

## 1. Project Overview:

To set out a proposed approach to augmenting capacity in the Corporate Risk Management function in the Council.

- **Title:** Corporate Risk Management Capacity
- **Date:** January 22<sup>nd</sup> 2026
- **Prepared by:** John Gallagher / Corporate Policy Team

## 2. Background / Current Situation:

The responsibility for corporate risk management currently sits within the Health & Safety Team, which has neither the dedicated capacity nor the specialist resource needed to drive a comprehensive risk management agenda. As a result, the Council's risk management processes are reactive and operational in focus, rather than strategic and organisation wide.

During the **June 2024 Peer Challenge**, the review team identified a significant gap in the Council's corporate capacity. Specifically, a lack of strategic oversight and coordination of risk management. This limitation is hindering the Council's ability to manage transformation programmes, deliver change, and maintain resilience in the face of growing complexity in local government operations.

The **Peer Challenge** found:

- Inconsistent risk identification and mitigation practices across directorates.
- A lack of clear ownership and accountability for risks at the corporate level.
- The need for risk management to become a strategic enabler rather than purely a compliance function.

In addition, **Grant Thornton's audit feedback** reaffirmed the need for a stronger focus on corporate risk maturity - recommending enhanced integration between risk, governance, and performance management.

The **Council's Zurich Assurance Review** also supported this, highlighting an opportunity to establish a more structured corporate risk framework and dedicated leadership to embed a more consistent approach across all services.

A **new Risk Management Policy and Framework** has recently been developed, but without a designated officer to coordinate, embed, and monitor delivery, its potential impact will be limited.

## 3. Proposed Solution:

It is proposed to create a **full-time, designated Risk Management Officer post**, with an accompanying **Job Profile** (attached). Following job evaluation (January 20th, 2026), the Steering Group has agreed that this post would be graded at **HBC9**.

Zurich's advice on positioning the role within the organisation stated:

*“It is very dependent, but for the risk manager to sit under the world of audit is not uncommon. They have similar functions and should work closely together to help build resilience across the organisation. It will be important to ensure that the different priorities are understood and that risk is not simply an extension of audit but has distinct responsibilities within the Council.”*

Accordingly, it is recommended that the Risk Management Officer post report to the **Audit and Governance function**, ensuring independence, strong alignment with assurance processes, and effective oversight.

Research indicates that effective risk management, as recognised in comparable local authorities and recommended practice from Zurich and CIPFA, requires **dedicated professional capacity**. This post would fill that gap, enabling the Council to move from reactive risk handling to proactive management, aligning risks with performance and strategic objectives. This suggestion would meet all recommendations that have been outlined by the appropriate professional bodies.

#### 4. Benefits:

The creation of a designated Risk Management Officer will deliver a range of operational and strategic benefits, including:

- **Enhanced Governance and Assurance:** A consistent and transparent framework for identifying, assessing, and managing risk across directorates.
- **Proactive Management Culture:** Reduced reliance on crisis response through earlier identification and mitigation of emerging risks.
- **Improved Decision-Making:** Better quality risk information supporting senior management and Members in strategic planning and priority setting.
- **Compliance and Audit Readiness:** Strengthened assurance for external auditors and regulators through demonstrable corporate oversight.
- **Organisational Resilience:** Improved ability to manage change, financial pressures, and service transformation.
- **False Economy Avoidance:** Without this post, the Council remains reactive, potentially incurring greater unbudgeted costs from unmanaged risk events.

#### 5. Cost Estimate:

The post represents **an additional cost beyond the existing budget**, and if approved, will need to be **funded from the Council’s central contingency**.

##### Estimated Costs:

- **Salary (HBC9 scale):** £42,839 - £46,142 per annum  
**Total Estimated Annual Cost:** circa £44,000

The establishment of this post can be reviewed after 24 months to assess measurable improvements in assurance, governance outcomes, and risk maturity.

## 6. Risks & Limitations:

### Potential Risks:

- *Do nothing:* The Council would not be responding to any risk recommendations that have been identified.
- *Budget availability:* If funds are not approved, the creation of the post would be delayed.
- *Role integration:* Ensuring clear differentiation between audit and risk functions to avoid duplication.
- *Embedding challenge:* The success of the role depends on strong corporate buy-in and engagement from senior managers.

### Mitigation Measures:

- Early engagement with the Corporate Management Team, Directorate Leadership Teams and Audit and Governance Board to define responsibilities.
- Development of a phased implementation plan with key milestones.
- Ongoing reporting to the Corporate Management Team and Audit and Governance Board on progress and impact.

## 7. Implementation Plan:

The creation of the post will be implemented in the following stages:

Activity	Responsible	Target Date
Job evaluation completed	HR / Steering Group	January 2026
Approval of Business Case	CEO / CFO / Leader / Portfolio Holder	February 2026
Budget allocation confirmed	Finance	February/March 2026
Recruitment process launched	HR	March/April 2026
Appointment of postholder	Audit & Governance	June/July 2026
Development of Corporate Risk Register	New Officer & Zurich Advisor	August 2026
First update to Corporate Management Team and Audit and Governance Board	Risk Management Officer	Early 2027

This role will serve as the foundation for the Council's wider governance improvement effort, enhancing risk oversight through better integration with **performance management, Overview and Scrutiny (via Policy and Performance Boards), and the Audit and Governance Board.**