

<u>BLAENAU GWENT COUNTY BOROUGH COUNCIL</u>	
Report to	The Chair and Members of The Audit Committee
Report Subject	Risk Management Strategy and Handbook
Report Author	Rhian Hayden, Head of Financial Services Penny Jones, Risk & Insurance Manager
Report date	1st November 2017
Directorate	Resources
Executive Portfolio	Financial Management and Strategy
Date of meeting	14th November 2017
Date signed off by Monitoring Officer <i>(please note for decision making reports only, to be submitted by Performance Team)</i>	N/A
Date signed off by Section 151 Officer <i>(as above)</i>	N/A
Date signed off by Chair <i>(for all reports, to be submitted by Performance Team)</i>	
Key words	Risk Management

Report Information Summary

1.	Purpose of Report*
1.1	To consider revisions to the Risk Management Strategy and Risk Management Handbook as laid out in the attached documents (Appendix 2 & 3).
1.2	To enable the Audit Committee to fulfil their role and seek assurance that the Council has an appropriate and robust approach to risk management in place within the Council.
2.	Scope of the Report*
2.1	To present the reviewed Risk Management Strategy and the Risk Management Handbook which details risk management processes and procedures for adoption within the Council.
3.	Contribution to the National Well-Being Goals – Detail attached as Appendix 1
3.1	Effective Risk Management allows the Authority to deliver services in pursuance of its obligations under the national wellbeing goals.
4.	Recommendation(s) / Endorsement by other groups, e.g. CMT/Committees/Other groups*
4.1	The Strategy Document and Handbook have been endorsed by Wider Corporate Leadership Team and Corporate Leadership Team.
5.	Recommendation/s for Consideration*
5.1	Audit Committee considers the updated Risk Management Strategy and Risk Management Handbook and assesses its adequacy in setting out the Council's expectations in relation to the management of risk.
5.2	The Council's Risk Management arrangements continue to be regularly reviewed against best practice.

Why this topic is a priority for the Council?*						
<i>Report author to identify links to the main corporate strategies.</i>						
Single Integrated Plan (SIP)	Corporate Improvement Plan (CIP)	Performance Management Improvement Framework (PMIF)	Operating Model	Transforming Blaenau Gwent (TBG Programme)	Relevant legislation	Other (please state)

Reporting Pathway*							
<i>Report author to identify proposed reporting pathway. (To identify dates where relevant)</i>							
Directorate Management Team (DMT)	Corporate Management Team (CMT)	Audit	Democratic Services Committee	Scrutiny	Executive	Council	Other (please state)
X	X	X		X	X	X	Wider CLT 05/09/ 17

***Denotes mandatory section**

Main Report

1.	Background and Context*
1.1	Risk management is a key component of the Council's overall governance arrangements.
1.2	It is the process of identifying significant risks to the achievement of the Authority's strategic and operational objectives, evaluating the potential consequences and implementing the most effective way of responding to, controlling and monitoring them.
1.3	The Council's Risk Management Strategy provides a framework which supports the effective management of threats and opportunities. It was last reviewed in 2015 and will be reviewed in line with the Council's developing needs and requirements but as a minimum of every two years.
2.	Performance Evidence and Information*
2.1	<p>The Council's risk management arrangements have improved substantially following a critical thematic review by the Wales Audit Office in 2011 and the following has been achieved: -</p> <ul style="list-style-type: none"> • A Corporate Risk Register is in place which is a record of the Council's most significant risks and which is reviewed, updated and monitored regularly. This is attached at Appendix 4. • The Council has set a risk appetite above which risks are escalated to the Corporate Risk Register. • Over 100 staff received risk management training in 2016. • A Risk Management Handbook is in place which provides guidelines for all aspects of managing risk and encourages consistency in risk scoring. • Service and Directorate risk registers are in place which sit below the Corporate Risk Register.
2.2	The latest review of the Strategy and Handbook has concentrated on reflecting changes to titles and roles and responsibilities for Risk Management. Amendments to the risk impact table are intended to assist officers further in the scoring process.

3.	Risk Implications*
3.1	Failure to ensure robust risk management arrangements are in place will result in the weakening of internal controls.
3.2	Failure to identify the Council's significant risks could result in a myriad of potential consequences including failure to maximise the chances of objectives being achieved, financial loss and reputational damage.
4.	Financial Implications* (to include any VAT implications)
4.1	There are no direct financial implications although it is widely recognised that effective risk management is an essential ingredient in achieving service improvement, efficiency and value for money.
5.	Staffing/Workforce Development Implications*
5.1	There are no additional staffing implications arising from this report however all staff & members have a responsibility to ensure effective management of risk.
6.	Options for Consideration
6.1	That the documents attached at Appendix 2 and 3 are considered and the report be progressed to the Scrutiny Committee / Executive Committee for endorsement.
7.	Impact Assessment Against Proposals / Options*
7.1	<ul style="list-style-type: none"> • Thinking for the long term <i>The importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs</i> • Taking an integrated approach <i>Considering how the Council's well-being objectives may impact upon each of the well-being goals, on other objectives, or on the objectives of other public bodies</i> • Taking a preventative approach <i>How acting to prevent problems occurring or getting worse may help the Council to meet its objectives</i> • Collaborating <i>Acting in collaboration with any other person (or different parts of the Council itself) that could help the Council to meet its well-being objectives</i> • Involvement <i>The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the Council serves</i>

7.2	Equality Impact Assessment (EQIA) An EQIA is carried out when a policy or practice is proposed or being reviewed, and looks for evidence of positive or adverse impact against people or groups from the nine protected characteristics. The Council also factors the Welsh Language into the Impact Assessment Process, to assist with meeting the requirements of the Welsh Language Standards 2015. The Council must carry out EQIAs on policies, procedures, functions, service delivery and financial savings proposals.
8.	Conclusion*
8.1	The Risk Management Strategy and accompanying handbook provides a framework to ensure that all risks to the Council are systematically identified, prioritised and managed. It will align with the Performance Management Framework and aids the achievement of priorities and service improvement.
8.2	The Strategy will also provide assurance to Council regulators and other interested parties that the Council has processes in place to effectively manage its risks.

*Denotes mandatory section

Assess how well your project / activity will result in multiple benefits for our communities and contribute to the national well-being goals.		
Description of the Well-being goals	How will your project / activity deliver benefits to our communities under the national well-being goals?	Is there anyway to maximise the benefits or minimise any negative impacts to our communities (and the contribution to the national well-being goals)?
<p>A prosperous Wales An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.</p>		
<p>A resilient Wales A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).</p>		
<p>A healthier Wales A society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.</p>		

Description of the Well-being goals	How will your project / activity deliver benefits to our communities under the national well-being goals?	Is there anyway to maximise the benefits or minimise any negative impacts to our communities (and the contribution to the national well-being goals)?
<p>A more equal Wales A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).</p>		
<p>A Wales of cohesive communities Attractive, viable, safe and well-connected communities.</p>		
<p>A Wales of vibrant culture and thriving Welsh language A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.</p>		
<p>A globally responsible Wales A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.</p>		