Causeway Coast & Glens Borough Council

Title of Report:	**Risk Management Strategy**
Committee Report Submitted To:	**Audit Committee**
Date of Meeting:	**16th September 2026**
For Decision or For Information	**For Information**
To be discussed In Committee ~~YES~~/NO	**No**

Linkage to Council Plan (2026-31)	
Priority	Governance Quality & Continuous Improvement
Outcome	n/a
Lead Officer	Director of Corporate Services

Estimated Timescale for Completion	
Date to be Completed	
Budgetary Considerations	
Cost of Proposal	
Included in Current Year Estimates	**YES/NO**
Capital/Revenue	
Code	
Staffing Costs	

Legal Considerations	
Input of Legal Services Required	**~~YES~~/NO**
Legal Opinion Obtained	**~~YES~~/NO**

Screening Requirements	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	Yes/No	Date: n/a
	EQIA Required and Completed:	Yes/No	Date: n/a
Rural Needs Assessment (RNA)	Screening Completed	Yes/No	Date: n/a
	RNA Required and Completed:	Yes/No	Date: n/a
Data Protection Impact Assessment (DPIA)	Screening Completed:	Yes/No	Date: n/a
	DPIA Required and Completed:	Yes/No	Date: n/a

1.0 Purpose of Report

1.1 The purpose of this report is to present Members with the Revised Risk Management Strategy for consideration and recommended for approval. The changes made relate to the introduction of the new Council Plan (2026-2031).

2.0 Background

2.1 The Risk Management Strategy forms part of the Causeway Coast & Glens Brough Council's internal control and corporate governance framework. The Strategy has been developed to provide clarity and direction on current and future risk management activity across Council. The Revised Risk Management Strategy is attached in Appendix 1.

2.2 It is recognised as good governance for council to have a documented Risk Management Strategy that sets out a clear and consistent framework for the identification, assessment, management and monitoring of risks. A formal strategy helps ensure that risk management is embedded within governance arrangements, supports informed decision-making, and promotes the achievement of organisational objectives while maintaining an appropriate balance between risk and opportunity.

2.3 This Strategy has been developed in line with the principles outlined in HM Treasury's *Orange Book: Management of Risk – Principles and Concepts* (May 2023), which provides established guidance the UK Government's framework for effective risk management and encourages the integration of risk considerations into strategic and operational planning processes, performance management and organisational culture.

3.0 Recommendation

It is recommended that the Audit Committee recommends to Council the adoption and amendments of the Revised Risk Management Strategy as set out in Appendix 1.

RISK MANAGEMENT STRATEGY

Version Number	6.0
Author	Audit, Risk and Governance Manager

Date of Screening	TBC
EQIA Recommended?	TBC
Date Adopted by Council	Audit Committee – 16/09/2026 Full Council – 6/10/2026

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RISK MANAGEMENT STRATEGY

1. INTRODUCTION

1.1 The Risk Management Strategy forms part of the Causeway Coast & Glens Brough Council's internal control and corporate governance framework. The Strategy has been developed to provide clarity and direction on current and future risk management activity across Council.

1.2 As a local government body, Council is required by way of, *Part 2 of The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 – 4 (1) (b)*, to ensure that it has a sound system of internal control in place which facilitates the effective exercise of its functions, and which includes arrangements for the management of risk. Council draws on the approach set out in, *The Orange Book, Management of Risk, Principles and Concepts*, revised by HM Treasury in 2023.

1.3 Causeway Coast & Glens Brough Council recognises its responsibility to manage risk effectively, while understanding that risk can never be fully eliminated. Council is committed to the proactive management of key internal and external risks.

1.4 It is important that the Elected Members and all employees (including agency workers and contractors), have a clear understanding of how risk management operates and that the process of risk management is consistent, appropriate, and embedded across all Council activities.

2 RISK AND RISK MANAGEMENT

2.1 Risk is the effect of uncertainty on objectives. Risk is usually expressed in terms of causes, potential events, and their consequences.

2.2 Risk management is the process by which risks are identified, analysed and controlled.

2.3 Risk management is commonly defined as, the combination of structures, management systems and organisational culture which enables an organisation to manage threats and opportunities which might impact on the achievement of the objectives of the organisation.

2.4 While risk practices have improved over time across the public sector, the volatility, complexity and ambiguity of the operating environment has increased, as have demands for greater transparency and accountability for managing the impact of risks.

2.5 Risk management is not an end in itself but is a means of minimising the cost and disruption to Council by undesired events.

3 OBJECTIVES

3.1 The objectives of the Risk Management Strategy are to:

3.1.1 Demonstrate how risk relates to the achievement of the objectives of the Council Plan;

3.1.2 Emphasise the importance of risk management to the success of Council;

3.1.3 Create an understanding of the processes undertaken by Council to ensure the successful identification and management of risks; and

3.1.4 Provide a clear strategic framework for the Elected Members and all employees (including agency workers and contractors) on Council's approach to risk management.

3.2 Achieving these objectives (with effective risk management) will lead to:

Improved Strategic Management

3.2.1 Improved decision making;

3.2.2 More informed selection of strategic objectives and associated targets as result of risk identification and analysis; and

3.2.3 Innovation carries risk and risk management helps to ensure innovation is successful.

Improved Financial and Operational Outcomes

3.2.4 Better informed financial decision making on budgeting, investment, insurance, and option appraisal;

3.2.5 A reduction in management time associated in dealing with unforeseen issues and risks; and

3.2.6 Fewer interruptions to service delivery and improved customer experience.

4 LINK TO COUNCIL PLAN

4.1 The Council Plan is the strategic document of Council's commitment to the Causeway Coast and Glens Borough. The plan sets out the council's vision, what we will deliver for our citizens and how we will meet their needs.

4.2 The Council Plan forms the foundation of Council's work in the future and will influence and shape what work Council will do and how Council will do it.

4.3 The Purpose and Strategic Themes of the Causeway Coast and Glens Borough Council are:

Purpose

"To enhance quality of life for residents and visitors by delivering accessible, sustainable services, empowering communities, protecting our natural assets, supporting inclusive economic growth, and championing the Borough locally and internationally."

Strategic Themes

The Council Plan is fundamentally built upon three strategic themes of the

Causeway Coast and Glens Community Plan 2017 – 2030:

- *A Healthy Safe Community*
- *A Sustainable Accessible Environment*
- *A Thriving Economy*

4.4 In achieving its objectives and strategic priorities (as set out in the Council Plan), Council will be exposed to risks. Risk management should therefore be embedded within the decision-making process used across Council to ensure that each Service, Directorate, and the Council overall, is meeting its objectives.

4.5 The risks identified will be linked to the Council Plan through one (or more) of Council's strategic priorities as follows:

4.5.1 Engaging & Communicating with our customers;

4.5.2 Empowering & supporting our people

4.5.3 Creating conditions to deliver opportunities for our Borough;

4.5.4 Sustainability & managing our natural & built environment;

4.5.5 Governance quality & continuous improvement

4.6 Risks can also be linked to other strategic planning documents and other service plans as necessary.

5 ROLES & RESPONSIBILITIES

5.1 The Risk Management Strategy is implemented through the Senior Management Team ("SMT") and the SMT will offer direction and advice in relation to risk management.

5.2 All Council employees (including agency workers and contractors), have a responsibility to identify, monitor and manage risk as part of their everyday activities.

5.3 The Risk Management Strategy will be kept under review by the SMT and any changes will be cascaded through the Heads of Service.

5.4 The SMT will review risk as part of its regular meeting processes and will be supported by other groups, both internally and externally, as may be appropriate.

5.5 Specific roles and responsibilities in relation to the management of risk are detailed below for the following:

Elected Members

5.6 The Elected Members have overall responsibility for scrutinising the performance of Council in relation to risk management.

5.7 The Elected Members will consider and approve the Risk Management Strategy (and the Risk Appetite Statement in particular).

Audit Committee

5.8 The Audit Committee will provide those charged with governance responsibility (i.e. the Elected Members), assurance in relation to the adequacy of the risk management framework by:

5.8.1 Providing organisational commitment to the risk management process;

5.8.2 Strategic overview of the effectiveness of the risk management arrangements;

5.8.3 Scrutinising the Corporate Risk Register and the Corporate Risk Matrix;

5.8.4 Strategic review and assessment of the risk profile of Council; and

5.8.5 Ensure that the Annual Governance Statement is an accurate reflection of the risk environment.

Chief Executive

5.9 The Chief Executive has overall responsibility for risk management within Council (as the “Accounting Officer”) by:

5.9.1 Promoting a culture in which risk management is embedded in all Council activities;

5.9.2 Overall ownership of the Risk Management Strategy;

5.9.3 Strategic overview of the risk management framework to ensure that Council is achieving compliance with its statutory requirements; and

5.9.4 Reporting annually on the system of internal risk management control in the Statement of Accounts and the Annual Governance Statement.

Senior Management Team (SMT)

5.10 The SMT have responsibility for:

5.10.1 Promoting the integration of risk management principles into Council's culture;

5.10.2 Contributing towards the identification and management of strategic and cross cutting risks and opportunities faced by Council;

5.10.3 Ownership of the Corporate Risk Register and Corporate Risk Matrix;

5.10.4 Ownership of the relevant Directorate Risk Register and Directorate Risk Matrix; and

5.10.5 Reporting to the Audit Committee by detailing the key risk management activities undertaken, future organisational priorities and other relevant information.

Heads of Service

5.11 The Heads of Service have overall responsibility for risk in their individual areas and will:

5.11.1 Plan and co-ordinate controls, risk profile activities and monitor the controls in place to ensure their efficiency;

5.11.2 Actively implement all risk management policies, procedures and processes;

5.11.3 Keep up to date with risks in their area and potential exposures, including provision of their own risk register and to report accordingly;

5.11.4 Review processes, issues and incidents with a view to identifying and controlling areas of risk exposure;

5.11.5 Ownership of the relevant Service Risk Register and Service Risk Matrix; and

5.11.6 Will appoint a Service Risk Co-ordinator for the Service.

Service Risk Co-ordinators

5.12 Service Risk Co-ordinators are responsible for:

5.12.1 Co-ordinating the creation and review of the relevant Service Risk Register and Service Risk Matrix, and obtaining information on risks across the Service;

5.12.2 Ensuring that all risk mitigations and actions have been reviewed, progressed and / or completed as may be appropriate; and

5.12.3 Meet with Audit, Risk and Governance on a regular basis (at least annually, or more regularly depending on the level of risk) to provide assurance that risks within the relevant Service are being managed effectively.

Audit, Risk and Governance

5.13 Audit, Risk and Governance is responsible for:

5.13.1 Providing independent review of the corporate approach to risk management and compliance;

5.13.2 Contributing to the accuracy and integrity of the Corporate Risk Register and Corporate Risk Matrix (as part of the risk-based approach to audit), and in relation to the effectiveness of mitigating actions and fraud risk;

5.13.3 Challenging the risk management processes to include risk identification, analysis, control measures, review and reporting; and

5.13.4 Advising on new risk management legislation and regulation(s).

All Employees

5.14 All employees have an individual responsibility for:

5.14.1 Maintaining awareness of risk and contributing to the control processes where appropriate;

5.14.2 Taking due care to ensure compliance with any risk management guidelines and other guidance provided by Council or required by legislation;

5.14.3 Reporting any perceived risks which may not have been assessed; and

5.14.4 Actively engaging in risk management training and education initiatives.

6 RISK MANAGEMENT FRAMEWORK

6.1 In line with the guidance, as set out in the in, '*The Orange Book, Management of Risk, Principles and Concepts'*, the risk management framework below outlines the key steps which will ensure that the management of risk is embedded within the culture and activities of Council.

6.2 The risk management framework shall be structured to include:

6.2.1 Risk identification and assessment to determine and prioritise how the risk should be managed;

6.2.2 The selection, design and implementation or risk treatment options that support achievement of intended outcomes and manage risks to an acceptable level;

6.2.3 The design and operation of integrated, insightful and informative risk monitoring; and

6.2.4 Timely, accurate and useful risk reporting to enhance the quality of decision-making and to support management and oversight bodies in meeting their responsibilities.

6.3 The diagram below outlines the key steps involved in the risk management framework for Council.

6.4 The specific risk management processes to be followed by Council are contained within the Risk Management Procedures found at Appendix 2.

7 RISK APPETITE

Risk Categories

7.1 Every organisation will face different types of risk. The main categories of risk facing the Causeway Coast and Glens Borough Council are set out below.

7.2 Strategic risks – Risks arising from identifying and pursuing a strategy, which is poorly defined, is based on flawed or inaccurate data or fails to support the delivery of commitments, plans or objectives due to a changing macro-environment (e.g. political, economic, social, technological, environmental, and legislative change).

7.3 Governance risks – Risks arising from unclear plans, priorities, authorities, and accountabilities, and / or ineffective or disproportionate oversight of decision-making and / or performance.

7.4 Operations risks – Risks arising from inadequate, poorly designed, or ineffective / inefficient internal processes resulting in fraud, error, impaired customer service (quality and / or quantity of service), non-compliance and / or poor value for money.

7.5 Legal risks – Risks arising from a defective transaction, a claim being made (including a defence to a claim or a counterclaim) or some other legal event occurring that results in a liability or other loss, or a failure to take appropriate measures to meet legal or regulatory requirements or to protect assets (for example, property).

7.6 Property risks – Risks arising from property deficiencies or poorly designed or ineffective / inefficient safety management resulting in non-compliance and / or harm and suffering to employees, contractors, service users or the public.

7.7 Financial risks – Risks arising from not managing finances in accordance with requirements and financial constraints resulting in poor returns from investments, failure to manage assets / liabilities or to obtain value for money from the resources deployed, and / or non-compliant financial reporting.

7.8 Commercial risks – Risks arising from weaknesses in the management of commercial partnerships, supply chain and contractual requirements, resulting in poor performance, inefficiency, poor value for money, fraud, and / or failure to meet business requirements / objectives.

7.9 People risks – Risks arising from ineffective leadership and engagement, suboptimal culture, inappropriate behaviours, the unavailability of sufficient capacity and capability, industrial action and / or non-compliance with relevant employment legislation / HR policies resulting in negative impact on performance.

7.10 Technology risks – Risks arising from technology not delivering the expected services due to inadequate or deficient system / process development and performance or inadequate resilience.

7.11 Information risks – Risks arising from a failure to produce robust, suitable, and appropriate data / information so it can be exploited to its full potential.

7.12 Security risks – Risks arising from a failure to prevent unauthorised and / or inappropriate access to key government systems and assets, including people, platforms, information, and resources. This encompasses the subset of cyber security.

7.13 Project / Programme risks – Risks that change programmes and projects that are not aligned with strategic priorities and do not successfully and safely deliver requirements and intended benefits to time, cost and quality.

7.14 Reputational risks – Risks arising from adverse events, including ethical violations, a lack of sustainability, systemic or repeated failures or poor quality or a lack of innovation, leading to damage to reputation and / or destruction of trust and relations.

7.15 These categories will be used to ensure that the major risks and the most appropriate responses are properly considered by Council.

7.16 It should be noted that these categories are not mutually exclusive.

Risk Appetite

7.17 Risk appetite is the extent of exposure to risk that Council is willing to accept or tolerate. Risk appetite is important because it provides a framework which enables an organisation to make informed management decisions.

7.18 If the agreed risk appetite is high, then there is an even greater need for good risk management processes to be in place in order to manage the risks.

7.19 In arriving at Causeway Coast and Glens Council's risk appetite, consideration has been given to the environment and sector in which the Council operates, along with Council's culture, governance arrangements and decision-making processes.

Risk Appetite Levels

7.20 The risk appetite levels are set out below.

7.21 Averse – Avoidance of risk is paramount. Risks for which Council has an adverse risk appetite will only be accepted if they have a 'controlled' risk rating, before taking account of any mitigations.

7.22 Minimal – Risks for which Council has a minimalist risk appetite should be managed so that mitigations will deliver a risk rating of 'low' within an agreed timeframe.

7.23 Cautious – Risks for which Council has a cautious risk appetite should be managed so that mitigations will deliver a risk rating of 'moderate' within an agreed timeframe.

7.24 Open – In order to achieve significant reward, risks for which Council has an open risk appetite should be managed so that mitigations will deliver a risk rating of 'high' within an agreed timeframe.

7.25 Hungry – In order to achieve potentially very high reward, risk for which Council has a hungry risk appetite, should be managed so that mitigations will deliver a risk rating of 'critical' within an agreed timeframe.

Risk Appetite Statement

7.26 The Causeway Coast and Glens Borough Council takes a balanced approach to risk in order to deliver its corporate priorities and agreed outcomes for the Borough.

7.27 Council recognises that, in pursuit of its priorities and outcomes, it may choose to accept different levels of risk in different areas. Council will take action to manage risks down to a level which falls within an agreed risk appetite for that category.

7.28 Council has established and articulated risk appetites for the different categories of risk which are set out below.

7.29 Strategic risks – Council adopts a 'Minimal' approach to strategic risks, with guiding principles and rules in place that minimise risk in the organisation's actions and the pursuit of priorities (with the Council Plan reviewed every five years).

7.30 Governance risks – Council adopts a 'Minimal' approach to governance risks. Council is willing to consider low risk actions which support the delivery of priorities and objectives. Council's processes, and oversight / monitoring arrangements enable limited risk taking within a framework of assurances required for statutory purposes or when incident management is required. Organisational controls maximise fraud prevention, detection and deterrence through robust controls and sanctions.

7.31 Operations risks – Council adopts a 'Cautious' approach to operational risks. Innovation is supported where there is a demonstration of commensurate improvements in management control. Operational risks are aligned with functional standards and organisational governance and responsibility for non-critical decisions may be devolved.

7.32 Legal risks – Council adopts a 'Cautious' approach to legal risks. Council is cautious about entering into and proceeding with any challenge without sound evidence and strong prospects of success.

7.33 Property risks – Council adopts an ‘Averse’ approach to property risks. There is an obligation to comply with strict policies for purchase, rental, disposal, construction, and refurbishment that ensures producing good value for money.

7.34 Financial risks – Council adopts a ‘Cautious’ approach to financial risks with reference to core running costs and seeking safe delivery options with little residual risk. Council receives ongoing assurance through the Annual Governance Statement that the necessary policies and procedures are in place to comply with the relevant statutory duties and the requirements of the Department of Finance and Northern Ireland Audit Office.

7.35 Council’s financial decisions are rightly heavily scrutinised, with value for money being a key factor in decision making. Council accepts risks that result in some small-scale financial exposure on the basis that these can be expected to balance out but does not accept financial risks that could result in significant reprioritisation of budgets.

7.36 Council is ‘Averse’ to any form of financial impropriety and has zero tolerance towards all fraud, bribery or corruption.

7.37 Commercial risks – Council adopts a ‘Cautious’ approach to commercial risks. Innovation is supported when required to meet the Council’s objectives and the management of commercial risks is informed through leading best practice indicators.

7.38 People risks – Council adopts a ‘Cautious’ approach to people risks. Council will recruit and invest in its people to ensure there is a diverse mix of backgrounds and skills to deliver the Council Plan and its agreed objectives.

7.39 Council is ‘Averse’ to any risks that pose security or safeguarding threats. Council will adhere to the rules and requirements for recruiting and vetting all employees (including agency workers and contractors), depending on their roles and responsibilities.

7.40 Council is ‘Averse’ to any risks that may jeopardise people’s health, safety and wellbeing. Council puts in place rigorous policies and processes to support the health, safety and wellbeing of its people (including agency workers and contractors).

7.41 Technology risks – Council adopts a ‘Cautious’ approach to technology risks. Consideration is given to the adoption of established / mature systems and technology improvements. Agile principles are considered in relation to technology improvements and adopting systems.

7.42 Information risks – Council adopts a ‘Minimal’ approach to information risks. Council minimises the level of risk due to potential damage from disclosure through careful management.

7.43 Security risks – Council adopts a 'Minimal' approach to security risks. Risk of loss or damage to property, assets, information or people is minimised through stringent security measures including:

7.44 Adherence to Foreign, Commonwealth Development Office (FCDO) travel restrictions;

7.45 All employees (including agency staff and contractors) are vetted to levels defined by roles and responsibilities;

7.46 Controls limiting staff (including agency staff and contractors) and visitor access to information, assets and estate; and

7.47 Staff personal devices are permitted but may not be used for official tasks.

7.48 Project / Programme risks – Council adopts an 'Open' approach to project / programme risks. Innovation is supported, with demonstration of commensurate improvements in management control. Plans are aligned with functional standards and organisational governance and responsibility for non-critical decisions may be devolved.

7.49 Reputational risks – Council adopts a 'Minimal' approach to reputational risks. As a public body, Council's appetite for risk taking is limited to those events where there is very limited chance of significant reputational repercussions for Council.

7.50 Council's risk appetite can be considered within the context of the defined risk appetite levels and examples contained within Annex A of Risk Appetite Guidance Note.

8 INTEGRATION

8.1 Council will integrate the management of risk into its business processes including finances, planning, key decision-making, performance management, projects and major change initiatives.

8.2 The assessment and management of opportunity and risk is an embedded part of, and not separate from:

8.2.1 Setting strategy and plans;

8.2.2 Evaluating options and delivering programmes, projects or policy initiatives;

8.2.3 Prioritising resources;

8.2.4 Supporting efficient and effective operations;

8.2.5 Managing performance;

8.2.6 Managing tangible and intangible assets; and

8.2.7 Delivering improved outcomes.

8.3 The Chief Executive, Directors and Heads of Service have responsibility for ensuring that risks are transparent and considered as an integral part of appraising options, evaluating alternatives, and making informed decisions.

9 CONTINUOUS IMPROVEMENT

9.1 The management of risk shall be continually improved through learning and experience.

9.2 Council will continually monitor and adapt the Risk Management Strategy and Risk Management Framework to address internal and external changes.

9.3 Council will also continually improve the suitability, adequacy and effectiveness of the Risk Management Strategy and Risk Management Framework.

10 REVIEW & EVALUATION

10.1 The Risk Management Strategy and Risk Management Framework will be reviewed annually by the SMT and presented to the Audit Committee for review and evaluation.

10.2 The SMT will conduct an annual review of the Risk Management Strategy and Risk Management Framework to ensure that risk management is embedded within Council, that periodic reviews on the progress of implementing mitigating controls and actions are conducted and that Council's strategic objectives are reviewed for risk.

11 COMMUNICATION, SUPPORT & TRAINING

11.1 The Risk Management Strategy and Risk Management Framework will be available on the Council's website.

11.2 Council will provide suitable training in relation to the Risk Management Strategy and Risk Management Framework as required and will provide assistance where specialised knowledge is necessary.

Signed: _____ Date: _____

Mayor
Causeway Coast and Glens Borough Council

Signed: _____ Date: _____

Chief Executive
Causeway Coast and Glens Borough Council

APPENDIX 1 – RISK MANAGEMENT PROCEDURES

1. INTRODUCTION

1.1. These risk management procedures support the consistent and robust identification and management of opportunities and risks within the desired levels across Council – supporting openness, challenge, innovation and excellence in the achievement of objectives.

1.2. Risk management is an integral part of the management process and is about asking:

1.2.1. What can go wrong?

1.2.2. What is the likelihood of it going wrong? And what would the impact be if it did go wrong?

1.2.3. What are the causes and potential effects or risks?

1.2.4. How can the risks be controlled? And what are the current actions taken to control the risk?

1.2.5. What additional actions can be taken to further reduce the risk?

1.3. Council needs to ensure that all significant risks are identified and evaluated on an ongoing basis.

1.4. Council has developed and will maintain Corporate, Directorate and Service Risk Registers and Risk Matrices in a structured and systematic way using the risk management procedures as set out below.

2. RISK IDENTIFICATION

2.1. Risk identification is the process of identifying the risks which may impact Council's ability to achieve its objectives. Risks will be identified in consideration of the Council Plan, strategic plans and other relevant plans, as may be appropriate.

2.2. Council will ensure that all risks are identified and evaluated on an on-going basis with the development of Corporate, Directorate and Service Risk Registers and Risk Matrices.

2.3. The articulation of a risk is also important, as it must be defined in a manner that is measurable.

2.4. It is recommended that a risk be articulated in the manner set out in the table below, as this will ensure focussed scoring and prioritisation.

Failure of	Reduction of	Loss of	Disruption to
Inability to	Increase in	Inappropriate	Lack of
Chance to	Potential for	Opportunity to	Ability to
Improvement in	Transfer of	Introduction of	Use of

2.5. As well as identifying the risk, it is also beneficial to provide information on the risk background – that is, the causes of, and the potential effects, should the risk occur.

2.6. By identifying the causes of a risk, it is easier to determine the likelihood of the risk occurring. By identifying the potential effects of a risk, a greater understanding of the impact can also be obtained.

2.7. In order to put a risk into context, use the following types of impacts as a guide to identifying a risk can be helpful:

Missed opportunity	Financial cost	Breach of contract	Management disruption	Damaged reputation
Service disruption	Loss of assets	Regulatory intervention	Inefficiency	Reduced morale

3. RISK ASSESSMENT

3.1. Risk assessment is the process of assessing the ‘inherent’ risk to Council (i.e. the exposure of that risk before any action has been taken to manage it).

3.2. This is done through the assessment of the ‘likelihood’ of the risk occurring and its potential ‘impact’.

3.3. Risks should be evaluated in terms of ‘Likelihood’ and ‘Impact’, to determine the Total Risk Score (TRS) for the risk.

Likelihood

3.4. Likelihood is the chance of the risk materialising.

3.5. It is scored from ‘1’ being ‘extremely unlikely’ to ‘5’ being ‘very likely’. The following table defines the likelihood of a risk occurring:

Score	Degree of Likelihood	Definition
5	Very Likely	Likely to occur soon and often – within 12 months
4	Likely	Expected to occur eventually – within 1 to 3 years
3	Occasional	May occur intermittently – within 3 to 5 years
2	Unlikely	Not expected, but possible – within 5 to 10 years
1	Extremely Unlikely	Not expected to occur – greater than 10 years

Impact

3.6. Impact is the effect of a risk should it materialise.

3.7. Impact is scored from ‘1’ being ‘low’ to ‘5’ being ‘major.’ The table below describes the severity of the consequences if the event occurred.

Score	Degree of Likelihood	Definition
5	Major	Will cause extensive damage and long-term effect
4	Serious	Will cause significant loss, damage and medium to long-term effect
3	Moderate	Will cause considerable loss, damage and medium-term effect
2	Minor	Will cause minor loss, damage but little overall effect
1	Low	Will have little to no effect

Total Risk Score

3.8. The Total Risk Score (TRS) of a risk is calculated by multiplying the 'Likelihood' (L) by the 'Impact' (I) (i.e. L x I = TRS).

3.9. The TRS represents the severity of the risk.

3.10. The lowest TRS possible is '1' (i.e. 1 Likelihood x 1 Impact = 1) and the highest TRS possible is '25' (i.e. 5 Likelihood x 5 Impact = 25).

3.11. The following matrix sets out the categorisation of a risk scoring as well as the response required for each category:

Risk Scoring Categorisation

LIKELIHOOD					
5	5	10	15	20	25
4	4	8	12	16	20
3	3	6	9	12	15
2	2	4	6	8	10
1	1	2	3	4	5
	1	**2**	**3**	**4**	**5**

IMPACT

Risk Response

Colour	Total Risk Score Definition	Response Required
	Controlled TRS 1 – 4	Limited monitoring only (consider closing risk)
	Low TRS 5 – 9	Active monitoring
	Moderate TRS 10 – 14	Actioned needed
	High TRS 15 – 19	Rapid action needed
	Critical TRS 20 – 25	Immediate action needed – crucial priority (NB: escalate to Directorate and / or Corporate Risk Register as may be appropriate)

4. RISK TREATMENT

4.1. The Risk management process requires establishing actions for reducing the risks identified and agreeing timeframes and responsibility for implementation.

4.2. There are four standard responses to addressing risk:

4.2.1. Treat the risk – Means identifying additional actions to be taken that will reduce the likelihood and / or the impact if the risk occurred. It is anticipated that the greatest number of risks will fall into this category.

4.2.2. Transfer the risk – Means using an insurer or third party to cover the cost or losses and share the risk should a risk materialise;

4.2.3. Tolerate the risk – It may be appropriate to tolerate the risk without any further action (e.g. due to either a limited ability to mitigate the risk or the cost of mitigation may be disproportionate to the benefit gained); or

4.2.4. Terminate the risk – Means ceasing the activity because modifying it or controlling it would not reduce the risk to an acceptable level.

4.3. It is important that control actions developed to mitigate risk are **SMART**:

S – Specific

M – Measurable

A – Achievable

R – Realistic

T – Time Effective

4.4. Taking account of the controls / actions that have been and are to be put into place, an assessment of the 'residual' risk can be undertaken in terms of the 'likelihood' and 'impact'.

4.5. The 'residual' risk is the exposure arising from a risk after action has been taken to manage it, assuming the action is effective.

4.6. The difference between the 'inherent' and 'residual' risk score demonstrates the effectiveness of the controls / actions implemented to manage the risk.

4.7. Should the revised TRS be deemed unacceptable, additional actions / improvements should be identified or the position noted for reference.

5. RISK REVIEW & REPORTING

Risk Registers and Risk Matrices

5.1. The Risk Management Framework for Council is evidenced through the maintenance of Risk Registers and Risk Matrices, both at the Service Directorate and Corporate level.

5.2. Risks will be linked to one (or more) of the Council's strategic priorities as set out in the Council Plan.

5.3. The Service, Directorate and Corporate Risk Registers and Risk Matrices will be formally reviewed and updated on a quarterly basis.

5.4. Service Risk Co-ordinators / Heads of Service (as may be appropriate), own the relevant Service Risk Register and Service Risk Matrix and have responsibility for formally reviewing and updating the relevant Service Risk Register and Service Risk Matrix on a quarterly basis.

5.5. Directors own the relevant Directorate Risk Register and Directorate Risk Matrix, and have responsibility for reviewing and updating the relevant Directorate Risk Register and Directorate Risk Matrix on a quarterly basis.

5.6. The SMT owns the Corporate Risk Register and Corporate Risk Matrix, and have responsibility for formally reviewing and updating the Corporate Risk Register and Corporate Risk Matrix on a quarterly basis

5.7. The Corporate Risk Register and Corporate Risk Matrix will be presented to the Audit Committee on a quarterly basis.

5.8. Evidence of the Service, Directorate and Corporate Risk Registers and Risk Matrices reviews and updates shall be retained, with details of when these are conducted, who contributes and with the changes recorded.

5.9. The Risk Register Template to be used by Council can be found at Appendix 2 and a Risk Matrix Template to be used by Council can be found at Appendix 3.

Corporate Risk Register & Corporate Risk Matrix

5.10. Council's Corporate Risk Register and Corporate Risk Matrix is used to manage the strategic risks faced by Council, which require corporate review and action.

5.11. Corporate risks are owned by the Directors and are the responsibility of the Directors and SMT to monitor, control and report.

5.12. Risks are detailed within the Corporate Risk Register and rated in the Corporate Risk Matrix when:

5.12.1. The risk is of corporate significance and it requires management at a corporate level; and / or

5.12.2. The risk maintained on a Directorate Risk Register and Directorate Risk Matrix and the residual risk score is 20 or above (i.e. a critical risk), after all risk mitigations have been applied. In these cases the risk should be escalated to the Corporate Risk Register and Corporate Risk Matrix with the agreement of the relevant Director.

5.13. Risks can be removed from the Corporate Risk Register and Corporate Risk Matrix when the risk no longer warrants management at a corporate level. This can be as a result of:

5.13.1. The risk is no longer of corporate significance; and / or

5.13.2. The risk has been mitigated so that the risk score is less than 20 and may be de-escalated to a Directorate Risk Register and a Directorate Risk Matrix.

Risk Register Timeline

5.14. Audit, Risk and Governance will co-ordinate the process for securing the Service, Directorate and Corporate Risk Registers and Matrices in line with the timeline set out below.

Action Completed	Responsibility	Timeline
Requests for Service and Directorate Risk Registers and Risk Matrices	Audit, Risk and Governance	6 weeks from AC Meeting
Service Risk Registers & Service Risk Matrices Reviewed and Updated	Service Risk Co-Ordinators	4 weeks from AC Meeting
Directorate Risk Registers and Directorate Risk Matrices Reviewed and Updated	Directors	3 weeks from AC Meeting
Corporate Risk Register and Risk Matrix Reviewed and Updated	Director with ownership of Corporate Risk Register and Risk Matrix	2 weeks from AC Meeting
Corporate Risk Register and Risk Matrix Finalised	SMT	1 week from AC Meeting
Corporate Risk Register and Risk Matrix Presented to Audit Committee Meeting (AC Meeting)	Director with ownership of Corporate Risk Register and Risk Matrix	Quarterly

Escalation and De-escalation of Risks

5.15. Service level risks, with a residual risk score of 20 or above (i.e. a 'critical risk'), after all risk mitigations have been applied, should be escalated to the Directorate Risk Register and Directorate Risk Matrix, with the agreement of the relevant Director.

5.16. Service level risk escalation requests should accompany the relevant Service Risk Register and Service Risk Matrix, and should be sent to the relevant Director by way of a formal Risk Escalation Request form.

5.17. Directorate level risks, with a residual risk score of 20 or above (i.e. a 'critical risk'), after all risk mitigations have been applied, should be escalated to the Corporate Risk Register and Corporate Risk Matrix with the agreement of the SMT.

5.18. Directorate level risk escalation requests should accompany the relevant Directorate Risk Register and Directorate Risk Matrix, and should be sent to the SMT by way of a formal Risk Escalation Request form.

5.19. Risks can also be de-escalated from the Service, Directorate and / or Corporate Risk Registers and Risk Matrices by following the same process.

5.20. Records of all risks added or removed from the Service, Directorate and / or Corporate Risk Registers and Risk Matrices should be retained.

5.21. The Risk Escalation / De-escalation Request Template to be used is contained within Appendix 3.

APPENDIX 2 – RISK REGISTER TEMPLATE

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
1	CAUSEWAY COAST AND GLENS BOROUGH COUNCIL														Last Upda	24/07/2026 13:15	By:	Michael McElhatton		
2	Department																			
3	RISK REGISTER TEMPLATE																			
4	LAST REVIEWED:						Jun-26			NEXT REVIEW:							Sep-26			
5	Risk Ref No	Raised By	Date Raised	Date Revised	Risk Owner	Risk Description	Inherent risk	Inherent Impact	Risk Ranking	Status	Mitigating actions	Risk Review Date	Residual risk	Residual impact	New risk ranking	Status	Is residual risk tolerable?	Further action required	Aligned Corporate Objective	
6																				
7																				
8																				
9																				
10																				
11																				
12																				
13																				
14																				
15																				
16																				
17																				
18																				

APPENDIX 3 – RISK MATRIX TEMPLATE

Causeway Coast & Glens Borough Council

Risk Matrix – [Insert Date]

APPENDIX 4 – REQUEST TO ESCALATE / DE-ESCALATION RISK TEMPLATE

Request to Escalate / De-escalate Risk

Description	Summary
Date	
Service, Directorate or Corporate Risk Description	
Name of Risk Owner	
Escalation or De-escalation	
Current Register	
Proposed New Register	
Risk No	
Risk Summary	
Reason for Escalation or De-escalation	
Request Outcome	
Decision Maker's Name	

APPENDIX 5 – GLOSSARY OF TERMS

Term	Definition
Governance	The system by which an organisation directs and controls its functions and relates to stakeholders
Current controls	The controls / actions currently in place to manage the risks identified
Financial impact	The financial quantification of an event
Inherent risk	The assessment of the risk, in terms of impact and likelihood, in the absence of any action to control or mitigate the risk
Impact	The effect of the risk should it materialise
Likelihood	The chance of the risk materialising
Residual risk	The assessment of the risk, in terms of impact and likelihood, taking account of the measures in place to eliminate, reduce, transfer or plan for the risk
Risk	Risk is the effect of uncertainty on objectives. Risk is usually expressed in terms of causes, potential events, and their consequences
Risk appetite	The extent of exposure to risk that Council is willing to tolerate
Risk causes	Events, occurrences or causes that increase the likelihood of a risk materialising or will increase the impact should that event, occurrence or cause materialise
Risk management	The process of systematically identifying, quantifying, controlling and reporting on the risks faced by Council
Risk register	The list and description of all headline risks identified
Significant control deficiencies	Any weakness within the system which is not addressed that will adversely affect Council and the achievement of its objectives