

17 March 2015		ITEM 5
Standards and Audit Committee		
Risk and Opportunity Management - Benchmarking and Review of the Policy, Strategy and Framework		
Wards and communities affected: All.	Key Decision: Non-key.	
Report of: Andy Owen, Corporate Risk Officer.		
Accountable Head of Service: Sean Clark, Head of Corporate Finance		
Accountable Director: Graham Farrant, Chief Executive		
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 the ALARM/CIPFA Benchmarking Model, 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 and comment on the results of the benchmarking exercise, the current ROM activity and proposals to maintain and improve the practice across the organisation.**
- 1.2 That Standards and Audit Committee note and comment on the updated ROM Policy, Strategy and Framework.**

2. Introduction 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 currently undertakes an annual review of its ROM arrangements against the ALARM/CIPFA Risk Management Benchmarking Model (the national model of best practice for risk management). The model is designed to test and compare the Council's performance against:

- . The major risk management standards
- . The criteria that informs the risk management element of the Annual Governance Statement
- . Other public services organisation arrangements for ROM

2.3 The benchmarking model resembles the EFQM (European Foundation Excellence Model) approach 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

2.4 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 good practice. The answers to the questions are weighted to reflect their relative impact on performance and collated into a final score for each strand.

2.5 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:

ENABLERS			Score	ENABLERS			Score
A	4/4	LEADERSHIP & MANAGEMENT	73/100	E	6/6	PROCESSES	74/100
1	✓	Information and decision making	22/32	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
B 2/2 POLICY & STRATEGY 75/100				5 ✓ Information Risk 4/5			
1	✓	Risk management policy	50/60	6 ✓ Service Continuity 6/10			
2	✓	Strategy	25/40	RESULTS			
C 4/4 PEOPLE 71/100				F 2/2 RISK HANDLING & ASSURANCE 66/100			
1	✓	Culture	20/25	1	✓	Risk handling	38/60
2	✓	Responsibility	14/20	2	✓	Assurance	28/40
3	✓	Skills and guidance - capability	21/35	G 2/2 OUTCOMES & DELIVERY 68/100			
4	✓	Communication	16/20	1	✓	Risk management contribution to overall performance	38/60
D 3/3 PARTNERSHIPS & SHARED RESOURCES 70/100				2	✓	Contribution to specific outcomes	30/40
1	✓	Partnerships and shared services	35/50	Additional Questions			
2	✓	Finance	20/30	- Go to additional questions			
3	✓	Tools	15/20				

Comparison to Alarm's National Performance Model for Risk Management

ENABLERS LEVEL KEY	
Level 5 - Driving	85%+
Level 4 - Embedded and integrated	70%+
Level 3 - Working	45%+
Level 2 - Happening	20%+
Level 1 - Awareness	0+

Your Score-->

RESULTS LEVEL KEY	
Level 5 - Driving	85%+
Level 4 - Embedded and integrated	70%+
Level 3 - Working	45%+
Level 2 - Happening	20%+
Level 1 - Awareness	0+

Your Score-->

- 2.6 The Council has attained Level 4 – Embedded and integrated for the Enabler criteria and Level 3 - Working for the Results criteria.
- 2.7 The benchmarking cohort consisted of 37 public sector organisations, the majority of which are Local Authorities (6 Unitary, 4 London Borough, 5 County, 5 District, 5 Scottish Unitary, 6 Metropolitan, 4 Fire, 1 Police and 1 Government Organisation).

3. Analysis and Evaluation of Results

- 3.1 The graphs in **Appendix 1** show:
- . Thurrock's scores for 2014 against the model and the lowest and highest performance in the benchmarking cohort.
 - . Thurrock's scores for 2014 against the model and the average performance in the benchmarking cohort for the years 2011 to 2014.
 - . Thurrock's scores against the model for the years 2011 to 2014.
 - . Thurrock's scores for 2013 against the model/cohort for comparison.
- 3.2 The benchmarking 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 are on the border of attaining the score for Level 4 - embedded and integrated (70%+).
 - . For 4 of the 7 strands the Council's score has improved slightly against the previous year's results.
 - . The Council has attained a score which is similar with the average score of the benchmarking cohort for all of the 7 strands.
- 3.3 An outline of the current ROM activity and proposals to maintain and further embed the practice across the organisation are included in **Appendix 2**.
- 3.4 The challenge facing the Council in the short to medium term is to maintain or improve the practice across the organisation to ensure that adequate ROM arrangements remain in place, are further embedded and form part of the decision making process both at operational and strategic levels.
- 3.5 A full review of the ROM arrangements was undertaken in 2013 and a revised Policy, Strategy and Framework agreed by Cabinet 19th March 2014, via Standards and Audit Committee 6th February 2014 and Directors Board 14th January 2014.
- 3.6 A further review of the ROM Policy, Strategy and Framework was carried out as part of the benchmarking arrangements and some minor changes made to update the document. The updated ROM Policy, Strategy and Framework document is included in **Appendix 3**.

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 the ALARM/CIPFA Benchmarking Model 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 to be reported to Directors Board 10th February 2015 via Performance Board 2nd February 2015

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: **Michael Jones,
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 Legal and Deputy Monitoring
Officer**

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: **Rebecca Price,
Community Development Officer.**

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. Section 17, Risk Assessment, Health Impact Assessment, Sustainability, IT, Environmental**

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

Background Papers Used In Preparing This Report:

- ALARM/CIPFA Risk Management Benchmarking Club 2014 – Papers and exercise.

Appendices To This Report:

- Evaluation of results against the model/cohort - **Appendix 1**
- Summary of Current Activity and Proposals to Maintain and Improve the Practice - **Appendix 2**
- Risk and Opportunity Management Policy and Strategy - **Appendix 3**

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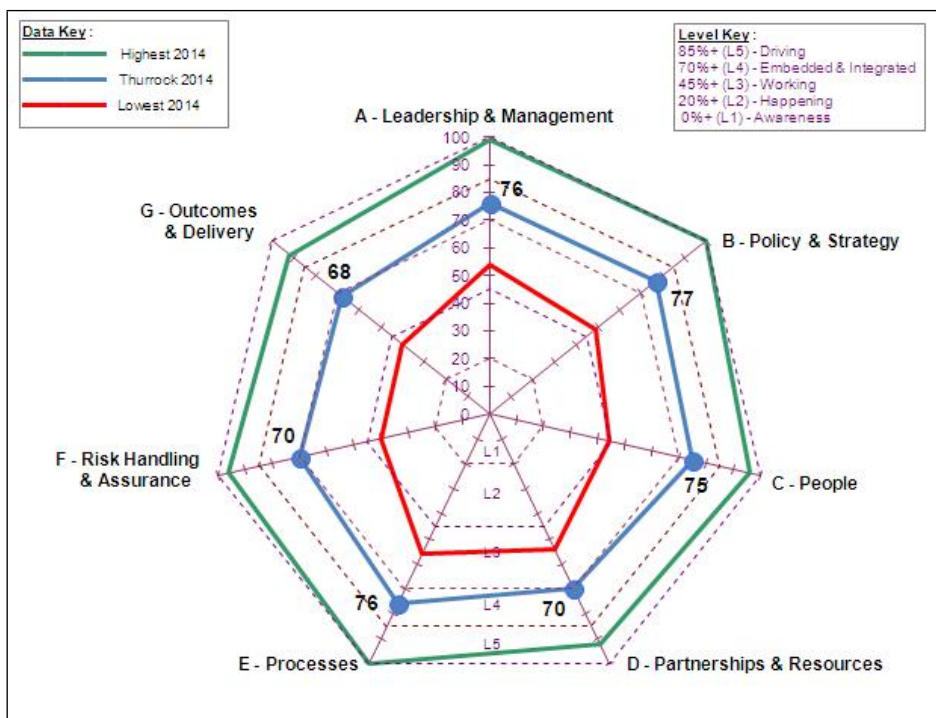
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Evaluation of Results

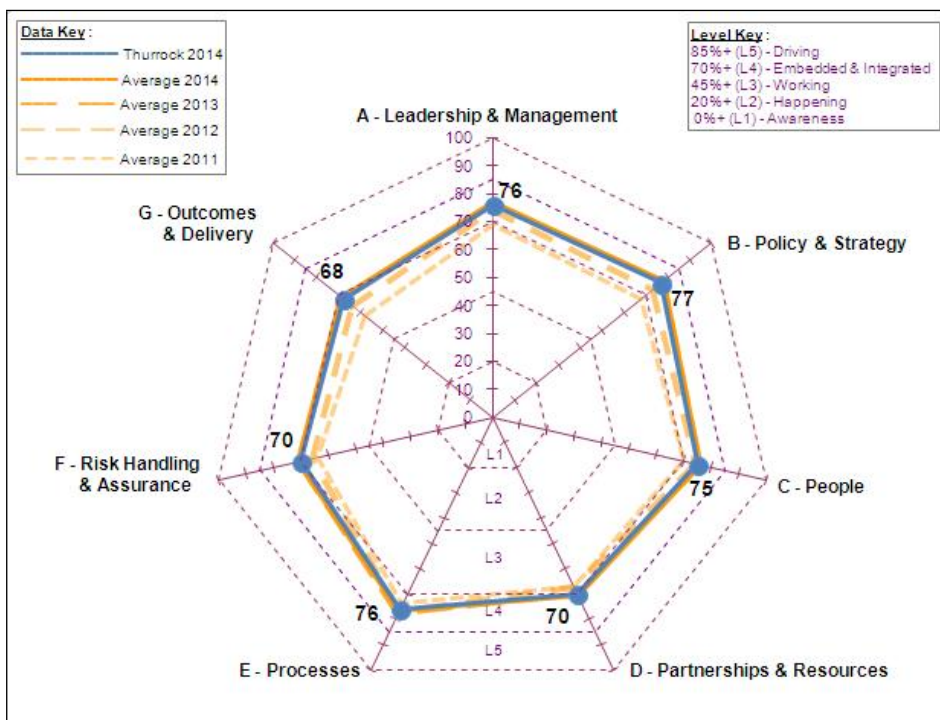
Graph 1 shows Thurrock's scores for 2014 against the model and the lowest and highest performance in the benchmarking cohort.

- The green line shows the highest performance in the benchmarking cohort for each strand
- The blue line shows Thurrock's score for each strand
- The red line shows the lowest performance in the benchmarking cohort for each strand



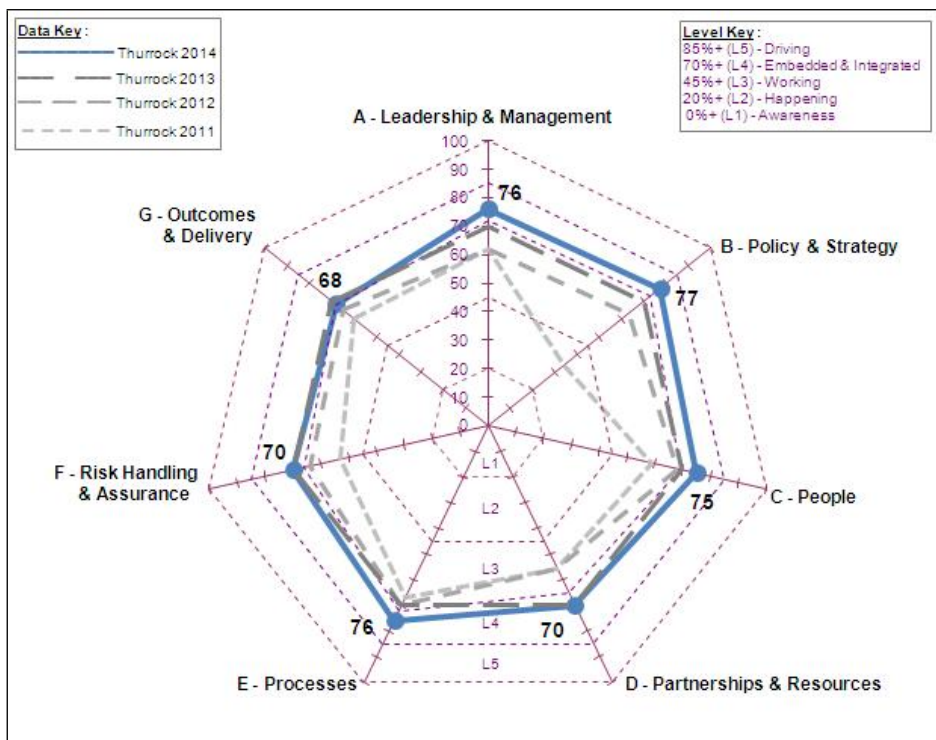
Graph 2 shows Thurrock's scores for 2014 against the model and the average performance in the benchmarking cohort for the years 2011 to 2014.

- The blue line shows Thurrock's score for each strand.
- The amber line shows the average score in the benchmarking cohort for 2014. Note this is similar to Thurrock's score and masked by the blue line.
- The large dashed amber line shows the average score in the benchmarking cohort for 2013. Note this is similar to Thurrock's score and masked by the blue line.
- The medium dashed light amber line shows the average score in the benchmarking cohort for 2012.
- The small dashed light amber line shows the average score in the benchmarking cohort for 2011.



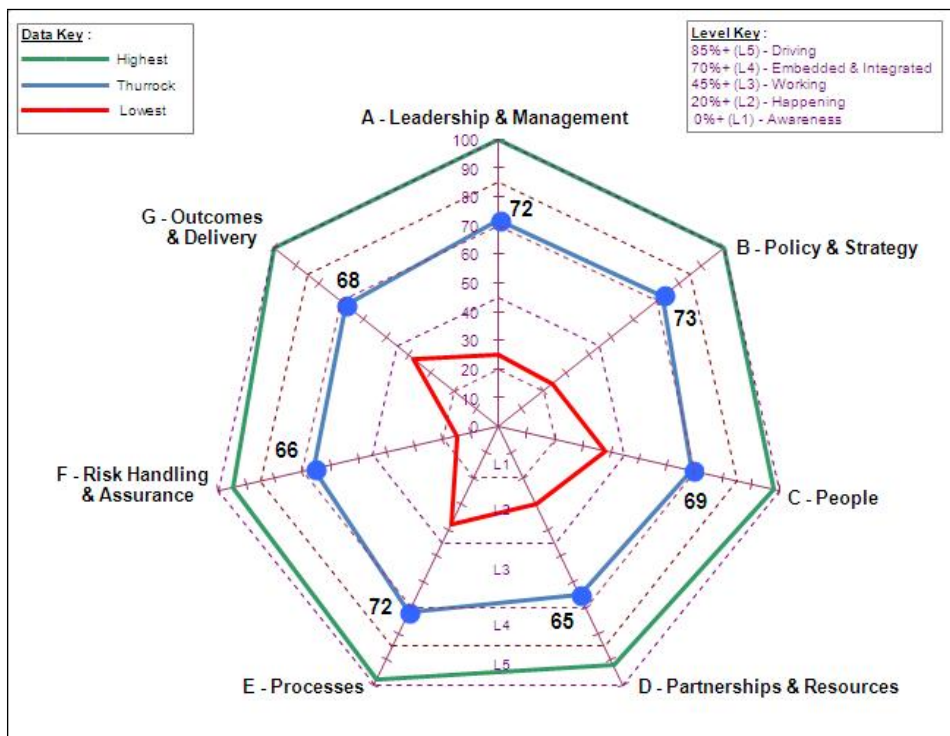
Graph 3 shows Thurrock's scores for 2014 against the model and Thurrock's scores for the years 2011 to 2013.

- The blue line shows Thurrock's score for 2014 under each strand.
- The large dashed dark grey line shows Thurrock's score for 2013 under each strand.
- The medium dashed grey line shows Thurrock's score for 2012 under each strand.
- The small dashed light grey line shows Thurrock's score for 2011 under each strand.



Graph 4 shows Thurrock's scores for 2013 against the model (including the lowest & highest performance in the benchmarking cohort) for comparison against the 2014 results (Graph 1).

- The green line shows the highest performance in the benchmarking cohort for each strand
- The blue line shows Thurrock's score for each strand
- The red line shows the lowest performance in the benchmarking cohort for each strand



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

ROM Priorities	Summary of Activity 2014/15
<ul style="list-style-type: none"> • Review & Develop ROM Policy, Strategy & Framework • Review and improve Strategic/Corporate level ROM 	<ul style="list-style-type: none"> • Risk Management Policy, Strategy & Framework revised and reported to Cabinet March 2014, via Standards & Audit Committee Feb 2014, Directors Board January 2014 and Performance Board January 2014. • Risk Management Policy Strategy & Framework presented to Department Management Teams February to March 2014. • Review and reporting arrangements for Strategic/Corporate level ROM revised March 2014 and presented to Department Management Teams. • In Quarter 1 Refresh of the Strategic/Corporate Risk and Opportunity Register undertaken during March to May 2014 and reported to Standards & Audit Committee July 2014, via Directors Board May 2014 and Performance Board representatives May 2014. S&AC papers shared with Cabinet Members. • In Quarter 2 Review of the Strategic/Corporate Risk and Opportunity Register undertaken during June to July 2014 and reported to Directors Board July 2014, via Performance Board representatives July 2014. • Risk management section of business case template for the savings proposals developed June 2014 and business cases for savings (including risk and mitigation) presented to Overview and Scrutiny Committees from July 2014. • In Quarter 3 Review of the Strategic/Corporate Risk and Opportunity Register undertaken during September to October 2014 and reported to Standards & Audit Committee December 2014, via Directors Board November 2014 and Performance Board November 2014. S&AC papers shared with Cabinet Members. • Review to compare the Council's Strategic/Corporate Risk and Opportunity Register against Zurich Municipal's assessment of the key risk/challenges facing the local government sector undertaken July 2014 and reported to Standards & Audit Committee December 2014, via Directors Board November 2014 and Performance Board November 2014. • Information from the In Quarter 3 Review used to report progress against the items included in the Strategic/Corporate R&O Register as part of the Mid Year Corporate Progress and Performance Report to Cabinet December 2014 • In Quarter 4 Review of the Strategic/Corporate Risk and Opportunity Register scheduled for January 2015. Report to Directors Board 20th February 2015, via Performance Board representatives 20th February 2015.
<ul style="list-style-type: none"> • Review and improve Service level ROM including Project and Partnership ROM 	<ul style="list-style-type: none"> • ROM section of Service Plan template/guidance developed and Service Plans (including risk and opportunity registers) developed by Services March 2014. • Project level ROM – Risk management support for key projects provided (e.g. Gloriana Working Group, Better Care Fund Section 75 Project Group). Guidance and templates for project level ROM updated November 2014. Principles that should be applied by services for projects incorporated in the Finance Procedure Rules of the Constitution. • Partnership ROM reviewed June 2014 - Principles that should be applied by services when working with Partners or Third Parties incorporated in the Finance Procedure Rules of the Constitution.
<ul style="list-style-type: none"> • Continue to embed ROM and build skill/capacity for ROM across the Council. 	<ul style="list-style-type: none"> • ROM Information file developed and set up March 2014 on J/Thurrock/Exchange and regularly updated. • ROM Awareness Training presentation refreshed and made available from June 2014. • ROM section of Corporate Report template and guidance reviewed June 2014. • Risk management arrangements benchmarked against the ALARM/CIPFA RM Benchmarking Model 2014 (including review of the ROM Policy & Strategy). Report results to Standards and Audit Committee 17th March 2015, via Directors Board 10th February 2015 and Performance Board 2nd February 2015.

ROM Priorities	Summary of Proposed Activity and Improvements for 2015/16
<ul style="list-style-type: none"> • Review and Update the ROM Policy, Strategy and Framework • Maintain Strategic/Corporate level ROM • Review and further develop Service level ROM including project and partnership ROM. • Continue to embed ROM and build skill/capacity for ROM across the Council. 	<ul style="list-style-type: none"> • Update ROM guidance in line with revised ROM Policy, Strategy & Framework. • Update Department Management Teams of the revised ROM Policy, Strategy and Framework to maintain awareness of the ROM arrangements across the Council. • Review the reporting arrangements for Strategic/Corporate Risk and Opportunity Register. • Update Department Management Teams of the review and reporting arrangements for the Strategic/Corporate Risk and Opportunity Register. • Undertake In Quarter 1 Review/Refresh of the Strategic/Corporate Risk and Opportunity Register and report to Standards & Audit Committee via Directors Board and Performance Board. • Undertake In Quarter 2 Review of the Strategic/Corporate Risk and Opportunity Register and report to Directors Board via Performance Board. • Undertake In Quarter 3 Review of the Strategic/Corporate Risk and Opportunity Register and report to Standards & Audit Committee via Directors Board and Performance Board. • Undertake In Quarter 4 Review of the Strategic/Corporate Risk and Opportunity Register and report to Directors Board via Performance Board. • Undertake mid year review to compare the Council's Strategic/Corporate Risk & Opportunity Register against peer authority records and/or reports of the key risk/challenges facing the local government (e.g. Zurich Municipal's annual assessment). • As part of the Mid and End of Year Corporate Progress and Performance Report to Cabinet provide an outline the items included in the Strategic/Corporate Risk & Opportunity Register and the developments to manage the risks/opportunities. • Review Service Level ROM arrangements and work with Services and Performance Board to develop service plans and service risk/opportunity registers. • Continue to embed project level risk management for key projects. • Develop and promote partnership ROM. • Maintain regular updates of ROM Information on the J/Thurrock/Exchange file. • Review ROM awareness training provision and research/develop e-learning module. • Annual review of ROM arrangements (e.g. ALARM/CIPFA RM Benchmarking Model or CIPFA Governance Framework).

Risk and Opportunity Management Policy and Strategy

December 2014

Title:	Risk and Opportunity Management Policy and Strategy.
Purpose:	Outlines the overarching ROM framework for Thurrock Council.
Owner:	Andy Owen, Corporate Risk Officer
Approved by:	N/A
Date:	December 2014
Version:	1.2
Status:	Draft
Review Frequency:	Annual
Next Review Date:	December 2015
Consultation:	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.

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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 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.
- Creates a management tool which promotes discussion and helps reinforce officers' understanding of risks/opportunities and how they will be managed; as well as encouraging the assignation of roles and responsibilities.
- Provides senior managers and members with the assurance that risks and opportunities are being considered and managed across the organisation, and where need be 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 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 Directors Board (DB), and the Standards & Audit Committee (S&AC).

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 definition 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 Corporate Finance and is led by the Corporate Risk and Insurance 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 file under J/Thurrock/Exchange/ROM.

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 Portfolio Holder for Central Services and Head of Corporate Finance promote risk and opportunity management across the Council in their respective roles of Member and Officer Risk Management Champions.

This 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 2014-16

The following priorities will be incorporated into Corporate Risk Management's plans for 2014-2016

- Review and develop the ROM Policy, Strategy and Framework.
- Review and maintain Strategic/Corporate level ROM.
- Review 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 processes.
- 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 and opportunity management page on the intranet.

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.

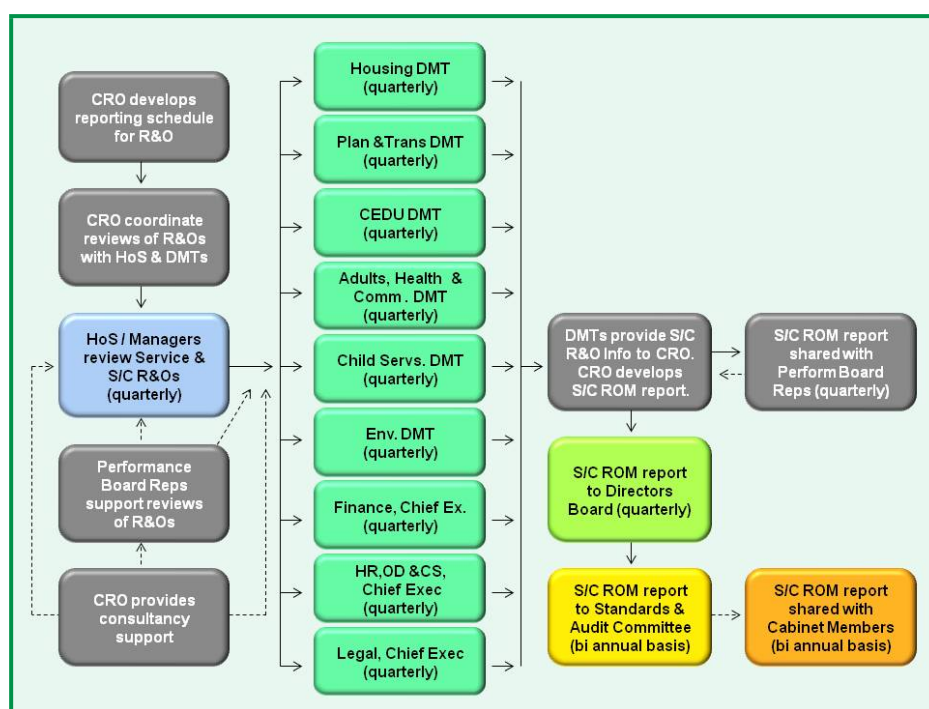
Heads of Service and Directors have responsibilities to ensure that their staff adhere to the risk and opportunity management framework. For more information on the roles and responsibilities of all staff please refer to the Risk and Opportunity Management Framework table, Appendix A at the end of this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

Monitoring, Reporting & Escalating Risk and Opportunity

Corporate Risk Management continually monitors the management of risk/opportunity across the council. This is done through half yearly reviews of each Directorates/Departments key risks and opportunities, regular engagement on the management of risk/opportunity within programmes and projects and consultation and sign-off of all key decision making reports.

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.



Monitoring & reporting - strategic/corporate risk & opportunity register

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.

The risks/opportunities associated with key decisions and how they will be managed is detailed within all reports to Cabinet. The Corporate Risk and Insurance Manager is a mandatory consultee for all reports and this process of risk and opportunity reporting helps Members to make informed decisions.

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 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:

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Corporate Risk & Insurance Manager
Thurrock Council
sroots@thurrock.gov.uk
01375 413975

Andy Owen
Corporate Risk Officer
Thurrock Council
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"> Reports from Cabinet, S&AC and Head of Paid Service. Reports, recommendations and advice from S&AC 	<ul style="list-style-type: none"> e.g. Annual Governance Statement; Policy, Strategy and Framework report and other relevant reports. 	Cabinet, Standards & Audit Committee.	Annually
Cabinet	<ul style="list-style-type: none"> Agree the ROM Policy, Strategy & Framework and receive reports on them. Hold the political responsibility for ROM within each individual portfolio. Identify a lead portfolio holder for ROM 	<ul style="list-style-type: none"> Policy, Strategy & Framework and other relevant reports. Mid and end of year progress/updates on the Strategic/Corporate R&Os (as part of Performance Report) 	Standards & Audit Committee and Directors Board	<ul style="list-style-type: none"> Annually or as required Bi Annual
Standards & Audit Committee	<ul style="list-style-type: none"> Oversee and challenge assurance and the ROM arrangements 	<ul style="list-style-type: none"> Review of Policy, Strategy & Framework Receive updates on the Strategic/Corporate R&Os and action plans Receive assurance on effectiveness of ROM 	Head of Corporate Finance	<ul style="list-style-type: none"> Annually Bi Annual Annually
Directors Board	<ul style="list-style-type: none"> Strategic leadership group for ROM Oversee the ROM Policy, Strategy & Framework Responsible for effectiveness of R&O and assurance arrangements and any management or mitigation. Quarterly monitoring of Strategic/Corporate R&Os and associated action plans. 	<ul style="list-style-type: none"> Review of Policy, Strategy & Framework. Reviews of Strategic/Corporate R&Os and action plans. Review / Benchmarking of ROM 	Head of Corporate Finance	<ul style="list-style-type: none"> Annually Quarterly Annually
Corporate Risk Management	<ul style="list-style-type: none"> Establish the ROM Policy, Strategy & Framework Stewardship of the Strategic/Corporate R&O Register Review / Benchmarking of ROM Establish Service level ROM Provide consultancy and advice on ROM 	<ul style="list-style-type: none"> Review of ROM Policy, Strategy & Framework. Reviews of Strategic/Corporate R&Os and action plans. Review / Benchmarking of ROM 	Corporate Risk & Insurance Manager / Corporate Risk Officer	<ul style="list-style-type: none"> Annually Quarterly Annually
Directors	<ul style="list-style-type: none"> Monitoring of Strategic/Corporate R&Os for the directorate or Council. Escalation as appropriate of Strategic/Corporate R&Os to DB Monitoring of high level R&Os facing the directorate or Council (e.g. programme, partnership, project and service R&Os) 	<ul style="list-style-type: none"> Reviews of Strategic/Corporate R&Os and action plans to DB Report to Portfolio Holders on the high level R&Os facing the directorate or Council 	Directors	Quarterly or as required
Directorate/Department Management Teams	<ul style="list-style-type: none"> Identification and monitoring of Strategic/Corporate and other key risks/opportunities facing the department Escalation as appropriate of S/C R&Os to Directors Board 	<ul style="list-style-type: none"> Review of R&Os and R&O Registers as a standing agenda item at DMT meetings DMT to receive and approve updates to S/C R&Os and action plans 	Directors, Heads of Service or Lead Officer	Quarterly or as required by Director or DMT
Performance Board	<ul style="list-style-type: none"> Support the review and development of ROM Policy, Strategy & Framework. Support the development/review of the Strategic/Corporate R&Os register. Review / Benchmarking of ROM 	<ul style="list-style-type: none"> Review of Policy, Strategy & Framework. Reviews of Strategic/Corporate R&Os and action plans. Review / Benchmarking of ROM 	Corporate Risk & Insurance Manager / Corporate Risk Officer	<ul style="list-style-type: none"> Annually Quarterly Annually
Heads of Service	<ul style="list-style-type: none"> Identification, management and review of R&Os within their Service or area of responsibility. Monitoring and escalation as appropriate of R&Os to either Director or relevant DMT 	<ul style="list-style-type: none"> Review of R&Os and R&O Registers as a standing agenda item at Service SMT meetings. Review of Strategic/Corporate R&Os and action plans to DMT Report to DMT on identified R&Os that require consideration for escalation to the S/C R&O Register 	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.