

## REPORT 6

### HARBOROUGH DISTRICT COUNCIL

### REPORT TO THE CABINET MEETING OF 7 FEBRUARY 2022

**PUBLIC REPORT: YES**

**EXEMPT REPORT: NO**

<b>Report Title</b>	Risk and Opportunity Management Framework
<b>KEY DECISION</b>	No
<b>Report Author</b>	L. Elliott, Deputy Chief Executive
<b>Purpose of Report</b>	To approve the Council's Risk and Opportunity Management Framework for use in the 2022/23 and 2023/24 years.
<b>Reason for Decision</b>	The Risk and Opportunity Management Framework is subject to review on a two-year cycle to ensure that it remains appropriate to Council needs and requirements.
<b>Portfolio (holder)</b>	Councillor Dann, Corporate Portfolio
<b>Corporate Priorities</b>	Your Council: creative, proactive and efficient
<b>Financial Implications</b>	None arising directly from this report.
<b>Risk Management Implications</b>	The Risk and Opportunity Management Framework helps to ensure that a structured approach for managing risk and opportunity is in place and applied consistently across the Council.
<b>Environmental Implications</b>	None arising directly from this report.
<b>Legal Implications</b>	The Risk and Opportunity Management Framework enables the Council to avoid the occurrence of unforeseen events and therefore effectively plan the use of its resources.
<b>Equality Implications</b>	Application of the Risk and Opportunity Management Framework helps to ensure that the Council complies with the duties required of it by the Equality Act 2010.
<b>Data Protection Implications</b>	None arising directly from this report.
<b>Consultation</b>	At its meeting on 2 February 2022 the Audit and Standards Committee considered the Council's Risk and Opportunity Management Framework.
<b>Options</b>	<ol style="list-style-type: none"><li>1. To approve the Council's Risk and Opportunity Management Framework for use in the 2022/23 and 2023/24 years.</li><li>2. To not approve the Council's Risk and Opportunity Management Framework for use in the 2022/23 and 2023/24 years.</li></ol>
<b>Appendices</b>	Appendix A: Risk and Opportunity Framework
<b>Background Papers</b>	There are no background papers associated with this

	report.
<b>Recommendation</b>	<b>1. To approve the Council’s Risk and Opportunity Management Framework, attached at Appendix A to this report, for use in the 2022/23 and 2023/24 years.</b>

**1. Introduction**

- 1.1 The Council’s Risk and Opportunity Management Framework was last approved for use on 10 February 2020. The Risk and Opportunity Management Framework is subject to review every two years to ensure that it remains fit for purpose. As two years have elapsed, the Framework is due for consideration again.
- 1.2 The Risk and Opportunity Management Framework sets out how the Council will manage risks and opportunities.
- 1.3 The Risk and Opportunity Management Framework aims to set out a simple, consistent approach to risk and opportunity management across the organisation and the processes by which this will be implemented.

**2. Key Facts**

- 2.1 References to ‘TEN’, the Council’s previous performance, risk and opportunity management system, have been removed and replaced with references to ‘Pentana’, the Council’s new software solution.
- 2.2 References to the ‘Governance and Audit Committee’ have been removed and replaced with references to the ‘Audit and Standards’ Committee. Reason: the name of the Committee that receives quarterly risk and opportunity reports has been amended since the last time that the Risk and Opportunity Management Framework was approved.
- 2.3 The changing nature of the local government environment means that there is an increasing need to look ahead to proactively anticipate and manage risks and opportunities in order to make the most effective use of resources and make well-informed decisions.
- 2.4 ‘Risk’ and ‘opportunity’ are concepts used in this context to describe:
  - Uncertainties that would have an effect on an outcome being achieved. This could be a threat, problem or an obstacle which would prolong or prevent the delivery of a service or project, or have a negative impact if it were to occur.
  - An opportunity to improve or enhance the outcomes of a service or project.
- 2.5 The Risk and Opportunity Management Framework includes a 4x4 matrix to

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score risks and opportunities out of 4 for both impact and likelihood. The two scores are multiplied together up to a maximum score of 16. Details of the scoring can be found on the last two pages of Appendix A to this report.