Rutland County Council

Catmose, Oakham, Rutland, LE15 6HP.
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Ladies and Gentlemen,

A meeting of the **AUDIT AND RISK COMMITTEE** will be held in the Council Chamber, Catmose, Oakham, Rutland, LE15 6HP on **Tuesday, 26th April, 2016** commencing at 7.00 pm when it is hoped you will be able to attend.

Yours faithfully

Helen Briggs
Chief Executive

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www.rutland.gov.uk/haveyoursay

SUPPLEMENTARY AGENDA ITEM 10

10) **RISK MANAGEMENT UPDATE**

   To receive Report No. 101/2016 from the Director for Resources
   (Pages 3 - 38)

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AUDIT AND RISK COMMITTEE

26 April 2016

RISK MANAGEMENT UPDATE

Report of the Director for Resources

Strategic Aim:	All	
Exempt Information	No	
Cabinet Member(s) Responsible:	Councillor Mr O Hemsley, Portfolio Holder for Resources (excluding Finance), Culture, Sport & Recreation, Tourism and Housing	
Contact Officer(s):	Debbie Mogg, Director for Resources	01572 758358 dmogg@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS
That the Committee:
1. Considers the revised Risk Management Strategy and Policy at **Appendix A** and recommends that is be presented to Cabinet for approval.
2. Notes the contents of the risk register and the actions underway to address the risks.

1 PURPOSE OF THE REPORT

1.1 To present a draft Risk Management Strategy and Policy to the Committee for consideration and onward recommendation to Cabinet.

1.2 To present the Strategic Risk Register to the Committee and provide assurance that strategic risks are being adequately managed.

2 RISK MANAGEMENT STRATEGY AND POLICY

2.1 Working with Zurich Municipal, a Risk Management Strategy and Policy has been drafted and is shown at Appendix A. It is intended that this replaces the previous document which was produced in 2007.

2.2 In summary, the principles set out within the strategy and policy remain the same. There are no changes proposed to the risk matrix (shown on page 16 of the strategy) but risk assessment criteria have been produced to provide additional guidance to Officers when assessing risk scores. In addition, the revised document reflects current organisational arrangements and responsibilities.

3 STRATEGIC RISK REGISTER

3.1 Attached at **Appendix B** is the Council's Strategic Risk Register as at April 2016. Where appropriate, changes have been made in response to the comments made at the January Committee meeting:

- Risks 4 & 5 – the Committee raised concern that there are no actions to address 'cases not being known'. This was discussed with the Deputy Director for People who confirmed that this is addressed in the Service Improvement Plan referenced within the actions. Further information was requested on how we mitigate the consequences associated with this risk and whether the scores were high enough – a verbal update will be provided at the meeting. In addition it was queried why there was no risk in respect of working with care homes. This has recently been the subject of a scrutiny discussion therefore this has been added to the current status column.

- Risk 8 – the Committee felt that the current score for this risk was not high enough. This has been reviewed and reassessed as 15 (which moves it into the red category on the risk matrix).

3.2 The summary of the risks plotted on the risk matrix has been revised and is shown at **Appendix C**. This highlights how the risks are spread across the matrix.

4 CONSULTATION

4.1 No consultation is necessary; the purpose of this report is to present the risk register and revised strategy and policy to the Committee.

5 FINANCIAL IMPLICATIONS

5.1 There are no direct financial implications arising from this report but the Committee should note that failure to manage risks effectively can have a financial impact on the Council.

6 LEGAL AND GOVERNANCE CONSIDERATIONS

6.1 As set out in its terms of reference within the constitution, this committee has responsibility to provide assurance of the adequacy of the risk management framework and control environment.

6.2 There are no legal implications arising from this report.

7 EQUALITY IMPACT ASSESSMENT

7.1 An Equality Impact Assessment (EqIA) has not been completed at this stage. Screening exercise will be undertaken when the revised policy and procedures are considered.

8 COMMUNITY SAFETY IMPLICATIONS

8.1 There are no community safety implications

9 HEALTH AND WELLBEING IMPLICATIONS

9.1 There are no health and wellbeing implications

10   CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

10.1   The Committee's role is to monitor the effective development and operation of risk management and corporate governance. The risk register sets out the strategic risks facing the Council and demonstrates how they are being managed.

11   BACKGROUND PAPERS

11.1   There are no additional background papers

12   APPENDICES

Appendix A: Risk Management Strategy and Policy
Appendix B: Strategic Risk Register
Appendix C: Risk Matrix

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Risk Management Policy and Framework

Version & Policy Number	Version 0.1 Draft Policy xxxx
Guardian	Director of Resources
Date Produced	1 April 2016
Next Review Date	1 April 2017

Approved by Cabinet	TBC

Summary of document

This document sets out the Council's policy and approach in relation to risk management. It is intended to demonstrate the commitment to good practice in this important area of governance and provides managers with the tools, techniques and understanding necessary to deliver effective risk management outcomes.

Contents

List of Appendices

1.0 FOREWORD

1.1 As a Unitary Council, Rutland County Council provides a wide range of services that combine to make a real difference to residents' lives on a daily basis. The Council is operating within a challenging economic climate; our funding from central government has reduced but we are facing increased demands for services. The Council remains focussed on delivering value for money and endeavours to protect front line services. As such, we need to be innovative in the way we deliver services to ensure we achieve the most for every Rutland pound spent.

1.2 Changes in our approach to delivering services will create opportunities but will also create risks and uncertainty. It is essential that we manage the risks and opportunities associated with the delivery of our outcomes, by adopting good risk management principles. Effective risk management will enable us to have the right level of control in place to prevent identified risks from occurring or to contain the impact if they do.

1.3 This policy defines the minimum requirements in relation to risk management and provides guidance on the principles, tools, techniques and support which will enable us to manage the business more effectively and meet the increasing challenges we will face. It is incumbent on all of us to identify and raise concerns that might impact our ability to deliver our intended outcomes and I would encourage regular risk conversations as part of team meetings.

2.0 POLICY STATEMENT

2.1   This policy statement formally recognises the Council's responsibility and commitment to manage the strategic and operational risks that it faces in order to meet its intended outcomes. This includes protecting the health, safety and welfare of its employees and the people it serves, protecting its property, assets and other resources and maintaining its reputation and good standing in the community.

2.2   Risk is unavoidable. It is an important part of life that allows us all to move forward and develop. As an organisation it can impact in many ways, whether financially, politically, on our reputation, environmentally or to our service delivery. Effective risk management optimises the balance between risk and control, providing sufficient protection from harm, without stifling our development. As an organisation, with a range of different stakeholders, each with differing needs and expectations, this can be a challenge. We must ensure that the decisions we take as a Council reflect a consideration of the potential implications for all our stakeholders. We must decide whether the benefits of taking our actions outweigh the risks.

2.3   The Council's overriding attitude to risk is to operate in a culture of creativity and innovation, in which risks are identified in all areas of the business, are understood and proactively managed, rather than avoided. Risk management therefore needs to be taken into the heart of the Council and our key partners. We need to have the structures and processes in place to ensure the risks and opportunities of daily Council activities are identified, assessed and addressed in a standard way. This will allow us not only to meet the needs of the community today, but also be prepared to meet future challenges.

2.4   The Council's main aims in relation to risk management are to:

   i.   Ensure that appropriate systems are in place to help identify, evaluate and make a conscious choice about how to deal with the risks that it faces

   ii.   Ensure that mechanisms exist to track and report business risks on an ongoing basis

   iii.   Embed risk management into the culture of the organisation in terms of how it operates and makes decisions

   iv.   Adopt a systematic approach to risk management as an integral element of business planning and performance management

   v.   Raise awareness of the need for risk management by all those connected with delivery of the Council's services (including partners and contractors)

3.0 INTRODUCTION

3.1 The effective management of risk is a central part of any organisation's strategic management and an integral part of corporate governance.

3.2 The focus of good risk management is the identification, assessment and response to key risks that may impact upon the achievement of the Council's stated aims and objectives. It also seeks to maximise the rewards that can be gained through managing risk effectively.

3.3 The Council requires all senior managers to make an annual assurance statement on the effectiveness of risk management and control within their respective areas. These statements form the basis of an Annual Governance Statement made by the Leader of the Council and the Chief Executive.

3.4 Overall responsibility for ensuring that the Council has the appropriate systems in place to manage business risk at a strategic level lies with the Strategic Management Team (SMT) and the Director of Resources will champion the process on their behalf. At an operational level, individual Directors supported by Heads of Service will have responsibility for managing risks.

3.5 For the purpose of this document, risks are split into two levels. Directorate risks are those which may prevent individual service or directorate aims and objectives being met. Strategic Risks are those which:

    i. Relate to the achievement of the long term purpose, priorities and plans of the Council

    ii. Impact more than one directorate or which require a response to be co-ordinated across multiple directorates

    iii. Directorate risks which, if they materialised, would have the potential to impact significantly on service delivery and the reputation of the Council

3.6 Risk management is both a 'top down' and a 'bottom up' process. The top down enables the identification and control of strategic risks while the bottom up process enables operational concerns to be escalated through the organisation as appropriate. The bottom up approach also enables the effect of similar concerns across directorates to be aggregated.

3.7 The benefits of an effective risk management strategy are as follows:

    i. To ensure increased knowledge and understanding of exposure to risk and its importance in front line service delivery. This in

turn allows an early and proportionate response, which should mean fewer incidents and other control failures.

    ii. Where issues do arise, investigating what went wrong and taking appropriate remedial action creates a learning culture and an environment in which issues do not recur.

    iii. It provides assurance to members and management on the adequacy of arrangements for the conduct of business and the use of resources.

    iv. This in turn protects the reputation of the Council which could otherwise be impacted by service disruptions and litigation.

3.8   The strategy will be subject to annual review to ensure that it remains up-to-date and continues to reflect the Council's approach to risk management.

4.0 DEFINITIONS AND SCOPE

4.1   **Risk** can be defined as the effect of uncertainty on objectives. An effect may be positive, negative or a deviation from the expected. Risk is often described by an event, a change in circumstances or a consequence.

4.2   **Risk management** is a process which aims to help organisations understand, evaluate and take action on all their risks with a view to increasing the probability of success and reducing the likelihood of failure.

4.3   **Controls** are systematic measures implemented to mitigate risks and help an organisation achieve its objectives. Preventive controls are mechanisms established to discourage errors or irregularities from occurring while detective controls are designed to identify errors or irregularities that may have occurred.

4.4   This strategy is intended to reaffirm and improve effective risk management in the Council, comply with good practice and, in doing so, effectively manage potential opportunities and threats to the organisation achieving its objectives.

4.5   Ensuring that there is an understanding of 'risk' and that the Council adopts a consistent approach to identifying, prioritising and reporting risks should lead to conscious choices over the most appropriate method for dealing with each risk ie. tolerating, transferring or treating the risk or terminating the activity which gives rise to it.

5.0 RISK APPETITE

5.1 An organisation's risk appetite is the amount of risk it is prepared to accept, tolerate or be exposed to in order to achieve its objectives. This is factored into planning, decision making and delivery

5.2 It is important for the risk appetite to be understood within the organisation so that the appropriate response is made to identified risks. If managers are running the business without sufficient guidance on the amount of risk it is acceptable for them to take, or not seizing important opportunities because of a belief that taking on additional risk is discouraged, performance will not be maximised.

5.3 As a local authority, the Council not only has significant statutory responsibilities, but it is also responsible for being a catalyst for change in its local area – place shaping, stimulating the economy and facilitating growth.   To be successful in delivering its aims and objectives with finite resources, the Council cannot eliminate risk entirely; rather it sometimes has to take calculated risks. The Council has a difficult balancing act. The Council therefore has a variable risk appetite. When it comes to issues of safeguarding and the welfare of staff and public, it has a low risk appetite which means as far as possible it will try to reduce risks as far as possible. In relation to other duties, the Council accepts and is willing to take more risk taking into account potential gains, stakeholder expectations, available resources and the organisation's capacity to deliver.

6.0 APPROACH

6.1 We will meet our risk management objectives by undertaking the following actions:

i. Providing and using a robust and systematic framework for identifying, managing and responding to strategic and operational risks in line with external benchmarks of good practice (see section 9.0)

ii. Establishing clear roles, responsibilities and reporting lines for risk management

iii. Demonstrating a commitment to risk management and assurance through the actions and behaviours of the SMT in their decision making. We will also understand our risk appetite and the level of risk we are prepared to accept in different activities and service areas

iv. Reinforcing the value of risk management by integrating it within the Council's (and partnerships') project management, performance management and procurement processes

v. Establishing effective processes for oversight of the Council's risk exposure and monitoring both internal controls and external influences to understand changes in that exposure

vi. Increasing understanding and expertise in risk management through targeted training and sharing of good practice

6.2 As evidence of the effectiveness of the approach we will expect to see the following:

i. The corporate risk register is reviewed and discussed at the appropriate forum of SMT and Members on a quarterly basis

ii. Directorate risk registers are formally reviewed and discussed in Directorate Team meetings on a quarterly basis

iii. Project/programme and partnership risk registers are reviewed by management on a monthly basis

iv. Internal Audit undertake a periodic review of risk management within the Council to determine the extent to which the framework is being deployed

7.0 ROLES AND RESPONSIBILITIES

7.1 In order to ensure the successful implementation of the strategy, the following roles exist

Group/ Individuals	Role/ Responsibilities
Audit & Risk Committee	• To provide independent assurance to the Council and the Cabinet of the adequacy of the overall corporate governance and internal control environments including the associated approach to risk management • To review the content of the strategic risk register and the adequacy of associated risk management arrangements
Senior Management Team (SMT)	• Identify, manage and monitor strategic risks • Ensure that reports to support strategic and/or policy decisions include a risk assessment
Deputy Leader	• The Cabinet Member with specific responsibility for promoting awareness and understanding of risk management
Director for Resources	• The SMT member with specific responsibility for promoting awareness and understanding of risk management and championing the benefits amongst colleagues
Chief Executive	• Leads on the wider corporate governance agenda of which risk management is a part • Receives assurance statements on internal control from senior managers and signs off the Annual Governance Statement along with the Leader of the Council
Directors	• Making arrangements to embed risk management throughout their areas of responsibility • Reporting their directorate risks on a regular basis
Internal Audit	• Review and report on the risk management process • Feed into the annual assurance statements and provide an opinion based on audit work carried out through the year
All Members and Officers	• Understand and act upon key risks that could significantly impact the achievement of service, team or project objectives

8.0 RISK MANAGEMENT PROCESS

8.1 The risk management cycle applies to all types of risk and involves a number of key stages which are outlined below.

8.2 **Defining objectives** is a critical first step in the risk management cycle because risks should have a clear link to what it is that the organisation is trying to achieve.

8.3 **Risk identification** is the process of documenting the risks/ opportunities that could impact or prevent the achievement of a defined objective. It is the responsibility of all parties associated with an objective to help identify potential risks and report them to the manager responsible. The risk should be described clearly so that it is fully understood and to assist with determining the appropriate response. The risk register should therefore capture the risk together with causes and consequences. Potential risk sources are set out in Appendix A and a risk register format at Appendix B.

8.4 **Risk assessment** enables a score to be applied to both the likelihood of a risk materialising and the potential impact and ensures that resources are focused on the most significant concerns. The score for an individual risk is the product of impact and likelihood using the criteria set out in Appendix C. The Council uses a three stage risk assessment approach:

  i. Inherent Risk – the impact and likelihood of the risk without any controls in place – the inherent risk score if no action was taken

  ii. Current Risk – the impact and likelihood of the risk considering the existing controls in place. Current controls should be evaluated and documented

iii. Target Risk – the impact and likelihood desired by the Council. The risk response should reflect this level of target risk and take into account the cost of achieving the desired level of control

8.5 **Risk response** is about taking action which balances cost with the level of risk faced by the Council. Options for responding to the risk are as follows:

i. Tolerate – this is a conscious decision to take no action either because the risk is within the stated appetite of the Council or because it is expected to be a very low occurrence. The risk should be monitored to ensure its potential does not change

ii. Treat – procedures and controls are put in place to reduce the likelihood or frequency of a risk materialising or to reduce its impact

iii. Transfer – the risk is transferred to a third party by mechanisms such as insurance or outsourcing

iv. Terminate – the activity giving rise to the risk is stopped

8.6 **Risk review and reporting** is required because all risks can change over time and therefore need close monitoring to ensure that current controls remain in place and are effective, and that mitigating actions are achieved within the target timeframe. All changes should be recorded and reviewed in directorate meetings in accordance with the guidance in Appendix D. The strategic risk register is reviewed by SMT on a quarterly basis.

APPENDIX A - SOURCES OF RISK

	Sources of Risk	Risk Considerations
STRATEGIC	Political	• Changes in Government policy • National or local political pressures
	Economic	• Economic downturn – prosperity of local businesses/ local communities • Ability to deliver value for money
	Social	• Demographic changes • Crime and disorder, health inequalities, safeguarding issues
	Technology	• Ability to respond to changing demands • Obsolescence of existing technology
	Legislation	• Changes in UK or EU legislation • Legal challenges or judicial reviews
	Environment	• Climate change • Recycling, green issues, energy efficiency, land use and green belt issues

	Sources of Risk	Risk Examples
OPERATIONAL	Finance	• Budgetary pressures • System/ procedure weaknesses
	People	• Loss of key staff, recruitment, retention & development issues • Communication and consultation during transformation
	Partnerships and Contracts	• Delivery of services to agreed cost and specification • Clarity of roles and relationships
	Physical Assets	• Safety and security of land, buildings and equipment • Control of IT hardware
	Process	• Poor quality/ reduced service delivery • Confidentiality, integrity and availability of information
	Resilience	• Emergency preparedness/ business continuity

APPENDIX B - RISK REGISTER TEMPLATE

Risk Ref.	Risk Description	Risk Owner	Current Controls	Current Risk Score			Actions Required	Target Timescale	Target Risk Score		
				Impact	Likelihood	Score			Impact	Likelihood	Score
	A well-defined risk will have: • a cause - the situation or fact that gives rise to the unwanted event • an event - the unwanted event that could happen • an impact - the effect or result of the event happening. e.g. There is a risk that the council's information is lost, stolen or damaged (event) due to inadequate controls in place to identify and respond to cyber-attacks (cause) leading to a catastrophic impact on the council's ability to function, damage to reputation and public perception and possible breaches of laws and regulations with potential fines of up to £500,000 (impact)										

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APPENDIX C - RISK ASSESSMENT CRITERIA

The following tables should be used to assess and prioritise risks to ensure that resources are focused accordingly.

LIKELIHOOD MEASURES

	Extremely Unlikely 1	Unlikely 2	Low 3	More Likely than Not 4	Very Likely 5	Extremely Likely 6
Probability	**Less than 10%** chance of circumstances arising	**11% to 30%** chance of circumstances arising	**31% to 50%** chance of circumstances arising	**51% to 70%** chance of circumstances arising	**71% to 90%** chance of circumstances arising	**More than 90%** chance of circumstances arising
Timescale	It is **unlikely** to occur	Possible in the **next 5 years**	Possible in the **next 3-5 years**	Possible in the **next 1-2 years**	Likely to occur in the **next 6-12 months**	Occurred in the **past month** or is very likely to occur in the **next month**

IMPACT MEASURES

	Minor 1	Moderate 2	Major 3	Most Severe/Extreme 4
Financial	Financial revenue loss up to £500k over MTFP	Financial loss £500k – 750k over MTFP	Financial loss £750k to £2m	Financial loss over £2m
Reputation	A few minor complaints and/or minimal local media attention	A number of complaints and adverse local media attention	Some national media attention and sustained local media attention	Ministerial intervention and/or public enquiry with sustained national media attention
Service Delivery	Limited disruption to services	Disruption to services that do not directly affect vulnerable groups	Significant disruption to services directly affecting vulnerable groups	Loss of services directly affecting vulnerable groups
Health & Safety	Low level of foreseeable minor injuries	High level of foreseeable minor injuries/ low level of foreseeable serious injuries	High level of foreseeable serious injuries	Foreseeable long-term injury, illness or fatality

APPENDIX D - RISK ESCALATION CRITERIA

The results of the assessment determine the escalation criteria and frequency of review as follows:

IMPACT						
Most Severe 4	4	8	12	16	20	24
Major 3	3	6	9	12	15	18
Moderate 2	2	4	6	8	10	12
Minor 1	1	2	3	4	5	6
	Extremely Unlikely 1	Unlikely 2	Low 3	More Likely than Not 4	Very Likely 5	Extremely Likely 6

LIKELIHOOD

Current Risk Level & Score	Frequency and level of Risk Review
High 15-24	These are significant risks which may have a serious impact on the Council and its objectives if not managed. They should therefore be visible to Directors and **reviewed on at least a monthly basis** and considered for escalation to the strategic risk register.
Medium 8-12	These are risks which have the capability to cause some disruption to the Council if not managed appropriately. They should be visible to Directors and **reviewed on at least a quarterly basis.**
Low 1-6	These risks may not require further action at this point in time but need to be monitored to ensure that there are no changes in circumstances which would lead to the risk score changing. They should be visible to Directors and **reviewed on at least a 6-monthly basis.**

A large print version of this document is available on request

Rutland
County Council

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Risk No.	Description of the risk	SMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
1	Failure to recruit and retain sufficient skilled staff to ensure safe and effective service delivery Causes: • Ineffective recruitment procedures • Less favourable pay terms and conditions compared to the market • Ineffective management • Lack of opportunities for development and progression Consequences: • Increased cost of recruiting interims to cover vacancies • Failure to deliver services • Poor staff morale	D Mogg	• Specific recruitment plans in place for teams experiencing difficulties with recruitment. Innovative approaches being taken. • Maximum alignment to national terms and conditions • Health and Wellbeing programme in place for staff which continues to expand • Corporate training programme in place along with a Leadership Development programme. • Workforce Development Strategy approved in January 2016. • Part of regional and national pay networks • Regular market comparison of pay levels through epay check. • Exit interview analysis and monitoring of turnover	2	4	8	• Working groups in place to address the issues identified from the 2015 staff survey in respect of communication, wellbeing, environmental factors and mental health. • Staff survey to be undertaken again early 2017 • Action plans required, to deliver the workforce development strategy which include specific actions around recruitment • Development of improved marketing and recruitment strategies	2	3	6	Further action required and this is built into the relevant work plans.

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Risk Scores: I = Impact L = Likelihood

April 2016

Risk No.	Description of the risk	SMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
2	There is a risk that the Council cannot meet its statutory requirement to produce a robust and balanced budget now or in the medium term Causes: • further losses of government funding • failure to identify or deliver savings programmes • unanticipated demand • unforeseen event • unwillingness to use our revenue generating powers (fees, council tax, precept etc) • failure to deliver growth • changes in government policy or funding regime Consequences: • Breach of statutory requirement • Erosion of reserves below recommended levels • Drastic action needed to rectify the positions e.g. cuts	S Della Rocca	• Lobbying of Government (done individually and with LGA/SPARSE) • Key savings programmes monitored by Directorate team, SMT and through quarterly monitoring • New saving programme to be developed in 16-17 for Places directorate (see opposite) • Maintenance of a 5-year MTFP with funding and other risks detailed in Budget and Quarterly reports • Risks quantified as far as possible and build into MTFP e.g. Living Wage, Contracts • Overall financial context discussed and shared with SMT/Cabinet formally and informally including sensitivity analysis over key variables • Economic development plan in place and key growth project (OEP)	4	2	8	• Agree by June 2016 a savings programme process for Places Directorate (HB)	4	2	8	Process has been discussed and work is underway to undertake baseline reviews of all service areas. This is being led by the Places Directors. Timescales beyond baseline reviews are yet to be agreed.
3	Failure to deliver key services should a significant	D Brown	• A Business Impact Assessment (BIA) has	4	3	12	• An SMT exercise is planned to test the	3	3	9	Further action required.

Risk Scores: I = Impact L = Likelihood

April 2016

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Risk No.	Description of the risk	SMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
27	business interruption occur, including supplier failure. Causes: • Natural disasters • Fire • ITC system failure • Restricted access to premises • Loss of utilities • Outbreak of disease or infection • Terrorist attack • Theft or vandalism • Failure of key suppliers or contractors Consequences: • Failure to deliver key services • Breach of statutory duty • Reputational damage		been carried out to determine which services are critical, how quickly they must be restored and the minimum resources required. • A Major Incident Plan has been prepared which defines a structure to: ○ Confirm the nature and extent of any incident; ○ Take control of the situation; ○ Contain the incident; and ○ Communicate with stakeholders. • Specific recovery plans are in place for the 5 key threats: ○ loss of key staff (skills/knowledge); ○ loss of telephone system; ○ loss of buildings; ○ loss of ICT; and ○ loss of utilities. • Business continuity documents have been uploaded to a secure website (Resilience Direct) to ensure they can be accessed from				Major Incident Plan was undertaken in April 2016. • Recovery plans will be reviewed following the exercise. • Checks required to ensure contracts are being risk assessed and appropriate mitigation are in place. • An additional recovery plan is required for the supported living service.				

Risk Scores: I = Impact L = Likelihood

Risk No.	Description of the risk	SMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
			any site in the event of an incident. • Contract procedure rules include the requirement for contract managers to consider the impact of contractor failure and mitigate the risks appropriately.								
4	Failure to Safeguard (Children) and a child is significantly abused, badly hurt or dies. Causes: • Case not being known • Failing to identify risk after referral • Failing to effectively assess risk at the correct level • Failure to put relevant safeguards in place • Poor information sharing Consequences: • Intensive scrutiny by Public and Press • Reputation damage • Potential loss of frontline staff • Potential external	Tim O'Neill	• Processes and procedures in place to protect the most vulnerable. • Scrutiny and overview from the Safeguarding Boards. • Monthly performance and financial monitoring by senior officers and update reports to Cabinet. • High quality, timely information contained within case files. • High quality, timely management oversight. • Revised supervision process to ensure early information. • Ensuring we have sufficient competent staff to safeguard children and there is no unallocated work. • Case auditing to identify any shortfalls in practice	3	3	9	• Service Improvement Plan delivered phase 1 – March 16; phase 2 – March 17. • Phase 1 includes: • Introduction of new quality assurance process • Introduction of new performance management framework • Implement new recruitment approach including retention payments for social workers	2	3	6	• Significant issues of interim staff have been addressed in part by the Recruitment/ retention strategy. Residual risk remains on certain significant posts.

Risk Scores: I = Impact L = Likelihood

Risk No.	Description of the risk	SMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
	intervention • Requirement to undertake and publish a serious case review • Potentially high legal costs		and to identify where further action is required to keep children safe. • Development of clear practice standards so staff know what is expected of them. • Case tracker to ensure visits are being undertaken. • Management oversight recorded on file. • Effective Staff training • Strict application of the panel process.								
5	Failure to Safeguard (Adult's) and an adult is significantly abused, badly hurt or dies. Causes: • Case not being known • Failing to identify risk after referral • Failing to effectively assess risk at the correct level • Failure to put relevant safeguards in place • Poor information sharing Consequences: • Intensive scrutiny by Public and Press • Reputation damage • Potential loss of	TON	• Processes and procedures in place to protect the most vulnerable. • Scrutiny and overview from the Safeguarding Boards. • Monthly performance and financial monitoring by senior officers and update reports to Cabinet. • High quality, timely information contained within case files. • High quality, timely management oversight by DASM. • Ensuring we have sufficient expert and	3	3	9	• Implement new recruitment approach including retention payments for social workers – Jan 16 • Development and embedding of Prevention & Safeguarding team – March 16 • Implementation and embedding MSP now incorporated in the Care Act – March 16	2	3	6	• Adult scrutiny have scrutinised procedures related to care home and measures in place to safeguard. • Adult scrutiny will next be scrutinising home care. • Significant issues of interim staff have been addressed in part by the Recruitment/retention strategy. Residual risk remains on certain significant posts.

Risk Scores: I = Impact L = Likelihood

April 2016

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Risk No.	Description of the risk	SMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
	frontline staff • Potential external intervention • Requirement to undertake and publish a serious case review • Potentially high legal costs		competent staff • Case auditing to identify any shortfalls in practice and to identify where further action is required • Development of clear practice standards so staff know what is expected of them. • Management oversight recorded on file alongside regular supervision. • Effective Training of Staff								
6 30	Long term failure to achieve educational attainment. Causes: • Poor quality teaching, learning and governance in schools. • Poorer family engagement in the home. Consequences: • Reputation damage • Reputation damage • Potential external intervention		• Monitoring by officers • Education Performance Board to review schools. • Increased scrutiny and intervention in schools causing concern. • Regular liaison with DfE and Ofsted • Effective early help support	4	3	12	• Implementation of year 1 of the learning and skill strategy, particularly in relation to categorisation and monitoring of school outcomes – August 16 • Implementation of year 1 of the early help strategy – March 16	4	2	8	• Positive one academic year improvement across all Key Stages not yet sustained over longer period • Developing strong partnership schools and academies again this needs to be sustained

Risk Scores: I = Impact L = Likelihood

Risk No.	Description of the risk	SMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
7	Failure to put in place the infrastructure to support growth Causes: • Development occurs at a faster pace than anticipated • Infrastructure needs are not identified and provided for Consequences: • Complaints from community and potential risk of legal challenge	H Briggs	• Infrastructure requirements fully identified linked to CIL and the 123 list • Regularly reviewed • Key infrastructure requirements are monitored on a regular basis e.g. School Places • Specific projects in place to meet specific need including:- Digital Rutland – Broadband OEP – employment and business growth Schools Programme – School and Learning places • Medium Term financial plan and level of balances would facilitate urgent action to be taken if required	2	2	4	• Continue to review the 123 list and prioritise the most significant requirements • Ensure CIL implemented and receipts are collected and targeted at need • Review key areas as at present	2	2	4	• Actions are in place to deliver against current demand and need

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Risk Scores: I = Impact L = Likelihood

Risk No.	Description of the risk	SMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
8 32	Failure to secure delivery of change required within Health & Social Care Causes: • Insufficient funding • Demand exceeds expectations • Challenge to changes slows the process down Consequences: • Ineffective service delivery and on-going cost pressure and impact on MTFP	H Briggs	• Risk highlighted and an allowance made within our MTFP • Playing a key role in the LLR BCT Project • Working directly with ELRCCG to achieve improved care pathways and focus on 'Left Shift' and its impact • Focussing on early intervention and prevention – evidence from BCF outcomes is strong in most areas • ASC strategy is now at the consultation stage • New commissioning framework being developed • Better Care Fund evolving and initial outcomes are positive	3	5	15	• Need to remain engaged in BCT project • Quantify and risk assess the impact on Social Care of BCT changes • Continue with Care Pathway reviews and changes • Expand BCF to accommodate the impact of Left Shift – the second BCF is currently going through the assurance process prior to agreement at H & W Board • Continue to make adequate and appropriate provision within our MTFP • Ensure our commissioning framework is sufficiently flexible to accommodate pressure from spikes in demand	2	2	4	• Although significant work is on-going this is still at an early stage and requires a sustained focus • The Social Care precept has assisted in this area but has not entirely mitigated the pressure within the MTFP

Risk Scores: I = Impact L = Likelihood

April 2016

Risk No.	Description of the risk	SMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
9	Failure to manage the public's perception of the Council Causes: • A significant failing in service provision Consequences: • Loss of confidence and significant resource required to improve thus distracting from service delivery	H Briggs	• The Council works hard and pro-actively to present a positive image through a number of channels including:- Web Site Local press through PR's Social Media Rutland Radio • The Council's Strategic Communication Advisor provides advice and training where required for Officers and Members • If additional support is required this is available and has been used during 2015 to good effect • SMT monitor current issues and assess the likely impact positive and negative. Where required, communication strategies are developed customised to the event etc.	2	2	4	• Continue current actions as outlined • Media training being refreshed in 2016 • Expanding Social Media presence • Web site being redeveloped • Customer Services being reviewed • Plan in place for responses to events as they occur e.g. Resilience Issues	2	2	4	• Recent experience has tested current plans and they have met the test. Active learning will feed into on-going review of plans.

Risk Scores: I = Impact L = Likelihood

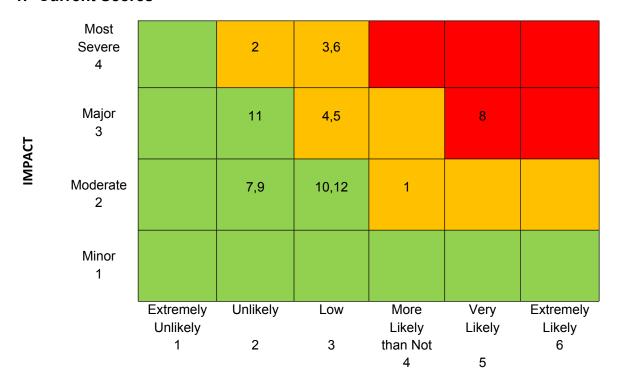| Risk No.	Description of the risk	SMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
10	Failure to protect the health and safety of employees and members of the public Causes: • Non-compliance with health and safety legislation Consequences: • Employee or customer injury • Regulatory fine • Reputational damage	P Phillipson	• Full time health and safety advisor employed who reviews health and safety implications of all policies and contracts. • Joint safety committee in place that reviews all internal risk reports such as RIDOR forms. • Contract procedure rules require contract managers to take due regard of health and safety when procuring contracts. • Managers complete risk assessments for service activities and review annually. • Mandatory health and safety training for all staff as part of induction process.	2	3	6	• Corporate health and safety risk assessment template required. • Central register of risk assessments.	2	3	6	Live

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Risk Scores: I = Impact L = Likelihood

Risk No.	Description of the risk	SMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
11	Failure of corporate governance (incl data governance) with service, financial or reputational consequences Causes: • Serious data breach • Breakdown in internal control • Decision taken without the proper authority • Fraud Consequences: • Non-achievement of objectives • Reputational damage • Financial loss or fine	D Mogg	• Constitution, including scheme of delegation • Annual Governance Statement • Corporate compliments, comments and complaints scheme • Member and Officer Codes of Conduct • Member Training Programme • Policies in place re Bribery, Whistleblowing, Anti-fraud and corruption • Clear management structure • Data Protection Policy and Procedures supported by training • IT security policy • Track ICO guidance • Proactive internal audit service • Fraud risk register in place and has been reviewed for April Audit and Risk Committee – no major issues highlighted	3	2	6	• Complete review of scheme of delegation to take place by March 2016 • Further development of the Members training programme • IT security policies to be reviewed	3	2	6	Ongoing

Risk Scores: I = Impact L = Likelihood

Risk No.	Description of the risk	SMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
12	Failure to successfully manage the transition to new Leadership of the Council Causes: • Unexpected death of former Leader prevented a planned, comprehensive handover to the current Leader. • Current Leader recuperating from an operation • Changes to portfolios means that Cabinet members have taken on new and additional responsibilities Consequences: • Non-achievement of objectives	H Briggs	• Comprehensive induction process for portfolio holders • Training fund available for specific/technical training for Cabinet • Dedicated strategic planning time set aside for Cabinet and SMT. • Deputy Leader shadowing Leader • LGA Support for Cabinet Development	2	3	6	• No additional actions required	2	3	6	

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Risk Scores: I = Impact L = Likelihood

Summary of Risks plotted on the risk matrix

1. Current Scores

IMPACT	Extremely Unlikely 1	Unlikely 2	Low 3	More Likely than Not 4	Very Likely 5	Extremely Likely 6
Most Severe 4		2	3,6			
Major 3		11	4,5		8	
Moderate 2		7,9	10,12	1		
Minor 1						

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2. Target Scores

IMPACT	Extremely Unlikely 1	Unlikely 2	Low 3	More Likely than Not 4	Very Likely 5	Extremely Likely 6
Most Severe 4		2,6				
Major 3		11	3			
Moderate 2		7,8,9	1,4,5, 10,12			
Minor 1						

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