AUDIT COMMITTEE	

Date of Meeting	Wednesday, 24th March 2021
Report Subject	Risk Management Update
Portfolio Holder	The Leader
Report Author	Chief Executive

EXECUTIVE SUMMARY

This report updates on the changes to the Risk Management Framework. Following the Audit Committee meeting in November we have added a risk escalation protocol.

RECOMMENDATIONS	
1	To note and endorse the escalation protocol.

REPORT DETAILS

1.00	EXPLAINING THE RISK MANAGEMENT UPDATE
1.01	Following the Audit Committee meeting in November we have concluded work on the risk escalation protocol (attached at Appendix 1). **What is the process for dealing with escalation?** 1. Accountable officers escalate risk to their respective Senior Management Team when risk cannot be mitigated or its rating managed/lowered 2. Senior Management escalate to the Chief Executive Officer/Chief Officer Team if the risk cannot be mitigated or its rating managed/lowered 3. The Chief Executive Officer/Chief Officer Team escalate to Cabinet and Overview and Scrutiny where they believe the risk in its current state/predicted state is of corporate significance This update has been added to the Risk Management Framework and User Guide.
1.02	The role of the Audit Committee to ensure that risk management systems and actions are robust. As a more recent development the Council adopted a Recovery Strategy (September 2020). The Strategy is based on risk management. The Overview and Scrutiny Committees have received regular updates on the Risk Registers and Mitigation Actions. Prior to this work a Member Recovery Board was in place (May - September 2020). The Council will be resetting a longer-term Recovery Strategy over the next 3-6 months. Members of the Audit Committee have been sent the set of Risk Registers for reference.

2.00	RESOURCE IMPLICATIONS
2.01	None.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Consultation has taken place with Chief Officers, Internal Audit and Audit Wales on the risk escalation process.

4.00	RISK MANAGEMENT
4.01	The subject of this report is risk management.

5.00	APPENDICES
5.01	Appendix 1: Escalation of Risk Protocol

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None

7.00	CONTACT OFFICER DETAILS
7.01	**Contact Officer:** Jay Davies, Strategic Performance Advisor **Telephone:** 01352 702744 **E-mail:** jay.davies@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	**Recovery Strategy:** the document which sets out the priorities of the Council during the recovery phase following response to the pandemic. **Audit Wales:** works to support the Auditor General as the public sector 'watchdog' for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes. **Risk Management** - the process of **identifying** risks, **evaluating** their potential consequences (impact) and **managing** them. The aim is to reduce the frequency (likelihood) of risk events occurring (wherever this is possible) and minimise the severity of their consequences (impact) if they occur. Threats are managed by a process of controlling, transferring or retaining the risk. Opportunities are managed by identifying strategies to maximise the opportunity or reward for the organisation.