

**28 February 2017**

**ITEM 7**

**Standards and Audit Committee**

**Annual Review of Risk and Opportunity Management and the Policy, Strategy and Framework**

**Wards and communities affected:**  
All.

**Key Decision:**  
Non-key.

**Report of:** Andy Owen, Interim Insurance & Risk Manager

**Accountable Head of Service:** Sean Clark, Director of Finance & IT

**Accountable Director:** Sean Clark, Director of Finance & IT

**This report is a public report.**

**Executive Summary**

Risk and Opportunity Management (ROM) is recognised as good management practice and is an integral part of the Council's Corporate Governance and Performance Management arrangements.

To enable Standards and Audit Committee to consider the effectiveness of the Council's ROM arrangements the report is presented on an annual basis.

The report provides details of how the Council's ROM arrangements compare against good practice, outlines the current ROM activity, the proposals to maintain/improve the practice across the organisation and includes the updated ROM Policy, Strategy and Framework.

**1. Recommendations**

- 1.1 That Standards and Audit Committee note the results of the review, the current ROM activity and proposals to maintain and improve the practice across the organisation.**
- 1.2 That Standards and Audit Committee note and approve the updated ROM Policy, Strategy and Framework.**

**2. Introductions and Background**

- 2.1 Risk and Opportunity Management is an integral part of the Council's Corporate Governance and Performance Management arrangements and the Council has a statutory responsibility under the Account and Audit Regulations to put in place arrangements for the management of risks.
- 2.2 The Council has for a number of years used the ALARM/CIPFA Risk Management framework to test the Council's performance against best

practice and for some of those years employed the model to compare scores with other public service organisation results.

- 2.3 For the 2016 ROM review the Council decided that it was not cost effective to sign up to the ALARM/CIPFA model. However the framework has been used to structure the exercise but means there is no benchmarking data available as a result of this approach.
- 2.4 The ALARM/CIPFA framework resembles the European Foundation for Quality Management model (EFQM) and breaks down risk management activity into seven strands with five focussed on enablers and two focussed on results:

**Enablers criteria for Risk Management**

- A. Leadership & Management
- B. Policy & Strategy
- C. People
- D. Partnerships & Resources
- E. Processes

**Results criteria for Risk Management**

- F. Risk Handling & Assurance
- G. Outcomes & Delivery

- 2.5 The Enabler section covers what an organisation does and the Results section covers what an organisation achieves. Each strand is covered by a series of questions that are designed to explore where the organisation scores against best practice. The answers to the questions are weighted to reflect their relative impact on performance and collated into a final score for each strand.
- 2.6 These results are then used to calculate the overall scores for the Enabler and Results sections. A summary of Thurrock's scores against the model is outlined below:

<b>ENABLERS</b>		<b>Score</b>	<b>ENABLERS</b>		<b>Score</b>	
<b>A</b>	<b>4/4 LEADERSHIP &amp; MANAGEMENT</b>	<b>75/100</b>	<b>E</b>	<b>6/6 PROCESSES</b>	<b>74/100</b>	
1	✓ Information and decision making	24/32	1	✓ Links to business/service processes overview	25/35	
2	✓ Escalation and reporting systems	10/12	2	✓ Risk Identification and Analysis	25/30	
3	✓ Accountability and management responsibility	24/32	3	✓ Risk response	10/15	
4	✓ Leading risk management implementation	17/24	4	✓ Risk reporting and review	4/5	
			5	✓ Information Risk	4/5	
			6	✓ Service Continuity	6/10	
<b>B</b>	<b>2/2 POLICY &amp; STRATEGY</b>	<b>75/100</b>	<b>RESULTS</b>			
1	✓ Risk management policy	50/60	<b>F</b>	<b>2/2 RISK HANDLING &amp; ASSURANCE</b>	<b>66/100</b>	
2	✓ Strategy	25/40	1	✓ Risk handling	38/60	
			2	✓ Assurance	28/40	
<b>C</b>	<b>4/4 PEOPLE</b>	<b>71/100</b>	<b>G</b>	<b>2/2 OUTCOMES &amp; DELIVERY</b>	<b>70/100</b>	
1	✓ Culture	20/25	1	✓ Risk management contribution to overall performance	40/60	
2	✓ Responsibility	14/20	2	✓ Contribution to specific outcomes	30/40	
3	✓ Skills and guidance - capability	21/35	<b>Additional Questions</b>			
4	✓ Communication	16/20	• Go to additional questions			
<b>D</b>	<b>3/3 PARTNERSHIPS &amp; SHARED RESOURCES</b>	<b>70/100</b>	<b>Comparison to Alarm's National Performance Model for Risk Management</b>			
1	✓ Partnerships and shared services	35/50	<b>ENABLERS LEVEL KEY</b>		<b>RESULTS LEVEL KEY</b>	
2	✓ Finance	20/30	Level 5 - Driving	85%+	Level 5 - Driving	85%+
3	✓ Tools	15/20	Your Score--> Level 4 - Embedded and integrated	70%+	Your Score--> Level 4 - Embedded and integrated	70%+
			Level 3 - Working	45%+	Level 3 - Working	45%+
			Level 2 - Happening	20%+	Level 2 - Happening	20%+
			Level 1 - Awareness	0+	Level 1 - Awareness	0+

2.7 The Council has attained Level 4 – Embedded and integrated for the Enabler criteria and Level 3 - Working for the Results criteria.

### 3. Analysis and Evaluation of Results

3.1 The table below shows Thurrock's scores against the model for the years 2011 to 2016:

Strand	Year					
	2011	2012	2013	2014	2015	2016
A - Leadership & Management	62	62	72	73	75	75
B - Policy & Strategy	34	63	73	75	75	75
C – People	59	68	69	71	71	71
D - Partnership, Shared Services & Resources	56	56	65	70	70	70
E – Processes	67	70	72	74	74	74
F - Risk Handling & Assurance	53	64	66	66	66	66
G - Outcome & Delivery	60	65	68	68	70	70

3.2 The review has revealed that:

- For 6 of the 7 strands the Council has attained Level 4 – embedded and integrated (70%+).

- For 1 of the 7 strands the Council's scores is near to attaining the score for Level 4 - embedded and integrated (70%+).
- For 7 of the 7 strands the Council's score is the same as the previous year's results. The current ROM activity to maintain the practice resembles those identified for last year. No significant changes were identified by the review and this has led to the same scores as the previous year.

3.3 A summary of the current ROM activity and proposals to maintain and further embed the practice across the organisation are included in **Appendix 1**.

3.4 The challenge facing the Council is to ensure that adequate ROM arrangements remain in place and form part of the decision making process both at operational and strategic levels.

3.5 As part of the review the ROM Policy, Strategy and Framework has been refreshed and some minor changes made to update the document. The updated ROM Policy, Strategy and Framework are included in **Appendix 2**.

#### **4. Reasons for Recommendation**

4.1 To enable Standards and Audit Committee to consider the effectiveness of the Council's ROM arrangements the report is presented on an annual basis.

4.2 The report provides details of how the Council's ROM arrangements compare against good practice and outlines the current ROM activity and proposals to maintain and improve the practice across the organisation.

#### **5. Consultation (including Overview and Scrutiny, if applicable)**

5.1 The results of the benchmarking exercise, outline of the current ROM activity and proposals to maintain and improve the practice across the organisation were reported to Directors Board 24<sup>th</sup> January 2017, via Performance Board 5<sup>th</sup> January 2017.

#### **6. Impact on corporate policies, priorities, performance and community impact**

6.1 ROM is recognised as a good management practice and how successful the Council is in managing the risks and opportunities it faces will have a major impact on the achievement of the Council's priorities and objectives.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Laura Last**  
**Management Accountant**

Effective risk and opportunity management and the processes underpinning it will provide a more robust means to identify, manage and reduced the likelihood of financial claims and/or loss faced by the Council.

### **7.2 Legal**

Implications verified by: **David Lawson**  
**Deputy Head of Law & Governance**

Effective risk and opportunity management and the processes underpinning it will provide a more robust means to identify, manage and reduced the likelihood of legal claims or regulatory challenges against the Council

### **7.3 Diversity and Equality**

Implications verified by: **Natalie Warren**  
**Community Development & Equalities Manager**

The management of risk and opportunities provides an effective mechanism for monitoring key equality and human right risks associated with a range of service and business activities undertaken by the Council. It also provides a method for reducing the likelihood of breaching our statutory equality duties.

### **7.4 Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder

Risk and opportunity management contributes towards the Council meeting the requirements of Corporate Governance and the Account & Audit Regulations.

#### **Background papers used in preparing the report:**

- ALARM/CIPFA Risk Management Benchmarking Model – Review papers.

#### **Appendices to the report:**

- Appendix 1 - Summary of Current Activity and Proposals to Maintain and Embed the Practice
- Appendix 2 - Risk & Opportunity Management Policy, Strategy & Framework

**Report Author:**

Andy Owen,  
Interim Insurance & Risk Manager

Summary of Current ROM Activity and Proposals to Maintain/Embed the Practice

ROM Priorities	Summary of Current ROM Activity
<ul style="list-style-type: none"> <li>• Review and Update the ROM Policy, Strategy and Framework</li>   <li>• Maintain Strategic/Corporate level ROM</li>   <li>• Maintain and further develop Service level ROM, including project and partnership ROM.</li>   <li>• Continue to embed ROM and build skill/capacity for ROM across the Council.</li> </ul>	<ul style="list-style-type: none"> <li>• ROM Policy, Strategy &amp; Framework updated and reported to Standards &amp; Audit Committee 15<sup>th</sup> March 2016, via Directors Board 23<sup>rd</sup> February 2015 and Performance Board representatives February 2016.</li> <li>• The revised ROM Policy, Strategy &amp; Framework presented to Department Management Teams March 2016 to maintain ROM awareness across the Council.</li> <li>• Review and reporting arrangements for the Strategic/Corporate Risk and Opportunity Register appraised and Performance Board and Department Management Teams made aware of the 2016/17 arrangements March 2016.</li> <li>• In Quarter 1 Refresh of the Strategic/Corporate Risk and Opportunity Register undertaken during March to May 2016 and reported to Standards &amp; Audit Committee 14<sup>th</sup> June 2016 (via Directors Board 17<sup>th</sup> May 2016 and Performance Board 3<sup>rd</sup> May 2016 May) and report papers shared with Cabinet Members.</li> <li>• Mid-Year Review of the Strategic/Corporate Risk and Opportunity Register undertaken during October 2016 and reported to Standards &amp; Audit Committee 15<sup>th</sup> November 2016 (via Directors Board 25<sup>th</sup> October 2016 and Performance Board 3<sup>rd</sup> October 2016) and report papers shared with Cabinet Members.</li> <li>• In Quarter 4 Review of the Strategic/Corporate Risk and Opportunity Register commenced December 2016 and scheduled to be reported to Directors Board via Performance Board representatives February 2017.</li> <li>• ROM section of Service Plan template/guidance for 2016/17 updated and Service Plans (including risk and opportunity registers) developed March 2016.</li> <li>• Risk management support for key projects provided. Guidance and templates for project level ROM reviewed and updated.</li> <li>• Partnership ROM reviewed. Principles that should be applied by services when working with Partners or Third Parties incorporated in the Finance Procedure Rules of the Constitution.</li> <li>• Provide support to Performance Board for the review of Service/Team Planning arrangements for 2017/18 (including service level ROM). Work to commence with Performance Board from January 2017</li> <li>• Department Management Teams made aware of the ROM arrangements/guidance available March 2016.</li> <li>• ROM information regularly updated and made available on the shared file on Objective (central filing system).</li> <li>• ROM Awareness Training material updated.</li> <li>• ROM awareness training provision reviewed, e-learning modules researched and e-learning solution identified.</li> <li>• Risk management arrangements reviewed against the ALARM/CIPFA RM Model (including review of the ROM Policy &amp; Strategy). Report to be presented to Standards and Audit Committee February 2017 (via Directors Board Feb 2017 and Performance Board Jan 2017).</li> </ul>

ROM Priorities	Summary of Proposals to Maintain/Embed the Practice
<ul style="list-style-type: none"> <li>• Review and Update the ROM Policy, Strategy and Framework</li> <li>• Maintain Strategic/Corporate level ROM</li> <li>• Maintain and further develop Service level ROM, including project and partnership ROM.</li> <li>• Continue to embed ROM and build skill/capacity for ROM across the Council.</li> </ul>	<ul style="list-style-type: none"> <li>• Update ROM guidance in line with revised ROM Policy, Strategy &amp; Framework.</li> <li>• Update Department Management Teams of the revised ROM Policy, Strategy and Framework to maintain awareness of the ROM arrangements across the Council.</li> <li>• Review the reporting timeframe/arrangements for Strategic/Corporate Risk and Opportunity Register.</li> <li>• Update Department Management Teams of the review and reporting arrangements for the Strategic/Corporate Risk and Opportunity Register.</li> <li>• Undertake In Quarter 1 Refresh of the Strategic/Corporate Risk and Opportunity Register and report to Standards &amp; Audit Committee via Directors Board and Performance Board representatives.</li> <li>• Undertake In Quarter 2 Review of the Strategic/Corporate Risk and Opportunity Register and report to Directors Board and Performance Board representatives.</li> <li>• Undertake In Quarter 3 Review of the Strategic/Corporate Risk and Opportunity Register and report to Standards &amp; Audit Committee via Directors Board and Performance Board representatives.</li> <li>• Undertake In Quarter 4 Review of the Strategic/Corporate Risk and Opportunity Register and report to Directors Board and Performance Board representatives.</li> <li>• Provide ROM support to Services for the development of Service/Team Plans for 2017/18 (including service risk and opportunity registers).</li> <li>• Maintain and further embed project level risk management arrangements.</li> <li>• Maintain and further embed partnership ROM.</li> <li>• Continue to work with services to identify key projects/partnerships and embed risk management arrangements.</li> <li>• Continue to raise ROM awareness with Department Management Teams.</li> <li>• Maintain regular updates of ROM Information on the shared file on Objective (central filing system).</li> <li>• Review ROM awareness training provision and consider the development of an e-learning module.</li> <li>• Annual review of ROM arrangements against good practice (e.g. ALARM/CIPFA RM Model).</li> </ul>



# Risk and Opportunity Management Policy and Strategy

## December 2016

<b>Title:</b>	Risk and Opportunity Management Policy and Strategy.
<b>Purpose:</b>	Outlines the overarching ROM framework for Thurrock Council.
<b>Owner:</b>	Andy Owen, Interim Insurance & Risk Manager
<b>Approved by:</b>	N/A
<b>Date:</b>	December 2016
<b>Version:</b>	1.5
<b>Status:</b>	Draft
<b>Review Frequency:</b>	Annual
<b>Next Review Date:</b>	December 2017
<b>Consultation:</b>	N/A

## Purpose

The Risk and Opportunity Management Policy & Strategy outlines the overarching risk and opportunity management framework in Thurrock detailing where a formal approach to risk and opportunity management must be adopted by officers.

The document details the priorities of Corporate Risk and Opportunity Management over the next year, how risk and opportunity is monitored, reported and escalated across the Council and what duties are placed on officers across the council to ensure compliance.

## Related Documents

- Risk and Opportunity Management Guide

## Who is Governed by this Policy and Strategy?

The Risk Management Policy and Strategy applies to all staff including and not limited to temporary staff, seasonal staff and contractors. A failure to comply could be damaging to the finances and reputation of the Council.

## Executive Summary

This combined risk and opportunity management policy and strategy details the Council's framework for managing business risk and opportunity. The risk and opportunity management framework is the culture, processes and structures that are directed towards effective management of potential risks and opportunities that the council faces in delivering its objectives.

Thurrock Council takes risks and recognises that risk is involved in everything it does and that it has a duty to manage these risks. This duty is to staff, residents and people working in the borough, service users, partners and funding agencies. Proactive risk and opportunity management makes sound business sense; effective risk and opportunity management is good management practice.

The Risk and Opportunity Management Guide expands upon the principles laid out in this document; and provides more support on how to undertake a risk and opportunity assessment.

<u>Title</u>	<u>Page No.</u>
Risk and Opportunity Management Policy	4
Risk Management Strategy	
• Overview	5
– Risk and Opportunity Management Framework	5
– Key Risk and Opportunity Management Objectives	5
• Defining Risk and Opportunity Management	6
• Corporate Risk Management	6
• Risk and Opportunity Management in Thurrock Council	6
• Risk and Opportunity Management Priorities for 2016-18	7
• Governance and Compliance	
– Compliance with the Risk and Opportunity Management Framework	7
– Monitoring, Reporting and Escalating Risk and Opportunity	8
• Thurrock Council's ROM Maturity – Review	9
• Further Support, Tools, Training and Guidance	9
• Appendix A - ROM Framework	10

# Risk & Opportunity Management Policy

Risk needs to be managed rather than avoided, and consideration of risk should not stifle innovation. The Council delivers services in an increasingly litigious and risk averse society and believes that risk management is a tool for exploiting opportunities as well as safeguarding against potential threats. Thurrock Council uses the discipline of risk and opportunity management to promote innovation in support of the Council's strategic priorities and objectives.

The risk and opportunity management framework is the all-encompassing approach that the Council takes towards risk and opportunity management; including the adoption of this Policy & Strategy, the resourcing of Corporate Risk and Opportunity Management and the consideration of risk and opportunity management in other corporate policies and procedures.

The risk and opportunity management discipline involves the identification, evaluation, management, review and escalation of risk and opportunity. Whenever an officer is involved in an activity which has significant levels of risk, it is important that the risk management process is formalised by, for example, undertaking a risk assessment or detailing risks in a report. The Council recognises that the approach to risk management should be proportionate to the level of risk present.

The management of risk and opportunity is woven throughout the Council's key governance frameworks and as such there are specific requirements for all officers to adopt a formal approach to risk and opportunity management in the following areas;

- Key decision making reports
- Corporate and Service planning processes
- Programme and Project management
- Procurement and commissioning processes
- Partnership working arrangements
- Change management processes.

Corporate Risk Management is responsible for developing and embedding the risk and opportunity management framework within which risks and opportunities are to be managed across the Council. This includes developing risk and opportunity management capacity within the Council's workforce through the offer of guidance, support and training.

All Council officers are responsible for the management of the risks and opportunities that surround their role and adherence to the risk and opportunity management framework.

The Risk and Opportunity Management Policy and Strategy are reviewed on an annual basis by Corporate Risk Management. Standards and Audit Committee Members are consulted as part of this process. This policy is approved by Cabinet and any major changes will be taken back to Cabinet for re approval.

Adherence to the requirements set out in the Risk and Opportunity Management Policy and Strategy is monitored by Corporate Risk Management and reported to Directors Board and Standards and Audit Committee as appropriate.

# Risk & Opportunity Management Strategy

Thurrock Council believes that through the proactive management of its significant business risks and opportunities it will be in a stronger position to deliver the strategic priorities and objectives

To this end, Corporate Risk Management has been issued the remit of developing and embedding an enterprise-wide risk and opportunity management framework.

There is strong senior management support for risk and opportunity management. The Council has a developing risk culture and a positive attitude to risk – recognising that well managed risk brings opportunity and innovation.

## **The Risk & Opportunity Management Framework**

Having a robust and systematic risk and opportunity management framework which is embedded throughout the organisation will;

- Help officers to fully understand the event, cause and effects of the risks and opportunities that they face, and in turn make more informed decisions on how best to manage risks and opportunities.
- Allow officers to analyse and prioritise risks and opportunities; helping inform decisions on the management, escalation and communication of risks and opportunities.
- Reinforce officers' understanding of risks/opportunities and how they will be managed; as well as encouraging the assignation of roles and responsibilities for the management of risks/opportunities.
- Provides senior managers and members with the assurance that risks and opportunities are being considered and managed across the organisation, and where necessary the risks and opportunities are escalated for their input and guidance.

## **Key Risk and Opportunity Management Objectives**

In order to realise the organisational benefits of managing risk/opportunity and deliver upon their remit of developing and embedding a risk and opportunity management framework, Corporate Risk Management has identified the following objectives;

1. To maintain and review the risk and opportunity management framework which takes into account new and emerging risk and opportunity management practices in accordance with the principles of British Standard 31100.
2. To ensure the Council actively manages risks and opportunities in the delivery of Service Plans and strategic priorities and objectives.
3. To ensure risks and opportunities are considered and discussed as part of the councils key decision making processes.
4. To ensure all programmes and projects in the council have a robust approach to risk and opportunity management.
5. To ensure officers consider the risks and opportunities associated with partner organisations, delivery agents and the voluntary sector.

6. To ensure officers consider the management of risk and opportunity within the procurement and commissioning process.
7. To integrate and embed risk and opportunity management throughout the working culture of the Council by providing support, guidance and training to officers.
8. To monitor adherence to the Risk and Opportunity Management Framework and report on performance to Standards & Audit Committee, via Directors Board and Performance Board.

## Defining Risk and Opportunity Management

Thurrock Council's definition of Risk and Opportunity Management is:

***“The planned and systematic approach to identify, evaluate and manage the risks to and the opportunities for the achievement of objectives”***

This compliments the CIPFA Better Governance Forum's definition of risk and the context of risk management as detailed in the British Standard 31100, which state:

***“Risk arises as much from failing to capture opportunities, as it does from threat that something bad will happen” (Definition of risk - CIPFA Better Governance Forum).***

***“Risk management is as much about exploiting potential opportunities as preventing potential problems” (Context of risk management - British Standard 31100).***

## Corporate Risk Management

Corporate Risk Management sits within the Finance & IT Directorate and is led by the Interim Insurance and Risk Manager who is mandated to;

- Establish the risk and opportunity management framework through developing procedures, tools and guidance on how to manage risk and opportunity;
- Embed the framework by providing training, guidance and support to officers across the Council on how to comply with it.

The tools that Corporate Risk Management (CRM) has developed are available on the Risk and Opportunity Management shared file on Objective (the central filing system), see file: Thurrock Corporate File Plan/Risk Management & Insurance/Risk Management/Risk & Opportunity Management Systems/Risk & Opportunity Management Share Across Services File.

## Risk and Opportunity Management in Thurrock Council

Thurrock Council's risk management strategy was first developed in 2005 and it is reviewed on an annual basis. The risk management strategy focussed on the potential negative effects of uncertainty (risk) and as a result, uncertainties that could have beneficial effects (opportunities) were generally overlooked. The framework was therefore revised and Opportunity Management incorporated in the approach. The Risk and Opportunity Management framework was introduced in 2008.

Standards and Audit Committee and Directors Board act as the risk and opportunity management oversight bodies; receiving regular reports throughout the year and providing challenge and support to the whole process. The Cabinet Member for Finance and the Director of Finance & IT promote risk and opportunity management across the Council in their respective roles of Member and Officer Risk Management Champions.

The ROM Policy & Strategy provides an overview of the risk management framework within Thurrock Council and outlines Corporate Risk Management's objectives in the short/medium term to further develop and embed the framework.

## **Risk and Opportunity Management Priorities 2016-18**

The following priorities will be incorporated into Corporate Risk Management's plans for 2016-2018

- Review and update the ROM Policy, Strategy and Framework.
- Maintain Strategic/Corporate level ROM.
- Maintain and further develop Service level ROM, including Project and Partnership ROM.
- Continue to embed ROM and build capacity for ROM across the Council.

## **Governance and Compliance**

The management of risk is woven throughout the Council's key governance frameworks and as such there are specific requirements for all officers to adopt a formal approach to risk and opportunity management in the following areas;

- Key decision making reports.
- Corporate and Service Planning.
- Programme and Project management.
- Procurement, Commissioning and Contract Management.
- Partnership working arrangements.
- Change management processes.

A formal approach to risk and opportunity management will involve for example, undertaking a risk assessment or detailing risks in a report. The council recognises that the approach to risk and opportunity management should be proportionate to the level of risk or opportunity involved. For more information refer to the guide on the risk & opportunity management, see shared file on Objective (the central filing system): Thurrock Corporate File Plan/Risk Management & Insurance/Risk Management/Risk & Opportunity Management Systems/Risk & Opportunity Management Share Across Services File.

### **Compliance with the Risk and Opportunity Management Framework**

This policy and strategy is just one part of the Council's risk and opportunity management framework. Other key components include the risk/opportunity rating system, risk and opportunity assessment templates and strategic/corporate risk and opportunity register.

To ensure consistency it is important that these tools are adopted across the Council. Any variations or dispensations will be kept to a minimum and must be approved by Corporate Risk Management.

Heads of Service and Directors have responsibilities to ensure that staff adheres to the risk and opportunity management framework. For more information on the roles and responsibilities of all staff please refer to the Risk and Opportunity Management Framework table, Appendix A at the end of this document.



## Monitoring, Reporting & Escalating Risk and Opportunity

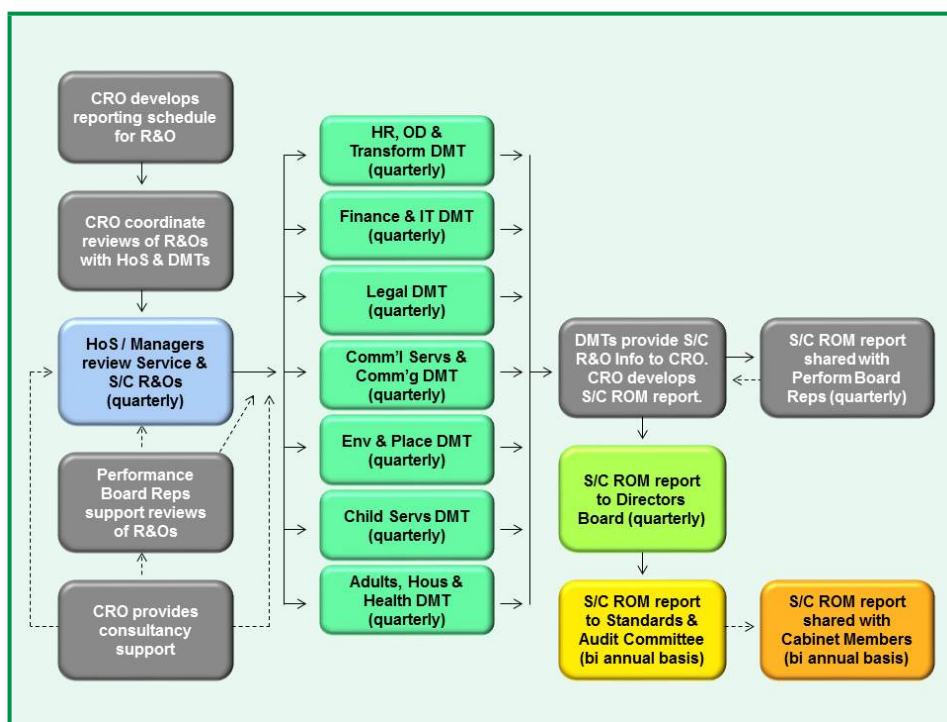
Corporate Risk Management continually monitors the management of risk/opportunity across the Council. This is done through quarter reviews of each Directorates/Departments key risks and opportunities.

Each Directorates/Departments performance in relation to compliance to the risk and opportunity management framework and management of risk/opportunity is monitored on a quarterly basis through the directorate/department management teams.

Risks/opportunities are escalated and reported throughout the organisation in a number of different ways. Through the regular review of key service, department and directorate risks and opportunities, a process of aggregation and escalation occurs and the items considered by Directorate/Department Management Teams. The Directorate/Department risks and opportunities with strategic/corporate significance are then further analysed to develop strategic/corporate risks and opportunities which are reported to Directors Board quarterly and Standards & Audit Committee on a bi annual basis.

To inform judgements on key decisions the associated risks, opportunities and management response arrangements are detailed within reports to Cabinet.

Within programmes and projects the monitoring, reporting and escalation of risk/opportunity is less formal. Corporate Risk Management provides support to programmes and projects, and the corporate programme and/or project management methodology details the approach that should be followed for monitoring, reporting and escalating risk/opportunity to project and programme boards.



Monitoring & reporting - strategic/corporate risk & opportunity register



## Thurrock Council's Risk and Opportunity Management Maturity – Review

The development of the risk and opportunity management framework and the level to which it is embedded in the working practices of the organisation are reviewed and/or benchmarked against good practice on an annual basis. The improvement opportunities highlighted by the review are used to inform the Corporate Risk Management priorities and plans for the short/medium term.

## Further Guidance, Tools, Support and Training

The latest version of the Risk and Opportunity Management Policy and Strategy and all of our documents can be obtained from Corporate Risk Management:

Andy Owen  
Interim Insurance & Risk Manager  
Thurrock Council  
[aowen@thurrock.gov.uk](mailto:aowen@thurrock.gov.uk)  
01375 652174

## Risk and Opportunity Management Framework

Who	Key Roles & Responsibilities	Report Type	By Whom	Frequency
Council	Receive and act upon: <ul style="list-style-type: none"> <li>Reports from Cabinet, S&amp;AC and Head of Paid Service.</li> <li>Reports, recommendations and advice from S&amp;AC</li> </ul>	<ul style="list-style-type: none"> <li>e.g. Annual Governance Statement; Policy, Strategy and Framework report and other relevant reports.</li> </ul>	Cabinet, Standards & Audit Committee.	Annually
Cabinet	<ul style="list-style-type: none"> <li>Agree the ROM Policy, Strategy &amp; Framework and receive reports on them.</li> <li>Hold the political responsibility for ROM within each individual portfolio.</li> <li>Identify a lead portfolio holder for ROM</li> </ul>	<ul style="list-style-type: none"> <li>Policy, Strategy &amp; Framework and other relevant reports.</li> <li>Mid and end of year progress/updates on the Strategic/Corporate R&amp;Os (as part of Progress and Performance Report)</li> </ul>	Standards & Audit Committee and Directors Board	<ul style="list-style-type: none"> <li>Annually or as required</li> <li>Bi Annual</li> </ul>
Standards & Audit Committee	<ul style="list-style-type: none"> <li>Oversee and challenge assurance and the ROM arrangements</li> </ul>	<ul style="list-style-type: none"> <li>Review of Policy, Strategy &amp; Framework</li> <li>Receive updates on the Strategic/Corporate R&amp;Os and action plans</li> <li>Receive assurance on effectiveness of ROM</li> </ul>	Director of Finance & IT	<ul style="list-style-type: none"> <li>Annually</li> <li>Bi Annual</li> <li>Annually</li> </ul>
Directors Board	<ul style="list-style-type: none"> <li>Strategic leadership group for ROM</li> <li>Oversee the ROM Policy, Strategy &amp; Framework</li> <li>Responsible for effectiveness of R&amp;O and assurance arrangements and any management or mitigation.</li> <li>Quarterly monitoring of Strategic/Corporate R&amp;Os &amp; associated action plans.</li> </ul>	<ul style="list-style-type: none"> <li>Review of Policy, Strategy &amp; Framework.</li> <li>Reviews of Strategic/Corporate R&amp;Os and action plans.</li> <li>Review / Benchmarking of ROM</li> </ul>	Director of Finance & IT	<ul style="list-style-type: none"> <li>Annually</li> <li>Quarterly</li> <li>Annually</li> </ul>
Corporate Risk Management	<ul style="list-style-type: none"> <li>Establish the ROM Policy, Strategy &amp; Framework</li> <li>Stewardship of the Strategic/Corporate R&amp;O Register</li> <li>Review /Benchmarking of ROM</li> <li>Establish Service level ROM</li> <li>Provide consultancy and advice on ROM</li> </ul>	<ul style="list-style-type: none"> <li>Review of ROM Policy, Strategy &amp; Framework.</li> <li>Reviews of Strategic/Corporate R&amp;Os and action plans.</li> <li>Review / Benchmarking of ROM</li> </ul>	Interim Insurance & Risk Manager	<ul style="list-style-type: none"> <li>Annually</li> <li>Quarterly</li> <li>Annually</li> </ul>
Directors	<ul style="list-style-type: none"> <li>Monitoring of Strategic/Corporate R&amp;Os for the directorate or Council.</li> <li>Escalation as appropriate of Strategic/Corporate R&amp;Os to DB</li> <li>Monitoring of high level R&amp;Os facing the directorate or Council (e.g. programme, partnership, project and service R&amp;Os)</li> </ul>	<ul style="list-style-type: none"> <li>Reviews of Strategic/Corporate R&amp;Os and action plans to DB</li> <li>Report to Portfolio Holders on the high level R&amp;Os facing the directorate or Council</li> </ul>	Directors	Quarterly or as required
Directorate/Department Management Teams	<ul style="list-style-type: none"> <li>Identification and monitoring of Strategic/Corporate and other key risks/opportunities facing the department</li> <li>Escalation as appropriate of S/C R&amp;Os to Directors Board</li> </ul>	<ul style="list-style-type: none"> <li>Review of R&amp;Os and R&amp;O Registers as a standing agenda item at DMT meetings</li> <li>DMT to receive &amp; approve updates to S/C R&amp;Os and action plans</li> </ul>	Directors, Heads of Service or Lead Officer	Quarterly or as required by Director or DMT
Performance Board	<ul style="list-style-type: none"> <li>Support the review and development of ROM Policy, Strategy &amp; Framework.</li> <li>Support the development/review of the Strategic/Corporate R&amp;Os register.</li> <li>Review / Benchmarking of ROM</li> </ul>	<ul style="list-style-type: none"> <li>Review of Policy, Strategy &amp; Framework.</li> <li>Reviews of Strategic/Corporate R&amp;Os and action plans.</li> <li>Review / Benchmarking of ROM</li> </ul>	Interim Insurance & Risk Manager	<ul style="list-style-type: none"> <li>Annually</li> <li>Quarterly</li> <li>Annually</li> </ul>
Heads of Service	<ul style="list-style-type: none"> <li>Identification, management and review of R&amp;Os within their Service or area of responsibility.</li> <li>Monitoring and escalation as appropriate of R&amp;Os to either Director or relevant DMT</li> </ul>	<ul style="list-style-type: none"> <li>Review of R&amp;Os and R&amp;O Registers as a standing agenda item at Service SMT meetings.</li> <li>Review of Strategic/Corporate R&amp;Os and action plans to DMT</li> <li>Report to DMT on identified R&amp;Os that require consideration for escalation to the S/C R&amp;O Register</li> </ul>	Heads of Service	Quarterly or as required by Director or DMT
Programme & Partnership Boards or Project Managers	Responsible for the identification, management and monitoring of R&Os within their given areas.	Report on the management of R&Os and escalation of high level R&Os as required or necessary	Programme Boards, Partnership Boards and Project Managers	Quarterly or as required by Directors, DMTs or Heads of Service
Employees	To manage risk effectively in their job and report hazards, risks or opportunities to their Heads of Service or Manager.	Report incidents, risks and opportunities following the procedures laid down in corporate policies.	All Employees	As necessary or required.