

# Derby City Council

## Risk Management Policy on a Page

A risk is defined as “the chance of something happening that may have an impact on our objectives” and risk management is “a planned and systematic approach to the identification, evaluation and control of those risks, which can threaten the objectives, assets, or financial wellbeing of the Council.”

There are **five key stages** to our risk management framework, as set out below.

For more information please visit our risk management pages on [iDerby](https://www.derby.gov.uk) or email [performance@derby.gov.uk](mailto:performance@derby.gov.uk)

### 1 - Risk identification

This is the most important step of the process and requires colleagues to consider the root cause of a risk, i.e. What is it about this risk which gives us cause for concern? Ask yourself why? Think about risks as both threats and opportunities.

### 2 - Risk analysis

Prioritising risks against their potential impact and likelihood enables leaders to easily identify the risks which require additional resources to bring them within agreed tolerances for the council. Full details of our risk and opportunities matrix are in our Risk Strategy and Handbook.

### 3 - Risk treatment

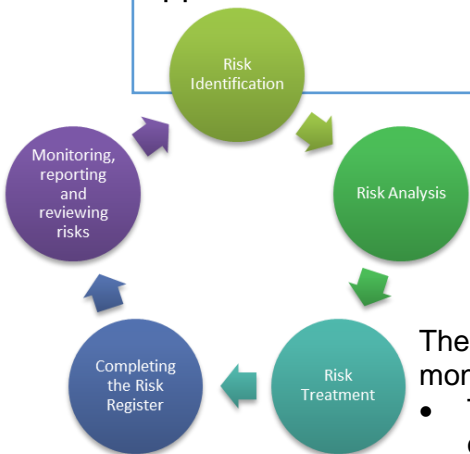
Once the risks and opportunities have been prioritised the next step is to identify how to manage the identified risk. This is vitally important as it is during this stage that improvement actually occurs.

### 4 - Completing the risk register

The risk register is the tool which facilitates data collection and records the identified risks, their mitigations and associated scoring of impact and likelihood. Download risk templates and guides from iDerby.

### 5 - Monitoring, reporting and reviewing risks

Reviewing the progress of mitigations, seeking assurances on the effectiveness of these and reporting to senior leaders on changes in risks and on our level of risk assurance.



The risk management process is a continuous one, and risks and opportunities can therefore be reported at any time. Formal monitoring of our strategic risks and opportunities will include:

- The Strategic Leadership Team will consider, alongside the Corporate Leadership Team, and agree the key strategic risks on a quarterly basis, informed by directorate and department risk registers supported by the Corporate Risk Management Group;
- Council Cabinet will receive updates on strategic risks on a quarterly basis, as part of performance monitoring reports;
- The Audit and Accounts Committee will receive six-monthly risk assurance reports; and
- The full Council will receive an update on the Council's key risks on an annual basis, as part of the Annual Report.