

# Derbyshire Dales District Council

## Risk Management Policy & Strategy 2018-2020

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|--|-------------------------------|
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## Risk Management Strategy Statement

It is the Council's policy to proactively identify, understand and manage the risks inherent in our services and associated within our plans and strategies, so as to encourage responsible, informed risk taking.

Risk management is all about understanding, assessing and managing the Council's threats and opportunities. The Council accepts the need to take proportionate risk to achieve its strategic obligations, but expects these to be appropriately identified, assessed and managed. Through managing risks and opportunities in a structured manner, the Council will be in a stronger position to ensure that we are able to deliver our objectives. As a result, through risk management, the Council aims to:

- a) Implement effective risk management as a key element of good governance and rigorous performance management. All Members and Officers will ensure that they identify, manage and act on opportunities as well as risks to enable the Council to achieve its objectives and integrate risk management into the culture and day to day working of the Council.
- b) Utilise risk as an integral part of corporate and business planning, policymaking, performance management and ensuring effective service delivery.
- c) Embed a systematic and consistent approach to risk management throughout the Council.
- d) Ensure that strategic partnerships, outsourced or externally provided arrangements are adequately risk assessed and managed.
- e) Maintain risk management policies, procedures etc ensuring these comply with best practice and statutory requirements. On an annual basis, the Risk Continuity Group will review the risk management process and will recommend further enhancements to further embed risk management within the Council. The Risk Management Strategy will be endorsed by the Corporate Leadership Team and I will be the accountable Officer to ensure that this is performed.
- f) Identify clear roles and accountability for risk management within the Risk Management Strategy. These will recognise process enhancements, day to day risk management requirements, oversight and scrutiny, along with the Council's need to support Officers in training and awareness programmes.

We recognise that it is not always possible, nor desirable, to eliminate risk entirely. However, visibility of these areas is essential, so that the Council can explore external options, such as insurance.



**Paul Wilson**

# Risk Management Strategy

## 1 Introduction

### 1.1 Purpose and objectives of the Strategy

The purpose of this Risk Management Strategy is to establish a framework for the effective and systematic management of risk, which will ensure that risk management is embedded throughout the Council and makes a real contribution to the achievement of the Council's vision and objectives. As a result, the objectives of this strategy are to:

- Define what risk management is about and what drives risk management within the Council;
- Set out the benefits of risk management and the strategic approach to risk management;
- Outline how the strategy will be implemented; and
- Identify the relevant roles and responsibilities for risk management within the Council.

Effective risk management will require an iterative process of identification, analysis, and prioritisation, action, monitoring and reporting of material risk. The processes required to deliver these objectives will need to ensure:

- Clear identification of corporate aims and priorities, service objectives and key actions.
- Specification of roles and responsibilities in respect of risk management activities.
- Consideration of risk as an integral part of corporate and business processes.
- Requirements to analyse, prioritise, respond to, monitor and report on material and significant risks.
- Specification of guidance and support arrangements to assist officers in their consideration of risk.
- Facilitation of shared organisational intelligence and learning.

Risks will be managed through a series of provisions applying at different levels. These include:

- Expression of the strategic risk tolerance in corporate aims and service plans through application of our risk scoring methodology.

- At operational level by budget allocation and monitoring through effective performance management arrangements.
- At project level through application of established risk assessment techniques in compliance with business continuity planning.
- Good corporate governance provisions as provided by the Governance & Resources Committee's Terms of Reference.
- Annual review of arrangements to assess against good practice (Chief Executive's Annual Report).
- Examination of corporate and insurable risks to identify risk reduction measures (Risk Continuity Group).
- Provide for risk assessment evidence in all decision making processes of the Council by inclusion in all Committee reports.
- Maintain documented procedures, toolkits and guidance for use across the Council by application of the risk register process and usage advice.
- Provide officers with suitable information and training to enable them to perform their duty (Risk Continuity Group and Performance and Development Reviews).
- Make all partners, providers and delivery agents aware of the Council's expectations on risk, both generally as set out in the Risk Management Policy, and where necessary, in particular areas of service delivery

## 1.2 Risk Management Definitions

There are a number of ways in which organisations express risks and as a result, the risk management definitions can vary. Therefore, we have included a risk management glossary of the Council's risk management definitions.

A full glossary of definitions can be found in **Appendix B**.

## 1.3 What is risk management?

Risk can be defined as ***"a threat that an event or action will adversely affect the Council's ability to achieve its objectives, perform its duties or meet expectations of its stakeholders"***

***Risk Management*** - Risk is unavoidable; organisations must manage risk in a way that can be justified to a level which is tolerable and as a result, risk is the chance that an event will occur that will impact upon the organisation's objectives. It is measured in terms of consequence and likelihood.

The holistic approach is vital to ensure that all elements of the organisation are challenged including decision making processes, working with partners, consultation, existing policies and procedures and also the effective use of assets – both staff and physical assets.

The risks facing the Council will change over time, some changing continually, so this is not a one off process. Instead the approach to risk management should be continual and the risks and the approach to managing them should be reviewed regularly.

It is important to note that risks can also have an upside; their impact can in some cases be positive as well as negative. Risk is also often said to be the flipside of opportunity so the whole risk management process can also help the Council identify positive opportunities that will take it forward. Risk management needs to be seen as a strategic tool and will become an essential part of effective and efficient management and planning.

#### **1.4 Why do we want (and need) to do risk management?**

Risk management will, by adding to the business planning and performance management processes, strengthen the ability of the Council to achieve its objectives and enhance the value of the services provided.

**We are required to do it** - Risk management is something that the Council is required to do, for example:

- The CIPFA/SOLACE framework on Strategic Governance requires the Council to make a public assurance statement annually, on amongst other areas, the Council's Risk Management Strategy, process and framework. The framework requires the Council to establish and maintain a systematic strategy, framework and processes for managing risk.

**Benefits of risk management** - Successful implementation of risk management will produce many benefits for the Council if it becomes a living tool.

- Achievement of the Councils objectives and vision;
- A consistent approach to the way risks are managed throughout the Council;
- Improved informed decision making – risks reported and considered within Council decision making;
- Becoming less risk averse in innovation (because you understand) and hence are more innovative;
- Improved business planning through a risk based decision making process;
- A focus on outcomes not processes;

- Improved performance (accountability and prioritisation) - feeds into performance management framework;
- Better governance - and demonstration of it to stakeholders; and
- Helping to protect the organisation.

### 1.5 Where does risk management fit?

In short the answer is “*everywhere*”. Effective risk management should be applied within all decision making processes at an *appropriate scale*. So the risk management approach should encompass all types of risks and the table below may aid in the identification of risks to the Council.

| Sources of risk                          | Risk examples   |
|--|---|
| <b>STRATEGIC</b>                         |   |
| <b>Infrastructure</b>                    | Functioning of transport, communications and infrastructure. Impact of storms, floods, pollution.   |
| <b>Legislative and Regulatory</b>        | Effects of the change in Central Government policies, UK or EU legislation, local and National changes in manifestos. Exposure to regulators (auditors/inspectors).   |
| <b>Social Factors</b>                    | Effects of changes in demographic profiles (age, race, social makeup etc.) affecting delivery of objectives. Crime statistics and trends. Numbers of children/vulnerable adults ‘at risk’.                  |
| <b>Technological</b>                     | Capacity to deal with (ICT) changes and innovation, product reliability, developments, systems integration, cyber-crime etc. Current or proposed technology partners.                                       |
| <b>Competition and Markets</b>           | Cost and quality affecting delivery of service or ability to deliver value for money. Competition for service users (leisure, car parks etc.). Success or failure in securing funding.                      |
| <b>Stakeholder related factors</b>       | Satisfaction of the Council’s taxpayers, Central Government and other stakeholders.   |
| <b>Environmental</b>                     | Environmental impact from Council, stakeholder activities (e.g. pollution, energy efficiency, recycling, emissions, contaminated land etc.). Traffic problems and congestion.                               |
| <b>OPERATIONAL (Internal influences)</b> |   |
| <b>Finance</b>                           | Associated with accounting and reporting, internal financial delegation and control, e.g. managing revenue and capital resources, taxation and pensions.  |
| <b>Human Resources</b>                   | Recruiting and retaining appropriate staff and applying and developing skills in accordance with corporate objectives, employment policies, health and safety.  |
| <b>Contracts and Partnership</b>         | Failure of contractors to deliver services or products to the agreed cost and specification. Procurement, contract and life cycle management, legacy. Partnership arrangements, roles and responsibilities. |
| <b>Tangible Assets</b>                   | Safety and maintenance of buildings and physical assets e.g. plant and equipment,   |

| Sources of risk                                 | Risk examples   |
|---|---|
|   | ICT equipment and control   |
| <b>Environmental</b>                            | Pollution, noise, licensing, energy efficiency of day-to-day activities.  |
| <b>Processes</b>                                | Compliance, assurance, project management, performance management, revenue and benefits systems, parking systems etc.             |
| <b>Professional Judgement and Activities</b>    | Risks inherent in professional work, designing buildings, safeguarding vulnerable children and adults.                            |
| <b>CORPORATE GOVERNANCE</b>                     |   |
| <b>Integrity</b>                                | Fraud and corruption, accountability, transparency, legality of transactions and transactions and limit of authority.             |
| <b>Leadership</b>                               | Reputation, authority, democratic changes, trust and branding.  |
| <b>Policy and Strategy</b>                      | Clarity of policies, communication. Policy Planning and monitoring and managing performance.                                      |
| <b>Data and information for decision making</b> | Data protection, data reliability and data processing. Control of data and information. E-government and service delivery.        |
| <b>Risk Management</b>                          | Incident reporting and investigation, risk analysis or measurement, evaluation and monitoring. Taking advantage of opportunities. |

There is therefore a consistent approach from the top to the bottom of the Council. So a mechanism will exist for risks to be escalated up (bottom up) within the Council whilst the top risks are also explicitly identified and managed (top down).

In practice this means that the Council will carry out risk assessments and develop the following risk registers:

- **Strategic Risk Register** – the strategic, high level council risks related specifically to the Corporate Plan; and
- **Operational Risk Registers** – the risks facing the service and the achievement of its service objectives, as outlined in the Service Delivery Plan. Depending on the structure and complexity of the service there may also be a need/desire to have sub-unit risk registers which feed into the service risk register.

Given the changing landscape of local government the importance of projects and partnerships are ever increasing, so a more specific and tailored risk management approach is required.



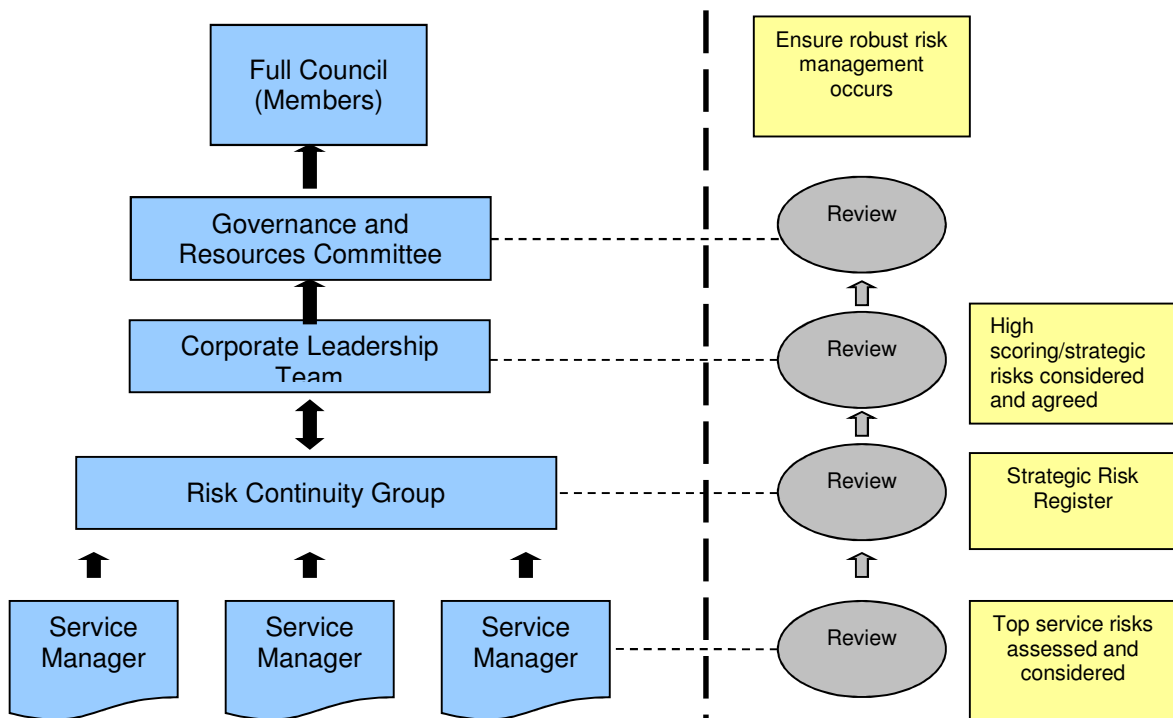
## 2 Risk Management Organisational Structure

### 2.1 Reporting structure

The risk management process is a continuous one and risks can therefore be reported at any time. However risks will be formally reported as follows:

- Service Managers are required to review and update the risks that sit within their service on a quarterly basis via departmental meetings. These updates are fed into the operational risk registers, as well as the strategic risk register where appropriate.
- On a quarterly basis the Risk Continuity Group (RCG) receives a copy of the Council’s Strategic Risk Register as well as a summary report for challenge and consideration. The Corporate Leadership Team considers the Risk Continuity Group minutes following each quarterly meeting of the RCG.
- A risk management annual report is produced by the Risk Continuity Group to be reported to the Corporate Leadership Team and escalated to the Governance and Resources Committee. A copy of the Annual Report is given to all councillors.

The reporting structure is represented below:



### 3. Roles and Responsibilities

In cases of operational risk, risk management will follow existing service management arrangements. Strategic risk will be managed at Head of Service Level. The Risk Continuity Group will be accountable to the Corporate Leadership Team and will be the “driving force” behind developing and implementing the Council’s Risk Management Strategy. The constitution of the Group is shown at **Appendix C**. Heads of Service will nominate an officer to serve on the Risk Continuity Group to enhance the linkage between Service Line Managers and the Corporate Leadership Team.

Risk needs to be addressed at the point at which decisions are being taken. Where Members and Officers are asked to make decisions, they should be advised of the risks associated with recommendations being made as necessary. The Council needs to be able to demonstrate that it took reasonable steps to consider the risks involved in a decision. Risks must be addressed within Committee reports, as part of the corporate check.

There needs to be a balance between the efficiency of the decision making process and the need to address risk. All reports to Council or Committees include a section that assesses risks.

The following describes the roles and responsibilities that Members and officers will play in introducing, embedding and owning the risk management process:

| Group/<br>individual   | Roles & Responsibilities   |
|------------------------|--|
| <b>Members</b>         | <ul style="list-style-type: none"> <li>▪ Endorse the Risk Management Policy and Strategy;</li> <li>▪ Agree the priorities determined by officers;</li> <li>▪ Review the effectiveness of the risk management process;</li> <li>▪ Governance &amp; Resources Committee’s Terms of Reference include corporate governance provision;</li> <li>▪ Receive reports from the Chief Executive (Officer with responsibility for risk management) stating whether effective risk management arrangements operate;</li> <li>▪ Approve risk tolerance levels or the “risk appetite” of the Council i.e. the definition of high (red) risk, medium (amber) risk and low (green) risk as recommended by the Corporate Leadership Team;</li> <li>▪ Consider the risks involved in making any decisions;</li> <li>▪ Hold the Corporate Leadership Team accountable for the effective management of risk; and</li> <li>▪ The Leader and Chief Executive approve the Annual Governance Statement, which is the public disclosure of the annual outcome of this assessment (the assurance statement) and published in the annual Statement of Accounts.</li> </ul> |
| <b>Elected Members</b> | <ul style="list-style-type: none"> <li>▪ Members are responsible for governing the delivery of services to the local community and have a responsibility to understand the risks that their Council faces and be aware of how these risks are being managed. One way of gaining assurance that identified risks are being effectively managed is by robust, constructive challenge and scrutiny.</li> </ul>  |

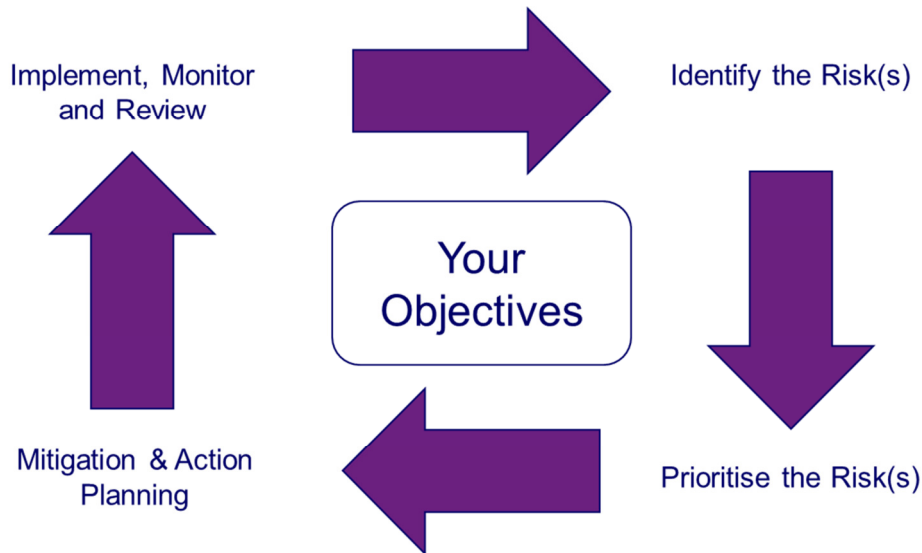
| Group/<br>individual                    | Roles & Responsibilities  |
|---|---|
| <b>Corporate Leadership Team</b>        | <ul style="list-style-type: none"> <li>▪ Scrutinise significant risks in more detail as part of their annual work programme, as appropriate;</li> <li>▪ Take corporate responsibility for risk;</li> <li>▪ Address issues that cannot be addressed within service budgets or risk management fund of an extreme or high assessment;</li> <li>▪ Receive report of all extreme or high assessments;</li> <li>▪ Receive minutes of Risk Continuity Group meetings.</li> </ul>  |
| <b>Risk Continuity Group</b>            | <ul style="list-style-type: none"> <li>▪ Oversee the Strategic Risk Register;</li> <li>▪ Report to CLT at the defined frequency all highly scored risks;</li> <li>▪ Prepare and recommend changes to the risk management strategy;</li> <li>▪ Identify and assess risks;</li> <li>▪ Prepare, monitor and review the strategic risk register;</li> <li>▪ Recommend actions to address risks; and</li> <li>▪ Arrange and provide risk management training as appropriate.</li> </ul>  |
| <b>Chief Executive</b>                  | <ul style="list-style-type: none"> <li>▪ Overall responsibility for ensuring that strategic risks are effectively managed within the Council; and</li> <li>▪ Provide an annual statement of assurance on strategic risks.</li> </ul>  |
| <b>Heads of Service</b>                 | <ul style="list-style-type: none"> <li>▪ Review risk treatment schedules as identified by the line managers and team leaders;</li> <li>▪ Champion and take overall responsibility for implementing the Risk Management Framework and embedding risk management throughout the Council.</li> <li>▪ Review risk action plans and ensure they are implemented;</li> <li>▪ Contribute towards the identification and management of operational risks for their service;</li> <li>▪ Maintain awareness of and help promote the approved risk management strategy to all staff;</li> <li>▪ Ensure that risks which have been identified are addressed and mitigated and that any high risks are addressed urgently; and</li> <li>▪ Ensure that risk management is incorporated into service plans and project plans.</li> </ul> |
| <b>Line Managers &amp; Team Leaders</b> | <ul style="list-style-type: none"> <li>▪ Identify and analyse risks;</li> <li>▪ Undertake assessments at service level;</li> <li>▪ Evaluate risk/perform risk assessment</li> <li>▪ Prepare risk register entries;</li> <li>▪ Prepare the risk treatment schedule; and</li> <li>▪ Prepare risk action plan.</li> </ul>  |
| <b>All Employees</b>                    | <p>All employees have a responsibility to:</p> <ul style="list-style-type: none"> <li>▪ Manage risk effectively in their job and report opportunities and risks to their service managers;</li> <li>▪ Participate in risk assessment and action planning where appropriate;</li> <li>▪ Adhere to Council policies and procedures; and</li> <li>▪ Attend training and development sessions as appropriate</li> </ul>   |



| <b>Group/<br/>individual</b> | <b>Roles &amp; Responsibilities</b>   |
|------------------------------|---|
| <b>Project Leaders</b>       | <ul style="list-style-type: none"> <li>▪ Project leaders have a responsibility to ensure that the risks associated with their projects are identified, recorded and regularly reviewed as part of the project management process.</li> </ul>  |
| <b>Internal Audit</b>        | <p>Internal Audit's role is to maintain independence and objectivity. Internal Audit is not responsible or accountable for risk management or for managing risks on management's behalf. Internal Audit will:</p> <ul style="list-style-type: none"> <li>▪ Audit the risk management process;</li> <li>▪ Assess the adequacy of the mechanisms for identifying, analysing and mitigating key risks;</li> <li>▪ Provide assurance to officers and Members on the effectiveness of controls; and</li> <li>▪ The Risk Register will drive the Internal Audit Plan to ensure resources are used on the areas of highest risk and where the need for assurance is greatest.</li> </ul> |

## 4. Risk Management Process

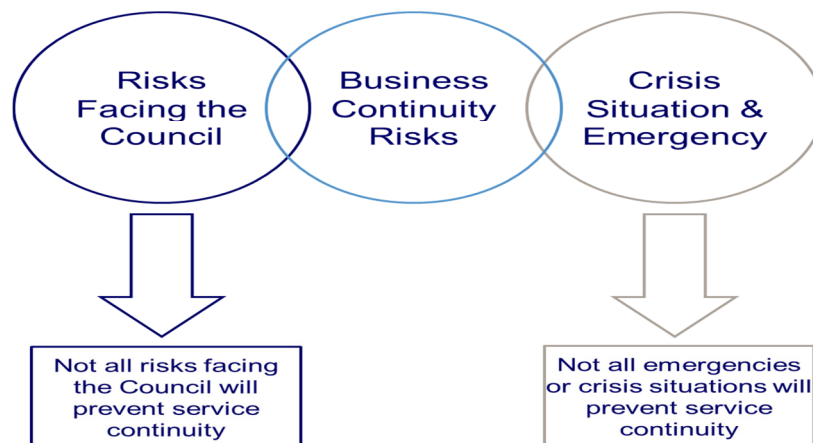
The risk management process follows a four step approach; these are indicated in the diagram below and should be driven by the Council’s objectives.



## 5 Links to other Business Processes

### Risk management, emergency planning and business continuity

There is a link between these areas however it is vital for the success of risk management that the roles of each, and the linkages, are clearly understood. The diagram below sets out to demonstrate the differences.



**Risk management** is about trying to identify and manage those risks which are more than likely to occur and where the impact on the Council's objectives can be critical or even catastrophic.

**Business continuity management** is about trying to identify and put in place measures to protect the priority functions against catastrophic risks that can stop the organisation in its tracks. There are some areas of overlap e.g. where the I.T infrastructure is not robust then this will feature as part of the organisation risk assessment and also be factored into the business continuity plans.

**Emergency planning** is about managing those incidents that can impact on the community (in some cases they could also be a business continuity issue) e.g. a plane crash is an emergency, it becomes a continuity event if it crashes on the office.

## 6. Communication

The Risk Management Strategy and Policy will be published on the Council's website so that all members of staff, partners, stakeholders and interested members of the public can have access and easily refer to it. The document will be reviewed every two years and following any key changes e.g. Central Government policy, inspection regimes and following any internal reorganisation.

## 7 Training

Training will be facilitated via workshops, the Council's online learning portal, etc., with a view to enabling all officers to confidently undertake the process of risk identification and mitigation within their service areas.

## 8 Monitoring of Risk

The Council will monitor risk in the following ways:

- Risk Assessments will be undertaken annually to reflect Service Plan Objectives and Key Actions.
- The Council risk registers, both strategic and operational, will be the prime record which contains risk assessments, mitigation controls and review frequency information in accordance with the Councils Risk Management Methodology.
- The Risk Continuity Group will comply with their Terms of Reference as defined in **Appendix C**.
- Internal Audit will review the Council's risk management arrangements as part of its strategic audit plan.

## 9 Conclusion

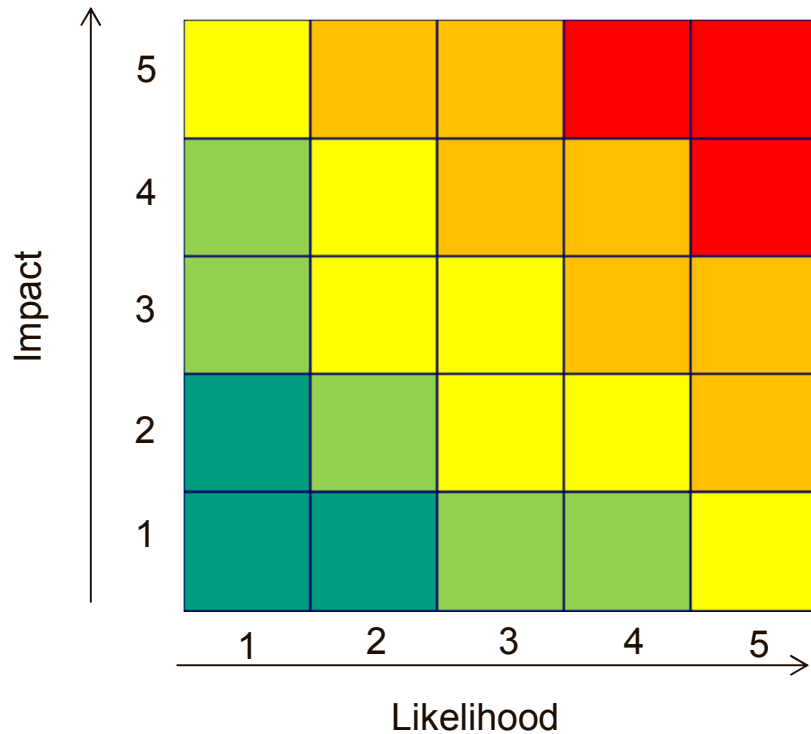
This strategy will set the foundation for integrating risk management into the Council's culture. It will also formalise a process to be applied across the Council to ensure consistency and clarity in understanding the role and benefits of strategic risk management.

The quarterly reporting and escalation of risks should interlock with the existing quarterly arrangements for performance reporting. The intention being that the management of risks incorporated into business plans so that by reporting on performance reports naturally progress on the mitigation of risks.

The adoption of the strategy will formalise the risk management work undertaken to date and will move the Council towards meeting the requirements of recognised best practice and inspection.

RISK MANAGEMENT STRATEGY

Appendix A – Risk Grading



| 1<br>Very Low                   | 2<br>Low              | 3<br>Medium                         | 4<br>Probable                 | 5<br>High                             |
|---------------------------------|-----------------------|-------------------------------------|-------------------------------|---------------------------------------|
| Unable to recall previous event | Once in last 20 years | Occurred elsewhere in last 10 years | Happened in last 4 – 10 years | Happened once or more in past 4 years |

| Severity              | Definition   |
|-----------------------|--|
| <b>5<br/>Critical</b> | <p><b>Personal safety</b> – Death</p> <p><b>Financial loss</b> – Over £250,000 for legal obligation claim/fine/custodial sentence, Business loss claim/fine/custodial sentence.</p> <p><b>Personal Privacy infringement</b> – All personal details compromised</p> <p><b>Reputation</b> – Officer/Members forced to resign</p> |
| <b>4<br/>Major</b>    | <p><b>Personal safety</b> – Major injury</p> <p><b>Financial loss</b> - Up to £100,000 - £250,000 for legal obligation claim/fine, Business loss claim/fine.</p> <p><b>Personal Privacy infringement</b> – Severe personal details compromised</p> <p><b>Reputation</b> – Local or public interest/National press aware</p>    |
| <b>3<br/>Possible</b> | <p><b>Personal safety</b> – Injury outpatients</p> <p><b>Financial loss</b> - Up to £50,000 - £100,000 for legal obligation claim/fine, Business loss claim/fine.</p> <p><b>Personal Privacy infringement</b> – Isolated, personal detail compromised</p> <p><b>Reputation</b> – Subject to formal report to Council</p>       |
| <b>2<br/>Unlikely</b> | <p><b>Personal safety</b> – Minor injury, not serious</p> <p><b>Financial loss</b> - Up to £1,000 - £50,000 for legal obligation claim/fine, Business loss claim/fine.</p> <p><b>Personal Privacy infringement</b> – Embarrassment, none lasting effect</p> <p><b>Reputation</b> – Contained within section/Department</p>     |
| <b>1<br/>Rare</b>     | <p><b>Personal safety</b> – Minor First aid</p> <p><b>Financial loss</b> - Up to £1,000 for legal obligation claim, Business loss claim</p> <p><b>Personal Privacy infringement</b> – Minor, none consequential</p> <p><b>Reputation</b> – Minor, none lasting</p>   |



## Appendix B – Risk Management Glossary

|                                       |   |
|---------------------------------------|---|
| <b>Risk</b>                           | Risk can be defined as a threat that an event or action will adversely affect the Council's ability to achieve its objectives, perform its duties or meet expectations of its stakeholders.   |
| <b>Hazard</b>                         | Anything that has the potential to cause harm.  |
| <b>Risk Management</b>                | Risk is unavoidable, organisations' must manage risk in a way that can be justified to a level which is tolerable and as a result, risk is the chance that an event will occur that will impact upon the Organisation's objectives. It is measured in terms of consequence and likelihood.  |
| <b>Assessing risks</b>                | The approach and process used to prioritise and determine the likelihood of risks occurring and their potential impact on the achievement of the Council's objectives.  |
| <b>Contingency</b>                    | An action or arrangement that can be put in place to minimise the impact of a risk if it should occur.  |
| <b>Control (control measures)</b>     | Any action, procedure or operation undertaken to either contain a risk to an acceptable level, or to reduce the likelihood.   |
| <b>Corporate Governance</b>           | Set of internal controls, processes, policies, affecting the way the Council is directed, administered or controlled.   |
| <b>Service risk</b>                   | Significant operational risks which affect the day-to-day activities of the council.  |
| <b>Identifying risks</b>              | The process by which events that could affect the achievement of the Council's objectives, are drawn out and listed.  |
| <b>Risk Prioritisation</b>            | Risk prioritisation is the process used to evaluate the hazard/ risk and to determine whether precautions are adequate or more should be done. The risk is compared against predetermined acceptable levels of risk.  |
| <b>Impact</b>                         | The effect that a risk would have if it occurs.   |
| <b>Issue</b>                          | An event or concern that has occurred or is taking place and needs to be addressed (as opposed to a risk which has not yet, or might not, occur).   |
| <b>Consequence</b>                    | A measure of the impact that the predicted harm, loss or damage would have on the people, property or objectives affected.  |
| <b>Likelihood</b>                     | A measure of the probability that the predicted harm, loss or damage will occur   |
| <b>Risk Treatment</b>                 | The action(s) taken to remove or reduce risks   |
| <b>Managing and controlling risks</b> | Developing and putting in place actions and control measures to treat or manage a risk.   |
| <b>Control</b>                        | The control of risk involves taking steps to reduce the risk from occurring such as application of policies or procedures.  |
| <b>Mitigation (Plan)</b>              | A strategy that reduces risk by lowering the likelihood of a risk event occurring or reducing the impact of the risk should it occur.   |
| <b>Objective</b>                      | Something to work towards – goal.   |
| <b>Operational risk</b>               | Risks arising from the day to day issues that the Council might face as it delivers its services.   |
| <b>Overall risk score</b>             | The score used to prioritise risks – impact multiplied by likelihood.   |
| <b>Risk Assessment</b>                | Analysis undertaken by management when planning a new process or changing an existing procedure to identify risks that may occur, their potential impact and likelihood of occurrence. It will also identify the controls needed to control the risk and who is responsible for this.   |
| <b>Risk Register</b>                  | A risk register is a log of risks of all kinds that threaten an organisations success in achieving its objectives. It is a dynamic living document which is populated through the organisations risk assessment and evaluation process. The risk register enables risks to be quantified and ranked. It provides a structure for collating information about risks. |

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## Appendix C – Committee Risk Continuity Group Terms of Reference

- a) To implement effective risk management as a key element of good governance and rigorous performance management;
- b) To discuss, agree and recommend as appropriate, all matters relating to risk policy and risk strategy in respect of the Council;
- c) To oversee all issues of risk, including implementation of the Council’s Risk Management /strategy and to promote a holistic approach to the management of risk throughout the Council;
- d) To promote good risk management practices throughout the Council with the aim of reducing insurance claims and premiums while ensuring that there is adequate insurance cover;
- e) To reduce the risks within the /council’s services to the benefit of staff and the public;
- f) To review the Corporate Risk Register and report issues arising to the Corporate Leadership Team;
- g) To provide a forum to discuss risk management issues and responsibilities throughout the Council
- h) To annually review the role and function of the Risk Continuity Group.