

RISK MANAGEMENT FRAMEWORK – PART 1 – POLICY STATEMENT (The Key Principles)

North Herts Council will be a risk aware Council that understands the risks that it is taking on. It appreciates that there are going to be risks in everything it does, but these are increased when undertaking projects, changing the way it delivers services and acting more commercially. It will address the risks it faces by adopting a risk aware culture and having strong risk management processes.

The Council will develop processes that allow it to focus on the significant risks it faces and ensure that undue time is not spent on low level risks and risks that have been effectively managed.

This leads to the following key principles:

Principles

1 - We will support a culture of well measured risk taking throughout the Council's business.

2 - We will not avoid risk but will identify and document key risks in all areas of our business, understand them and seek to proactively manage them. In managing risks, opportunities may present themselves. These will always be considered and acted on where appropriate.

3 - We will assess each risk, identify existing controls, and identify if further actions are required to reduce the risk. Where a risk is at a low level or has been managed down to a low level, then the risk will fall into business-as-usual, and the risk entry will be archived. This allows actions and monitoring to be focused on higher level risks.

4 - We acknowledge that even with good risk management, things will still sometimes go wrong. Where this happens, we will use lessons learned to try to prevent it from happening again. We will have Business Continuity Plans in place for each of our service areas, which identify the key functions, what the risks are and how they can be mitigated to allow them to continue operating.

5 - We will develop capacity and skills in identifying, understanding and managing the risks facing the Council.

6 - We will challenge the Risk Management Process through the use of the Risk and Performance Management Group and the Finance, Audit and Risk Committee.

7 - We will regularly review the Risk Management Framework and update it in line with statutory and best practice requirements.