Risk Management Strategy

2007/08

City of York Council
Risk Management Strategy

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Introduction

1. Risk Management is inherent to good management practice and, to be truly effective, must have an established framework embedded into the culture of the organisation. The outcomes from effective risk consideration will lead to an increased confidence in the organisations ability to achieve it's objectives, have service continuity and reach sustainable performance improvements.   This includes better prioritisation and allocation of resources to the most appropriate area (high risk).

Overview

2. There needs to be proper integration of risk management into every area, and at all levels of the Authority, this includes specific and documented consideration within the following business elements: -

    *   Strategic & service planning.
    *   Financial planning & control.
    *   Reports & decision-making.
    *   Performance management.
    *   Implementation of projects & programmes.
    *   Establishing & maintaining effective partnerships.

Aims & Objectives

3. The strategy aims to: -

    *   Raise awareness and knowledge across the Council including partnerships.
    *   Ensure a robust framework is promoted and embedded.
    *   Achieve agreed and consistent risk management standards.
    *   Establish clear and accountable, roles and reporting lines.
    *   Provide for risk consideration in all processes of the Authority.
    *   Maintain an effective and up-to-date risk register for the assessment and management of risks and to ensure officers at all levels actively participate in this process.
    *   Develop a resource allocation framework to allocate resources to identified priority risk areas.
    *   Ensure appropriate consideration of risk within all reviews of service performance and improvement plans.

Roles & Responsibilities

4. **Elected Members**

   Responsibilities include:

   - Consideration of risk in decision-making, strategic planning and objective setting.
   - Ensuring the effectiveness of officer's risk considerations.

5. **Audit & Governance Committee**

   Responsibilities include:

   - Overseeing and approving the risk management framework.
   - Providing independent assurance of the adequacy of the risk management framework and associated control environment.
   - Ensuring officers comply with Member approved policies and procedures.

6. **Chief Executive**

   The Chief Executive has been charged by members to embed a corporate approach to ensure effective risk management at City of York Council.

7. **Director of Resources**

   Is the chief officer responsible for leading and championing risk management across the organisation.

8. **Corporate Management Team (CMT)**

   All directors, as members of CMT, have joint responsibility for the effective identification, management and review of corporate risks.

9. **Directorate Management Team (DMT)**

   Members of DMT's are responsible for ensuring the implementation and effectiveness of controls and action plans to mitigate corporate and directorate level risks. This involves maintaining systems to:

   - Identify, analyse and monitor risks of all levels.
   - Ensure the effective implementation of control measures.
   - Develop and deliver action plans for further mitigation.
   - Report in accordance with the Risk Management Policy.

10. **Senior & Line Managers**

It is important that managers stimulate the interest of their staff in the identification and reporting of risk and that they respond positively to this. This responsibility should be inherent in managers performance plans and accepted as one of their management responsibilities. They need to be both proactive and reactive, and take ownership of the process.

They are responsible for:

- Ensuring the Authority's Risk Management Policy is implemented within their area of responsibility.
- Identifying and controlling operational risks associated within their service area.
- Informing employees of the operational risks faced by the service and what is being done to treat these.
- Ensuring employees have access to training and development.

11. **All Employees**

It is necessary for the management of risk to be regarded by all employees at all levels as one of their fundamental duties and to understand their responsibilities. Everyone should have a real sense of ownership and commitment to identifying and minimising risks, reporting existing and emerging sources of risk to their senior manager and/or the Risk Management Team.

They have a duty to:

- Comply with policies and procedures.
- Operate safe systems of work.
- Report incidents and near misses to their line manager and take remedial action in accordance with policies and procedures.

12. **Risk Management Team**

The Risk Management Teams terms of reference are:

- Promote a corporate approach to risk management through training, communication and support.
- Identify appropriate mechanisms for assessing and evaluating risk.
- Raise awareness and knowledge of risk management.
- Promote and co-ordinate Corporate and Directorate level activity.
- Report progress and developments to CMT.
- Ensure the framework and it's supporting documents are continually reviewed, to meet requirements.
- Maintain the corporate risk register.

13.   **Corporate Committees & Groups**.

Group	Role
Officer Governance Group	• Ensure proper operation of an effective internal control environment. • Ensure transparent & accountable management practice and decision-making. • Promote ethical working practices & standards. • Monitor compliance with all relevant legislation & regulatory frameworks.
Corporate Health & Safety Team	• Provides policy, guidance and a corporate lead on all aspects of health and safety in the Authority.
Internal Audit	• Design & deliver annual audit plan. • Ensure compliance with policies and procedures.
IT&T	• Responsible for IT disaster recovery plans.
Business Continuity & Emergency Planning	• Considers the risks to the community at large, providing training and advice to local businesses and communities. • Leads on the development of Business Continuity Plans for the Authority.
Performance & Improvement Unit	• Implementation of strategic policy across the Authority reflecting changes in both UK and European legislation that affect Local Government.
Capital Monitoring Group	• Responsible for ensuring the Authority meets annual capital receipt targets.
Corporate Asset Management Group	• Responsible for ensuring that the Council operates best practice and a whole Council approach to the management of its property and land assets.

14. **Risk Management Champions**

A Risk Management Champion is appointed within each directorate and Elected Members to help deliver the risk management strategy and develop good practice across the organisation. This role includes: -

- Providing leadership.
- Playing an active role in the development of the risk management agenda.
- Promoting and championing risk management.
- Ensuring risks are managed, and opportunities are identified.
- Assisting in building capacity and capability.
- Working collaboratively with other directorate champions.
- Monitoring progress and performance.
- Promote the potential for taking advantage of opportunities.

Please refer to the risk management policy for officer's names and areas of responsibility.

Strategy Deliverables

15. The key to ensuring the effectiveness of this strategy is in measuring its progress against SMART objectives and outcomes. This includes achieving:

- A complete, comprehensive and up-to-date risk register.
- Effective and consistent use of the register in all areas, at all levels.
- Compliance with the monitoring and reporting cycle.
- Inclusion in all business processes.
- Consideration of positive and negative risks.
- Design and delivery of an annual training and communication programme.

To be added before publication:

- *Position statement*
- *Vision of where risk management should be by 2010/2011*
- *Three year medium term action plan*

This strategy will be reviewed annually to ensure its continued relevance and to assess its performance against its aims and objectives as set out above.