk management into corporate, service and business planning and strategic and partnership working;
- Use of the Risk Management Toolkit throughout the Council
- Providing relevant training on risk management to officers and Members of the Council that supports the development of wider competencies;
- Learning from best practice and continual improvement;
- Seeking best practice through inter-authority groups and other professional bodes e.g. the Association of Local Authority Risk Managers (ALARM).

9.0 Risk Management Roles and Responsibilities

The following structure is unique to the Council and is influenced by its risk management maturity, resource capacities, skills sets, internal operations and existing operating structures. The Council's risk management framework aligns to existing structures and reporting lines**. Full details** of risk management roles and responsibilities can be found in Appendix 1.

Leadership

- Cabinet
- Lead Members
- CMT

Cabinet:

- Understands the key risks facing the Authority, determines the level of risk and ensures risk management is delivered to mitigate risks

Lead Members:

- Have responsibility for understanding the risks facing their areas of accountability and how these risks are being managed.

CMT:

- Manages the level of risk the Authority is prepared to accept.
- Establishes a control environment in which risk can be effectively identified, assessed and managed
- Ensures progress against mitigating actions / controls for risks on the corporate risk register.

Corporate

- Corporate Governance Committee (CGC)
- Corporate Risk Management Group (CRMG)

CGC:

- Ensures that an adequate risk management framework and associated control environment is always in place
- Monitor's the arrangements for the identification and management of strategic and operational risks.

CRMG:

- Provides assurance that the risk management framework and its processes are effective.
- Helps to deliver a consistent approach

Departmental

- DMT
- Service Managers
- Programme / Project / Partnership Boards
- Risk Champions

DMT:

- Ensure the risk management framework is implemented in line with the Councils Risk Management Strategy, and guidance
- Takes full ownership of risks within their departmental risk register and agrees risk mitigation actions, assigns defined timescales and responsibilities – including those departmental risks that are also in the Corporate Risk Register (CRR)

Service Managers:

- Take ownership of all risks that fall within their remit
- Provide assurance to DMT's that these risks are being managed effectively.

Programme / Partnerships:

- Providing assurance that risks and their implications are managed effectively and escalated if appropriate.

Risk Champions:

- Ensure consistent application of the risk management framework within their dept. and provide support and challenge to DMT and Service Managers.

Staff:

- Responsibility for gaining an understanding of the risks facing their area of accountability and how these risks are being managed.
- Report promptly perceived failures in existing control measures that could increase risk

Internal Audit Service

Risk Management function *:

- Review and challenge risk actions
- Provide assurance that the flow of risk information throughout the Authority is working effectively.
- Collates and co-ordinates, risk management updates for reporting to CMT and CGG
- Arranges the review of risk management maturity

Audit function:

- Review and challenge the effectiveness of the risk management framework including controls in order to form an independent opinion.

Governance function:

- Review and provide assurance within the Annual Governance Statement that the Authority's Risk Management Policy, Strategy, Guidance and Toolkit are being implemented at all levels.

***** The Head of Internal Audit Service (HoIAS) is responsible for the administration and development of, and reporting on, the Council's risk management framework. It is a requirement of the Public Sector Internal Audit Standards (PSIAS) that this 'impairment' to independence and objectivity is recorded in the Internal Audit Charter (approved by CMT and CGC in November 2014) and (to avoid any conflict of interests) any audits of the risk management framework are overseen from a manager outside of the Service.

10. Continuous Improvement

Regulators and risk management professionals indicate that good practice is to continuous improve risk management methodologies in line with recommendations from regular assessments and adapt to changing economic conditions.

To this effect, the LCC Risk Management Policy, Strategy, Guidance and related documents will be reviewed annually or after the release of new legislation or government guidance that affects risk governance, internal controls, financial management or the regulatory regime for public service organisations. They will also be reviewed following the results of any audit /review by Internal Audit Service or an external third party.

Appendix 1

Risk Management Roles & Responsibilities

Leadership:

Cabinet

Understands the key risks facing the Council, determines the level of risk and ensures risk management is delivered to mitigate risks by:

- Ensuring that a risk management framework has been established and embedded;
- Approving the Council's Risk Management Policy and Strategy as part of the Medium Term Financial Strategy;
- Ensuring relevant risk considerations (if relevant) are included within reports which may have significant strategic policy or operational implications

Lead Members

- Responsibility for gaining an understanding of the risks facing their area of accountability and how these risks are being managed

Corporate Management Team (CMT)

Leading and ensuring effective management, monitoring and review of risk management across the Council by:

- Establishing a control environment and culture in which risk can be effectively assessed and managed;
- Directing the level of risk the Council is prepared to accept (appetite and tolerance levels);
- Encouraging the promotion of risk awareness, rather than risk avoidance;
- Reviewing and, approving the Council's corporate and strategic risks on the CRR quarterly and their importance against the Council's vision and priorities;
- Assisting with the identification of significant new and emerging risks as they become known - for consideration and addition to the CRR;
- Following the review and approval of the CRR, CMT to determine whether a potential reputation or consultation matter needs to be forwarded to the Communication Unit
- Providing challenge to the risk scoring mechanism to ensure risks are managed to add value by aiming to achieve the balance between undermanaging risks (unaware and no control) and over-managing them (over-control) ;
- Ensuring that risk assessments (if appropriate) are detailed in Cabinet or Scrutiny reports upon which decisions are based;
- Reviewing annually the Council's Risk Management Policy and Strategy.

Corporate:

Corporate Governance Committee (CGC)

Provides assurance for the Council that risk management is undertaken and effective by:

- Receiving regular progress reports on the CRR and other risk management related initiatives;
- Reviewing, scrutinising and challenging the performance of the Council's risk management framework; including reviewing progress against planned actions from the previous quarter;
- Receiving presentations on specific areas of risk;
- Receiving reports from Internal and External Audit to determine the extent to which they indicate weaknesses in control, risk management and governance arrangements.

Corporate Risk Management Group (via Departmental Risk Champion)

Provides assurance that the risk management framework and its processes are working as intended and are effective by:

- Acting as the main contact for their department and its management on risk matters;
- Representing their department at the Corporate Risk Management Group;
- Encouraging the promotion of risk awareness, rather than risk avoidance;
- Assisting in the implementation of any revisions to the risk management framework and promoting use of the Risk Management Toolkit;
- Providing support and training on risk management to Directors, Heads of Service and other managers within their service/department;
- Providing support to the other departments' Risk Champions;
- Maintaining on behalf of the service Directors and Heads, a departmental risk register that complies with corporate guidelines;
- Providing regular risk updates to DMT's as per the agreed reporting criteria and risk timetable;
- Providing challenge to the risk scoring mechanism to ensure risks are managed to add value by aiming to achieve the balance between undermanaging risks (unaware and no control) and over-managing them (over-control)
- Ensuring that corporate risk information and requirements are communicated to the Department;
- Assessing the relevance of corporate, other departmental service, programme, project and partnership risks and their impact on their department;
- Reviewing cross cutting risk areas where risks of one department impacts on the risks of another;

- Providing regular updates to the Internal Audit Service for corporate risks to enable reporting to the CMT and Corporate Governance Committee;

Departmental:

Departmental Management Teams (DMT)

Ensuring that risk management is implemented in line with the Council's Risk Management Strategy by:

- Appointing a Risk Champion /Representative for the department and authorising him/her to progress effective risk management that adheres to corporate guidelines, across their services;
- Ensuring that risk management is integrated within the annual service planning process;
- Taking full ownership of risks within their departmental risk register and agreeing risk mitigation actions, with defined timescales and responsibilities – including those departmental risks that are also in the CRR;
- Adhering to the corporate risk reporting timetable so that DMT meetings and risk monitoring tasks are aligned;
- Ensuring that the CRR accurately reflects only those key strategic risks facing the Council. The DMT scrutiny process should encompass a review of all departmentally identified corporate risks (new and those already identified), to critically evaluate the following:
    - Whether the risk is an ongoing corporate risk
    - Are all mitigating actions identified, SMART (i.e. Current Controls in place) and working adequately or are additional actions necessary.
    - The current risk score (Impact and Likelihood) is accurate and is not 'over-scored' in terms of likelihood particularly if a range of current controls have been identified as embedded and working adequately
    - Only add any further actions/ additional controls after determining whether any cost of implementing further mitigating control is merited when compared to the risk reduction benefits achieved. If required, further actions should be SMART and record 'expected timeframe/due date' which should improve the robustness of the Target Risk impact and likelihood scores
- Receiving reports on risk management activity and review key risks regularly;
- Undertaking regular departmental horizon scanning for new or emerging risks, ensuring communication of these through appropriate channels and incorporation within the Departmental Risk Register if appropriate;
- Suggesting recommendations for the removal of current corporate risks that are considered as lower levels of risk;
- Ensuring that risk management considerations are included in all Cabinet, Scrutiny and Regulatory bodies reports in respect of strategic policy decisions;
- Providing assurance on the effectiveness of risk management within their department as part of the Annual Governance Statement process;

- Following the review and approval of the Departmental Risk Register, DMTs to determine whether a potential reputation or consultation matter needs to be forwarded to Communication Unit

Service Managers

Providing assurance to DMT's that risks within their service are being managed effectively by:

- Ensuring that risk management within their area of responsibility is implemented in line with the Council's Risk Management Strategy;
- Managing risks on a day to day basis;
- Adhering to the risk scoring mechanism (original, current and target risk scores) outlined in the Strategy to ensure risks are managed to add value by aiming to achieve the balance between undermanaging risks (unaware and no control) and over-managing them (over-control)
- Communicating the results of their service risk assessment to the DMT via their Risk Champion, demonstrating effectiveness of controls in place to mitigate/reduce service risks;
- Reviewing risks from their areas of responsibility that have been included within the departmental risk register and prioritising and initiating action on them and ensure they are completed by the planned completion date;
- Identifying new and emerging risks or problems with managing known risks and escalating to the Risk Champion where appropriate;
- Ensuring that they and their staff are aware of corporate requirements, seeking clarification from their Risk Champions when required;
- Identifying risk training needs of staff and informing this to Risk Champions;
- Using the Risk Management Toolkit and guidance.

Programme/Project/Partnerships

Providing assurance that project and partnership risks and their impact are managed and communicated effectively by:

- Ensuring risk management is a regular item on Partnership / Programme/Project Board agendas;
- Reviewing and monitoring risks identified on programme/project/partnerships risk registers, ensuring that suitable controls are in place and working, or that plans are being drawn up to strengthen further controls;
- Identifying new and emerging risks or problems with managing known risks, ensuring communication of these through appropriate channels, to inform affected service/department.

Risk Champions

- See Corporate section

Staff

- Taking responsibility for gaining an understanding of the risks facing their area of accountability;
- Report promptly perceived failures in existing control measures that could increase risk.
- Take due care to understand and comply with the risk management processes and guidelines of the Council.

Internal Audit Service

Risk Management (Head of Internal Audit Service in conjunction with the Director of Corporate Resources):

Provide assurance that the flow of risk information throughout the Council is working and effective to produce and maintain the Corporate Risk Register by:

- Leading in the implementation of the revised risk management framework and promoting use of the Risk Management Toolkit;
- Meeting with departments as per the risk management timetable to review risk registers and emerging risks;
- Coordinating risk management activity across the Council with the support of Departmental Risk Champions/Representatives
- Collating the changes to departmental risks and ensure that the Corporate Risk Register is amended to reflect current position;
- Regular horizon scanning (in conjunction with CMT, DMT Risk Champions and Head of Internal Audit) of information from relevant publications and minutes from key meetings to provide a basis for including additional risks on the Corporate Risk Register;
- Reporting progress on the Corporate Risk Register and other risk management related initiatives to the CMT, Corporate Governance Committee and Cabinet as per the risk management timetable;
- Supporting Departmental Risk Champions/Representatives in their risk management role;
- Communicating corporate risk management information and requirements;
- Reviewing the Risk Management Policy and Strategy at least annually to reflect best practice and initiate improvements;
- Arranging for the review of risk management maturity;
- Establishing links with external groups and organisations in order to gain knowledge and share best practice on risk management issues;
- Agreeing mechanisms for identifying, assessing and managing risks in key partnerships;
- Supporting the development and delivery of relevant risk training

Assurance

Review and challenge the effectiveness of the risk management framework, providing independent assurance about the quality of controls that managers have in place, by:

- Creating a risk-based audit plan that is aligned to the Corporate Risk Register and the Departmental Risk Registers;
- Testing and validating existing controls, with recommendations for improvement on identified control weaknesses;
- Reporting outcomes to Chief Officers and Corporate Governance Committee;
- Monitoring changing risk profiles based on audit work undertaken, to adapt future audit work to reflect these changes;
- Conduct relevant audits of the risk management framework and maturity but overseen by a manager independent to the Service

Appendix 2

Action Plan

This Strategy sets out the developments / actions the Council proposes over the short term future to further improve risk management maturity. These developments include the following actions: -

Action	Target Implementation Date
To review and revise the Council's Risk Management Policy and Strategy and related guidance with endorsement from Corporate Management Team and Corporate Governance Committee.	January/ February 2016
Assist Update of Departmental Service Planning Guidance 2016/17: • Alignment of Risk Registers to the Service Planning Process - 2016/17. To ensure risks recorded link back to departmental and service planning objectives. • Inclusion of the revised Risk Register Templates (2016/17)	January 2016
Update and communicate through Manager's Digest, the Council's intranet Risk Management pages to include; • Revised Risk Management Policy & Strategy • All relevant guidance on methodologies and processes, including the revised Risk Assessment Criteria and Map • Risk Management Toolkit containing the revised risk register templates with guidance • Who to contact: details of the risk management "network", • Links to further information and guidance e.g. ALARM web-site	February/March 2016
Provision of support to Departmental Risk Champions if necessary with the implementation of the revised Risk Register Template.	February – April 2016
Develop and introduce key performance indicator(s) for risk management activity to maintain and improve the maturity rating.	April 2016 and ongoing
Develop a training matrix to identify the levels of training that need to be attained by staff at different levels in the organisation. Explore differing options E.g. Face to face, CIS, external training. Explore the free training offering from the Council's Insurance providers - Gallagher Bassett's risk management consultancy service.	June 2016

To ensure that risk management awareness is given adequate prominence in the Council's staff induction procedures.	August 2016
To develop an e-learning module on risk management and to promote its uptake by all relevant officers.	September 2016
To liaise with Chief Executive's Department on any corporate guidance to ensure risks associated with partnerships are captured, particularly where the Council is the lead accountable body. CIS to be updated accordingly.	September 2016
Maintain effective horizon scanning process and communication of new/emerging risks to Risk Champions for assessment and consideration.	Ongoing 2016