
REVIEW OF THE COUNCIL'S CORPORATE RISK MANAGEMENT AND RISK REGISTER

1 PURPOSE OF REPORT

- 1.1 This report presents a review and proposed update of the Council's risk management policy and framework for 2018/19 for Members' consideration and approval.
- 1.2 It also presents the Council's proposed corporate risk register (CRR) for 2018/19 for consideration and approval.

2 INTRODUCTION

- 2.1 The previous report on this topic was presented to the Audit Committee in September 2017 when the six-month review of the CRR was noted.

3 THE RISK MANAGEMENT POLICY AND FRAMEWORK

- 3.1 The Council's risk management policy and framework is included at appendix A. The changes to the policy and framework, formerly known as the corporate risk management policy and framework, reflect the evolving organisation of the Council and the process updates in both service area risk registers and project risk registers.
- 3.2 The risk management policy and framework specifies how the Council seeks to manage and control risk, and defines the roles and responsibilities of each stakeholder in the risk management process.

4 THE CORPORATE RISK REGISTER FOR 2017/18

- 4.1 The summary corporate risk register for 2018/19 is included at appendix B.
- 4.2 All the key risks faced by the Council are presented, together with the controls in place to mitigate these risks and an assessment of whether each is considered high, medium or low risk. Each of the risks listed in the summary is supported by a fuller risk analysis that is available on request.
- 4.3 The CRR is supported by service area risk registers (SARRs) owned by each Assistant Director that identify the risks and mitigation controls which apply to each of the Council's service areas. They form part of a continual review and are monitored as part of the CRR review at Leadership Team meetings. The SARRs are available on request.
- 4.4 As part of the 2018/19 Internal Audit programme, risk management is reviewed as is relevant to the audit being undertaken. Tests seek to confirm that controls are in place and operating well to mitigate risk.

5 SIX MONTH REVIEW OF THE CORPORATE RISK REGISTER

- 5.1 Risks 1, 4, 5, 8, 9, 12 and 13 were reviewed at Leadership Team meetings between October 2017 and March 2018. The majority of changes made reflect the outcomes of training, as well as legislation and best practice updates.
- 5.2 Risk 4 has had significant amendments, reflecting the updated approach to the corporate emergency response.
- 5.3 Risk 8 has been updated to reflect the new transformation project.
- 5.4 As requested by the Audit Committee in September 2017, new risk 15 reflects the controls and actions in place to mitigate the impact of the General Data Protection Regulations that come into force in May 2018.
- 5.5 In addition to the above, risk 11 has been expanded to include management of contracts delivery, as well as partnership delivery risk.
- 5.6 The remaining risks on the corporate risk register will be reviewed by the Leadership Team over the next 6 months, along with emerging issues.
- 5.7 The risks on the corporate risk register sufficiently cover both day-to-day operations and the new projects and initiatives required to achieve the Council's Business Plan.
- 5.8 For each individual project, specific risk logs and actions are monitored within the project documentation. These will change as the projects evolve.

6 RISK IMPLICATIONS

- 6.1 Management of risk is fundamental to the sound operation of the Council. Failure to manage risk could have significant impact on the Council's ability to correctly define its policies and strategies or deliver against its objectives.
- 6.2 The implementation and operation of the risk management framework will minimise risks and thus mitigate any potential strategic, operational, reputational or regulatory consequences.
- 6.3 Failure to manage risk would also mean that the Council might face censure by its external auditors, or the potential for legal proceedings in the event of breaches of the Health and Safety at Work Act or similar legislation.

7 CRIME AND DISORDER IMPLICATIONS

- 7.1 None.

8 ENVIRONMENTAL IMPLICATIONS

- 8.1 None.

9 RESOURCE IMPLICATIONS

9.1 All risk management activity is undertaken within existing and planned budgets.

10 LEGAL IMPLICATIONS

10.1 The Council's risk management policy and framework will assist in meeting any specific and general legislative requirements to monitor and manage its risks.

10.2 No new formal delegations are created by the policy and framework.

11 PARISH IMPLICATIONS

11.1 None.

12 EQUALITY AND DIVERSITY IMPLICATIONS

12.1 None.

13 RECOMMENDATION

13.1 It is proposed that the Committee **RESOLVES**

- (1) That the updated risk management policy and framework be approved.
- (2) That the content of the corporate risk register for 2018/19 be noted.



Naomi Lucas

Section 151 Officer

Background Papers:-

None.

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If you would like this report in large print, Braille or another language please contact 01702 318111.

Rochford District Council
Risk Management Policy and Framework

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Appendix 1 – Risk Register Template, Risk Scoring Matrix and Risk Map**Appendix 2 –Risk Analysis Template**

Risk Policy Statement

It is the policy of the Council to adopt a proactive approach to risk management consistent with the various conventions and best practice.

The Council acknowledges that risk cannot be totally eliminated; the Council is, however, committed to the management of 'significant' risks in order to:

- Ensure compliance with statutory obligations
- Preserve and enhance service delivery
- Maintain cost effective control of public funds
- Preserve and promote the reputation of the Council
- Preserve and enhance the quality of our environment

These objectives will be attained by systematically identifying, analysing and evaluating, effectively controlling and monitoring risk, which may otherwise endanger people, property, or the reputation and financial stability of the Council.

Shaun Scrutton
Managing Director

Background and Introduction

Corporate Governance

Rochford District Council will employ the underlying principles of openness, integrity and accountability to achieve its objectives, putting the customer and citizen at the heart of everything it does. It will also ensure that its business and strategy is managed in an open manner, with an emphasis on the sustainable use of resources.

The Council's constitution vests the overall responsibility for the management of risk with the Audit Committee.

Introduction

The Council recognises its responsibility to manage internal and external risks and is committed to ensuring the process and culture of risk management is embedded in all operational and service planning processes.

The Council maintains a Corporate Risk Register (CRR) and this Register will be regularly reviewed with updates reported to the Audit Committee on a bi-annual basis as a minimum.

The CRR is developed using the notion of residual risk. This notion assumes that controls put in place will usually mitigate the inherent risk of an activity leading to a lower residual risk.

The CRR is underpinned by Service Area Risk Registers (SARRs) and individual Project Risks.

SARR's are owned by each Assistant Director and identify the risks and mitigation controls that apply to each of the Council's service areas. They form part of a continual review and are monitored as part of the CRR review at Leadership Team (LT) meetings.

Project Risks Registers (PRRs) are owned by each Project Lead and identify the risks and mitigation controls that apply to that particular project. They form part of a continual review and are monitored at LT meetings as well as within the function of the Programme Management Office (PMO).

Aim

The Council aims to:

- Integrate and embed risk management into the culture of the Council;
- Manage risk in accordance with best practice;
- Anticipate and respond to changing social, environmental and legislative requirements;
- Prevent injury, damage, losses and reduce the cost of risk;
- Raise and maintain awareness of the need for risk management by all involved in the delivery of the Council's services;

- Take the action necessary to minimise the likelihood of risks occurring and/or reducing the severity of consequences should risks occur;
- Ensure that the identified key corporate risks are monitored on an ongoing basis and reported bi-annually to Members;
- Compile an annual assurance statement on the effectiveness of the arrangements for risk management as part of the Council's Annual Governance Statement; and
- Achieve these actions by implementing this risk management policy and framework.

Risk Management Framework

1. Process

The development and maintenance of a Risk Register requires a proactive approach in order to maintain its integrity and currency. To achieve this, the following actions are deemed necessary:

- The Leadership Team (LT) will review the Corporate Risk Register and any relevant action plans as a standing item on the LT agenda
- Assistant Directors will identify and assess the risks appropriate to their areas of operation and maintain appropriate risk registers compliant with the corporate guidance
- Project Leads will identify and assess the risks appropriate to their projects and maintain appropriate risk registers compliant with the corporate guidance
- Action will be taken for all significant risks for which additional controls are required

The Risk Register template is to be found at Appendix 1.

2. Monitoring

In support of the LT, progress of the actions contained in the Corporate Risk Register will be monitored on a regular basis by the Principal Performance Business Support Officer who will provide reports to LT as necessary and make a bi-annual report to the Audit Committee showing the compliance with, and any changes to, the risk management framework.

Project Risk Registers will be reviewed within the PMO function and reflected in related Corporate Risk Registers.

3. Assurance of Controls

In addition to any line management oversight role, Internal Audit will, independently, review the adequacy of the Council's internal controls and the overall effectiveness of the risk management framework as part of the Annual Audit Plan.

4. Assistant Directors and Project Leads

Each Assistant Director will work with their service areas to review their Service Area Risk Registers (SARR's) and the impact on related Corporate Risks.

Project Leads will review their Project Risk Registers and the impact on related Corporate Risks.

5. Risk Analysis and Scoring

The risk rating of each of the risks identified in the Risk Register is based on the estimated likelihood and impact of each risk in accordance with the scoring matrix and

risk map contained in Appendix 1. Risk Analysis is undertaken using the Risk Analysis template included as Appendix 2.

6. Options for Managing Risk

The Council has a number of options in how it manages each risk and these may be summarised as:

Embrace risk: taking authorised advantage of opportunity risks but applying safeguards to ensure risk is not unacceptable

Eliminate risk: terminating the activity causing the risks

Reduce risk: implementing appropriate controls

Transfer risk: insuring or outsourcing activity

Accept risk: taking no action but continually reviewing risk to ensure it remains acceptable

7. Risk Management - Roles and Responsibilities

In order to ensure the successful implementation of this policy, clear roles and responsibilities for the risk management framework have been established. The key 'players' and their roles are:

Elected Members

Elected Members will oversee the effective management of risk by officers. This includes to:

- Agree structures for controlling and monitoring risks across the authority
- Approve the Risk Management Policy and Framework
- Note the content of the Corporate Risk Register
- Consider risks associated with decisions arising from reports.

The Audit Committee

The Audit Committee provides independent assurance on the effectiveness of risk management and internal control.

All staff

All staff, at whatever level, should maintain an awareness of risks, feeding information into the formal processes for risk management. This will include to :

- Alert management to risks which are inappropriately managed
- Report any incidents or near misses

Leadership Team

- Approve and adopt the Risk Management Policy and Framework and allocate sufficient resources to ensure its achievement
- Play a lead role in identifying and managing, the strategic risks and opportunities facing the authority
- Review cross cutting risks that may be associated with new policies and service delivery methods
- Determine the Council's risk appetite and set priorities for action
- Support line managers in providing effective controls to mitigate risks within service areas
- Approve the bi-annual report for the Audit Committee on the status of the risk management framework and process
- The Assistant Director - Legal Services is the Council's Monitoring Officer. The Monitoring Officer has a role to ensure lawfulness and fairness of Council decision-making and provide assurances regarding overall legal risk management of the Council for the Annual Governance Statement
- The Assistant Director – Legal Services is the Council's Data Protection Officer (DPO). The DPO is responsible for advising on the Council's obligations to comply with General Data Protection Regulations and other data protection laws. They monitor compliance via data protection activities
- The Assistant Director – Democratic Services is the Council's Senior Information Risk Owner (SIRO). The SIRO is responsible for information security and assurance
- The Section 151 Officer has a role to ensure proper administration of financial affairs and provide assurances regarding overall financial risk management of the Council for the Annual Governance Statement, signing the statement
- The Section 151 Officer acts as the Council's Risk Champion taking overall responsibility for ensuring progress against the agreed actions

Principal Performance Business Support Officer (PPBSO)

- Manage the implementation of the Risk Management Framework and process on behalf of the Council and its management team
- Support the implemented processes and offer guidance and advice
- Report to LT and co-ordinate risk management activity across the Council

- Support staff across the Council to be adequately trained to undertake risk assessments as required
- Collate risk registers for consideration at LT
- Prepare the bi-annual report to Audit Committee on progress of the risk management framework, corporate issues, operational risk registers and areas for improvement
- Liaise with the Council's Emergency Planning and Business Continuity Officer to oversee Emergency and Business Continuity Plans
- Support a coherent approach to risk management and business continuity planning
- Undertake a review of the corporate and other risk registers as necessary
- Review and update the risk management framework to take into account external and internal changes as well as experience
- Make recommendations to LT regarding the generic and cross-divisional risks/issues identified from the operational assessments of risks

Assistant Directors with Team Managers/Leaders

- Identify, and analyse directorate risks within a Service Area Risk Register
- Conduct reviews of Service Area Risk Registers
- Prioritise action on operational risks
- Monitor progress on managing operational risks
- Report the results of self-assessment of risk to LT/PPBSO as appropriate
- Ensure the effectiveness of controls in place to mitigate/reduce risks
- Ensure that operational risk management is linked to, and takes account of, business continuity planning

Service Area Risk Review Process (by Service Areas)

- Undertake a bi-annual review of the risks within their service area(s) together with additional reviews when necessary
- Update the risk registers for their service area(s) as necessary, taking into account external and internal changes as well as the risks experienced
- Make recommendations to their Assistant Director in respect of risks or allied issues identified within their service area(s)
- Ensure operational risk management is linked to, and takes account of, the relevant Business Continuity and Emergency plans for the Service Area(s)

Project Risk Review Process (by Project Leads)

- Undertake a review of the risks within their project(s) and consider their impact on the wider risk framework
- Update the risk registers for their project(s) as necessary, taking into account external and internal changes as well as the risks experienced
- Ensure project risk management is linked to, and takes account of, the relevant Business Continuity and Emergency plans for the Service Area(s)
- Work with the Programme Management Office to take account of wider corporate considerations relating to their Project Risk Registers

Specialist representatives (Internal Audit, Insurance, Legal, IT)

- Provide relevant advice to the LT or PPBSO as necessary in relation to Corporate, Service Area Risk and/or Project Risk

8. Addition or removal of risks from the Corporate Risk Register.

As risks identified at the corporate level change or develop, it is sometimes appropriate for a risk to be added or removed from the Corporate Risk Register. The addition and removal of risks will be undertaken as part of the regular risk review processes and notified to the Audit Committee within reports seeking approval.

Appendices follow:

Appendix 1 Risk Register Template, Risk Scoring Matrix and Risk Map

Appendix 2 Risk Analysis Template

Corporate Risk Register 2018/19

Notes:

*** Quality of controls:**

- Poor indicates no controls in place or the few that are do not mitigate the risk.
- Fair indicates that some controls in place and some reduction in risk but still not adequate.
- Good indicates that controls in place are considered adequate and reduce the risk.
- Excellent indicates that effective controls are in place that reduces the risk considerably.

Next Review Date(s):

- Risks are reviewed regularly (typically quarterly) by the Leadership Team and relevant service managers.
- The risk analyses are updated accordingly, but the Corporate Risk Register will be revised bi-annually.

Part 1 – Summary of Risks

Risk	Risk Owner(s)	Principal impacts or consequences	Principal controls & actions	Quality of controls*	Likelihood	Impact	Risk Rating
A short description of each key risk	Selected from the Leadership Team	<ul style="list-style-type: none"> Short descriptions of the potential failures or outcomes. Any additional information 	<ul style="list-style-type: none"> Summary of controls in place or the additional controls required Actions to be taken 	Assessment as per notes above	See Part 3 matrix score	See Part 3 matrix score	See Risk Map at Part 2

Part 2 – A Corporate Risk Map showing each risk plotted as per its scores

Impact	4 Catastrophic						
	3 Critical						
	2 Marginal						
	1 Negligible						
		1 Negligible	2 Very Low	3 Low	4 Significant	5 High	6 Very High
		Likelihood					
Key	Risk level	Action required					
	High	Urgent / imperative to manage down risk – transfer or terminate					
	Medium	Seek to influence risk over medium term or transfer out risk e.g. by insuring					
	Low	Tolerate and monitor – manage down if possible					

Part 3 Risk Scoring Matrix

LIKELIHOOD of event occurring					
Negligible – 1	Very Low – 2	Low – 3	Significant – 4	High – 5	Very High – 6
0% to 5%	6% to 15%	16% to 30%	31% to 60%	61% to 85%	86%to100%

IMPACT of event occurring				
	Negligible – 1	Marginal – 2	Critical – 3	Catastrophic – 4
Financial	£0K - £10K	£10K - £200K	£200K - £1M	£1M- £10M
Service Provision	Minor service delay	Short term service delay	Service suspended / medium term delay	Service suspended long term / Statutory duties not delivered
Project	Minor delay	A few milestones missed	A major milestone missed	Project does not achieve objectives and misses majority of milestones
Health & Safety	Sticking Plaster / first-aider	Broken bones / Illness	Loss of Life / Major illness	Major loss of life / Large scale major illness
Objectives	Minor impact on objectives	Objectives of one section not met	Directorate Objectives not met	Corporate objectives not met
Morale	Mild impact on morale	Some hostile relationships and minor non cooperation	Industrial action	Mass staff leaving / Unable to attract staff
Reputation	No media attention / minor letters	Adverse Local media	Adverse National publicity	Remembered for years!
Government relations	Minor local service issues	Poor Assessment(s)	Service taken over temporarily	Service taken over permanently
Political	No interest / Minor attention	Adverse local media or individual public reaction	Adverse national publicity or organised public reaction	Major political reaction - remembered for years!
Legal	No significant legal implications	Internal review and minimal media coverage	External review and impact on public opinion.	Criminal proceedings / civil litigation
Communities	Minimal effect on communities	Short term Impact on small group of clients / customers / communities	Long term Impact on large group of clients / customers/ communities	Long term impact on vulnerable people

Appendix 2 - Risk Analysis Template 2017 2018

Risk No(s):	Risk Descriptor(s): Risk Management objectives/Notes:	Risk Owner:
		Directorate/Service:

Risk prior to controls					
Likelihood		Impact		Risk Rating	
Residual Risk					
Likelihood		Impact		Risk Rating	
Leadership Team Review Frequency:					
Audit Committee Review					

Risk Elements, Characteristics and Consequences	
The Council could fail to: •	Impacts could include: •

CONTROLS AND ACTION PLAN(S)

Action/controls	Adequacy of controls*	Further action required	Desired outcomes	Notes

*Adequacy of Controls	
Poor	indicates no controls in place or the few that are do not mitigate the risk.
Fair	indicates that some controls in place and some reduction in risk but still not adequate.
Good	indicates that controls in place are considered adequate and reduce the risk.
Excellent	indicates that effective controls in place, which reduce the risk considerably.

Risk review completed by:	Name:	Signed:	Date:
Risk review approved by:	Name:	Signed:	Date:

Corporate Risk Register 2018/19

Notes:

*** Quality of controls:**

- Poor indicates no controls in place or the few that are do not mitigate the risk.
- Fair indicates that some controls in place and some reduction in risk but still not adequate.
- Good indicates that controls in place are considered adequate and reduce the risk.
- Excellent indicates that effective controls are in place that reduces the risk considerably.

Next Review Date(s):

- Risks are reviewed regularly by the Leadership Team and relevant service managers.
- The risk analyses are updated accordingly, but the Corporate Risk Register will be revised biannually.



Part 1 – Corporate Risks - Summary Dashboard

Corporate Risks	Potential Impacts												Residual Likelihood	Residual Impact	Residual Risk	
	Safeguarding	Reputational Damage	Service Disruption	Impaired Performance	Ineffective partnerships	Health and Safety	Staff Morale	Missed Opportunities	Financial costs/losses	Asset loss or damage	Contract breaches	Ineffective leadership				External Intervention
1 – Failure to deliver the objectives of the Council’s Business Plan in terms of measurable outcomes.		✓	✓	✓			✓	✓	✓			✓	✓	2	3	M
2 – Failure to safeguard children and adults with care and support needs from abuse and/or neglect in line with the Council’s legal responsibilities.	✓	✓					✓						✓	2	4	M
3a – A serious Food, Environmental or other incident for which the Council is culpable/liable.		✓	✓			✓			✓	✓			✓	2	4	M
3b – A serious Health and Safety incident for which the Council is culpable/liable (including Flood risks).		✓	✓										✓	3	4	H
4 – Failure to respond to or provide relevant services in the event of an incident or disaster.		✓	✓										✓	3	3	M
5 – Council held data is lost, disclosed or misused to detriment of individuals or organisations as result of inadequate protection.		✓	✓	✓					✓		✓		✓	3	3	M
7 – Failure to engage with stakeholders to understand and communicate what the Council should be trying to achieve.		✓			✓		✓	✓	✓			✓		2	3	M
8 – Failure to innovate and develop new ways of meeting customer needs and expectations.		✓	✓	✓			✓	✓				✓	✓	2	3	M
9 – Failure to produce and meet a balanced budget and MTFs that allow for the successful delivery of the priorities contained in the Business Plan or to adequately plan, fund and monitor the Council’s Capital Programme.		✓		✓			✓	✓	✓		✓	✓	✓	3	4	H
10 – Inability to recruit, retain, develop and manage appropriately skilled staff to deliver the Council’s priority outcomes.	✓	✓	✓	✓			✓		✓					4	4	H
11 – Failure to enter into and manage effective partnerships for the delivery of services and outcomes.		✓	✓	✓	✓						✓			3	3	M
12 – Failure to provide consistent Value for Money (VFM) across all services or obtain VFM in its procurement.		✓	✓	✓					✓		✓			2	3	M
13 – Failure to ensure good governance of the Council’s activities and delivery of its priority outcomes.		✓					✓		✓		✓	✓		2	3	M
14 – Failure to ensure Rochford’s ICT Estate supports achievement of Business Objectives.		✓	✓	✓			✓	✓	✓		✓			4	3	M
15 – Failure to ensure compliance with the General Data Protection Regulations (GDPR) and inability to demonstrate consistent application of information standards, controls and statutory compliance.		✓					✓		✓					3	4	H

Part 2 – Tabular Summary of Key Corporate Risks

Risk	Lead Risk Owner	Principal impacts or consequences	Principal controls & actions	Quality of controls*	Residual Likelihood	Residual Impact	Residual Risk Rating
1 – Failure to deliver the objectives of the Council’s Business Plan in terms of measurable outcomes.	Strategic Director	<ul style="list-style-type: none"> • Failure to refine strategic objectives to identify what is to be achieved • Failure to articulate realistic business delivery plans • Failure to manage key programmes of work effectively • Failure to manage performance effectively 	<ul style="list-style-type: none"> • Business Plan agreed and supported by MTFS • Key programmes of work defined • Plans identify key priorities for service delivery • Programme Office responsibilities • Project Risk Registers 	Good	2	3	Med
2 – Failure to safeguard children and adults at risk in line with the Council’s legal responsibilities.	Safeguarding Lead Officer with support from the Deputy Lead Officer – Assistant Director, Community and Housing Services	<ul style="list-style-type: none"> • Children or adults with care and support needs put at risk of abuse • Children or adults with care and support needs suffer harm or abuse • Staff at risk of false accusations • Reputational damage • Financial damage • External intervention in the running of the Council as a result of safeguarding incidents 	<ul style="list-style-type: none"> • Safeguarding Policy 2017-2019 and Procedures • Member of both Essex Safeguarding Boards. • Engagement with relevant sub groups of the Safeguarding Boards • Dedicated Safeguarding Officer Project Team to achieve and maintain 90%+ compliance with the Essex Safeguarding Boards’ set standards • DBS checks in 	Good	2	4	Med

Risk	Lead Risk Owner	Principal impacts or consequences	Principal controls & actions	Quality of controls*	Residual Likelihood	Residual Impact	Residual Risk Rating
			recruitment processes <ul style="list-style-type: none"> • Designated Safeguarding Link Officers across the organisation • Staff and Member training programmes • Compliance with all relevant guidance 				
3a – A serious Food, Environmental or other incident for which the Council is culpable/liable.	Assistant Director, Community and Housing Services	<ul style="list-style-type: none"> • Failure within Food Safety Inspection regimes give rise to serious incidents with potentially fatal or life changing consequences • Unacceptable Food Safety Return to FSA leads to service intervention • Environmental pollution or nuisance issues are not addressed • Corporate manslaughter charges 	<ul style="list-style-type: none"> • Annual Food Safety Plan • Response procedures for Environmental Health complaints and reports • Joint enforcement plans to be established for significant problem sites with RDC planners, the HSE and/or the Environment Agency 	Good	2	4	Med
3b – A serious Health and Safety incident for which the Council is culpable/liable.	Assistant Director, Commercial Services	<ul style="list-style-type: none"> • Failure within H&S regimes give rise to serious incidents with potentially fatal or life changing consequences • Flood risks are not recognised or mitigated 	<ul style="list-style-type: none"> • Annual Corporate Health and Safety Plan • Internal Health and Safety Assessments and Reviews • Risk Assessments (for 	Poor	3	4	High

Risk	Lead Risk Owner	Principal impacts or consequences	Principal controls & actions	Quality of controls*	Residual Likelihood	Residual Impact	Residual Risk Rating
		<ul style="list-style-type: none"> Internal failure to meet obligations under the Health & Safety at Work and Fire Safety Acts and allied Regulations Corporate manslaughter charges 	staff and contractors) and Safety Procedures <ul style="list-style-type: none"> Joint enforcement plans to be established for significant problem sites with RDC planners, the HSE and/or the Environment Agency 				
4 – Failure to respond to or provide relevant services in the event of an incident or disaster.	Assistant Director, Commercial Services	<ul style="list-style-type: none"> Loss of internal or public IT services Loss or reduction in operational capacity Inadequate response to civil/weather emergencies Failure to respond to unauthorised or illegal incursions, encampments or events 	<ul style="list-style-type: none"> Emergency Plans and Business Continuity Plans Out of hours (OOH) response arrangements. IT restoration and cover facilities Essex Countrywide Traveller Committee Partnership Agreement IT incident reviews 	Good	3	3	Med
5 – Council held data is lost, disclosed or misused to detriment of individuals or organisations as result of inadequate protection.	Assistant Director, Democratic Services (SIRO)	<ul style="list-style-type: none"> Key operational, commercial, or personal data is lost, disclosed, or misused. Increased risk of loss or disclosure when data is transferred between supply chain partners. Residents or customers interests put at risk 	<ul style="list-style-type: none"> Data Protection measures including ICT Security Policies & Procedures Data sharing protocols Annual review of systems and software required by Government Connect 	Fair	3	3	Med

Risk	Lead Risk Owner	Principal impacts or consequences	Principal controls & actions	Quality of controls*	Residual Likelihood	Residual Impact	Residual Risk Rating
		<ul style="list-style-type: none"> • Commercial or partnership relationships put at risk • Consequential damage claims • Information Commissioner investigations or penalties • Reputational damage • Incorrect decisions made as the result of poor quality, or poorly interpreted, data • Failure to disclose appropriately where required 	<ul style="list-style-type: none"> Code of Connection (CoCo) • Information Security Policies • Compliance with the Transparency Code • Data quality spot checks 				
<p>7 – Failure to engage with stakeholders to understand and communicate what the Council should be trying to achieve.</p>	<p>Strategic Director</p>	<ul style="list-style-type: none"> • Council is unaware of stakeholders concerns, needs or ambitions • Lack of a clear vision for the future • Failure to respond to the Devolution agenda 	<ul style="list-style-type: none"> • Consultation programmes involve Members, Residents, Businesses, Service Users, Parishes, Partners and Staff 	<p>Good</p>	<p>2</p>	<p>3</p>	<p>Med</p>
<p>8 – Failure to innovate and develop new ways of meeting customer needs and expectations.</p>	<p>Managing Director</p>	<ul style="list-style-type: none"> • Council fails to respond to changing circumstances or needs in a sustainable way • Services fail and/or are taken over • Ineffective use or understanding of Council asset base 	<ul style="list-style-type: none"> • Transformation Projects including the Connected Rochford transformation project • Staff involvement in cultural change e.g. the “quick wins team “ • Training in Innovation 	<p>Good</p>	<p>2</p>	<p>3</p>	<p>Med</p>

Risk	Lead Risk Owner	Principal impacts or consequences	Principal controls & actions	Quality of controls*	Residual Likelihood	Residual Impact	Residual Risk Rating
<p>9 – Failure to produce and meet a balanced budget and MTFS that allow for the successful delivery of the priorities contained in the Business Plan or to adequately plan, fund and monitor the Council’s Capital Programme.</p>	<p>Section 151 Officer</p>	<ul style="list-style-type: none"> • The Council is not able to set a balanced budget in line with its statutory duties • The Council reserves and balance levels are unsustainable in the event of an unforeseen contingency requirement • The Council cannot deliver its business plan objectives effectively due to financial constraints • The council does not have sufficient cash flow to meet its contractual obligations 	<ul style="list-style-type: none"> • Project Risk Registers • Robust Medium Term Financial Strategy (MTFS) process linked to Business Plan objectives • Robust budgetary monitoring and control • Quarterly financial monitoring reports to the Executive • Communication of savings delivery and consequences to all stakeholders • Monitoring and analysis of Government funding announcements for future financial planning • Active treasury and cash flow management • Twice-yearly cross party Member Away days to discuss Financial Strategy and Corporate Matters 	<p>Good</p>	<p>3</p>	<p>4</p>	<p>High</p>
<p>10 – Inability to recruit, retain, develop and manage appropriately skilled staff</p>	<p>Managing Director</p>	<ul style="list-style-type: none"> • With expertise vested in fewer individuals, the Council is at greater risk of 	<ul style="list-style-type: none"> • People Plan - Organisational 	<p>Fair</p>	<p>4</p>	<p>4</p>	<p>High</p>

Risk	Lead Risk Owner	Principal impacts or consequences	Principal controls & actions	Quality of controls*	Residual Likelihood	Residual Impact	Residual Risk Rating
to deliver the Council’s priorities.		losing key knowledge, expertise, or skill sets <ul style="list-style-type: none"> • Increased vacancy rates and lost skills lead to operational pressures and ultimately to service failures • Use of temporary staff or contractors leads to additional costs and/or delays • Service failures lead to potential intervention or loss of funding 	Development Plan <ul style="list-style-type: none"> • Transformation Projects • Positive about Disabled People • Recruitment policy and procedures • Probationary periods • Induction, Training and Development plans • Performance Reviews Appraisals • OHS referrals • Procedure notes to be made available to appropriate officers in event of manager or other experienced officers’ absence/ non-availability • Staff Survey and People Plan 				
11 – Failure to enter into and manage effective partnerships and contracts for the delivery of services and outcomes.	Assistant Director, Community and Housing Services and Assistant Director –	<ul style="list-style-type: none"> • Failure to adequately specify and agree required outcomes • Failure to manage contracts effectively • Failure of a contractor or 	<ul style="list-style-type: none"> • Contract procedures • Contract Terms and Conditions • Monitoring processes and meetings • Contingency and 	Good	3	3	Med

Risk	Lead Risk Owner	Principal impacts or consequences	Principal controls & actions	Quality of controls*	Residual Likelihood	Residual Impact	Residual Risk Rating
	Commercial Services	contract arrangements <ul style="list-style-type: none"> • Service delivery failures • Creation of unexpected liabilities. • Increasing number or extent of supply chains require significant expertise or experience to risk manage 	business continuity arrangements <ul style="list-style-type: none"> • Contract performance bonds • Clear partnership agreements covering legal, financial and operational arrangements • Training for contract managers as required. • Project Risk Registers 				
12 – Failure to provide consistent Value for Money (VFM) across all services or obtain VFM in its procurement.	Section 151 Officer	<ul style="list-style-type: none"> • Service costs exceed funding available leading to overspends and loss of financial control • Contractual commitments become unsustainable • Customer dissatisfaction with VFM 	<ul style="list-style-type: none"> • Sustainable Commissioning and Procurement Strategy • Benchmarking, and best practice case studies • Contract Procedure Rules • Internal and external Audit reports • Expenditure monitoring and reporting to Members • Business Process Re-engineering as required • Robust option 	Good	2	3	Med

Risk	Lead Risk Owner	Principal impacts or consequences	Principal controls & actions	Quality of controls*	Residual Likelihood	Residual Impact	Residual Risk Rating
			appraisals				
13 – Failure to ensure good governance of the Council’s activities and delivery of its priorities.	Monitoring Officer (Assistant Director, Legal Services)	<ul style="list-style-type: none"> • Failure to follow procedures leads to successful appeals or legal challenges • Misuse of the Regulation of Investigatory Powers Act (RIPA) lead to prosecutions • Failure to detect and prevent fraud or to respond to rising trends of fraud • An increasing propensity for compensation claims could result in additional costs and inefficient use of resources • Failure to manage performance effectively leading to reduced service delivery • Failure to supply required data to Government, or meet the Government’s Transparency Code • Government intervention in services or governance matters as a result of failures 	<ul style="list-style-type: none"> • Business Plans/MTFS • Council Constitution, Financial Regulations and Contract Procedure Rules • Council, Executive and Committee, LT minutes and records of decisions • Internal Audit Programme • Performance management system • Legally compliant tendering procedures • Anti-Fraud and Corruption Policy and Anti Money Laundering Procedures • Whistleblowing Policy and Procedures • Codes of Governance, Conduct and Registers of Interests • RIPA procedures 	Good	2	3	Med
14 – Failure to ensure Rochford’s ICT Estate supports achievement of	Assistant Director,	<ul style="list-style-type: none"> • Fail to maintain an ICT Strategy that is fit for 	<ul style="list-style-type: none"> • ICT strategy 	Fair	4	3	Med

Risk	Lead Risk Owner	Principal impacts or consequences	Principal controls & actions	Quality of controls*	Residual Likelihood	Residual Impact	Residual Risk Rating
Business Objectives.	Transformation Services	purpose <ul style="list-style-type: none"> • Be unable to obtain replacement contractors at short notice with consequent and have to obtain replacement contractors charging premium prices for service recovery actions • Experience adverse effects on service with consequent reputational risks • Fail to update software/hardware leading to application and service delivery failure • Fail to adequately manage ICT projects 	<ul style="list-style-type: none"> • Project plans • Budget controls • Contract Management 				
15 – Failure to ensure compliance with the General Data Protection Regulations (GDPR) and inability to demonstrate consistent application of information standards, controls and statutory compliance.	Assistant Director, Legal Services	<ul style="list-style-type: none"> • Internally we could fail to comply with the General Data Protection Regulations legislation by the deadline of May 2018 • Failure to process sensitive/personal data appropriately leading to potentially substantial fines • Information Commissioner investigations and/or penalties 	<ul style="list-style-type: none"> • Compliance with relevant Policies and Procedures • Roles and Responsibility Training • ‘Opt In’ Consent fully detailed on all relevant paperwork. • Internal Compliance Audits 	Good	3	4	High

Part 3 Corporate Risk Map

Impact	4 Catastrophic		Risk 2 and 3a	Risks 3b and 15	Risk 10		
	3 Critical		Risks 1, 7, 8, 12 and 13	Risks 4, 5, 9, and 11	Risk 14		
	2 Marginal						
	1 Negligible						
		1 Negligible	2 Very Low	3 Low	4 Significant	5 High	6 Very High
		Likelihood					

Key	Risk level	Action required
	High	Urgent/imperative to manage down risk – transfer or terminate
	Medium	Seek to influence risk over medium term or transfer out risk e.g. by insuring
	Low	Tolerate and monitor – manage down if possible

Part 4 Risk Scoring

LIKELIHOOD of event occurring					
Negligible – 1	Very Low – 2	Low – 3	Significant – 4	High – 5	Very High – 6
0% to 5%	6% to 15%	16% to 30%	31% to 60%	61% to 85%	86%to100%

IMPACT of event occurring				
	Negligible – 1	Marginal – 2	Critical – 3	Catastrophic – 4
Financial	£0K - £10K	£10K - £200K	£200K - £1M	£1M- £10M
Service Provision	Minor service delay	Short term service delay	Service suspended / medium term delay	Service suspended long term/ Statutory duties not delivered
Project	Minor delay	A few milestones missed	A major milestone missed	Project does not achieve objectives and misses majority of milestones
Health & Safety	Sticking Plaster/first-aider	Broken bones/Illness	Loss of Life/Major illness	Major loss of life/Large scale major illness
Objectives	Minor impact on objectives	Objectives of one section not met	Directorate Objectives not met	Corporate objectives not met
Morale	Mild impact on morale	Some hostile relationships and minor non-cooperation	Industrial action	Mass staff leaving/Unable to attract staff
Reputation	No media attention/minor letters	Adverse Local media	Adverse National publicity	Remembered for years!
Government relations	Minor local service issues	Poor Assessment(s)	Service taken over temporarily	Service taken over permanently
Political	No interest/ Minor attention	Adverse local media or individual public reaction	Adverse national publicity or organised public reaction	Major political reaction - remembered for years!
Legal	No significant legal implications	Internal review and minimal media coverage	External review and impact on public opinion.	Criminal proceedings / civil litigation
Communities	Minimal effect on communities	Short term Impact on small group of clients/customers/communities	Long term Impact on large group of clients/customers/communities	Long term impact on vulnerable people