

CABINET – 15 OCTOBER 2019

DRAFT RISK AND OPPORTUNITIES MANAGEMENT

STRATEGY 2019-21

Report by Corporate Director - Customers and Organisational Development

RECOMMENDATION

1. Cabinet is recommended to approve the draft Risk and Opportunities Management Strategy 2019-2021 (Annex A).

Executive Summary

2. This report presents the draft Risk and Opportunities Management Strategy for 2019-21. The Strategy will be the foundation for improvement of the Council's risk management framework.
3. Audit & Governance Committee considered the draft Strategy on 11 September. The Committee's comments have been incorporated into the revised Strategy at Annex A.

Background

4. Our current Risk Management and Assurance Policy was last updated in July 2016. Since then the Council has published a new Corporate Plan, embarked on major transformation activity within services and across the organisation, and entered into a new partnership relationship with Cherwell District Council. Further, in March 2019, the Corporate Peer Review considered our organisational capacity, including our approach to risk management.
5. In response to this context and new insight, a revised risk management framework has been prepared to set the policy and management environment for a refreshed approach to risk and opportunity management.

Key issues

6. The Strategy (Annex A) sets out the Council's approach to risk and opportunities management and will help to embed both as a part of OCC's everyday work. The Strategy is aimed at both officers and members, recognising that a consistent approach to the management of risk – whether threats or opportunities – is needed across the whole Council.
7. On 11 September Audit & Governance Committee requested that the draft Strategy be improved in several places. The version in Annex A has been revised to reflect the Committee's requests, which can be summarised as:

- a general need for greater clarity that the strategy applies to both negative risks (threats) and positive risks (opportunities);
 - revisions to make certain technical terms clearer throughout;
 - greater clarity about risk appetite (section 1.4). The Committee felt the Strategy should reflect a council which is bold about taking carefully-managed risks and is responsive to opportunities for innovation
 - further clarity to explain the “tolerate” option for managing individual risks (section 2.4).
8. The Committee agreed to undertake an annual review of the Strategy as part of its work to ensure that the Strategy has been implemented and to assess the effectiveness of this.
 9. Planning for the implementation and improvement of risk management is owned by Chief Executive’s Direct Reports (CEDR) and supported by the Corporate Team, with oversight by the Director of Finance and the Corporate Director for Customers and Organisational Development.
 10. In August CEDR developed and agreed a Leadership Risk Register. Leadership risks are those that are significant in size or duration and will impact on the performance of the Council as a whole. This can include operational risks escalated to the Leadership level due to the scale of their impact.
 11. The Leadership Risk Register will stand as the senior risk register for the Council as a whole. The risks will be reviewed and publicly reported on as part of regular monthly Business Management and Monitoring Reports to Cabinet.
 12. Subject to Cabinet’s approval of the Strategy, it will be published on our intranet and promoted to staff and members. Implementation of the Strategy will be led by CEDR and supported by the Corporate Team, directorate Risk Champions and other colleagues. Subsequent monitoring of the Strategy and its implementation will be undertaken by Audit & Governance Committee as noted above.

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Annex A: draft Risk and Opportunities Management Strategy