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| AUDIT COMMITTEE | AGENDA ITEM No. 8 |
| 25 JULY 2022 | PUBLIC REPORT |

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| Report of: | Cecilie Booth, Director of Resources and s.151 Officer | |
| Cabinet Member(s) responsible: | Councillor Andy Coles, Cabinet Member for Finance and Corporate Governance | |
| Contact Officer(s): | Steve Crabtree, Chief Internal Auditor | Tel. 384 557 |

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| RISK MANAGEMENT FRAMEWORK |
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| RECOMMENDATIONS | |
| FROM : Steve Crabtree, Chief Internal Auditor | Deadline date : N / A |
| <p>It is recommended that Audit Committee:</p> <ol style="list-style-type: none"> Note and approve the Council's Risk Management Policy. | |

1. ORIGIN OF REPORT

1.1 This report is submitted to Audit Committee as a scheduled report on delivering risk management to Peterborough City Council. It is in line with the established Work Programme.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to inform Audit Committee about updates to the Council's Risk Management Policy. The Terms of Reference for the Audit Committee (agreed at Full Council) set out the key roles of the Committee including the following

2.2.1.18: To monitor the effective development and operation of risk management and corporate governance in the Council.

3. TIMESCALE

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| Is this a Major Policy Item/Statutory Plan? | NO | If yes, date for Cabinet | - |
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4. BACKGROUND AND KEY ISSUES

4.1 The Council recognises that there are risks in everything it does and has a duty to manage these risks in a balanced, structured and cost-effective way. Approval and publication of the Risk Management Policy and Framework demonstrates this intention.

4.2 The document should be:

- Fully supported by Members, the Chief Executive and the Corporate Leadership Team who are accountable for effective risk management within the Council;
- Able to explain the Council's underlying approach to risk management, documenting the roles and responsibilities of Members, officers and other key parties for the ongoing management of risk; as well as explaining key aspects of the Council's risk management process; and
- Demonstrating how it forms part of the Council's overall internal control and governance arrangements.

4.3 The updated Policy and Framework had been amended to include the following new areas of guidance:

- Revised responsibilities for Members and officers; and
- How risks are evaluated and recorded through the software used (Power-BI)

4.4 The risk appetite established is uniform for the Council and it may be worth consideration as to whether this should vary by department or by the Councils priorities and the social, economic, political and regulatory environment it operates in.

4.5 The above changes aim to ensure that the existing risk management arrangements continue to be robust, proportionate and the most appropriate for the Council.

5. **CONSULTATION**

This report has been issued to the Corporate Director of Resources for consideration.

6. **ANTICIPATED OUTCOMES OR IMPACT**

That the Audit Committee is informed of the proactive measures taken across the Council to manage risk to reduce the impact from a financial and reputational perspective.

7. **REASON FOR THE RECOMMENDATION**

The amendments clarify policy, provide sufficient guidance and inform officers and Members of their roles in relation to the management of risk. Risk management contributes to the Councils priorities by providing a framework whereby risks to the achievement of objectives are efficiently managed and mitigated against, thereby increasing the likelihood that those objectives are achieved.

8. **ALTERNATIVE OPTIONS CONSIDERED**

The option is not to present a report on the insurance function and the activities undertaken. This is not in line with open and transparent corporate governance and could result in a lack of awareness.

9. **IMPLICATIONS**

Financial Implications

There are no direct financial implications as a result of this report, but the agreed framework will guide officers on treatment of risk.

10. **BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

None

11. APPENDICES

Appendix A: Risk Policy and Framework

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