Rochford District Council

REPORT TITLE:	Risk Management update
REPORT OF:	Tim Willis, Interim Resources Director

REPORT SUMMARY

This report updates members of the Audit & Scrutiny Committee with a revised Insurance & Risk Management Strategy and is attached in Appendix A.

The report also provides the Committee with an updated 2023/24 Strategic Risk Register (Appendix B).

The strategic risks are presented to the Audit Committee every quarter.

RECOMMENDATIONS

R1 -　That the revised Insurance & Risk Management Strategy is agreed.

R2 -　That the Committee notes the report.

SUPPORT ING INFORMATION

1.0　REASONS FOR RECOMMENDATIONS

1.1　Effective risk management arrangements help enable the Council to achieve its corporate priorities. Risk management is the process by which officers assess the likelihood and impact of differing risks and take proportionate action/make decisions to reduce the likelihood of the risk occurring, as well as to reduce the adverse impact if it occurs. Members are asked to review and note the strategic risks and accompanying risk register.

2.0　OTHER OPTIONS CONSIDERED

2.1　None.

3.0　BACKGROUND INFORMATION

3.1   Work continues to embed Risk Management within the Council. It is important that all staff become involved in the risk management process and become aware of their responsibilities in identifying and managing risk. Senior managers have recently been able to attend workshops to enhance their understanding of risk.

3.2   The Insurance & Risk Management Strategy requires periodic review and updating. An updated version is attached. The strategy aims to integrate and raise awareness of risk management for all those connected with the delivery of Council services; to provide a robust and systematic framework for identifying, managing, and responding to risk; and to enhance the attractiveness of the Council's risk profile to insurance underwriters.

3.3   A risk management report and register is considered quarterly by the Corporate Leadership Team, to ensure that strategic risks are updated to reflect ongoing changes to the internal and external environment. In addition to this, the Risk & Insurance Manager liaises with service heads on an ongoing basis to maintain active management of risks, including strategic, operational, contract and project risks.

3.4   Appendix B sets out the strategic risks, each of which is the responsibility of a risk owner. Each risk is scored (out of five) for both likelihood and impact, with a combined score arrived at by multiplying one by the other.

3.5   Each quarterly risk report highlights and explains the very high risks, any changes to risk scores and any new risks or risks that have been removed from the strategic risk register. Even if a risk is not included in the strategic risk register, it does not mean that it is not being managed – only that it does not require the intervention of CLT to help manage it. The last report to Audit Committee was on 4 July 2023.

3.6   Very high risks:

- Risk 18 (Cyber Threat). The Council's IT security review has been completed with the Audit & Security team at Basildon; cyber security courses are booked for the ICT team in 2023/2024; cyber roadshows have been delivered by Essex Police; and backup storage solutions are to be prioritised on completion of the Sharepoint migration.
- Risk 17 (Asset Delivery Programme partnership). The changing economic environment and a review of the Council's strategic approach to its assets may have an impact on the partnership.

3.7   Change to risk scores:

- Risk 10 (Inability to recruit, retain, develop, and manage appropriately skilled staff to deliver the Council's priority outcomes). This risk has reduced from high to medium, following the implementation of mitigation measures to reduce the likelihood of this risk occurring.

3.8   New/removed risks:

- Risk 11 (Failure to enter into and manage effective contractual relationships and partnerships in Communities & Health). It is considered that there are sufficient structures and processes in place to ensure this risk can be managed without strategic intervention. Note, there is a separate risk (Risk 17) regarding the ADP partnership.

4.0   FINANCIAL IMPLICATIONS

4.1   None arising specifically from this report, but some risks include financial risks and some control measures identified in the risk register could have financial implications.

5.0   LEGAL IMPLICATIONS

5.1   Effective risk management provides a means of identifying, managing and reducing the likelihood of legal claims or regulatory challenges against the Council.

6.0   RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1   None.

7.0   RELEVANT RISKS

7.1   The report itself is in relation to strategic risks.

8.0   ENGAGEMENT/CONSULTATION

8.1   None.

9.0   EQUALITY IMPLICATIONS

9.1   None.

10.0   ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1   Economic implications are contained within the report and identified in risk registers.

REPORT AUTHOR: **Name:**   **Tim Willis**

                            Title: **Interim Resources Director and S151 Officer**

                            Phone: **01277 312500**

                            Email: **tim.willis@brentwood.rochford.gov.uk**

APPENDICES

Appendix A: Insurance & Risk Strategy

Appendix B: Strategic Risk Register

APPENDIX A

ROCHFORD DISTRICT COUNCIL

INSURANCE AND RISK MANAGEMENT STRATEGY

Contents

Key Information

This document is to be reviewed every two years by Rochford District Council's Risk & Insurance Officer

Author:	Sue White
Section / Directorate:	Finance & Resources
Strategy Approval – Officer Level:	Tim Willis
Strategy Approval – Member Level:	Audit Committee
Strategy Published Date:	November 2023
Strategy Review Date:	September 2025

1. Policy Statement

Rochford District Council is committed to the effective management of risk. The Council's employees, partners, stakeholders, residents, assets, and ability to deliver its objectives and services are constantly affected by risk. The Council recognises that risk can be both positive and negative. The Council accepts its legal, moral, and fiduciary duties in taking informed decisions about how best to control and minimise the downside of risk, whilst still maximising opportunity and benefiting from positive risks. The Council will ensure that Members and staff understand their responsibility to identify risks and their possible consequences.

2. Introduction

The Council's priority is to deliver excellent, customer focused, cost effective services by ensuring that the Council's Risk Management framework is in place and operating effectively.

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

The Council's corporate insurance arrangements form part of the overall risk management approach.

This strategy outlines the Council's overall approach to risk retention and transfer including the procurement of corporate insurance cover through relevant policies of insurance to protect against loss or damage to the Council's assets and potential liabilities.

Risk

Risk is defined in this context as something that might have an impact on achieving the Council's objectives and its delivery of services to the community.

Risk Management can be defined as *"the culture, processes and structures that are directed towards effective management of potential opportunities and threats to the organisation achieving its objectives"*.

We use the risk management process to identify, evaluate and control risks. Risk management need not mean risk avoidance and may involve taking steps to reduce risk to an acceptable level or transfer risk to a third party. The Council recognises that it has to deliver services in an increasingly litigious and risk-averse society. The Council will therefore use risk management to promote innovation in support of the Corporate Plan.

The Council maintains a Strategic Risk Register (SRR) and this Register will be regularly reviewed with updates reported to the Audit Committee on a quarterly basis as a minimum.

The SRR 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 SRR is underpinned by Operational Risk Registers (ORRs) and individual Project and Contract Risks.

ORR's are owned by each 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 SRR review at Corporate Leadership Team (CLT) meetings.

Project Risks Registers (PRR's) 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 for the duration of the project and are also within the function of the Programme Management Office (PMO).

Contract Risks Registers (CoRR's) for Medium to High risk contracts are owned by each Contract Monitoring Officer and identify the risks and mitigation controls that apply to that particular contract. They form part of a continual review for the duration of the contract.

Insurance

Insurance is a mechanism for transferring risks to another (the insurer) for a consideration (premium). The broad principle of insurance is that the premiums collected from many policyholders pays for the claims of a few, whilst still allowing the insurer to meet their overheads, pay dividends to shareholders, purchase re-insurance to protect themselves against catastrophic losses and to build up their reserves. The Council is not required by law to purchase insurance to cover its risks, except as set out in the next paragraph.

Under the Local Government Act 1972 it is required to have Fidelity Guarantee Insurance.   This protects the Council in the event of a financial loss arising out of the fraud or dishonesty by its employees. The Council also purchases insurance and inspection services where there are other statutory requirements, for example the need, under the various Health and Safety Acts, to have boilers and lifts inspected by an independent and competent person.

3. Aims and Objectives

Aim

The aim of this Strategy is to improve the Council's ability to deliver a systematic and structured approach to identifying and managing risks across the Council, to ensure that appropriate insurance arrangements are in place to protect the Council against loss or damage to the assets and potential liabilities and to obtain the broadest cover at the best terms available.

<u>Objectives</u>

The objectives of this Strategy are: -

- Integrate and raise awareness of risk management for all those connected with the delivery of Council services.

- To provide a robust and systematic framework for identifying, managing, and responding to risk.

- Anticipate and respond to changing social, environmental, and legislative requirements.

- Enhance the attractiveness of the Council's risk profile to underwriters.

- Comply with any statutory requirements to have in place particular policies of insurance and associated inspection systems.

- Minimise potential claims and consequently reduce the cost of insurances.

- Reduce the cost of external premium spend and to consider self-funding for low level claims.

- Protect the Council's assets (people and property).

- Protect the reputation of the Council.

These objectives will be achieved by:

- Establishing clear roles, responsibilities, and reporting lines within the Council for identifying and managing risk.

- Embedding risk management into the Council's decision-making process, service delivery, project management and partnership working.

- Providing opportunities for training and shared learning on insurance and risk management across the Council.

- Maintaining documented procedures for the control of risk and the provision of suitable information, training, and supervision.

- Maintaining an appropriate incident reporting and recording system, (with investigation procedures to establish cause and prevent recurrence) to provide opportunities for improved risk management across the Council.

- Ensuring robust Business Continuity arrangements are in place.

- Robust claims handling arrangements and insurance fraud detection.

- Maintaining claims handling protocols that are in line with statutory requirements.

4. Insurance Framework

The new contract is for a three-year period with an option to extend the contract for a further two years should it be identified that this provides best value for the Council.

Policies were awarded to four insurers. Travelers for Casualty insurance, Protector for Property, Zurich for Motor and QBE for Computer and Engineering insurance.

Liability claims will be managed in accordance with the Civil Procedures Rules with strict adherence to the protocol timetable. The Insurance Officer will lead on all investigations and provide the liaison between employees, solicitors, and insurers.

Analysis of claims will lead to risk improvements in the areas of training, security, and systems of work.

The Annual Review Process

The annual review process requires the Council to provide the Insurer(s), via a broker, with information on changes to sums to be insured for the following insurance year, which runs from 31 July to 30 July. These sums include information on the value of the Council's property estate, computer equipment, vehicles, etc. On receipt of this information and the Council's claims history over the year, the Insurer will then assess the Council's risk profile and present a report detailing proposed premiums for the following insurance year categorised by policy type.

On receipt of this report the Council reviews the figures for accuracy and assesses whether the report is a fair representation of the Council's risk profile based on claims experience. A meeting is then convened between the Council and the Broker to discuss the report.

Thereafter, should an agreement be reached the contractual relationship between the Council and the Insurer(s) will continue until the next annual review.

5. Risk Management Framework

Risk Management is a central part of the Council's strategic management. It is the process by which risks are identified, evaluated, and controlled.

The risk management process will add value to the Council's decision-making process and is key to the organisation's strategic development, playing a fundamental role in reducing the possibility of failure and increase the Council's successes.

The Council is committed to establishing a systematic and consistent approach to risk identification, analysis, control, monitoring and review and consists of five stages: -

- Identify Risks – this involves the identification of risks, describing and recording them.

- Evaluate Risks – the identified risks are each assessed in terms of their likelihood and potential impact and determined against a profiling matrix. At this stage, an assessment of a target risk score can be made, to inform whether or not it is worthwhile to treat/tolerate a risk, and if so, to assess the subsequent mitigations for effectiveness in reducing the risk score against the target.

- Manage Risks – this involves the identification and implementation of control measures to mitigate the impact risk, the cost effectiveness of implementing these measures and the estimation and evaluation of residual risk. There are four basic ways of treating risk, which are: -

Terminate	Stop undertaking the activity which gives rise to that risk unacceptable to the Council therefore eliminate activity.
Treat	Control the risk and take action to reduce either likelihood of a risk occurring and/or the consequences if it does occur.
Tolerate	Accept the risk by an informed decision (based on risk appetite) because the cost of managing may outweigh impact or risk is below the Council's tolerance level
Transfer	Involves another party bearing or sharing the risk i.e. via insurance, shift to another party, e.g. insurance or strategic alliances with third parties

- Report – progress in managing risks should be monitored and reported to ensure actions are carried out.

- Review – review the effectiveness of the control and to inform decision making.

6. Roles and Responsibilities

Everyone in the Council is involved in risk management and should be aware of their responsibilities in identifying and managing risk. However, the ultimate responsibility for managing risk lies with:

Members of the Audit Committee (or Equivalent) fulfilling the audit function
- Approve the Council's Insurance and Risk Management Strategy.
- Provide independent assurance on the effectiveness of risk management and internal control.

Corporate Leadership Team (CLT)

- Be responsible for and monitor the Strategic Risk Register.
- Ensure risk management is considered on a regular basis.
- Assign a responsible officer to each significant strategic risk.

Extended Leadership Team (ELT)

- Ensure the Council implements and manages risk effectively through the delivery of the Insurance and Risk Management Strategy and consider risks affecting delivery of service.
- Be responsible for and monitor the Operational Risk Register.
- Assign a responsible officer to each significant operational risk.
- Receive and approve updates on the management action plan and on any new significant emerging risks.
- Support the embedding of risk management within the culture of the Council.
- Escalate to CLT any risks that cannot be managed at ELT level without the decision-making powers of CLT.

Key Roles

- The S151 Officer will ensure that risk forms part of the overall performance management framework. They will develop and maintain the overall Insurance and Risk Management Strategy and provide updates to CLT and Members on significant risks identified and emerging from the risk register and other sources.
- 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 Data Protection Officer (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 Senior Information Risk Owner (SIRO) is responsible for information security and assurance.

Directors and Service Managers

- Take responsibility for the promotion of the Insurance & Risk Management Strategy within their area.
- Ensure awareness of risk culture is embedded across their respective departments and services.
- Ensure that operational risk registers are managed, monitored, responded to and communicated effectively in their areas and reported to CLT as appropriate.
- Identify resources to address the highest priority risks and make requests to CLT for funds to avoid, transfer or reduce risk.

Risk & Insurance Officer

- Manages the implementation of the Risk Management Framework and process on behalf of the Council and its management team.

<u>Employees</u>

- All staff, at whatever level, should maintain an awareness of risks, feeding information into the formal processes for risk management. This will include alerting management to risks which are inappropriately managed and reporting any incidents or near misses.

<u>Internal Audit</u>

- Maintain an independent role in line with guidance from the Institute of Internal Auditors and others and ensure compliance with the Public Sector Internal Audit Standards.
- Ensure that internal controls are robust and operating correctly.

7. Risk Analysis

Once risks have been identified they need to be assessed systematically. The process requires risk owners to assess the level of risk by considering the probability of an event occurring – 'likelihood' - and the potential outcome of the consequences should such an event occur – 'impact'. Risk owners will assess each element of the judgement and determine the score against the Risk Ranking Table in appendix 1.

The risk ratings for each part of the assessment are then combined to give an overall score for each risk.

Risk Ranking Table

Rochford Council has introduced a best practice five stage approach to Risk Management.

Likelihood		Negligible (1)	Minor (2)	Moderate (3)	Significant (4)	Major (5)
(5)	Definite/very high	Low	Medium	High	Very High	Very High
(4)	Very likely	Low	Medium	High	Very High	Very High
(3)	Likely	Low	Medium	Medium	High	Very High
(2)	Unlikely	Low	Low	Medium	Medium	High
(1)	Highly unlikely	Low	Low	Low	Medium	Medium

Impact

Likelihood x Impact = Risk Score

7.12

Risk tolerance			
Level of Risk	Level of Concern	Recommended review pattern	Action required
Very High 15-25	Very concerned	1-2 months	These are critical risks requiring immediate attention. This will mean that strategies need to be developed to reduce or eliminate the risk.
High Risk 10-15	Concerned	2-3 months	These risks are significant. Consideration should be given to the development of strategies to reduce or eliminate the risks.
Medium Risk 4-10	Quite Concerned Risk can be tolerated at this time	3-4 months	These risks are less significant but may cause upset and inconvenience in the short term. These risks should be monitored to ensure they are being appropriately managed and they do not escalate to a higher category of risk.
Low Risk 1-5	Not concerned Risk accepted at this time	4-6 months	These risks are both unlikely to occur and not significant in their impact. They require minimal monitoring and control unless subsequent risk assessments show subsequent change, prompting a move to another risk category.

8. Risk Appetite

Risk appetite is the level of risk the Council are prepared to tolerate or accept in the pursuit of its strategic objectives. The Council's aim is to consider all options to respond to risk appropriately and make informed decisions that are most likely to result in successful delivery, while also providing an acceptable level of value for money. The acceptance of risk is subject to ensuring that all potential benefits and risks are fully understood and that appropriate measures to mitigate risk are established before decisions are made.

Methods of controlling risks must be balanced in order to support innovation and the imaginative use of resources when it is to achieve substantial benefit. In addition, the Council may accept some high risks because the cost of controlling them outweighs the benefits. The Council will not accept and will therefore seek to control all risks which have the potential to:

- Jeopardise significantly the Council's ability to carry out its normal operational activities.

- Have severe financial consequences which could jeopardise the Council's viability.

- Have a damaging impact on our reputation.

- Lead to breaches of law and regulations.

- Cause significant harm to staff, visitors, contractors and other stakeholders.

9. Risk Tolerance

The Council has determined that some risks are acceptable / tolerable. This is in line with the stated risk appetite and is reflected in the green area of the risk heat map. All risks within a rating of 5 or less are deemed to be acceptable or tolerable. Some risks with a rating higher than 5 may also be accepted/tolerated. This would most probably be because of the potential benefit of taking the risk or the cost of controlling the risk. Acceptance or tolerance of any risk with a rating higher than 5 must be approved by the Corporate Leadership Team.

10. Monitoring arrangements for Key Risks

The reason for monitoring key risks is to create an early warning system for any movement in risk. It will also ensure our treatment of risk remains effective and the benefits of implementing risk control measures outweigh the costs of doing so.

The Insurance and Risk Management Strategy requires risks recorded on the Strategic Risk Register and Operational Risk Registers to be monitored in line with the recommendations set out on page 9 above.

The management of any very high and high risks will be monitored and reported to the Corporate Leadership Team.

Monitoring reports are presented for approval to the Corporate Leadership Team prior to final ratification by the Audit Committee.

The questions asked during monitoring are: -

- Is the risk still relevant?
- Is there any movement in the risk score?
- Are there controls still in place and operating effectively?
- Has anything occurred which might change its impact and/or likelihood?
- Have any significant control failures or weaknesses occurred since the last monitoring exercise?
- If so, does this indicate whether the risk is increasing or decreasing?
- If the risk is increasing, do I need to devise more controls or think of other ways of mitigating the risk?
- If the risk is decreasing, can I relax some existing controls?
- Are controls/actions built into appropriate documented action plans?

- How effective are the mitigations in reducing the risk to the target level of tolerable risk?
- Are there any new or emerging risks?
- Have any of the existing risks ceased to be an issue (and can therefore be archived)?
- Have any of the risks reduced to the extent that a strategic risk can be downgraded to the operational/project/contract level?

11. 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. Addition and removal of such risks will be undertaken as part of the regular risk review processes, and these will be notified to the Audit Committee within reports seeking their approval of the revisions.

Likelihood				1	2	3	4	5
	Almost Certain	99% likely to happen or has happened on a regular basis over the last 12 months	5					
	Likely	75% likely to happen or has happened at least once or twice in the last 12 months	4					
	Moderate	50% likely to happen or has happened once or twice in the last 24 months	3					
	Unlikely	20% likely to happen or has happened once or twice in the last 5 years	2					
	Rare	5% likely to happen or hasn't happened within the last 5 years	1					

	1	**2**	**3**	**4**	**5**
	Minor slippage	**Minor**	**Moderate**	**Major**	**Catastrophic**
			Impact		
Financial	Loss/overspend under £10K	Loss/overspend £10K - £100K	Loss/overspend £100K - £300K	Loss £300K - £1M	Loss over £1M
Service	Marginal disruption to service capacity	Short term disruption to service	Short term disruption to one service area. Objectives of one department not met	Short term loss of service or significant reduction to service. Service objective not met	Medium/longer term loss of service. Failure to deliver at least one corporate objective.
	Unlikely to cause complaint	Low potential for complaint	High potential for complaint with possible litigation	High potential for complaint with probable litigation	Litigation almost certain
Reputation	No adverse publicity	Minor adverse publicity	Significant adverse local publicity	Adverse national publicity/significant adverse local publicity	Significant adverse national publicity
Legal / Regulatory	No legal implication	Beach of regulations / standards	Breach of regulations / standards	Breaches of law punishable by fines	Breaches of law punishable by imprisonment

APPENDIX 1

Risk Ranking Table

	Health & Safety	'First Aid' level injury	Medical treatment required – short term injury	Medical treatment required – long term injury	Extensive permanent injury – long term absence	Fatality

Risk No.	Risk Owner	Corporate Objective	Risk	Risk Category	Controls and Mitigations	Further Planned Actions	Out of 5 Previous Score May 2023			Further Planned Actions	Out of 5 Current Score September 2023			Further Planned Actions
							L	I	S		L	I	S	
Risk 1	Director, Policy & Delivery	Being Financially Sustainable	We fail to deliver the objectives of the Council's Business Plan in terms of measurable outcomes.	Reputation / Effects on Service / People	Business Plan agreed and supported by Medium Term Financial Strategy (MTFS) Key programmes of work defined Plans identify key priorities for service delivery Agreed budgets for work programmes and projects Project plans and progress monitoring tools External project management resource supporting key Connect and #OneTeam Transformation processes	Ensure compliance	2	3	MEDIUM		2	3	MEDIUM	Objectives from Business Plan 2020 -2023 still in place Work beginning on new plan to replace present Business Plan Plan in place to deliver One Team New programme and project management team in place monitoring Rochford projects with services and reporting lines in place through to Exec
Risk 2	Director, Communities & Health	Early Intervention	There is a failure to ensure the safeguarding of our children and adults in the district (whether or not ordinarily resident here) who: (a) have needs for care and support (whether or not the authority is meeting any of those needs), (b) Is experiencing, or is at risk of, abuse or neglect, and (c) as a result of those needs is unable to protect himself or herself against the abuse or neglect or the risk of it.	People / Reputation / Legal/Compliance	Safeguarding Policy and Procedures DBS checks in recruitment processes Attendance at safeguarding lead officers' network Attendance at multi-agency South Essex Stay Safe Group Designated person(s) for safeguarding issues Staff and Member training programmes Compliance with guidance from Essex Safeguarding Children Board (ESCB) and Essex Safeguarding Adults Board (ESAB)	On-going communication of key messages Value Based recruitment process 'fit for purpose'. Ongoing attendance On-going information shared Ongoing competency awareness and training. Continued training programme for all staff and members S11 ESCB audit completed 30.9.21. Tracker in place	2	3	MEDIUM		2	3	MEDIUM	
Risk 3	Director, Communities & Health	Early Intervention	There is a serious Food, Environmental or other incident for which the Council is culpable / liable.	Reputation / Effects on Service / Financial & Resources	Premises inspections and actions under Annual Food Safety Service Plan Procedures for response to Food and Environmental complaints and reports	Ongoing programme of inspections and performance monitoring On-going performance monitoring.	2	4	MEDIUM		2	4	MEDIUM	Continuation of food inspection programme in line with the Food Standards Agencies requirements and time scales. A new food officer starts in the team on the 1 November this will provide additional resource to meet our statutory functions.
Risk 4	Director Assets and Investments	Early Intervention	There is a serious Health and Safety incident for which the Council is culpable / liable.	Reputation / Effects on Service / Legal/Compliance	Health & Safety Co-ordinators (HSCs) / Fire Marshals (FMs) and First Aiders in place Risk Assessments (for staff and contractors) and Safety Procedures Regular Corporate Health and Safety Assessment Health and Safety Policy – Annual Review Improvements to building security for RDC offices. Contract Monitoring to review Health and Safety Compliance of Contractors, Partners and/or anyone working for/on behalf of Rochford District Council.	Fire Marshal training to be undertaken Following a review of arrangements during the pandemic, the Asset Management team are now all trained as First aiders as members of their team are regularly on site. This is supported by other officers also present on specific days to ensure adequate provision is available. Officers from asset management, recycling and licensing have all recently retrained to ensure their skills are up to date for the next 3 years with other officers already book in to attend future training to ensure compliance. Higher standard of training given to HSC's Key staff to undertake IOSH Managing Safely Course and Risk Assessment training HSO to develop Contractor Procedures (Permit to Work system)	2	4	MEDIUM	The Council has worked under the OneTeam partnership to deliver a new Health and Safety Policy and strategy. This sets out clear direction for all officers of the Council to follow. The Policy will be endorsed at an Executive Meeting. Quarterly H&S meetings have been arranged to report on H&S performance of the organisaion and the aim is to be preventatitive rather than reactive. A programme of training is being developed to ensure Health and Safety responsibility is owned by the authority.	2	3	MEDIUM	THe first H&S committee under the one team partnership has been held, with updates scheduled to be presented to audit and scrutiny. The programme of training has been rolled out with officers enrolling on training to prevent H&S incidents.
Risk 5	Director, Communities & Health	Early Intervention	We fail to respond to, or provide, relevant services in the event of an incident or disaster	People / Reputation / Effects on Service	Cloud based systems for IT and remote working established Attendance at Essex Resilience Forum Emergency Plans – regularly tested and reviewed Business Continuity Plans – regularly tested and reviewed Out of hours (OOH) response arrangements Prepare staff to assist in emergencies Essex Countrywide Traveller Committee Partnership Agreement Review of building security	Review of plans with view to joint plans with Brentwood Borough Council. Exercises to test plans. Debrief of any incidents. Review of plans in the light of the Covid19 response, working jointly with Brentwood Borough Council. Further discussions on incentives to recruit emergency volunteers. As identified at meetings of the Health and Safety Group	3	3	MEDIUM		2	3	MEDIUM	A One Team set of Emergency Plans is being prepared to support CLT in an Emergency. Once agreed it will replace two plans and training will take place. A One Team Business Continuity Plan has been agreed and work is underway to support this with Service BC Plans. Once finalised the plan will be tested. Proposals are under discussion to recruit and train Emergency Officers. RDC will use the BBC CCTV Room for out of hours calls and a One Team approach developed for dealing with calls. The Essex Resilience Forum has received additional resource.
Risk 6	Joint Acting Director of People & Governance	Maximise our Assets	Council held data is lost, disclosed, or misused to detriment of individuals or organisations as result of inadequate protection	Reputation / Effects on Service / Financial & Resources	Data Protection measures including ICT and Information Security Policies & Procedures Data sharing protocols are in place where information is shared between parties Annual review of systems and software required to ensure the necessary compliance by Government Connect Code of Connection (CoCo) (or necessary compliance levels?) Freedom of information (FOI) and Subject Access Request (SAR) procedures are in place. A data breach was experienced by the Revenues & Benefits software provider, Capita. The breach did not include sensitive personal data of Rochford residents but officers are working closely with Capita and the LGA (as other councils were also affected). The breach has been reported to the Information Commissioner.	Further work to ensure full compliance underway. Work has started but still work to be carried out pending RDC/BBC partnership service area proposals.	3	3	MEDIUM		3	3	MEDIUM	
Risk 7	Director Policy & Delivery	Enable Communities	Failure to engage with stakeholders to understand and communicate what the Council should be trying to achieve	Reputation / People / Financial & Resources	Consultation programmes involve Members, Residents, Businesses, Service Users, Parishes, Partners, and Staff Communications initiatives including RDC website Networking meetings with partners organisations and businesses Equality and diversity impact assessments of service changes and other proposals	Appropriate feedback to stakeholders Ensure these are taking place	2	4	MEDIUM	The Council have reviewed the Communications Team strucutre and are putting in place a new structure across Rochford and Brentwood that will deliver strategically and in modern methods to ensure the Council gets its messages across to stakeholders We have invested in a Granicus system called Engagement HQ. This is being rolled out by July 2023 and will enable services and the Council as a whole to undertake Poll's, consultation and other forms of engagement. This programme will make it easier to engage with stakeholders.	2	4	MEDIUM	Working on a combined Engagement Strategy, this will set out across the organisation the method to engage with stakeholders and what processes need to be followed. This will create a consistent approach An initial consultation on the Budget has been loaded onto Engagement HQ our new engagement platform. We are monitoring this consultation to see how well it is received and where improvements can be made. We now have a schedule of consultations for the year
				Reputation	Monitoring of Government announcements on public spending levels Staff involvement in cultural change e.g., Key Change Champions, staff consultation and innovation workshops, Connect Programme and #OneTeam Project Team.									One Team Service Reviews continue which provide the opportunity to review how services are delivered

7.18

Risk	Owner	Theme	Risk Description	Category	Controls	Further Action / Review	L	I	Rating		L	I	Rating	Target / Update
Risk 8	Director, Customer & Data Insight	Being Financially Sustainable	We fail to innovate and develop new ways of meeting customer needs and expectations.	Effects on Service	#One Team is now the new Transformation Programme for both organisations. "Connect" Programme Rochford's transformation programme #One Team is now the new Transformation Programme for both organisations.	React accordingly. This is now formally within the scope of the Connect Programme Budget away days and ongoing Executive engagement EqIA's required for decisions which impact service provision. Savings identified.	2	4	MEDIUM		2	4	MEDIUM	PMO implemented to register and monitor delivery of new projects to ensure benefits are realised - continuing to embed this corporately Joint Service Manager for Customer Services starting 1st November 2023
				Legal/Compliance	Communications of savings and consequences to Members staff residents and clients/service users Equality Impact Assessments Budgetary controls Customer Feedback									
Risk 9	Director Resources (Section 151 Officer)	Being Financially Sustainable	Failure to ensure financial sustainability for the Council. This includes the requirement to set a balanced budget and Medium Term Financial Strategy (MTFS) to allow for the successful delivery of the Council's priorities as set out in its Business Plan, ensuring robust financial controls are in place to keep the budget on track in-year, and delivery of the Council's Capital Programme.	Reputation	Robust budgetary monitoring & control is exercised by regular reporting and challenge with budget holders. Quarterly budget monitoring reports are presented to committee. Policy ideas and savings proposals are communicated with stakeholders via the appropriate forums, including the budget survey and Member briefings. The Medium Term Financial Strategy reflects corporate priorities, in the context of Government funding announcements for future financial planning. Active treasury management and cash flow management ensure cash is managed with a view to security, liquidity and yield. Adequate reserves and balances are maintained to manage short term budget volatility as well as long term financial planning.	The format of the budget survey and Member Away days will be reviewed to ensure they remain effective A refreshed Business Plan has been produced and MTFS priorities will be linked to these Review of reserves and balances at end of 2021/22 to ensure these remain adequate to support the Councils overall financial sustainability	2	5	HIGH		2	5	HIGH	A review of reserves brought forward in light of 2022/23 outturn, as well as the 2023/24 budget position, will inform the ability to resource any changed corporate priorities in light of the change in Administration as the MTFS is developed.
				Effects on Service		A review of reserves brought forward in light of 2022/23 outturn, as well as the 2023/24 budget position, will inform the ability to resource any changed corporate priorities in light of the change in Administration.								
				Financial & Resources										
Risk 10	Joint Acting Director of People & Governance	Maximise our Assets	Inability to recruit, retain, develop, and manage appropriately skilled staff to deliver the Council's priority outcomes	Legal/Compliance	People Plan - Organisational Development Plan Recruitment policy and procedures Probationary periods Induction, Training and Development plans Performance Reviews Appraisals OHS referrals Digitalised Procedure notes to be made available to appropriate officers in event of manager or other experienced officers' absence / non-availability Flexible retirement policy and procedure	A review of job descriptions, ensuring that there are clear expectations for roles. Regular 1:1s to ensure employees have clear goals and objectives. Aspiring Managers Programme to ensure managers and aspiring managers have the right skills. Use of apprenticship levy to support development and grow/nurture early careers	3	4	HIGH		1	4	MEDIUM	Supporting the reviews across both Councils to ensure job roles and career pathways are in place. New Values roled out need to embed behaviours. Review of reward and recognition packages, new website for careers. Introduction of OneYou conversations, digital exit questionnaire to be introduced.
				Reputation										
				Effects on Service										
Risk 11	~~Director Communities and Health and all Assistant Directors with contract responsibilities~~	~~Being Financially Sustainable~~	~~Failure to enter into and manage effective contractual relationships and partnerships for the delivery of services and outcomes.~~	~~Reputation~~	~~Clear partnership agreements - covering legal, financial, and operational arrangements Sustainable Commissioning and Procurement Strategy Contract Procedure Rules Specific Contract procedures to prevent risk of challenge to the council and ensure compliance with regulations and relevant law Specific risk analysis for each major contract Contract Terms and Conditions (including Performance Bonds) to prevent risk of challenge to the council and ensure contractor compliance Purchase Order / Quotation Terms and Conditions Clear specification of contract requirements Clear specification of tender award and bid marking criteria Monitoring processes and meetings Equality and diversity impact assessments of contract or~~	Medium to High Risks have risk analysis in place but require further review. Contract Risk Register process underway and due for completion by end of 2022/2023 Commitment to be strengthened in new corporate E & D statement. Work in progress aiming for Q4 22-23 Proposal to introduce E Learning by the end of the financial year 2022/2023.								This risk to be deleted
				~~Effects on Service~~										
				~~Financial & Resources~~										
Risk 12	Director Resources (Section 151 Officer)	Being Financially Sustainable	The Council could fail to provide consistent Value for Money (VFM) across its existing services, or when procuring new services	Reputation	Value for money is ensured through the Sustainable Commissioning and Procurement Strategy Contract Procedure Rules (CPR) and Purchase ordering rules. Benchmarking, VFM and best practice case studies form part of Business Plan support activities. External Audit produce an annual report to Audit Committee on value for money. Internal Audit Reports consider value for money as part of most audits.	Ensure compliance Performance and benchmarking information will be aligned to the refreshed Business Plan as part of the Quarterly Business Reviews to support VFM work Annual activity Ongoing activity As required More comprehensive financial and legal appraisal introduced	2	4	MEDIUM		2	4	MEDIUM	The consultation phase of the OneTeam review of Procurement is in progress.
				Effects on Service										
				Financial & Resources										
Risk 13	Joint Acting Director of People & Governance	Being Financially Sustainable	Failure to ensure good governance of the Council's activities and delivery of its priorities.	Reputation	Business Plans / Medium Term Financial Strategy The Local Code of Corporate Governance Council Constitution, Financial Regulations and Contract Procedure Rules Codes of Conduct and Registers of Interests for Officers and Members Council, Executive and Committee, LT reports, minutes, and records of decisions Internal Audit Programme Annual Governance Statement (AGS) and allied assurance framework Purchasing procedures Legally compliant tendering procedures Anti-Fraud and Corruption Policy Whistle Blowing Policy & Procedure National Fraud Initiative Anti-Money Laundering Procedures	Ensure compliance A further review of the controls will be carried out to try and overcome to issues identified within the 2020/21 internal audit review. The controls in place are good but it is ensuring that staff fully comply is the issue we are experiencing. Ensure compliance Counter-fraud strategy / policy requires review to develop a more corporate approach Review required in conjunction with counter-fraud work Include the money laundering statement (after review) as an appendix to the Anti Fraud and Corruption Strategy Corporate reporting pending review of Business Plan Further work to be picked up post RDC/BBC partnership (August) Policy refresh to clarify actions in place to demonstrate compliance Consider an external review e.g., Accessibility, of policies and legislation.	2	4	MEDIUM		2	4	MEDIUM	The Council has resolved to move to a committee style of governance from May 2024. The Constitution Working Group will consider the committee structure and terms of reference alongside the Monitoring Officer to ensure that the governance arrangements are sound.
				Financial & Resources	Project Plans, business cases and risk registers for each project Performance management system and reports Consultation documents and responses to consultation Community Right to Challenge process Regulation of investigatory Powers Act (RIPA) monitoring procedures and reports Compliance with new and updated legislation expected of Local Government									
				People										

Risk	Owner	Objective	Risk Description	Category	Controls	Further Actions	L	I	Rating	Commentary	L	I	Rating	Updates
Risk 14	Director Customer and Data Insight	Maximise our Assets	Rochford's ICT Estate does not fully support the achievement of the Business Objectives	Reputation / Effects on Service / Financial & Resources	ICT Infrastructure Roadmap; Digital Roadmap; Contract and Performance Monitoring processes; Lead Officer responsible for ICT; Software and Hardware fully understood and managed by key officer(s) within RDC; ICT decisions consider council wide issues and support RDC service delivery; ICT assets are prioritised based on core functions and maintained; Physical security of ICT assets protected; Cyber Security controls in place; Data loss controls (including Records and Retentions Policy Information Management Policy); Defined procedures in the event of the loss of access; Supporting ICT policies and procedures in place; Onsite and remote support procedures; Partnership with Brentwood BC to provide additional skills and resilience; External parties engaged to provide specialist services i.e. Cloud infrastructure, security	Asset Delivery Programme ICT Decant of South Street and identification of ICT requirements. Key Officers to be identified and assessed for training gaps. Software/Hardware ownership assigned to the most appropriate management function e.g., hosted or RDC. The IT Team are working on System Administration procedure notes related to the IT Team service provision. Consideration to be given to individual service area system procedure notes, on a risk basis. To be produced by the Service Area if required. Clarity of role required based on the updated ICT Strategy. More training will follow in Q3 for sharepoint & onedrive. IDOX Uniform training is also being organised for key staff at RDC. Service Area plans need to identify ICT requirements. ICT Assets priority list to be compiled. A full understanding of requirements as part of the new GDPR legislation. The implementation of SharePoint will support the review of RDC compliance with the Records, Retention, and Information Management policies. Review of BCPs carried out post COVID with lessons learned included and items to be flagged with departments e.g., ICT Prioritisation List. Existing policies and procedures to be updated post cloud migration. Electronic Retention and Disposal requirements to be considered on a risk basis, in line with the Records, Retention, and Information Management Policies	2	4	MEDIUM	Joint Service Desk with Brentwood BC due to go live 1st June. This will allow oversight of IT support cases to be shared between RDC and BBC.	2	4	MEDIUM	Knowledge based articles continue to grow across the technical estate. Joint helpdesk is live and further adoption of ITIL Framework is intended to include Incident, Problem, Change & Project management. Performance dashboard in development to report suite of data produced by the helpdesk. Continue to streamline processes across BBC & RDC IT teams, offering support and resilience, and increasing officer skills through shared knowledge and collaboration
Risk 15	Director, Customer & Data Insight	Maximise our Assets	The Council fails to ensure compliance with the General Data Protection Regulations (GDPR) and is unable to demonstrate consistent application of information standards, controls, and statutory compliance.	Reputation / Financial & Resources	Relevant Policies and Procedures; Roles and Responsibility Training; 'Opt In' Consent fully detailed on all relevant paperwork. Internal Compliance Audits	Physical storage reviewed. Electronic storage reviewed. To be part of induction training for new starters. Review of all application forms, paper & on-line, for opt in or data sharing information (fraud prevention etc.)	2	4	MEDIUM		2	4	MEDIUM	Joint DPO from Evalian has been appointed to cover the Data Protection Officer over both Councils.
Risk 16	Chief Executive Officer at Brentwood Borough and Rochford District Council	Being Financially Sustainable	The partnership between Rochford District Council and Brentwood Borough Council fails to bring about the project benefits.	Reputation / Effects on Service / Financial & Resources	Programme appropriately resourced to delivery outcomes; Effective governance and monitoring in place; Programme delivered within resource skill set; Cross Council/services working produces successful delivery of programme; Engaged key stakeholders with understanding of the programme, its goals/achievements and good working relationships with external partners at an operational and strategic level; Personal/sensitive data appropriately between both Councils; Managed change in Senior Responsible Officer (SRO)	HR and Comms service reviews to be prioritised as critical in supporting the delivery of Phase 2 of the programme. Consideration also given to supporting and creating capacity for those internal staff involved in undertaking service reviews i.e., those performing roles plus their day job, e.g., Key Change Champions. Service delivery workstream to be led by Tier 3 Lead once Phase 1 completed. HR and Workforce Development Workstream will specifically address this risk. Project processes/templates introduced to encourage and support cross Council working. Communications consultant brought in for up to 29 days between March and July 2022. Stakeholder and channel mapping being undertaken. Annualised communications planner for project in development.	2	4	MEDIUM		2	4	MEDIUM	Ongoing and continual review of the progress of the service reviews. Review Financial outcomes against expected outcomeSeeking Peer Review to gain an insightful view of the partnership and how it works for both organisation
Risk 17	Director Assets and Investments	Being Financially Sustainable	The Asset Delivery Programme partnership fails to bring about the project benefits	Reputation / Effects on Service / People	Programme appropriately resourced to deliver outcomes; Effective governance and monitoring in place; Programme delivered within resource skill set; Engaged key stakeholders with understanding of the programme, its goals/achievements and good working relationships with external partners at an operational and strategic level; Agreed programme review points; Managed change in Senior Responsible Officer (SRO); Managed response to partner withdrawing from partnership	Timey valuations, effective programme management, effective partnership working and expert external advice. Head of Legal works with team and partners to resolve any outstanding issues and escalate as necessary. Effective financial management and early warning of issues. Strong promotion by Members and officers implementing agreed communication strategy. Faith in design and user group work to be promoted so that any change is minimised and limited to the essential. RDC implementation team reminds Members of business case and drivers, and key programme benefits at all key decision points. Monitoring and mitigating through early identification of any departures and good succession planning for replacement	3	5	VERY HIGH	Since entering the partnership the economic background has changed dramatically. The world wide pandemic and cost of living crisis has catapulted construction costs. The industry sector finds some construction schemes not financially viable. In addition the ways of working as an organisation have changed. The Council needs to revisited each asset under the partnership and determine still what the best use is for that asset. The Council is currently relooking at the orginal business case and looking at each asset base from an independent view. Any changes to the original partnership may result in a financial penalty.	3	5	VERY HIGH	
Risk 18	Director (Customer & Data Insight)	Maximise our Assets	There is a threat of loss of data or access to network due to cyber attack that may result in digital disruption with a loss of productivity and service provision to residents.	Effects on Service / Financial & Resources / Reputation	We have a Managed Security Service that includes a Security Operations Centre to monitor cyber threats. Immediate response plans are in place for critical threats, and regular investigation review are held, along with Account contract meetings. Most recent extensive cyber audit provided moderate assurance. Sept 2023 - implementation of a secondary Palo Alto backup Firewall & the introduction of the Janet network resolver service (JNRS) offering an additional light touch web filtering service for malicious content websites. Geo Blocker for remote access in place.		3	5	VERY HIGH	Action plan in response to cyber audit recommendations is in place. Backup storage solutions will be in place by Q4 in order to protect and segregate the council's data from MS Azure & Internal network. Adopting and implementing best pactice measures as advised by NCSC & EDR. Quarterly phishing campaigns and cyber roadshows run to educate staff. Annual Pen tests & Cyber Security audits in place to assess vulnerabilities	3	5	VERY HIGH	Annual Pen test conducted 11th – 15th September & separate IT Security review completed with Audit & Security team at Basildon. Cyber Security Courses booked for ICT team in 2023/2024. Conitnue to adopt best practice, working alongside BBC, EDP & NCSC. Cyber roadshows being delivered by Essex Police October 2023. Backup storage solutions to be prioritised on completion of Sharepoint Migration in Sept 2023. Immutable solutions will be favoured ensuring that data cannot be altered in any way. This is an additional measure that will protect against ransomware attacks or other data loss. Q2 phishing campaign conducted