Risk Management Policy

February 2015

1. Introduction.

1.1 Fermanagh and Omagh District Council's Corporate Plan 2015/19 sets out the Council's strategic aims, priorities and values. One of the strategic actions is to "Establish and embed effective governance and decision making arrangements".

1.2 One component of the Council's corporate governance framework will be to manage risks effectively in order to make a positive contribution towards the achievement of the Council's corporate aims and objectives and to maximise the opportunities to achieve it's vision, whilst obtaining assurances about the management of those risks. The Council is committed to the proactive management of key external and internal risks and actively promotes the principles of effective Risk Management throughout the organisation.

2. Definitions.

2.1 Risk is the threat that an event or action will adversely affect the Council's ability to achieve its stated objectives, to deliver its services and to successfully deliver approved strategies.

2.2 Risk Management is the process by which risks are identified, evaluated and managed through integrated risk management solutions. Threats are managed by a process of controlling, transferring or retaining the risk.

3. Aim.

3.1 The aim of the policy is to establish and operate appropriate risk management procedures and to promote an organisational culture which ensures that risk management is an integral part of every activity.

4. Objectives.

4.1 By working in accordance with this Policy, Fermanagh and Omagh District Council will:

4.1.1 Further develop the corporate framework for the proactive identification, analysis, assessment, management and reporting of opportunities and risks;

4.1.2 Take actions and implement controls to minimise the likelihood of threats occurring and/or reduce the impact of consequences should risks occur;

4.1.3 Clearly identify and communicate the respective roles, responsibilities and reporting lines for managing risk;

4.1.4 Continually develop the Corporate Risk Register to facilitate risk administration and reducing duplication between departments in identifying and managing

overlapping risks whilst providing opportunities for shared learning across the Council;

4.1.5   Reinforce the importance of risk management as part of the everyday work of Council employees;

4.1.6   Incorporate risk management into the: corporate strategic planning, service & financial planning; policy making, audit and review; performance management and project management processes;

4.1.7   Ensure ongoing monitoring and reporting arrangements to all levels.

5. Implementation.

5.1   The policy will be supported by a Risk Management Procedure which will provide guidance on Risk Identification and Analysis and the Monitoring and Reporting Timetable.

6. Resourcing.

6.1   All necessary human, financial and material resources will be made available to implement the Policy, whilst being mindful of budgetary constraints.

6.2   Training will be provided to raise awareness of the Policy and Procedure among staff and to ensure its effective implementation.

7. Responsibilities.

7.1   To ensure the successful implementation of the Risk Management Policy and Procedure, clear roles and responsibilities for the risk management framework and processes have been established.

Group or Individual	Role and Responsibilities
Audit Committee	➢ Consider and approve the updated Risk Management Policy & Strategy Audit & Risk Committee ➢ Consider the effectiveness of the Council's risk management arrangements as part of seeking assurance on the overall governance and control environment ➢ Seek assurance that action has been taken on risk related issues identified by Internal and External Audit ➢ Ensure that the Council's assurance statements, including the Annual Governance Statement properly reflects the risk environment and any actions required to improve it ➢ Review arrangements for Strategic Risk Management and monitor the key corporate risks

Group or Individual	Role and Responsibilities
Chief Executive	➢ The Chief Executive has ultimate officer responsibility for embedding risk management throughout the Council Executive
Senior Management Team	➢ Contribute towards the identification and management of strategic and cross cutting risks and opportunities facing the Council ➢ Receive and consider reports on key strategic risk issues including as part of the annual statement of assurance and the performance reports to Senior Management Team ➢ Promote the integration of risk management principles into the culture of the Council
Heads of Service	➢ Identify, analyse and profile service risks ➢ Provide annual assurance on the effectiveness of controls in place to mitigate/reduce risks within their service ➢ Maintain awareness of and promote the approved risk management policy and strategy to all relevant staff ➢ Consider risks within performance reports ➢ Regularly update and maintain service and project risk profiles, ➢ Review and up date risks to be presented to the Strategic Management Team within the performance reports ➢ Ensure risks are clearly and accurately identified and scored within reports ➢ Ensure risk management is a regular item on team meetings ➢ Ensure that risk management is incorporated into service plans, business plans and performance management ➢ Ensure compliance with all risk management procedures which are integrated within Corporate procedures and strategies
Corporate Risk Management Team	➢ Develop Risk Management Policy and procedure with arrangements for periodic review ➢ Continually develop and maintain the corporate risk register, ensuring that Heads of Service comply with update timescales ➢ Provide advice and support as required ➢ Continually improve and update risk management procedures based on current best practice and benchmarking results ➢ Design and implement appropriate risk management training, including presentations and on-line training

Group or Individual	Role and Responsibilities
Internal Audit	➢ Provide independent review of corporate approach to risk management and compliance ➢ Contribute to the accuracy and integrity of the corporate risk register (as part of the risk based approach to audit) and in particular relation to the effectiveness of mitigating actions and fraud risk
All Employees	➢ Maintain awareness of risks and contribute to the control process where appropriate. ➢ Take due care to ensure compliance with any risk management guidelines and other guidelines provided by the Council or required by regulation; ➢ Immediately inform line management if they suspect that adequate controls for a risk are not in place or not up-to-date; ➢ Inform line management immediately if they see anyone carrying out an activity which could be detrimental to the achievement of the Council's goals and objectives; ➢ Inform line management immediately of any mistake or suspected mistake that could potentially cause a significant loss. ➢ Take responsibility to ensure that they are equipped to identify and manage risk adequately.

8. Monitoring.

8.1 The Council will monitor the implementation of the Policy at regular intervals and will respond in a positive fashion to both regional and local changes in circumstance or new initiatives.

9. Linkages.

9.1 This Policy provides the framework to guide the Council's practice in relation to Risk Management.

9.2 The Policy operates in accord with both the Council's Risk Management Procedure.

9.3 It also links into the corporate strategic planning, service & financial planning; policy making, audit and review; performance management and project management processes.

10. Review.

10.1   The Policy on Risk Management will, under normal circumstances, be formally reviewed every three years.

10.2   The Policy will also be subject to routine scrutiny and, from time to time, updates and re-issues will be circulated.

10.3   The policy will be reviewed sooner in the event of any one or more of the following:
- A failure or weakness in the policy is highlighted.
- Changes in legislative requirements.
- Changes in Government/Council or other directives and requirements.