

AUDIT COMMITTEE – 16 September 2016

Title of paper:		Risk Management Framework and Update	
Director(s)/ Corporate Director(s):		Geoff Walker, Strategic Director for Finance Glen O’Connell, Corporate Director of Resilience	Wards affected: All
Report author(s) and contact details:		Jane O’Leary Insurance and Risk Manager 0115 8764158 Jane.oleary@nottinghamcity.gov.uk	
Other colleagues who have provided input:			
Recommendation(s):			
1	To seek approval of the Risk Management Framework and approval to deliver the Strategy.		

1 REASONS FOR RECOMMENDATIONS

- 1.1 The project to review and refresh the existing risk management process has been approved by CLT and Audit Committee. The review of the existing process has been completed with the findings of the benchmarking exercise reported. The revised Risk Management Framework has been drafted for approval, which includes the Strategy for work to be completed during 2016/17. Approval allows the Framework and Strategy to be implemented and delivered.

2 BACKGROUND

- 2.1 A report and recommendation was agreed at Audit Committee on the 27 November 2015 to undertake a root to branch review of the current risk management process with the objective of providing an improved processes that achieves a greater guarantee and assurance that the identification, assessment and mitigation of strategic risk is effective.
- 2.2 The benchmarking and risk management health check has been completed, having conducted a series of confidential meetings with senior managers and councillors. The following areas were considered in the exercise:-
- Review of policies, procedures and framework
 - Review the corporate risk register
 - Assess current risk maturity
 - Obtain view on current processes
 - Suggest areas for improvement and offer a suggested strategy/action plan
- 2.3 The Alarm National Performance Model for Risk Management in Public Services has been used as the tool to measure the maturity of risk management processes at the

council. The model allows an assessment to be made around the extent to which risk management is having a positive effect on the organisation.

- 2.4 Based on the outcomes of the review and benchmarking exercise, the Risk Management Framework has been drafted, incorporating the Policy, Process and Strategy for 2016/17.

3 RISK MANAGEMENT FRAMEWORK

- 3.1 The Risk Management Framework, which incorporates the Policy, Process and Strategy has been drafted and is attached for approval.
- 3.2 Following approval from Audit Committee, CLT and the Portfolio Holder for Resources the Framework will be rolled out to all Directors. Included with this is training where required on the Process.
- 3.3 Workshops will be undertaken with all Departmental Leadership Teams to review their current risk registers using the revised Framework as the consistent standard.
- 3.4 Joint workshops will also be undertaken with the Performance Team to include the identification, assessment and management of risk in the business planning process for 2017/18.
- 3.5 Updated departmental risk registers will be reported to CLT for consideration of those risks that require escalation to the corporate risk register.
- 3.6 The current Corporate Risk Register is being reviewed by CLT and updated to adequately reflect the current risk profile and risk appetite.
- 3.7 CLT are considering the
- The use of Covalent as a method of recording risk with alternative software under consideration
 - The risk appetite
 - What constitutes a Corporate Risk
 - What is the escalation process

BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING EXEMPT OR CONFIDENTIAL INFORMATION

- 4.1 None

4 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

- 4.1 None