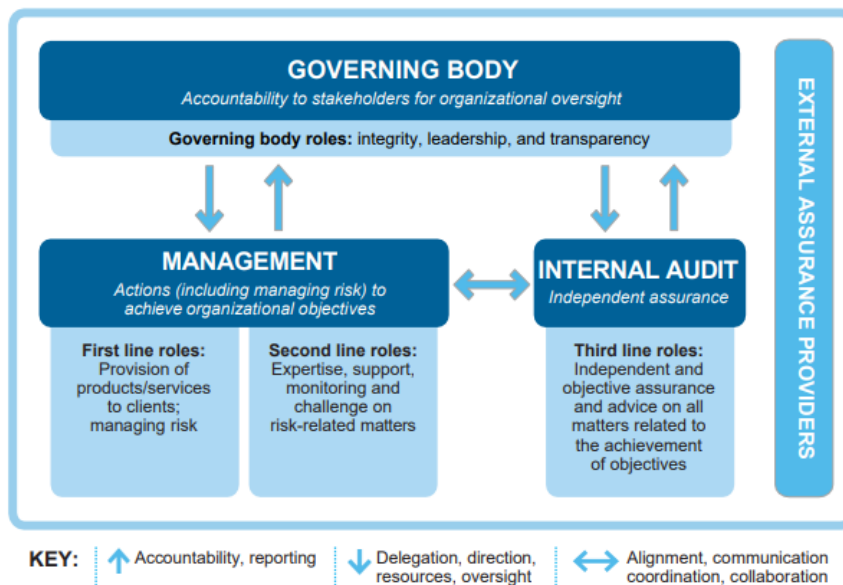


<b>Report to:</b>	<b>EXECUTIVE CABINET</b>
<b>Date:</b>	20 December 2023
<b>Executive Member:</b>	Cllr Jacqueline North – First Deputy (Finance, Resources & Transformation)
<b>Reporting Officer:</b>	Carol McDonnell – Head of Assurance
<b>Subject:</b>	<b>RISK MANAGEMENT POLICY &amp; STRATEGY</b>
<b>Report Summary:</b>	To present the Council’s refreshed Risk Management Policy & Strategy, attached at <b>Appendix 1</b> , for approval.
<b>Recommendations:</b>	To approve the Risk Management Policy & Strategy.
<b>Corporate Plan:</b>	The Risk Management Policy & Strategy aims to effectively manage potential threats and opportunities to the Council achieving its strategic objectives, and therefore manages the risks of not achieving the corporate plan.
<b>Policy Implications:</b>	The Council’s systems for managing risk are set out in the Risk Management Policy & Strategy which have been updated in this report.
<b>Financial Implications: (Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	The Local Government (Accounts and Audit) Regulations require local authorities to have arrangements in place for the management of risk. Refreshing the Risks Management Policy & Strategy enables the Council to effectively fulfil this remit.
<b>Legal Implications: (Authorised by the Borough Solicitor)</b>	As above.
<b>Risk Management:</b>	Failure to effectively manage risk comprises the Council’s ability to meet its strategic objectives.
<b>Access to Information:</b>	Not confidential
<b>Background Information:</b>	The background papers relating to this report can be inspected by contacting Carol McDonnell, Head of Assurance.
	 Telephone: 0161 342 3231
	 e-mail: <a href="mailto:Carol.McDonnell@tameside.gov.uk">Carol.McDonnell@tameside.gov.uk</a>

## 1. INTRODUCTION

- 1.1 The Local Government (Accounts and Audit) Regulations requires local authorities to have arrangements in place for the management of risk. The purpose of risk management is to effectively manage potential opportunities and threats to the Council achieving its objectives. Part of the remit of the Audit Panel is to ‘monitor the effective development and operation of risk management’.
- 1.2 Current best practice integrates the disciplines of risk management and internal audit into a model of assurance. This model is intended to give assurance to those ‘charged with governance’ that the Council’s major / significant risks are being effectively managed as well as providing early ‘red flags’ where attention is needed. The Institute of Internal Audit’s ‘Three lines’ model best demonstrates this below:

### The IIA’s Three Lines Model



- 1.3 At a meeting of the Audit Panel on 1 August 2023, the Panel were advised that the ‘Three Lines’ had been introduced as part of a number of enhancements to the Council’s risk management arrangements as part of the Council’s wider embedding of the assurance model, and the Panel were subsequently presented with the refreshed Risk Management Policy & Strategy on 21 November 2023.

## 2. EMBEDDING ASSURANCE

- 2.1 Good progress against the action plan reported to the Audit Panel in August 2023 has been made. This is set out as below:

Improvement Required	Action / Responsibility / Timescale	Quarter 2 Update (September 2023)
Directorate risk registers are not routinely in place.	Quarterly directorate risk registers (including escalating and de-escalating) risks from the strategic risk register will be put in place.  Risk, Insurance and Information Governance Manager / Directors September 2023	Each Directorate has an updated Directorate Risk Register including the ‘Three Lines’ in place.  <b>Implemented</b>

<b>Improvement Required</b>	<b>Action / Responsibility / Timescale</b>	<b>Quarter 2 Update (September 2023)</b>
There is no strategic risk management group or risk champions to promote and embed risk management across the organisation.	<p>Each director will be asked to propose a champion from their directorate and a risk management group will be convened to meet quarterly.</p> <p>Risk, Insurance and Information Governance Manager / Directors September 2023</p>	<p>Risk Champions (RC) from each Directorate are now in place. Meetings are convened Quarterly. In addition, a training session was held at the first RC meeting which took place in September 2023.</p> <p><b>Implemented</b></p>
Risk management arrangements for project and programmes require review.	<p>Usually, Prince2 principles include a sound basis for risk management at this level. It is proposed that those responsible for major programmes / projects are included within the risk management group above.</p> <p>Risk, Insurance and Information Governance Manager / Directors September 2023</p>	<p>Programme and Project representatives are included in the above.</p> <p><b>Implemented</b></p>
The risk policy / procedure needs to be updated to reflect changes and a programme of training is required.	<p>The risk policy / procedure will be reviewed to accommodate the proposed changes and an appropriate programme of training put in place. The approach to risk appetite is to be developed.</p> <p>Risk, Insurance and Information Governance Manager December 2023</p>	<p>The risk management policy and strategy has been refreshed. See 2.2 below.</p> <p><b>Implemented</b></p>

2.2 The risk management policy and strategy 2021-23 has been refreshed. Key changes to the document detailed at **Appendix 1** are:

- Update of role titles e.g., Head of Assurance, Assurance Team and complete refresh of roles and responsibilities at Appendix A in line with best practice.
- Inclusion of new governance arrangements now in place e.g., Assistant Directors Delivery Group, Strategic Risk Management Group.
- Update of risk management arrangements at 3.2 of the document to include the four T's (tolerate, treat, transfer, terminate) and a working description of the 'Three Lines approach'.
- A new risk appetite statement at Appendix 3.

### 3. RECOMMENDATIONS

3.1 As set out at the front of the report.