



Risk Management Strategy

August 2020

Foreword

This Risk Management Strategy has been produced to help in raising awareness of the principles of risk management and to assist colleagues, at all levels, in applying sound risk management principles and practices.

In delivering our services for Dorset residents we have in place an agreed and established set of strategic and operational objectives to provide Dorset Council with direction.

Risk management is a process that aims to identify significant risks that may impact on the achievement of our objectives and then looks to evaluate, design and implement effective actions to reduce both the likelihood and the potential impact of these risks occurring. Clear identification and assessment of risks will ultimately lead to a more effective use of resources and result in direct improvements to the services we can provide to our customers and stakeholders.

Risk management is about taking informed decisions, achieving objectives and delivering results. By being more risk aware we it is our intention to be better placed to avoid threats and take advantage of any opportunities that might arise.

Dorset Council is also committed to a programme of risk management to ensure its ambitions for residents can be fulfilled through:

‘The identification, analysis, management and financial control of those risks which can most impact on the Council’s ability to pursue its approved council plan.’

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1. Introduction

If risk is to be recognised correctly it should be viewed as a positive and managers need to embrace risk and, in doing so, actively consider it in undertaking and performing their day to day duties and responsibilities. This positive 'risk aware' stance will assist in delivering an objective, informed and robust management decision making process.

Effective risk management processes therefore provide the authority with a means of:

- Improving strategic, operational and financial management
- Securing robust operational and service performance
- Maximising opportunities and minimising loss events which might result in financial losses, service disruption, bad publicity, threats to human health and safety or claims for compensation

As such, a 'risk aware' culture that is fully embedded within an organisation's decision-making processes provides an enhanced and informed operational and strategic focus to assist it to achieve its stated objectives and priorities. Dorset Council is committed to using risk management to maintain and improve the quality of its own services as well as any contribution by partnerships through its community leadership role and the following objectives:

- To continue to embed risk management into the culture of the Council
- To promote the recognition of risk within the Council's defined corporate aims and objectives
- Continue to raise risk awareness within the Council and its partners
- To manage risk in accordance with best practice
- To comply with legislation and guidance
- To improving safety and increase safety awareness
- To protect Council property, services and public image
- To reduce disruption to services by having effective contingency or recovery plans in place to deal with incidents when they occur
- To minimise injury, damage, loss and inconvenience to residents, staff, service users, assets, arising from or connected with the delivery of Council services
- To review robust frameworks and procedures for the identification, analysis, assessment and management of risk, and the reporting and recording of events, based on best practice
- To maximise value for money.

2. Governance

An extract from the corporate risk register was considered by the Audit and Governance Committee at which councillors made helpful observations and judgements on the format of the risk reporting and layout. The committee considered a three by three matrix which focused

on a Red, Amber or Green (RAG) Status. The approach was also used by the Senior Leadership Team when dealing with risks associated with the COVID crisis.

Work has been developed and will include improvements with the:

- Inclusion of relevant performance measures for corporate risks providing a clear link between performance and risk
- Clearer acknowledgement of changes made on individual risks since the previous reporting and the ability for councillors to invite risk owners to relevant meetings where specific detailed questions on risks will be raised

We understand that effective performance management relies on close monitoring and assessment of a variety of measures from across the council. These range from the highest-level strategic measures – the council's key performance indicators (KPIs), through to the multitude of lower level metrics and measures which support individual services and teams. Strategic level outcomes associated with measuring the successful delivery of the council plan and oversight of the council's overall performance. The strategic reporting consists of:

- Quarterly reporting on progress with the Dorset Council Plan to the Corporate Leadership Team (CLT) / Senior Leadership Team (SLT) and the Cabinet.
- Balanced scorecard reporting on service performance: monthly to CLT/ SLT; monthly to performance leadership group (executive directors and portfolio holders); and quarterly to the Place and Resource Overview Committee and the People and Health Overview Committee.
- Quarterly risk management and internal audit updates to Audit and Governance Committee. The Committee has an assurance role on this overarching framework and will refer any areas of high-level concern to the appropriate overview committee.

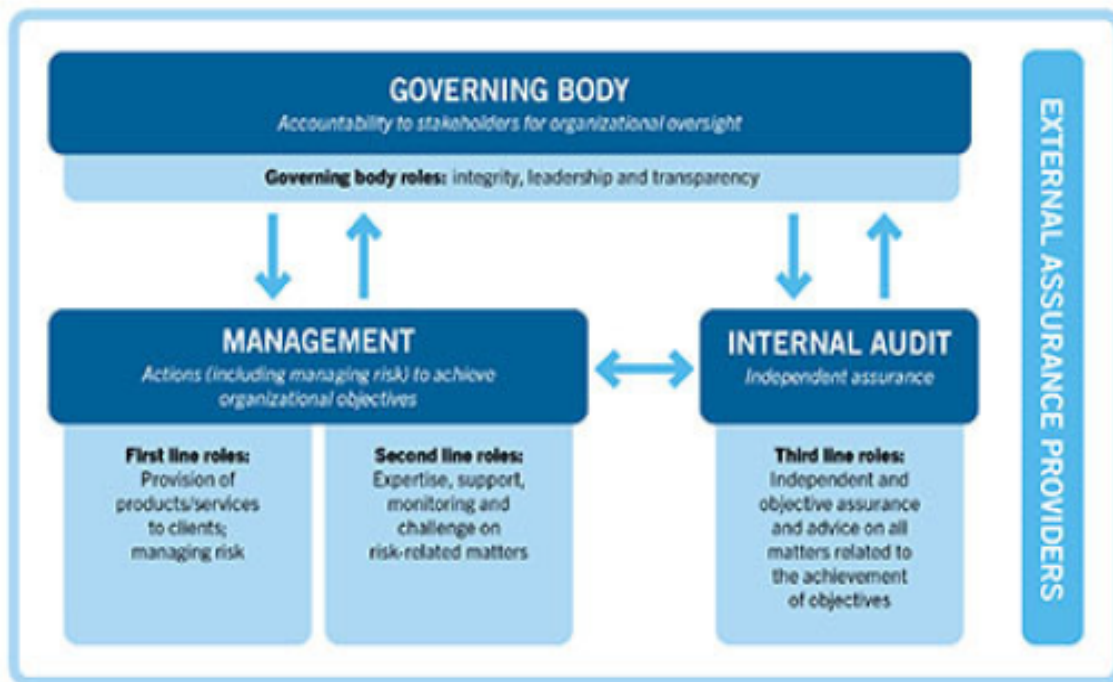
Service level reporting required to make informed service level leadership and management decisions. The approach to service level reporting will provide monthly management information in a range of formats determined by the senior leadership teams of each of the council's directorates: People – adults and housing; People – children's; Place; and Corporate development with a clear link between performance and risk management.

During 2020 Dorset Council had had a significant role in responding to the Covid-19 outbreak, as a Category One responder under the Civil Contingencies Act. This resulted in some temporary changes to governance arrangements, including postponement of some committee meetings, and prioritisation of service delivery to cope with changing demand. Dorset Council worked with partners to take all the necessary steps to contain and delay the virus and to ensure we are well prepared for any potential spread. The council shared messages with the workforce and residents as to how they can help minimise the spread of germs and the coronavirus in Dorset.

3. The Three Lines model

The Three Lines Model provides a look at the way many organisations look not just at risk, but also at controls, collaboration, communication, accountability, assurance, and

more. The Three Lines Model clearly looks at roles and responsibilities of the governing body, as well as executive management, and internal audit. These roles are not limited to risk management but focus on the overall governance of the organisation.



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The identification of six key principles on which the new Three Lines Model is based:

- Principle 1 - Governance of an organisation requires appropriate structures and processes that enable accountability, action, and assurance.
- Principle 2 - Governing body roles ensure appropriate structures and processes are in place for effective governance.
- Principle 3 - Management's responsibility to achieve organisational objectives comprises both first- and second-line roles. First-line roles are most directly aligned with the delivery of products and/or services to clients of the organisation and include the roles of support functions. Second-line roles help with managing risk.
- Principle 4 - In its third-line role, internal audit provides independent and objective assurance and advice on the adequacy and effectiveness of governance and risk management. It achieves this through the competent application of systematic and disciplined processes, expertise, and insight. It may consider assurance from other internal and external providers.

- Principle 5 - Internal audit's independence from the responsibilities of management is critical to its objectivity, authority, and credibility.
- Principle 6 - All roles working collectively contribute to the creation and protection of value when they are aligned with each other and with the interests of stakeholders.

Organisations that embrace and embed these principles in their controls, operations, and cultures will invariably enjoy stronger governance. Adherence to these principles should be the goal of all organisations and, once achieved, must be continually monitored and nurtured. The model's principles-based approach is designed to provide users greater flexibility. The areas of responsibility are generally described as:

- Accountability by the governing body to stakeholders for oversight.
- Actions (including managing risk) by management to achieve organisational objectives.
- Assurance and advice by an independent internal audit function to provide insight, confidence, and encouragement for continuous improvement.

4. The Risk Management Framework

Dorset Council believes it is more likely to achieve its priorities and enhance its services to residents by managing risks at all levels of its planning activities in a pro-active, considered, proportionate and systematic way. This approach is based on an acceptance that some risks will never be eliminated and acknowledges that exposure to acceptable levels of risk is integral to delivering more innovative, customer focused and cost-effective services.

We will continue with help from colleagues to achieve the following operating principles relating to its approach to managing risk:

- We are risk informed not risk averse, our decisions reflect this, and we communicate this well
- Consideration of risk does not stop us doing what we need to do

Dorset Council's risk management strategy's objectives are to:

- Be risk informed not risk averse
- Integrate and embed risk management into the culture of the Council as part of normal business management processes
- Anticipate and respond to changing social, environmental and legislative requirements and ensure that statutory obligations and policy objectives are met

- Prevent injury, damage and losses and reduce the cost of risk to an acceptable level
- Raise awareness of the need for proportionate risk management principles and practices by all those connected with the delivery of the Council's services
- Maintain effective and efficient control, management and stewardship of public funds and assets
- Preserve and promote the reputation of the Council for the benefit of the communities it serves
- Recognise positive risks (opportunities) as well as negative risks (threats)

Risk management is only considered to be truly embedded when it functions as part of the Council's day to day operations. For this to be achieved it is vital that clarity exists to determine the various roles and responsibilities of individuals involved throughout the Council in the risk management process.

To ensure that this level of clarity exists, the Council has established a clear structure that depicts how Members, Officers and the various Committees, Groups and Teams contribute to the overall risk management process.

Each relevant Directorate manager helps to facilitate and promote risk awareness throughout the Directorate and Dorset Council with support from the Risk and Resilience Officer.

The approach helps to form the basis of the Council's Resilience Group, together with specialists in subject areas such as health and safety, performance management, legal, audit, emergency planning, insurance and risk management.

Working with colleagues within the council and at directorate management teams it will help to:

- Provide the link between the Resilience Group and their Directorate Leadership Team
- Contribute to the corporate risk management agenda
- Ensure that risk management issues are considered and addressed in relation to their Council, Directorate and Service Plan priorities
- Periodically report to the Resilience Group on the performance of the management of risks within the relevant Risk Registers
- Ensure that progress is made in addressing the strategic risks allocated to lead officers within their directorate and to feed this information back to the Resilience Group.

5. Risk Appetite

Risk Appetite can be defined as "the level of risk that an organisation is prepared to accept in order to meet its strategic priorities". The Council's risk ranking matrix attempts to present a gauge of what would ordinarily be deemed to be above this appetite level.

The risk ranking matrix identifies the level of risk, as highlighted below:

MANAGING RISK – RISK ASSESSMENT						
Score IMPACT	Financial	Legal / Compliance	Strategic	Safety, Wellbeing & Safeguarding	Reputation	Service Delivery
HIGH	Over £500k	Non-compliance with legislation or regulatory breach Significant regulatory impact	Complete failure of a strategic priority Major impact on a strategic priority	Fatality or life-changing injury / illness; Significant safeguarding breach Major injury / illness; moderate safeguarding breach	Complete failure in confidence (local or national) Long term media attention (local or national)	Complete failure to deliver critical services (safeguarding; urgent statutory responsibilities etc) Major impact on delivering critical services (safeguarding; urgent statutory responsibilities etc)
MEDIUM	£300k to £500k	Moderate regulatory impact	Moderate impact on a strategic priority	Moderate injury / illness	Medium term negative impact on public memory	Serious disruption to less critical services
LOW	£0k to £300k	Minimal regulatory impact No legal or regulatory impacts	Minor impact on a strategic priority Negligible impact on a strategic priority	Injury or illness requiring minimal intervention / treatment No health and safety impact	Short term negative impact on public memory Minor complaints or rumours	Minor disruption to services Negligible disruption to service delivery

Score LIKELIHOOD	LOW	MEDIUM	HIGH
Type	0 to 40%	40% to 60%	61% to 100%
Description	Unlikely	Possible	Likely

The Council's risk ranking matrix attempts to present a gauge of what would ordinarily be deemed to be above this appetite level.

		LIKELIHOOD		
		Unlikely	Possible	Likely
IMPACT	Significant			
	Moderate			
	Minor			

6. What is a Risk Register?

A risk register provides a snapshot of the key strategic risks to achievement of agreed aims, objectives and priorities, as identified by Senior Leadership Team and/or Directorate Management Teams. The Corporate Risk Register is linked to the Council's Plan, whereas a project risk register will relate to the individual priorities or projects.

The key point is that it should act as a management tool to identify, assess and manage risk down to a level that is considered acceptable to tolerate.

- The register provides a framework in which these risks that threaten achievement of objectives (or anticipated benefits) are captured
- Actions are then instigated to reduce the potential impact and / or likelihood

It is essential that we understand the risk and following the risk management process to:

- **Understand**

Identifying what are the key risks that threaten achievement? It is often helpful if this identification process is undertaken by a small group.

What do we currently have in place to control or manage this risk?

Based on these controls, what do we see as our current level of risk? Once you have considered the impact, you should next consider the Likelihood.

- **Plan**

Measurement all risks once scored, prioritise risks that require the most urgent attention. High risk activity should be subject to a greater level of scrutiny, to ensure assurance can be given that potential exposures are controlled to an acceptable level.

- **Do**

Management of risks down to an acceptable level. In determining the options that are available to deal with the identified risks, early consideration must be given to the cost/benefit of implementing the identified solutions.

To implement solution which brings with it an acceptable level of cost that outweighs the benefits of attempting to mitigate it is unlikely to receive a particularly warm welcome!

On occasion, there may be legal, regulatory or social responsibility factors that determine the necessity for control regardless of its cost benefit. Responsibility for the management of the risk should be defined.

- **Review**

With robust **monitoring** and **reporting** of the performance of risk as this is an essential part of the risk management cycle. This will ensure that the effectiveness of controls can be reviewed, whether the level of risk has changed and whether there are any new risks that should be added to the risk register.

7. Risk Leads and Risk Owners

To ensure the active management and monitoring of risk, each of the risks within the risk register are allocated to both a 'Risk Lead' and a 'Risk Owner'. The Risk Lead is the officer within Dorset Council that is in the best position to actively influence the management of the risk. Whilst this officer may provide the corporate lead, many actions for risk improvement are likely to be delegated to other professional/technical officers for implementation.

The Risk Owner will be at either Director or Head of Service level and is accountable for the performance of the risk, and will

- Periodically review the assessment of the risk to ensure that the entry within the register accurately reflects the current risk position. As a guide, High risks will be reviewed quarterly, Medium risks half yearly and Low risks (and risks controlled to an "acceptable level") annually
- Co-ordinate the Council's corporate response to managing the identified risk, in terms of reviewing the adequacy of the current controls and developing any action plans for improvement
- Report any adverse performance of the risk, or any significant change to the risk environment

Risk Owners shall:

- Monitor and challenge the performance of the risks that they own
- Liaise with risk leads as and when necessary, in the event of any adverse performance of the risk

8. Monitoring and Reporting of Corporate Risks

Monitoring the performance of risk is an essential part of the risk management cycle. Corporate risks are reviewed regularly and subject to challenge at the following levels:

- Risk Leads – High risks should be reviewed on a quarterly basis; medium risks every six months, and low risks or those that are currently managed to an acceptable level are reviewed annually.
- Risk Owners – These are allocated at Director / Head of Service level and are accountable for the performance of the risk. Reviews are held with Risk Owners on a six-monthly basis, to gain assurance over the status of all the key risks identified within their service areas.

The performance monitoring and reporting process is the main vehicle for updating the Senior Leadership Team and Members. This provides an update on the key performance indicators linked to the Council Plan objectives and priorities, in addition to the latest position on all corporate risks identified as High, or Medium level risks noted as “deteriorating”.

The Risk and Resilience Officer will be the liaison for review and monitor of all risks. As such the officer will support lead officers and look to update the risk registers on a regular basis to provide an accurate position statement on performance. Annual Risk Management Report –

The yearly report to Senior Leadership Team and Audit and Governance Committee provides a more detailed overview of risk performance, including the corporate risk register.

High and Deteriorating risks should be escalated to the appropriate decision-making body (for example, programme/project board; Directorate Leadership Team).



9. The Role of Risk Management in Transformation

Dorset Council operates risk registers across its various programmes and projects to help ensure that those risks that potentially threaten successful delivery and can gain assurance that appropriate measures are being taken to satisfactorily manage the risks to an acceptable level.

Risk management plays a key role in the service transformation process, both in terms of identifying the appetite to accept any risks associated with the changing approach to service delivery, but also in ensuring that the risks arising from the implementation process are identified, assessed, prioritised, managed and monitored.

As the Council's risk management methodology clearly identifies our appetite for risk, it provides a positive framework for challenging service delivery practices and identifying potential areas for change.

The identification of High risks should not automatically present a barrier to change but does highlight those areas where a more thorough understanding of the risk is necessary so that an informed decision can be made as to whether the Council wishes to accept that risk.

10. Risk Informed Decision Making

Whether at a Cabinet level, service level or within individual projects, it is important that there has been a clear consideration of risk, so that decisions can be reached on a risk informed basis.

The aim of this strategy is to help define the role that risk management plays in transforming service delivery. However, it is also vital that elected members are sighted on the risks associated with decisions that are made as part of the committee process.

The Committee Report template requires the writer to identify the level of risk associated with the decisions to be made. Risk should be scored both for:

- The current level of risk (identifying the level of the risk prior to the recommendations / proposals set out in the report, or the level of risk in a “stand-still” position if no action is taken); and
- The residual risk (the level of risk to reflect the proposals / recommendations in the report, together with any additional mitigating actions proposed).

Where either the current or residual risk is identified as High, the writer should clearly articulate these risks within the report, together with any mitigation proposed.

This “High” rating also provides an escalation criterion for liaison with Directors, Heads of Service and Portfolio Holders.

Reporting of lower level risks (those identified as 'low' or 'medium') within committee reports will be at officer's discretion. It is essential that we learn from risks when they do arise, whether impacting on this Council's services or learning from others experience.

Consider what you're already doing, and the controls you already have in place. Ask yourself: Can I get rid of the risk hazard altogether? If not, how can I control the risks so that harm is unlikely?

Put the controls you have identified in place. You're not expected to eliminate all risks, ***but you need to do everything 'reasonably practicable' to protect people Dorset Council from harm.***

This means balancing the level of risk against the measures needed to control the real risk in terms of money, time or trouble.

APPENDIX A

RISK ASSESSMENT MATRIX – GUIDANCE NOTES

1. Introduction

Risk Assessment matrices provide a powerful and easy-to-use tool for the identification, assessment and control of risk. It will help to enable managers to consider the whole range of categories of risk affecting a service activity. The various categories of strategic and operational risks are detailed later in this guidance note.

The technique can assist in the prioritisation of risk and decisions on treatment plans, identification and allocation of resources; determine the adequacy of existing control measures and the need for further action. The technique can be directed at the business activity as a whole or on individual directorates, services, projects or programmes.

2. Identifying risks

Key questions should be asked to aid identification of risk. For each specific area knowledge of what the activity or outcome is and how it is achieved will be key to identifying any risks. Information on processes, people, skills and external risk will be essential, for example - PROCESS – Street Sweeping, tools required, equipment issued. PEOPLE – How many are involved in this process? Skills – Specific skills or knowledge required for this process, such as local knowledge of roads. External risk – traffic, hazardous waste.

3. Analysing Risks

Once enough knowledge of the activity or outcome has been obtained risks analysis can be carried out and key questions could include:

- What could go wrong?
- How could it go wrong?
- Has it happened before? (Look to other local authorities or organisations who may have the same or similar risks for evidence as well as internally)
- What other processes/objectives could be affected? (This will allow analysis of links to other risks)
- Is the risk to a strategic objective (affecting 3-5-year planning) or to an operational objective (affecting the day to day activity)?

Consideration should be given to whether the risk could be both strategic and operational, for example, an operational risk that if not controlled will stop the Council achieving a strategic objective.

4. Profiling of Risk

Risk profiling uses data collected on risk through identification processes to “score” the level of risk posed by the process/objectives.

Risk is profiled according to its likelihood and impact:

Risk Appetite can be defined as “the level of risk that an organisation is prepared to accept in order to meet its strategic priorities”.

The Council’s risk ranking matrix attempts to present a gauge of what would ordinarily be deemed to be above this appetite level.

		LIKELIHOOD		
		Unlikely	Possible	Likely
IMPACT	Significant			
	Moderate			
	Minor			

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Score	LOW	MEDIUM	HIGH
LIKELIHOOD			
Type	0 to 40%	40% to 60%	61% to 100%
Description	Unlikely	Possible	Likely

Likelihood

- Unlikely - Some likelihood
- Possible - Significant likelihood
- Likely - Near certainty

Impact

- Significant - Total service failure, high financial losses, possible national media criticism, local media interest or possible fatalities/severe injuries.
- Moderate - Short-term total service failure or prolonged partial failure, possible local media interest, possible financial losses or injuries.
- Minor- An annoyance that does not disrupt service provision or has only a localised impact contained within the council/service affected. No media or public knowledge of incident.

Once the likelihood and impact of the risk have been assessed they are plotted on the risk profiling grid above and the risk rating defined, for example, if a risk has a likelihood of possible and an impact of significant the risk rating will be HIGH (RED). This would mean the risk is high and would require a treatment plan.

If either the 'current' or 'residual' risk is identified as 'High', include a summary of the most significant risks and proposed mitigation. Reports that note 'High' risks should be shared at an early stage with the Head of Service and Corporate Director for consideration and discussion with the relevant Portfolio Holder - 'High' risks identified should also be escalated to Assurance for inclusion within the relevant Service Risk Register.

When assessing risks – we need to **understand, plan, do and review** our processes and potential risks.

- Inherent/Gross risk = the level of risk existing before any controls and/or treatment measures have been applied.
- Net risk = the level of risk remaining after managing it through treatment and/or control measures. Review periodically to ensure conditions have not changed.

Assessing the Risk Rating for each risk should:

- In the first instance be scored to show the level of risk with NO control measures in place – this allows the assessor to see the base line risk.
- For all future assessment of that risk show the score with control measure in place. This will allow the assessor to see the true value of any control measures.

The level of the inherent risk will help determine the best treatment for a risk, whether strategic or operational and we will need to decide, using the four Ts to either tolerate, treat, terminate or transfer the risk – the FOUR Ts.

Tolerate – we might decide to tolerate a risk where:

- The risk is effectively mitigated by internal controls, even if it is a high risk
- The risk cannot be mitigated cost effectively
- The risk opens greater benefits

These risks **must be monitored**, and contingency plans should be put in place in case the risks occur.

Treat - this is the most widely used approach. The purpose of treating a risk is to continue with the activity which gives rise to the risk and to bring the risk to an acceptable level.

Terminate - Doing things differently and therefore removing the risk. This is particularly important in terms of project risk but is often severely limited in terms of the strategic risks of an organisation.

Transfer - Transferring some aspects of the risk to a third party, for example, via insurance, or by paying a third party to take the risk in another way.

Completing the Risk Assessment Matrix

SECTION 1

DATE the risk assessment was completed

NAME of person completing assessment (not necessarily the risk control owner)

POST of person completing assessment

DIRECTORATE/SERVICE that the risk has been identified as belonging to

Risk Assessment - Number Consecutively from 1 (the first assessment) this allows for accurate version control and provides an auditable trail of treatment and effectiveness.

Risk type define the category of risk:

- Strategic – a risk to the 3 – 5-year planning outcomes linked to the Council Plan.
- Operational – a risk affecting day-to-day processes.
- Both – an operational risk with a strategic impact.

SECTION 2

REFERENCE sequential numbering of risks identified; this can be used with the directorate service information to give each risk a unique reference that for the relevant risk register.

RISK describe the risk, what is it that is likely to happen? What are the triggers to this happening? Categories of

- Risk - identify which categories the risk falls into
- Likelihood - score from risk profiling grid
- Impact - score from risk profiling grid

SECTION 3

CONTROL Measures in Place: Describe all the controls currently in place. Are further controls required: Yes or No. Further controls will be required if the residual risk rating is still HIGH. Where further controls are required a treatment plan should also be completed.

REVIEW: How often will this risk be reviewed? Review dates have several criteria. How high is the risk rating? How important is it that this risk is controlled? What are the cost implications of this control?

If there is a significant cost to the control review may be delayed until a budget for the control is identified. Similarly, the cost of a control may mean that more frequent reporting on the risk is required as part of budget monitoring.

Low-level risks may only require monitoring on a yearly basis if the level of risk is not likely to change. A = Annual, Q = Quarterly, M = Monthly.

Date of next Review: Plot realistically when you should next review the risk rating to assess the adequacy of the controls.

Owner: This is the person responsible for implementing the risk control measure, not necessarily the person filing in the form. If a risk requires further controls these will need to be agreed the risk should then be moved to a new risk assessment matrix to be able to plot how long this control should take and when to measure effectiveness at the next review date.

Ongoing monitoring of risks and treatment will ensure that actions are updated as required and that the risk control is always under the most appropriate ownership. Reassess the risk and controls every time that ongoing monitoring shows there is a significant shift in the rating, for example, if a medium level risk becomes high or a low-level risk becomes medium.

Completing the Risk Treatment Plan

HEADER Section: Insert the department this risk relates to.

REFERENCE number here will be the same as the identifying number in the Risk Assessment Matrix.

RISK the risk as described in the Risk Assessment Matrix and the final rating (residual risk).

CONTROL describe all the controls currently in place.

- What actions need to be taken?
- What is the control? (Either in place or required).
- Owner of control measure
- How will we know the control is successful? What are the benefits of controlling the risk in this way?
- All key dates that may affect the control.
- The agreed date for review and frequency. This should consider how important it is to monitor and control the particular risk.

SUMMARY risk assessment is easy to use and will provide an overall and graphic views of risks, which are affecting the business activity. The process involves all staff; being driven by managers. It should be repeated to monitor the effectiveness of the risk control measures implemented. It is not a purely quantitative method but relies on the judgements and informed decisions of the person / team conducting the assessment.

Training will be provided to all involved, to lay a common grounding and understanding of the technique.

Please try to avoid the temptation to alter the results of an assessment to give a more positive result – this will not give a true value to any controls used and defeats the purpose of the exercise.

Extra vigilance should be taken assessing the level of residual risk after risk control measures have been implemented as this allows us to understand which controls work best and how well we are working toward reducing risk.

The assessment of residual risk will be almost worthless if based on risk control measures, which have not been accurately assessed for effectiveness. The effectiveness of treatment plans will be reviewed by the Assurance Service Manager, Risk and Resilience Officer or the proposed risk management clinics.

Hazards and risks need to be considered in judgements about the medium to long-term goals and objectives of the council, as well as the day-to-day operations of the Council. These may be: -

- Political: those associated with failure to deliver either central Government policy or meet the administration's manifesto commitments
- Economic/Financial: those affecting our ability to meet financial commitments. For example, internal budgetary pressures, the failure to purchase adequate insurance cover, external economic changes or the consequences of proposed investment decisions. Monitoring of financial planning and control and internal funds.
- Social: those related to the effects of changes in demographic, residential or socio-economic trends on the organisation's ability to deliver its objectives.
- Technological: those associated with the capacity of the organisation to deal with the pace / scale of technological change or its ability to use technology to address changing demands. They may also include the consequences of internal technological failures affecting the organisation's ability to deliver its objectives, for example, IT systems, equipment or machinery.
- Legislative/Legal: those associated with current or potential changes in national or European Law, for example, the appliance or no appliance of TUPE Regulations, Human Rights Act, Data Protection Act, Disability Discrimination Act, etc. Risk related to possible breaches of legislation.
- Environmental: those related to the environmental consequences of progressing the organisation's strategic objectives, for example, in terms of energy efficiency, pollution, recycling, landfill requirements, emissions, etc. Those related to pollution, noise or energy efficiency of ongoing service operations.
- Reputational: those related to the organisation's reputation and the public perception of the organisation's efficiency and effectiveness.
- Competitive: those affecting the competitiveness of the service (in terms of cost or quality) and / or its ability to deliver Best Value.
- Customer/Citizen: those associated with failure to meet the current and changing needs and expectations of our customers and citizens.
- Professional: those associated with the nature of each profession
- Physical: those related to fire, security, accident prevention and health and safety, for example, hazards / risks associated with buildings, vehicles, plant and equipment, etc.
- Contractual: those associated with the failure of contractors to deliver services or products to the agreed cost and specification.