

Background Information

A **corporate risk** is one that:

- requires strong management at a corporate level thus the County Leadership Team (CLT) should direct any action to be taken;
- requires input or responsibility from more than one Executive Director for mitigating tasks;
- if not managed appropriately, could potentially result in the County Council failing to achieve one or more of its key corporate objectives and/or suffer a significant financial loss or reputational damage.

A **departmental risk** is one that:

- requires strong management at a departmental level thus the Departmental Management Team should direct any action to be taken.
- if not managed appropriately, could potentially result in the County Council failing to achieve one or more of its key departmental objectives and/or suffer a significant financial loss or reputational damage.

A **Service Risk** is one that:

- requires strong management at a service level, thus the Head of the Service should direct any action to be taken.
- requires input or responsibility from the Head of Service for mitigating tasks; if not managed appropriately, it could potentially result in the County Council failing to achieve one or more of its key service objectives and/or suffer a significant financial loss or reputational damage.

Each risk score is expressed as a multiple of the impact and the likelihood of the event occurring.

- Original risk score – the level of risk exposure before any action is taken to reduce the risk
- Current risk score – the level of risk exposure at the time the risk is reviewed by the risk owner, taking into consideration the progress of the mitigation tasks
- Target risk score – the level of risk exposure that we are prepared to tolerate following completion of all the mitigation tasks.

The prospects of meeting target scores by the target dates reflect how well the risk owners consider that the mitigation tasks are controlling the risk. It is an early indication that additional resources and tasks or escalation may be required to ensure that the risk can meet the target score by the target date. The position is visually displayed for ease in the “Prospects of meeting the target score by the target date” column as follows:

- Green – the mitigation tasks are on schedule and the risk owner considers that the target score is achievable by the target date.
- Amber – one or more of the mitigation tasks are falling behind and there are some concerns that the target score may not be achievable by the target date unless the shortcomings are addressed.
- Red – significant mitigation tasks are falling behind and there are serious concerns that the target score will not be achieved by the target date and the shortcomings must be addressed and/or new tasks introduced.