

Bath & North East Somerset Council

MEETING	Corporate Audit Committee
MEETING	7th February 2024
TITLE:	Risk Management – Update & Overview of Arrangements
WARD:	All
AN OPEN PUBLIC ITEM	
List of attachments to this report: Appendix 1 – Risk Management Framework Appendix 2 – Corporate Risk Register Appendix 3 – Risk Management Guidance for Decision Making	

1 THE ISSUE

- 1.1 This report provides an overview of the Council's risk management arrangements to assist in understanding of Members roles in delivering on the Council's priorities.
- 1.2 The Council's Corporate Audit Committee has responsibility within its terms of reference for overseeing the risk management framework of the Council.

2 RECOMMENDATION

The Corporate Audit Committee is asked to:

- 2.1 Note the report
- 2.2 Consider and provide any feedback and observations to further develop good practice for our next Strategy Review.

3 THE REPORT

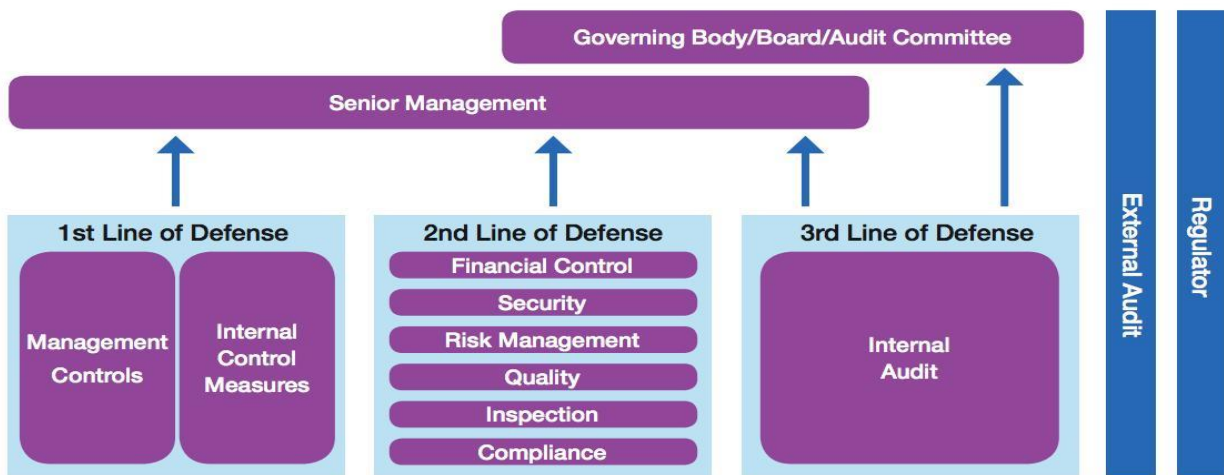
- 3.1 The Corporate Audit Committee has responsibility for overseeing the risk management framework within the Council. This does not mean accountability or responsibility for the risks which clearly sit with the respective Service area but do have a role in providing assurance that a system is in place and working.
- 3.2 This paper therefore sets out the framework for how the Council approaches risk management and provides detail on organisational practice including roles and responsibilities of the different stakeholders.

Context – Risk Management Framework (Appendix 1)

- 3.3 Our strategy to manage risk recognises that both taking and accepting more risk is part of modern service delivery. However in accepting more risk we will do this in both a transparent and informed way to achieve the best results for citizens and customers.
- 3.4 Therefore we want to promote an approach that focusses on the effective identification and management of risks to ensure the council is focussed on minimising adverse impacts and maximising benefits within the delivery of its objectives throughout all of its services.
- 3.5 Active risk management is an integral component of our local code of corporate governance which is designed to help us achieve our aspirations, priorities and outcomes to deliver the Council’s Vision. This strategy therefore expects that we focus on taking the right actions to address risks and opportunities both in a transparent way and based on evidence.



- 3.6 The framework is therefore designed to support Officers and Members in delivering on the Council’s plans and operational objectives.
- 3.7 Our detailed approach to risk management is further explained and outlined in Appendix 1 which is our Risk Management Toolkit.
- 3.8 Risk Management forms the second line in the ‘Three Lines of Defence Model’ protecting our organisation.
- 3.9 We do this in a sensible and proportionate way to actively manage risks down the risk matrix in terms of their potential impact on the organisation.



		LIKELIHOOD				
		Rare	Unlikely	Possible	Likely	Almost Certain
IMPACT	Catastrophic					
	Major					
	Moderate					
	Minor					
	Negligible					

4 EMBEDDING RISK MANAGEMENT

- 4.1 The council uses a range of national and local intelligence sources to inform and support risk identification, analysis and evaluation. The Cabinet Office provides guidance on national threats and risk.
- 4.2 The council is a member of Avon & Somerset Local Resilience Forum (ASLRF) whose role is to plan and prepare for emergencies, aligning national and sub-regional risk management practices. The ASLRF has a standing risk working group and has supported Covid response and recovery arrangements.
- 4.3 The Cabinet Office periodically updates national risk assessments and other intelligence sources include outputs from external audits, statutory returns, national and regional benchmarking, organisational and service data. All these inform our knowledge and understanding of organisational risk.

Operational Processes/Business as Usual

4.4 Risk Management is an important part of the business and service planning process. We do this through the use of existing management processes so that they are both integrated and proportionate. To help support this we have established a Risk Management Steering Group chaired by the Chief Operating Officer.

The core of the work of this group focusses on the following -

- Oversight of Risk Management activity on behalf of Corporate Management Team including our Risk Management framework and associated processes
- Cyclical/Risk Based review of significant risks, i.e. areas on the Corporate Risk Register.
- Standing Review at each meeting of the following -
 - Council stage 2 and Ombudsman complainants
 - Reportable H & S Accidents & HSE reported incidents
 - Legal Challenges inc Employee Tribunal cases
 - Level of Insurance claims and high value cases
 - Security & Data Breaches/Incidents
 - Audit Reports for Limited or No Assurance Opinions
- Review national and regional trend data and benchmarking information
- Horizon Scanning and future planning

4.5 Cabinet Members are encouraged to hold regular conversations with Directors and consider the content of the both the corporate and directorate risk registers.

4.6 There has been good progress in the review of directorate held risk and each Directorate is required to regularly update their own risk register alongside any major projects or programmes they are managing. Forthcoming Service Planning for 2024/25 will result in further refinement by ensuring access to the most up to date information.

4.7 The Director of Public Health has led the Covid 'look back, look forward' review and this partnership work is being fed into local outbreak management plans. It has been used to aid our preparation for the coming Autumn/Winter pressures.

4.8 Further actions undertaken include the development of our corporate risk dashboard, which now forms part of the council's integrated reporting framework. The dashboard will pull information primarily from the corporate risk register.

4.9 The council's Corporate Management Team has received an update on the council's business continuity arrangements. A number of actions were agreed to strengthen arrangements to mitigate risk to critical services in the event of a major incident.

4.10 The Avon and Somerset Local Resilience Forum has delivered a number of training exercises to test our partnership response to emergencies. These exercises are focused on the higher residual risks identified in our partnership risk register. Officers have participated in this training.

Corporate Risk Register (CRR) (Appendix 2)

- 4.11 All risk registers are dynamic documents, currently the CRR contains 26 risks which are owned by the Corporate Management Team and they review the register formally on a quarterly basis. The CRR identifies themes, service area/ director/ officer leads and describes the risks and commentary around actions, status and mitigation. This allows regular review of the changing landscape in local government and ability to provide co-ordinated responses to major threats.
- 4.12 The inherent, residual and risk change are also captured and structured around the following themes:

Partnership Working	Resource & Budget Management
Climate Change	Transformation
Housing	Cyber Risk Management
Infrastructure	Financial Planning
Climate Emergency	Cost of Living/Inflationary Pressures
Transport	Workforce Resilience
Safeguarding	Health and Safety
Social Care	Emergency Management
Corporate Governance	Avon Pension Fund

- 4.13 Finally, the Strategy and Framework are being re-assessed in Q4 and therefore comments from the Committee would be welcome in terms of areas for development or consideration.

5 STATUTORY CONSIDERATIONS

- 5.1 The council has statutory duties to plan and prepare for emergencies under the provisions of the Civil Contingencies Act 2004.

6 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 6.1 This is an information report so there are no direct implications arising from this report.

7 RISK MANAGEMENT

- 7.1 No decision or recommendation is being made and this report details the council's approach to risk management. As a result there are therefore no significant risks to consider in relation to this report.

8 EQUALITIES

8.1 Equalities impacts are considered and integrated into risk registers as appropriate.

9 CLIMATE CHANGE

9.1 The risks associated with the Council's roles in respect of climate change are captured at different levels, including in the CRR and other risk registers.

10 OTHER OPTIONS CONSIDERED

10.1 This is an update report, no decisions or recommendations are being proposed so no other options are being considered.

11 CONSULTATION

11.1 The report is an information and update report and has been consulted with the Council's S151 Officer.

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Background papers	
Please contact the report author if you need to access this report in an alternative format	