

GOVERNANCE AND AUDIT COMMITTEE

Date of Meeting	Monday, 14 th November 2022
Report Subject	Risk Management Framework
Report Author	Internal Audit, Performance and Risk Manager
Category	Advisory

EXECUTIVE SUMMARY

In May 2022 an Audit Review was undertaken of the Risk Management Framework and areas for improvement were identified.

The purpose of this report is to share with Committee the revised Risk Management Framework (Appendix A) following an update to address the findings of the audit.

RECOMMENDATION

1	That the Committee approves the Risk Management Framework – V3 2022.
---	--

REPORT DETAILS

1.00	EXPLAINING THE RISK MANAGEMENT FRAMEWORK
1.01	The role of the Governance and Audit Committee is to ensure that the Council's Risk Management framework is robust.
1.02	<p>A review of the Risk Management Framework has been undertaken. This includes the policy framework document as well as the operational processes for managing risk. Changes made to date include:</p> <ul style="list-style-type: none"> • A process mapping exercise has been undertaken of the risk management arrangements • The existing Risk Management Framework document (Appendix A) has been updated to include: <ul style="list-style-type: none"> • The identification of key roles and responsibilities

	<ul style="list-style-type: none"> • Improvements in the risk scoring matrix • Enhance the reporting and escalation of risks process • The Risk Management Framework has been signed off and owned by the Chief Officers Team on 16 August 2022 <p>In addition to the amendments in the Risk Management Framework the following is in progress:</p> <ul style="list-style-type: none"> • A review of all risks (strategic, operational and recovery risks) is in progress and due for completion in December 2022. This includes: <ul style="list-style-type: none"> • The development of one risk register (InPhase) which will identify Strategic, Operational, and Project risks. These could have originated from Council Plan priorities, Portfolio Business plans, business as usual risks, emerging risks and or project risks. • Identification of risk targets (tolerance), actions and measures • InPhase has been developed to hold all information the previous manual risk registers, mitigation documents and method statements held • Using InPhase risk trends will be identified to provide clearer management information • All risks will be reviewed, and updates provided monthly unless determined otherwise • The Risk Management Framework will be available on the Infonet and within InPhase following approval • Zurich will attend each SMT / DMT to provide Risk Management awareness training to Senior Managers and offer a risk challenge session on their current risks • Development of an e learning module. This will be mandatory training for officers.
--	--

2.00	RESOURCE IMPLICATIONS
-------------	------------------------------

2.01	None as a result of this report.
------	----------------------------------

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
-------------	---

3.01	Publication of this report constitutes consultation. The framework was also shared and endorsed by the Chief Officers Team in August 2022.
------	--

4.00	RISK MANAGEMENT
-------------	------------------------

4.01	Update as part of this report.
------	--------------------------------

5.00	APPENDICES
-------------	-------------------

5.01	Appendix A – Risk Management Framework
------	--

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>None.</p> <p>Contact Officer: Lisa Brownbill Internal Audit, Performance and Risk Manager</p> <p>Telephone: 01352 702231</p> <p>E-mail: lisa.brownbill@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>Governance - The system by which local authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.</p> <p>Risk Management - The process of identifying risks, evaluating their potential consequences and managing them. The aim is to reduce the frequency of risk events occurring (wherever this is possible) and minimise the severity of their consequences if they occur. Threats are managed by a process of controlling, transferring or retaining the risk. Opportunities are managed by identifying strategies to maximise the opportunity or reward for the organisation.</p> <p>Internal Control - Appropriate procedures and processes are in place to mitigate any risk which may prevent the organisation from achieving its objectives and service delivery.</p> <p>Financial Management - The planning, organising, directing and control of the financial activities of the Council to ensure sufficient resources are available to delivery its intended outcomes.</p> <p>Audit Wales - Works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.</p>