Blackpool Council

9 January 2018

To: Councillors Cox, Elmes, Galley, Hobson, Hunter, Matthews, Mitchell, Roberts, Russell and L Taylor

Co-optee: Ms Yvonne Russell

The above members are requested to attend the:

AUDIT COMMITTEE

Thursday, 18 January 2018 at 6.00 pm
in Committee Room A, Town Hall, Blackpool

A G E N D A

1   DECLARATIONS OF INTEREST

Members are asked to declare any interests in the items under consideration and in doing so state:

(1) the type of interest concerned either a

        (a)   personal interest
        (b)   prejudicial interest
        (c)   disclosable pecuniary interest (DPI)

and

(2) the nature of the interest concerned

If any member requires advice on declarations of interests, they are advised to contact the Head of Democratic Governance in advance of the meeting.

2   MINUTES OF THE LAST MEETING HELD ON 16 NOVEMBER 2017   (Pages 1 - 10)

To agree the minutes of the last meeting of the Audit Committee held on 16 November 2017 as a true and correct record.

3   **STRATEGIC RISK REGISTER - LOCAL ECONOMY**   (Pages 11 - 14)

To consider a progress report on individual risks identified in the Council's Strategic Risk Register.

4   **STRATEGIC RISK REGISTER - REPUTATIONAL DAMAGE**   (Pages 15 - 18)

To consider a progress report on individual risks identified in the Council's Strategic Risk Register.

5   **ANNUAL GOVERNANCE STATEMENT - 2016/2017 MID-TERM REVIEW**   (Pages 19 - 34)

To provide Audit Committee with an update on progress made on the actions identified in the Annual Governance Statement 2016/2017.

6   **RISK MANAGEMENT FRAMEWORK**   (Pages 35 - 58)

To consider and approve the Risk Management Framework.

7   **DATE OF NEXT MEETING**

To note the date and time of the next meeting of the Committee as 15 March 2018, commencing at 6pm in Committee Room A, Town Hall.

Venue information:

First floor meeting room (lift available), accessible toilets (ground floor), no-smoking building.

Other information:

For queries regarding this agenda please contact Sharon Davis, Scrutiny Manager, Tel: 01253 477213, e-mail sharon.davis@blackpool.gov.uk

Copies of agendas and minutes of Council and committee meetings are available on the Council's website at www.blackpool.gov.uk.

Present:

Councillor Galley (in the Chair)

Councillors

Cox	Hobson	Roberts	Matthews
Hunter	Mitchell	Elmes	Ryan

In Attendance:

Ms Yvonne Russell, Independent Co-optee.
Mr Neil Jack, Chief Executive.
Mr Steve Thompson, Director of Resources.
Ms Karen Smith, Director of Adult Services.
Mrs Tracy Greenhalgh, Head of Audit and Risk.
Mrs Dianne Booth, Director of Children's Services.
Mr Steve Sienkiewicz, Clerk to the Committee.

1 DECLARATIONS OF INTEREST

There were no declarations of interest on this occasion.

2 MINUTES OF THE LAST MEETING HELD ON 14 SEPTEMBER 2017

The Committee agreed that the minutes of the last meeting held on 14 September 2017 be signed by the Chairman as a true and correct record, subject to the following addition being made:

To record Councillor Mrs Scott as being present at the meeting.

3 CHILDREN'S SERVICES - INTERNAL AUDIT REVIEWS

The Committee considered a report which detailed the progress made against recent Internal Audit reports into four areas of Children's Services, namely:

• External Placements
• Placement Order Legal Costs
• Adolescent Hub
• Safeguarding Children's Compliance

The report was introduced by Mrs D Booth, who explained that whilst progress had been made in relation to the required improvements, it was not to the extent that might have been hoped for. She explained however that all of the Priority 1 recommendations had been

completed and work was now been carried out on those within the Priority 2 category. It was anticipated that the audit activity outcomes would improve over the next 6 months.

The Committee asked if revised target dates had been set for the actions for which the completion dates had slipped. Mrs Booth explained that they had and were now linked into the Looked After Children's Strategy. She agreed to share the revised target dates with the Committee. Mr Jack added that he was due to attend the next meeting of the Children's Improvement Board on 17 November 2017, which had ownership of the Children's Improvement Plan, that being the main structural document to ensure that everything was being properly dealt with. He explained that the agenda for the Board was partner based and contained relevant targets. He offered to provide an update at the next meeting of the Audit Committee.

The Committee asked about the priority given to recommendations in relation to external placements. Mrs Booth explained that they were all Priority 2, mainly due to the length of time it would take to bring about improvements.

Asked about the impact of the high Placement Order legal costs, Mrs Booth explained that there was a high level of drift and delay in the system, which added greatly to the problem. Methods of speeding up processes to reduce the legal and care planning costs were being examined. She added that early discussions with Lancashire County Council regarding a regional adoption strategy had commenced, with the potential to lead to positive outcomes, if taken up.

In relation to questions about the Adolescent Hub, Mrs Booth explained that it would fit into the Strategic Framework as part of the Edge of Care Framework Plan. It was also linked into the Children's Looked after Strategy which would be completed by the end of January 2018.

Mrs Booth responded to questions from the Committee about the work of the Corporate Delivery Unit. She explained that the work they had undertaken was linked very closely with the Audit work. It was connected with the Journey for Child work and engagement with the workforce activity.

In conclusion, Mrs Booth acknowledged the added value and positivity that the Audit activity had brought to the Children's Services Directorate.

The Committee agreed to note the report.

Background papers: None.

4 STRATEGIC RISK REGISTER - FAILURE TO KEEP PEOPLE SAFE

The Committee considered a progress report in relation to the individual risks identified on the Strategic Risk Register, specifically in relation to the risk regarding 'Failure to keep people safe'. The report was introduced by Mr S. Thompson, Director of Resources, who outlined the controls and mitigation in place around the sub-risk 'Death or injury to a

member of staff or the public'. He explained that the sub-risk was primarily based around health and safety but was also connected with property compliance. With regards to the controls and mitigation in place, he spoke about the team of 5 health and safety professionals at the Council, who undertook the day to day work around the controls and mitigation measures, as well as other income generating pieces of work.

Mr Thompson went on to explain that over 2,000 employees had undertaken a range of 121 courses organised and delivered by the team, and over 2,000 staff had completed iPool courses on a range of topics. He also spoke about the importance of first aid training and the positive impact of this within local office and workplace environments.

Mr Thompson acknowledged that the Grenfell tower disaster had acted to focus attention on health and safety around property and explained that a Property Compliance Officer was being recruited to undertake a key role within this area of specialised work.

Responding to questions from the Committee, Mr Thompson explained that work placed risk assessments were currently undertaken and that going forward, one of the roles of the Property Compliance Officer would be to ensure that hard evidence of this activity was available. Asked whether health and safety trade union representatives were involved in the risk assessment activity, Mrs Greenhalgh confirmed that they were able to attend.

The Committee asked about the five members of staff specifically employed on health and safety activity and questioned how that number compared with other Councils of a similar size. Mr Thompson explained that it compared well and that statistically, it fell within the upper quartile when looking at the overall number of Council employees.

The Committee discussed the numerous physical changes that had taken place within Municipal Buildings and the Town Hall over the years and asked how often fire risk assessments were undertaken. Mrs Greenhalgh explained that such assessments would normally be carried out every five years but would also be responsive to any changes that had taken place, on a more frequent basis. In such circumstances, the documentation would be updated according to the changes made.

Members discussed the range of services provided across the town by volunteers and asked whether health and safety training had been given in such cases. Mr Jack explained that such training had been given in relation to official volunteers. He went on to explain the importance of training being undertaken by anyone who was carrying out work in an official capacity behalf of the Council, in order to ensure personal safety and compliance with health and safety legislation.

The Committee moved on to consider the section of the report concerned with the sub-risk 'Death, serious injury or harm of a vulnerable adult / child'. Ms Smith spoke of the measures in place around vulnerable adults and explained that as part of the internal audit plan, compliance audits were carried out on a regular basis in establishments to assess performance in this area. She spoke about the variety of health and safety and procedure manuals that were in place and the measures taken to ensure they were up to date.

Mrs Smith explained that a number of adult services were delivered by external contractors, which added an additional element of risk. In connection with this, she pointed out that the Council worked closely with the Care Quality Commission as well as having internal robust risk measures in place. She also spoke of the importance of encouraging an open dialogue policy with all external service providers.

The Committee was reminded that the Council was an active member of the Adult Safeguarding Board, providing oversight across all safeguarding partners. She went on to explain that significant investment had been made in relation to fee rates for external providers, although it was acknowledged that this was still perceived as being relatively low paid. Major investment had also been made in ensuring robust management supervision and oversight.

Ms Smith concluded her summary of the report by explaining the national problems and risks that were present, including those around mental health service provision and delayed transfers from in-patient care. She spoke about the importance of promoting community awareness in relation to raising concerns regarding vulnerable people and the need for agencies to work better together. She acknowledged that a lot of work was still to be done in this area.

In response to questions from the Committee, Mrs Smith confirmed that all external service providers who provided contracted services on behalf of the Council, were required to be complaint with the Council's policies and procedures in relation to the relevant service.

Asked about the level of scrutiny and oversight within safeguarding agencies and the risks of institutions being perceived as being too closely linked, both Ms Smith and Mrs Booth explained that they were satisfied that robust scrutiny and challenge took place across the agencies.

In connection with the net risk score of 15, the Committee asked whether this was considered to be acceptable. Mrs Smith explained that risk measures were being constantly reviewed in relation to new policies and procedures and it was unlikely that the score would reduce further.

The Committee moved on to hear from Mrs Booth about the section of the report concerned with vulnerable children. She spoke about the high level of scrutiny that took place within the Children's Safeguarding Board, that was likely to become still more challenging in the future, following the appointment of the new Board Chairman. She also spoke about the increased amounts of joined up working that was taking place across children's agencies.

The Committee was informed that legal policies and procedures in relation to children's matters were constantly updated with no delays and that two independent social work auditors were now carrying out work on a daily basis. More investment was now being undertaken in relation to looking after the workforce, which was starting to pay dividends. In relation to education provision, Mrs Booth explained that an external consultant was currently being employed with a view to driving up standards.

The Committee acknowledged that a number of transitional changes were taking place within the Children's Services Directorate and asked about the adequacy of service provision being maintained in relation to any staff changes taking place. Mrs Booth explained that a degree of staff turnover had taken place and it was likely that more would still occur. However, there were currently only two vacancies within the department and a rolling social worker recruitment programme was now in place, as opposed to looking to recruit social workers only when vacancies arose. Such a policy enabled the department to recruit the best staff on an ongoing basis.

Asked about the net risk score of 15, Mrs Booth explained that she considered this to be acceptable, given the continuous learning and improvement requirements that were in place.

The Committee agreed to note the report.

Background papers: None.

5 STRATEGIC RISK REGISTER - LACK OF RESILIENCE

The Committee considered a progress report in relation to the individual risks identified on the Strategic Risk Register, specifically in relation to the risk regarding 'Lack of Resilience'. The report was presented by Mr Jack, who outlined the controls and mitigation in place around the sub-risk 'Lack of capacity to deliver Council services'. He spoke about the targeted approaches being taken in areas that were difficult to recruit and retain staff. He referenced the care industry as being particularly under valued and the development of a new career path being undertaken in this area. He also spoke about the collective recruitment processes alongside other agencies, in recognition of the challenges within the teaching and nursing professions. Mr Jack also spoke about the need to gain a better understanding of employee requirements about why they both stay and leave the area.

In connection with a question from the Committee about methods being used to reduce the number of agency staff, Mr Jack pointed to an increased use of casual workers being used to fill short term staffing requirements and vacancies.

Moving on to the sub-risk 'Over reliance on public sector services', Mr Jack spoke about the five year Council Plan being in place with a clear agenda to build a more resilient community. He explained that happier and healthier people with access to a greater level of employment opportunities would result in less reliance on Council services.

Asked by the Committee whether benchmarking took place in connection with resilience building, Mr Jack pointed to the Better Start conference which took place recently and the shared learning which came from that in relation to early years development. He explained about the work being carried out to turn good case studies into practice.

In connection with the sub-risk 'Lack of individual resilience to work in a challenging environment', Mr Jack outlined the number of controls and mitigation measures in place that were detailed within the report, adding that since 2010 there had actually been an increase in Council services provided, despite the reductions in overall staff numbers.

The Committee discussed the issue of lost working days due to staff sickness, particularly as a result of stress. Mr Jack explained that stress related sickness tended to be as a result of home and work related stress coming together. He spoke of the need to ensure that proper support was in place for staff and for an improved evidence based recording system around staff sickness.

Asked about the referral mechanisms in place for stress related sickness, Mrs Smith explained about the Occupational Health referral programme. She also gave details of the self-assessment facilities that were available via the Health and Safety manual and the ability to engage locally with line managers prior to a referral to Occupational Health. Mrs Booth added that part of the work being carried out in connection with workforce resilience building was making it clear that risk was a top down approach, in terms of the senior managers being responsible for ownership of day to day risks in connection with job roles.

The Committee agreed to note the report.

Background papers: None.

6 RISK SERVICES QUARTER TWO REPORT - 2017/2018

The Committee considered a report which provided a summary of the work completed by Risk Services in quarter two (July – September) of the 2017/2018 financial year. The report was introduced by Mrs Greenhalgh who explained that the main thrust of the work had been around fraud prevention and anti-fraud measures, together with fire safety activity following the Grenfell Tower disaster.

The Committee noted from the report that resource had been stretched over the quarter due to the Insurance Fraud Officer being absent due to a period of long term sickness. Asked how this had impacted upon the service, Mrs Greenhalgh confirmed that the service had managed to cope in the short term with the other two members of staff, although the Insurance Fraud Officer had now returned to duty.

Mrs Greenhalgh responded to a number of questions from the Committee and in so doing, confirmed that:

• Work on Share Point was moving forward and due to go live on 28 November 2017.
• The development of procedures around reporting requirements relating to gender pay cap was almost complete.
• A proactive exercise was due to be undertaken in December in relation to misuse of disabled parking concessions, with a view to increased enforcement measures being carried out.

• There was no cause for concern regarding the numbers of business rates referrals made to the Corporate Fraud Team.

Mrs Greenhalgh made reference to the positive Internal Audit reports issued during the period under consideration, containing adequate levels of assurance.

The Committee pointed out the slow take up rates in relation to the Business Loans Fund and asked whether the internal audit work carried out was likely to help in this regard. Mrs Greenhalgh explained that the audit work had provided assistance in establishing appropriate due diligence policies and procedures in relation to the scheme. Mr Thompson added that as yet, no marketing of the scheme had taken place and would not do so until the Council was satisfied that due diligence was in place.

The Committee questioned the nine RIDDOR reportable accidents for employees in 2017/2018, against the target of zero. Mrs Greenhalgh acknowledged that this was an unfortunate number and explained that additional controls had now been put in place, where necessary.

Members noted that there had been no RIPA authorised surveillance activity undertaken during the period under consideration and questioned why that was the case. Mrs Greenhalgh explained the stringent requirements necessary to gain approval for such activity and the fact that the Council had recently introduced a non RIPA process in order to carry out surveillance when considered appropriate. Mr Jack added that in relation to cases such as anti-social behaviour and criminal damage, the police would usually be involved who had access to different surveillance powers than those available to the Council.

The Committee agreed to note the report.

Background papers: None.

7 ANNUAL AUDIT LETTER 2016/2017

The Committee considered the external auditor's (KPMG) annual audit letter for 2016/2017, summarising the key issues arising from the 2016/2017 audit of the Council.

It was noted that no one was present from KPMG to present the report and answer any questions.

The Committee agreed to note the report and requested that enquiries be made with KPMG as to why no one had been in attendance.

Background papers: None.

8 BUSINESS CONTINUITY FRAMEWORK

The Committee considered the Council's revised Business Continuity Management Framework for 2018 – 2021. The document was introduced by Mrs Greenhalgh who explained that it contained details on how the Council would manage its business continuity arrangements and comply with the Civil Contingences Act 2004.

The Committee questioned the section of the document concerned with Design and asked how long it would be acceptable for a service to 'tolerate' a risk and take no action. Mrs Greenhalgh explained that a flexible approach was needed as some services were considered critical and others less so.

The Committee agreed to approve the document.

Background papers: None.

9 INTERNAL AUDIT STRATEGIC PLAN 2018-2021

The Committee considered the Internal Audit Strategic Plan 2018 – 2021, setting out the medium term direction of the internal audit service. The document outlined what the priorities of the service would be going forward, together with the actions that would be taken to address those priorities. The document was presented by Mrs Greenhalgh who explained that its content was focused on an increase in the level of risk audit work and recognised the need for some compliance work to be undertaken. She added that it had been approved by the Corporate Leadership team.

The Committee noted that within the section of the report concerned with strengths, weaknesses, opportunities and threats, the lack of in-house specialist IT audit was listed as a weakness. Mrs Greenhalgh explained that work was in hand to address this issue, including a team member currently being trained as a computer auditor.

Members discussed the structural level of resource for the internal audit team and asked whether this was considered to be adequate, particularly if additional external work was taken on, going forward. Mrs Greenhalgh explained that currently, the service was adequately resourced, although this may have to be looked at again if further external work was obtained.

Asked about whether she had any major areas of concern within the Council, Mrs Greenhalgh explained that the biggest risk in delivering a quality service and ensuring that work was done correctly was the loss of good quality staff.

The Committee agreed to approve the document.

Background papers: None.

10 DATE OF NEXT MEETING

The Committee noted the time and date of the next meeting as 6pm on Thursday 18 January 2018 at Blackpool Town Hall.

Chairman

(The meeting ended at 7.50 pm)

Any queries regarding these minutes, please contact:
Chris Kelly, Senior Democratic Governance Adviser
Tel: 01253 477164
E-mail: chris.kelly@blackpool.gov.uk

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Report to:	**AUDIT COMMITTEE**
Relevant Officers:	Diane Booth, Director of Children's Services
	Steve Thompson, Director of Resources
	Alan Cavill, Director of Place
	John Blackledge, Director of Community and Environment
Date of Meeting	18 January 2018

STRATEGIC RISK REGISTER – LOCAL ECONOMY

1.0   Purpose of the report:

1.1   To consider a progress report on individual risks identified in the Council's Strategic Risk Register.

2.0   Recommendation(s):

2.1   Members will have the opportunity to question the Director of Children's Services, Director of Resources, Director of Place and Director of Community and Environment on identified risks on the Strategic Risk Register in relation to the Local Economy.

3.0   Reasons for recommendation(s):

3.1   To enable the Committee to consider an update and progress report in relation to an individual risk identified on the Strategic Risk Register.

3.2a   Is the recommendation contrary to a plan or strategy adopted or approved by the Council?   No

3.2b   Is the recommendation in accordance with the Council's approved budget?   Yes

3.3   Other alternative options to be considered:

To not receive an update report, however this would prevent the Committee from monitoring and asking relevant questions of the Strategic Risk Owners in relation to significant risks identified on the Strategic Risk Register.

4.0   Council Priority:

4.1   The relevant Council Priorities are:

- "The economy: Maximising growth and opportunity across Blackpool"
- "Communities: Creating stronger communities and increasing resilience"

5.0   Background Information

5.1   At its meeting in June 2017, the Audit Committee agreed to continue to invite Strategic Risk Owners to attend future meetings to provide updates and progress reports in relation to the individual risks identified on the Strategic Risk Register.

Does the information submitted include any exempt information?   No

List of Appendices:

Appendix 3(a): Excerpt from Strategic Risk Register.

6.0   Legal considerations:

6.1   None

7.0   Human Resources considerations:

7.1   None

8.0   Equalities considerations:

8.1   None

9.0   Financial considerations:

9.1   None

10.0   Risk management considerations:

10.1   None

11.0   Internal/ External Consultation undertaken:

11.1   None

12.0   Background papers:

12.1   None

No	Risk	Sub No.	Sub-Risk	% Overall Weighting	Impact / Consequences	Opportunity	Gross Risk Score			Controls and Mitigation	Nett Risk Score			New / Developing Controls	Risk Manager	CLT Risk Owner	Target Date	Corporate Priority
							I	L	GS		I	L	NS					
6	**Unsustainable Local Economy / Increased Deprivation.**	6a	Increased deprivation and unemployment.	40%	Dependency on Council services.		4	4	16	Introduction of living wage for Council staff and promoting this with contractors.	4	3	12	Delivery of the Framework for Growth and Prosperity.	Strategic Head of Development	Director of Place	Ongoing	Communities and Economy
										Commitment to use local suppliers where possible.				Completion of the Central Business District Project.	Head of Property Services	Director of Resource	Ongoing	
		6b	Lack of good quality affordable housing.	30%	Negative impact on local economy.	Key in the regeneration of Blackpool.	4	4	16	ALMO Stock.	4	3	12	Complete the build of the provision of 400 new family homes on the Rigby Road site and progress Queens Park Development.	Strategic Head of Development	Director of Place	Ongoing	Communities and Economy
					Potential criminal activities.	Revitalise areas in the town.				Regulation of private sector / link with RSLs. Creation of Blackpool Housing Company to help transform private sector housing.				Lobby for changes to the Housing Benefits Act to enable a local policy to be set.				
					Inability to regenerate Blackpool.					Expansion of affordable housing programme.								
		6c	Lack of appropriate transport infrastructure.	15%	Loss of trade, reputation and confidence from residents.		4	4	16	Road Asset Management Strategy in place.	4	3	12	Appropriate work undertaken to maintain the condition of the highways infrastructure.	Head of Highways and Traffic Services	Director of Community and Environment	Ongoing	Communities and Economy
														Investment in the public transport Infrastructure.	Strategic Head of Development	Director of Place	Ongoing	Communities and Economy
		6d	Lack of Educational attainment / appropriate training to suit the economy.	15%		Schools Improvement Funding.	5	4	20	School Improvement Board in place. Ongoing work with training providers to ensure that training offers meets Blackpool's needs.	4	4	16	Continuous review of educational attainment to improve results.	Head of Schools, Standards and Effectiveness	Director of Children's Services	Ongoing	Communities and Economy
										Overall Nett Risk Score			12.6					

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Report to:	**AUDIT COMMITTEE**
Relevant Officers:	Neil Jack, Chief Executive
	Alan Cavill, Director of Place
	John Blackledge, Director of Community and Environment
	Arif Rajpura, Director of Public Health
Date of Meeting	18 January 2018

STRATEGIC RISK REGISTER – REPUTATIONAL DAMAGE

1.0   Purpose of the report:

1.1   To consider a progress report on individual risks identified in the Council's Strategic Risk Register.

2.0   Recommendation(s):

2.1   Members will have the opportunity to question the Chief Executive, Director of Public Health, Director of Place and Director of Community and Environment on identified risks on the Strategic Risk Register in relation to Reputational Damage.

3.0   Reasons for recommendation(s):

3.1   To enable the Committee to consider an update and progress report in relation to an individual risk identified on the Strategic Risk Register.

3.2a	Is the recommendation contrary to a plan or strategy adopted or approved by the Council?	No
3.2b	Is the recommendation in accordance with the Council's approved budget?	Yes

3.3   Other alternative options to be considered:

To not receive an update report, however this would prevent the Committee from monitoring and asking relevant questions of the Strategic Risk Owners in relation to significant risks identified on the Strategic Risk Register.

4.0   Council Priority:

4.1   The relevant Council Priorities are:

- "The economy: Maximising growth and opportunity across Blackpool"
- "Communities: Creating stronger communities and increasing resilience"

5.0   Background Information

5.1   At its meeting in June 2017, the Audit Committee agreed to continue to invite Strategic Risk Owners to attend future meetings to provide updates and progress reports in relation to the individual risks identified on the Strategic Risk Register.

Does the information submitted include any exempt information?   No

List of Appendices:

Appendix 4(a): Excerpt from Strategic Risk Register.

6.0   Legal considerations:

6.1   None

7.0   Human Resources considerations:

7.1   None

8.0   Equalities considerations:

8.1   None

9.0   Financial considerations:

9.1   None

10.0   Risk management considerations:

10.1   None

11.0   Internal/ External Consultation undertaken:

11.1   None

12.0   Background papers:

12.1   None

No	Risk	Sub No.	Sub-Risk	% Overall Weighting	Impact / Consequences	Opportunity	Gross Risk Score			Controls and Mitigation	Nett Risk Score			New / Developing Controls	Risk Manager	CLT Risk Owner	Target Date	Corporate Priority
							I	L	GS		I	L	NS					
8	Reputational Damage	8a	Visitors negative image of Blackpool.	40%	Local economy impacted due to reduced jobs.		4	4	16	Identification of potential external funding streams to assist with the tourism offer for Blackpool.	4	3	12	Promote a positive image of Blackpool to encourage private sector investment in the tourism industry.	Head of Visitor Economy	Director of Place	Ongoing	Communities and Economy
										Community Safety Team in place.				Continue to explore retail and leisure opportunities to improve the offer available in Blackpool.	Strategic Head of Growing Places			
					Inability to underwrite tourism initiatives due to reduced resources.									Continue enforcement activity to reduce the number of beggars and street drinking evident in the town.	Head of Public Protection	Director of Community and Environmental		
		8b	Residents negative image of Blackpool.	40%	Lack of investment due to poor image of Blackpool.	Potential to attract external investment to Blackpool.	4	4	16	Different methods of engagement used.	4	3	12	Finalise and implement the new framework for community engagement.	Community Engagement Team	Director of Public Health	Ongoing	Communities and Economy
					Lack of partner engagement.	Generate local pride in Blackpool.				Increased use of new communication channels such as social media and newsletters.				Ensure that all Council services follow the corporate brand guidelines to ensure that customers are clear that they are receiving a service from the Council.	Head of Corporate Delivery Unit	Chief Executive		
					Loss of community support.					Increased commitment to one brand for the Blackpool resident.				Explore the potential of shared services for communications with other public sector bodies in Blackpool.				
														Overall Nett Risk Score		12.0		

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Report to:	AUDIT COMMITTEE
Relevant Officer:	Mark Towers, Director of Governance and Partnerships
Date of Meeting	18 January 2018

ANNUAL GOVERNANCE STATEMENT 2016-2017 MID-TERM REVIEW

1.0   Purpose of the report:

1.1   The purpose of this report is to provide Audit Committee with an update on progress made on the actions identified in the Annual Governance Statement 2016-2017.

2.0   Recommendation(s):

2.1   To consider and approve the mid-term review of the Annual Governance Statement for 2016/2017.

3.0   Reasons for recommendation(s):

3.1   The Accounts and Audit Regulations (2015) require the Council to conduct a review on the effectiveness of its system of internal control and publish an Annual Governance Statement reporting on the review with the Statement of Accounts. Best practice states that this should be a continual process throughout the year and not just undertaken as an annual exercise.

3.2a   Is the recommendation contrary to a plan or strategy adopted or approved by the Council?   No

3.2b   Is the recommendation in accordance with the Council's approved budget?   Yes

3.3   Other alternative options to be considered:

N/A

4.0   Council Priority:

4.1   The Annual Governance Statement is relevant to all Council priorities.

5.0 Background Information

5.1 Blackpool Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards. It needs to ensure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively.

The CIPFA Delivering Good Governance publication (2016) defines the various principles of good governance in the public sector and how they relate to each other and are defined as:

- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.

- Ensuring openness and comprehensive stakeholder engagement.

- Defining outcomes in terms of sustainable economic, social and environmental benefits.

- Determining the interventions necessary to optimise the achievement of the intended outcomes.

- Developing the Council's capacity, including its leadership and the individuals within it.

- Managing risks and performance through robust internal control and strong public financial management.

- Implementing good practices in transparency, reporting and audit, to deliver effective accountability.

The governance framework at Blackpool Council comprises the systems and processes, culture and values which the Council has adopted in order to deliver on the above principles. The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.

This report provides an update in terms of the progress which has been made in implementing the actions identified in the Annual Governance Statement.

Does the information submitted include any exempt information?   No

List of Appendices:

Appendix 5(a): Annual Governance Statement 2016-17 Mid-Term Review

6.0   Legal considerations:

6.1   The Accounts and Audit Regulations (2015) require the Council to conduct a review, at least once a year, on the effectiveness of its system of internal control and include an Annual Governance Statement reporting on the review with the Statement of Accounts.

7.0   Human Resources considerations:

7.1   N/A

8.0   Equalities considerations:

8.1   N/A

9.0   Financial considerations:

9.1   Each of the actions identified in the Annual Governance Statement will be delivered within the constraints of the agreed budget for 2017/2018.

10.0   Risk management considerations:

10.1   Risk management and the control environment have been considered throughout the draft of the Annual Governance Statement.

11.0   Ethical considerations:

11.1   N/A

12.0   Internal/ External Consultation undertaken:

12.1   In October 2016 a Good Governance Group was formed at the Council. One of the roles of the group will be to prepare the Annual Governance Statement and oversee the delivery of the identified actions.

The Good Governance Group comprises of:

- Director of Governance and Partnerships
- Head of Audit and Risk
- Chief Accountant
- Head of ICT
- Head of Corporate Delivery Unit

- Head of Democratic Governance
- Strategic Equality and Diversity Manager
- Head of HR and Organisational Development
- Deputy Head of Legal Services

13.0   Background papers:

13.1   N/A

Appendix 5(a) - Annual Governance Statement 2016-2017 Mid-Term Review

Issue	Actions	Responsible Officer	Target Date	Mid-Term Position
Code of Conduct and Behaviours	Develop and pilot a new face to face diversity awareness course aimed at priority staff and managers, and Elected Members.	Director of Resources	After mid-term review	**Implemented -** A diversity awareness course has been developed and piloted. It has been agreed with HR and CLT that this will be available as part of the corporate training offer.
	Develop an Equality Compliance tool and performance scorecard, to track mainstreaming good practice within all departments linking in to the business planning process.	Director of Resources	After mid-term review	**Implemented -** An equality compliance toolkit has been developed and this has been piloted in the Resources Directorate. The approach has been agreed by CLT and a timetable for Council wide roll out being prepared.
	Review the Whistleblowing Policy to ensure that this aligns to best practice and launch awareness raising for officers and elected members.	Director of Governance and Partnerships	Prior to mid-term review	**Partially Implemented –** The Whistleblowing Policy has been reviewed and approved by the Standards Committee and named contacts have now been trained. Steps are being taken to implement a central recording system for complaints received. Once implemented staff and member awareness raising will take place.
	Seek approval from the Corporate Leadership Team and the Executive for the revised Ethical Principles and raise	Chief Executive	Prior to mid-term review	**Partially Implemented –** The revised ethical principals were refined by the Corporate Leadership Team. These will be

Issue	Actions	Responsible Officer	Target Date	Mid-Term Position
	awareness across the Council.			embedded in the revised Council Plan.
Commitment to Openness, Communication and Consultation	Launch and roll out a programme of the 'people's jury' focused on Community Orientated Primary Care based on the finding of the pilot scheme.	Director of Public Health	After mid-term review	**Partially Implemented -** The Community Orientated Primary Care work is continuing in the NHS neighbourhoods of Blackpool South and Far North. The residents from the pilot scheme continue to meet to deliver their action plan and have renamed their group Blackpool Citizens for Change. They are planning a community event to get more residents in the area engaged. The group have spoken at a number of Council meetings.
	Embed the new process for community engagement through the Fairness Commission.	Director of Public Health	After mid-term review	**Partially Implemented -** The Fairness Commission has delivered a number of community engagement events so far this year, through the Acts of Kindness Campaign, the Butterfly Effect and the CLC Naming Events. It is also intended to hold a Children's Summit and an Older People's Summit.
	Ensure effective links are developed between the community engagement function and elected members.	Director of Public Health	After mid-term review	**Implemented -** Elected members have been invited to be part of the Steering Group for the Community Orientated Primary Care work to ensure they are involved in the engagement work in their ward. Community Engagement and

Issue	Actions	Responsible Officer	Target Date	Mid-Term Position
				Fairness Commission awareness sessions have been held with elected members.
	Consider what other Councils are doing in terms of effective community engagement is respect of governance.	Director of Public Health	After mid-term review	**Partially Implemented -** A review of what other Councils are doing in relation to Community Engagement and in particular the Wigan Model which is extremely effective has been undertaken. This however would require considerable investment to emulate this model here. A paper for CLT is planned to explore the options.
	Consider how the Council can measure the implementation of the resilient community's priority in terms of outcomes.	Director of Public Health	After mid-term review	**Partially Implemented –** A residents survey is being planned for 2018/19 and this will include questions to measure the implementation of the resilient communities priority.
	Update the Blackpool4Me website to ensure that the information held is current and that it aligns with the Council's website.	Chief Executive	Prior to mid-term review	**Implemented –** The new FYI website is now live and makes the relevant links with Blackpool Council's website.
	Explore more opportunities in wider service areas as part of the channel shift programme.	Director of Resources	Ongoing	**Partially Implemented –** The Channel Shift Team and Strategic Customer Service Group continue to move forward with targeting areas for channel shift. Recently the Council has introduced a residents 'app' that is actively being used to inform

Issue	Actions	Responsible Officer	Target Date	Mid-Term Position
				residents about roadworks and road closures.
	Improve the level of information published on the Council website so that this is readily available and reduces the number of Freedom of Information Requests.	Director of Governance and Partnerships	Prior to mid-term review	**Partially Implemented** – Where services are actively publishing information it means that the response to a Freedom of Information Request is swifter. The Information Governance Team can respond with a link to the website area and the request does not need to be forwarded to the service. Further work is required to encourage more services to publish relevant information.
Developing, Communicating and Translating the Vision	Embed the process for reporting and monitoring the success and benefits of the Corporate Delivery Unit.	Chief Executive	Prior to mid-term review	**Implemented** – A Board has been established for each of the Council's priorities. The Delivery Unit report progress against their work plan to the relevant Board.
	Ensure that the new business planning framework is embedded, including the quarterly reporting to the Corporate Leadership Team and that an exercise is undertaken to assess the level of corporate / back office support required to deliver the directorate visions.	Chief Executive	Prior to mid-term review	**Partially Implemented** – The Business Planning Framework has been reviewed and revised as a three year planning process that sits alongside the Medium Term Financial Sustainability Strategy and the Workforce Plan. Further work needs to be done on the reporting of progress and actions into CLT.
Performance	Embed the new performance	Chief	Prior to	**Implemented** – There has been a

Issue	Actions	Responsible Officer	Target Date	Mid-Term Position
Management	management framework which has been agreed for 2017/18.	Executive	mid-term review	significant amount of work done to develop the Corporate Indicators with CLT and their DMTs. Scrutiny now receives reports on performance relevant to the main agenda to encourage further scrutiny and feedback from members in line with the Forward Plan.
	Request the LGA to undertake a peer review of the Council's Corporate Governance / Health to provide independent assurance and advice on the adequacy of current arrangements.	Chief Executive	Prior to mid-term review	**Partially Implemented** – A Corporate Review is being planned for 2018/19. In 2017/18 the focus of the peer review process has been on planning and communication.
	Embed the Leadership Charter within the Individual Performance Appraisal process and ensure that all employees have an appraisal	Chief Executive	Prior to mid-term review	**Implemented** - This action has been completed and the Leadership Charter is now included within the Managers IPA templates. There is a reporting function available in IPA so that Managers are able to review IPA completion rates in their service in order to monitor compliance and challenge non-compliance. Unfortunately compliance remains an issue.
Compliance with relevant Laws, Regulations, Internal	The Compliance Calendar will be finalised and rolled-out to all managers.	Director of Governance and Partnerships /	Prior to mid-term review	**Partially Implemented** – The compliance calendar has been drafted and agreed by CLT alongside the recent audit report on corporate compliance. The calendar will

Issue	Actions	Responsible Officer	Target Date	Mid-Term Position
Policies and Procedures		Good Governance Group		be formally launched at a SLT session early in 2018.
	The managers 'quick guide' section on the Hub will be developed to ensure that there is guidance for all items on the Compliance Calendar.	Director of Governance and Partnerships / Good Governance Group	Prior to mid-term review	**Partially Implemented** - Good progress has been made and the compliance calendar contains hyperlinks to the supporting information. Once the development of the compliance calendar is complete a 'gap' assessment will be undertaken.
	Ensure that decision makers are taking and recording decisions at the right level and that they understand the decision making process and the need for an appropriate level of transparency.	Director of Governance and Partnerships	Ongoing	**Partially implemented** – A further decision making audit review was carried out during 2017/18 which focussed on the Resources Directorate and illustrated that there were no immediate areas of concern to address. Regular reports on forthcoming executive decisions are considered by the Corporate Leadership Team. An iPool module on executive decision making is currently being drafted.
	Provide an annual update to Audit Committee on the robustness of the arrangements in place to reduce the risk of a cyber threat.	Director of Resources	After mid-term review	**Partially implemented** – This has not yet been addressed but arrangements will be made to schedule an update to the March 2018 Audit Committee meeting. In addition Audit Committee members will be receiving training relating to cyber risks

Issue	Actions	Responsible Officer	Target Date	Mid-Term Position
				prior to their January meeting.
	Implement a robust action plan setting out any required process changes under the General Data Protection Regulations which come into force in May 2018 and raise awareness of the new requirements.	Director of Governance and Partnerships	After mid-term review	**Partially Implemented** – A Corporate GDPR Group is now in place and meeting monthly to address the actions identified to ensure, as far as practical, compliance with GDPR across all Directorates.
Financial Management	Ensure that 2017/18 savings targets are delivered with reduced resource and significant demand pressures.	Director of Resources / All Chief Officers	Ongoing	**Partially Implemented** – The budget pressures are being monitored on a regular basis by the Corporate Leadership Team and any issues identified on delivering savings targets being proactively addressed. The key area of pressure continues to relate to Children's Services.
Audit Arrangements	Seek Full Council approval for the recruitment of an independent member to Audit Committee and aim to have these in post for September 2017.	Director of Governance and Partnerships	Prior to mid-term review	**Implemented** – An independent member has now been appointed with their first meeting being November 2017.
Risk Management	Re-establish the Property Risk Management Group and ensure that this multi-agency group meets at least quarterly.	Director of Resources	Prior to mid-term review	**Implemented** - The Property Risk Management Group has now been re-established and is meeting quarterly.
	Review the Risk Management Framework 2014-2017 to ensure that	Director of Resources /	After mid – term	**Partially Implemented** – The Risk Management Framework has been

Issue	Actions	Responsible Officer	Target Date	Mid-Term Position
	this remains fit for purpose with a focus on ensuring that risk management groups are adequately represented and risk tolerances levels are set.	Corporate Risk Management Group	review	reviewed and is currently out for consultation prior to formal approval being sought from CLT in December and Audit Committee in January.
	Launch the revised Risk Management iPool course and deliver business continuity training.	Director of Resources	After mid – term review	**Partially Implemented** – The risk management i-pool course has been developed and piloted. The comments from the pilot are currently being collated and will be passed to Organisational and Workforce Development to make the final changes prior to launch.
	Review the Business Continuity Framework 2014-17 to ensure that it remains fit for purpose and that it encourages good quality plans and includes scenarios to help services test plans	Director of Resources / Corporate Risk Management Group	After mid – term review	**Implemented** – The Business Continuity Framework has been reviewed and approved by CLT and the Audit Committee.
Counter Fraud and Anti-Corruption Arrangements	Identify those staff for which counter fraud training is mandatory and ensure completion of the course.	Director of Resources	Prior to mid-term review	**Partially Implemented -** All staff have now been identified for whom the training is mandatory and compliance with completing the course is being reported to CLT and Audit Committee.
Scrutiny Arrangements	The scrutiny process should be strengthened to improve the level of challenge and look at ways in which	Director of Governance and	Ongoing	**Partially Implemented -** A programme to review and enhance scrutiny is currently being developed in conjunction with North

Issue	Actions	Responsible Officer	Target Date	Mid-Term Position
	other people, such as service users and the private sector, could be called to give evidence as part of the scrutiny process.	Partnerships		West Employers Organisation and elected members, which will help develop challenge and input into the scrutiny process.
	Ensure that the scrutiny work plan focuses on the key priorities areas and strengthen relationships between the Executive and effective scrutiny.	Director of Governance and Partnerships	Prior to mid-term review	**Partially Implemented -** The scrutiny programme detailed above will involve scrutiny and Executive members. Scrutiny committees consider key performance indicators around Council priority areas.
Leadership and Development	Build a baseline survey which will measure current performance against the Leadership Charter pledges. The survey should provide all employees with an opportunity to assess and comment on their managers and enable the future review and measurement of leadership performance at every level within the organisation.	Chief Executive	Prior to mid-term review	**Partially Implemented** - The survey has been undertaken and it received circa 1,400 responses. Results are being analysed and a report will be taken to CLT. Following that an SLT session will take place to determine next steps.
	Deliver the refocused Leadership Development Programme through the delivery of four events in the year each of which can be for 100 employees. The events should be taster / signposting sessions comprising of Council processes, techniques and new	Chief Executive	Ongoing	**Partially Implemented** - CLT are being asked to approve the format of an SLT session which would involve each Directorate review the survey results for their area and preparing a short presentation on: ● Three things they do well.

Issue	Actions	Responsible Officer	Target Date	Mid-Term Position
	skills and new learning and soft skills.			• Three things where there is room for improvement and what support they need to make that change. That information will be collated and fed into a development plan.
	Increase the robustness of succession plans across the Council.	Chief Executive / All Chief Officers	After mid-term review	**Partially Implemented -** This is on the HR Business Plan but due to other priorities has not yet had much focus other than agreement to participate in the LGA Graduate Programme.
	Develop digital skills across the Council to assist in the use of innovation technological solutions to build capacity.	Director of Resource / Chief Executive	After mid-term review (and ongoing)	**Partially Implemented –** The Executive have recently signed off the ICT/Digital Strategy 2017-22. This includes a theme on developing the digital skills of employees. The first 50 employees have participated in a digital skills pilot in which they have received a new hybrid/tablet device and training in digital collaboration skills within Office365. Feedback from the employees in the pilot is very positive with many indicating significant time savings and more efficient way of works. Further training on employee Cyber Skills is being developed to reduce the Council exposure to cyber risks. This is due to be

Issue	Actions	Responsible Officer	Target Date	Mid-Term Position
				made available for the start of the new financial year.
	Implement a robust action plan to ensure that the Council maximises the Apprenticeship Levy through a cross-departmental working group.	Chief Executive	Ongoing	**Partially Implemented -** The Apprentice Levy action plan is in progress and we are making payments and registering apprentices through the new system. Our recruitment processes and systems have been revised to accommodate the changes and we have worked with procurement re: training providers. An update report was taken to CLT in October.

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Report to:	**AUDIT COMMITTEE**
Relevant Officer:	Tracy Greenhalgh, Head of Audit and Risk
Date of Meeting	18 January 2018

RISK MANAGEMENT FRAMEWORK

1.0   **Purpose of the report:**

1.1   The Committee to consider and approve the Risk Management Framework.

2.0   **Recommendation(s):**

2.1   To consider and approve the Risk Management Framework.

3.0   **Reasons for recommendation(s):**

3.1   To ensure effective risk management across the Council.

3.2a   Is the recommendation contrary to a plan or strategy adopted or approved by the Council?   No

3.2b   Is the recommendation in accordance with the Council's approved budget?   Yes

3.3   Other alternative options to be considered:

    N/A

4.0   **Council Priority:**

4.1   The relevant Council Priority is organisational resilience.

5.0   **Background Information**

5.1   The purpose of the Risk Management Framework is to set out the Council's approach to risk management. Risk management is a dynamic process involving all levels of the Council. If the Council does not manage risk effectively it could lead to legal proceedings or harm to service users, employees or members of the public. It is the responsibility of every employee to be aware of and manage risks within their service.

5.2   The aim of the Risk Management Framework is to enable the Council to identify, evaluate and cost-effectively control risks, and ensure any residual risk is at an acceptable level. It is intended to promote best practice in risk management at all levels and in all activities, including those delivered with external partners, and links into the Council's framework for good governance.

5.3   The Council's risk management approach is for risk to be managed and owned by senior officers and managers in directorates, service areas and projects, with a small team in Risk Services providing risk management governance and support.
The objectives of the Council's approach to effective risk management are as follows:

- Maintaining the Council's reputation and public image.

- Improving the quality of business decisions, minimising risk and maximising opportunity.

- Providing better protection to staff, service users, residents, assets and resources.

- Reducing costs by minimising error and failure to the extent that it is cost effective.

- Sustaining an innovative approach to Council activities by ensuring that risk management is integral to all strategic and business planning.

- Ensuring greater ownership by managers of risk management and the systems of internal control.

- Successful integration of risk management into systems and project based development, contracting and partnership arrangements.

- Supporting the efficient and effective integration of recovery, emergency and contingency plans.

- Continually embedding risk management into the culture of the organisation.

The Risk Management Framework sets out how the above objectives are achieved.

Does the information submitted include any exempt information?   No

List of Appendices:

Appendix 6(a): Risk Management Framework

6.0   **Legal considerations:**

6.1   The Council has a duty to effectively manage its risks and protect public funds.

7.0   **Human Resources considerations:**

7.1   Risk management activity should be focused on using existing employees where possible.

8.0   **Equalities considerations:**

8.1   N/A

9.0   **Financial considerations:**

9.1   The aim of risk management is to try, as far as possible, to minimise things going wrong therefore avoiding unplanned financial impacts.

10.0   **Risk management considerations:**

10.1   Implementing the framework is a key tool in risk management and helps services and the Council effectively deploy resources in a coordinated manner should an incident occur.

11.0   **Ethical considerations:**

11.1   N/A

12.0   **Internal/ External Consultation undertaken:**

12.1   Consultation has been undertaken via the Corporate Risk Management Group and approval obtained from the Corporate Leadership Team.

13.0   **Background papers:**

13.1   N/A

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Risk Management Framework 2018-2021

BlackpoolCouncil

Risk Management Framework

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Foreword

Blackpool Council recognises that effective risk management is about taking measured risks when making decisions and encouraging innovation. It puts us in a stronger position to deliver our goals and provide our services.

Good risk management is integral to the way we work and must be embedded throughout every aspect of the Council, our activities and our partnerships.

Everyone has a responsibility to manage risk. As members of staff we are all accountable for the decisions we make, whether it be individually or collectively. Part of that decision making process should involve the consideration of threats, their likely impact, and identification of opportunities.

Managers have a responsibility not only for their own risks, but are also accountable for ensuring that risks are being managed within their services span of control.

Risk Services is responsible for ensuring that the guidance and tools provided meet any legislative requirements and reflect best practice. The team is also responsible for facilitating the risk management process.

The Corporate Leadership Team fully support and endorse the Risk Management Framework and require all staff to comply with the requirements.

We must all ensure that we proactively embrace risk management across our portfolio of activities, understanding that we are continually contributing to a dynamic, risk aware culture.

Neil Jack

Chief Executive

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Risk Management Framework

<u>Introduction</u>

The purpose of the Risk Management Framework is to set out the Council's approach to risk management.

It is underpinned by the Risk Management Toolkit which provides practical guidance and support for staff to use in managing the risks created in the delivery of the Council's wide range of services.   A risk management iPool course is also available which provides employees with the skills required to effectively manage risk.

Risk management is a dynamic process involving all levels of the Council. If the Council does not manage risk effectively it could lead to legal proceedings or harm to service users, employees or members of the public. It is the responsibility of every employee to be aware of and manage risks within their service.

The aim of the Risk Management Framework is to enable the Council to identify, evaluate and cost-effectively control risks and ensure any residual risk is at an acceptable level. It is intended to promote best practice in risk management at all levels and in all activities, including those delivered with external partners, and links into the Council's framework for good governance.

The Council's risk management approach is for risk to be managed and owned by senior officers and managers in directorates, service areas and projects, with a small team in Risk Services providing risk management governance and support.

The objectives of the Council's approach to effective risk management are as follows:

- Maintaining the Council's reputation and public image.

- Improving the quality of business decisions, minimising risk and maximising opportunity.

- Providing better protection to staff, service users, residents, assets and resources.

- Reducing costs by minimising error and failure to the extent that it is cost effective.

- Sustaining an innovative approach to Council activities by ensuring that risk management is integral to all strategic and business planning.

- Ensuring greater ownership by managers of risk management and the systems of internal control.

- Successful integration of risk management into systems and project based development, contracting and partnership arrangements.

- Supporting the efficient and effective integration of recovery, emergency and contingency plans.

- Continually embedding risk management into the culture of the organisation.
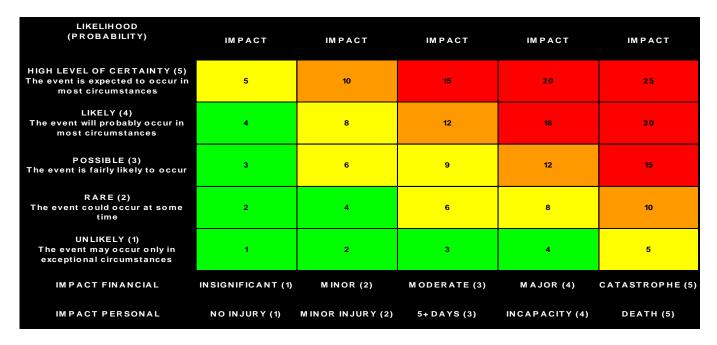
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Risk Appetite and Tolerance

The Council's risk appetite is the amount and type of risk that it is willing to take in order to meet its objectives. It is defined by setting maximum risk limits and risk tolerances within a criteria established in a risk matrix. This approach provides guidance as to the level of risk which it is acceptable to take and encourages consistency of approach across the Council.

The Council's attitude to risk is that it should be managed rather than avoided. Innovative solutions are encouraged and while they often involve risk they can be implemented with awareness and management of the risks they carry.

The Council has adopted a 5 x 5 risk matrix which identifies four risk tolerance levels coded as red, amber, yellow and green. Risks with a green and yellow rating are within scope of the Council's risk appetite. Risks which are amber and red rated are outside of the Council's appetite and further controls are required to reduce the risk.

The risk matrix used to score risks is shown below:

LIKELIHOOD (PROBABILITY)	IMPACT	IMPACT	IMPACT	IMPACT	IMPACT
HIGH LEVEL OF CERTAINTY (5) The event is expected to occur in most circumstances	5	10	15	20	25
LIKELY (4) The event will probably occur in most circumstances	4	8	12	16	20
POSSIBLE (3) The event is fairly likely to occur	3	6	9	12	15
RARE (2) The event could occur at some time	2	4	6	8	10
UNLIKELY (1) The event may occur only in exceptional circumstances	1	2	3	4	5
IMPACT FINANCIAL	INSIGNIFICANT (1)	MINOR (2)	MODERATE (3)	MAJOR (4)	CATASTROPHE (5)
IMPACT PERSONAL	NO INJURY (1)	MINOR INJURY (2)	5+ DAYS (3)	INCAPACITY (4)	DEATH (5)

Key

Risk Management Action Level	Tolerable	Low Priority	Activity Necessary in Current Year	High Priority

The treatment of the risk will depend on the nett score and whether the risk falls within the Council's risk tolerance level. The approach adopted is defined in the following table:

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Risk Management Framework

Level	Risk Treatment
High Priority 15 – 25 (Red Risks)	High scoring risks are significant to the Council and risk treatment is mandatory. If these risks cannot be reduced by the service they should be escalated to the Corporate Risk Management Group for inclusion on the Strategic Risk Register.
Action Necessary 10 -12 (Amber Risks)	Amber risks require action in the year to look at ways to reduce the risk. This should include a cost benefit analysis to determine the most appropriate treatment to mitigate or manage the risk.
Low Priority / Tolerable 1 – 9 (Green and Yellow Risks)	Low scoring risks are tolerance and will have low or no impact and therefore additional risk treatment may not be necessary. These risks should continue to be monitored to ensure that the risk score does not increase.

Risk Management Structure

The diagram below outlines the Council's structure for delivering risk management:

Responsibility

Corporate Leadership Team
Risk Champions
Heads of Services
Employees

Key Documentation

Service Risk Registers
Strategic Risk Registers

Risk Management

Operational

Directorate Risk Management Groups
Thematic Risk Management Groups

Governance

Audit Committee
Corporate Risk Management Group

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Risk Management Framework

Roles and Responsibilities

The following table expands on the risk management structure diagram and outlines the roles and responsibilities of Elected Members and Officers in relation to risk management.

Individual / Group	Role	Responsibilities
Audit Committee	Governance	• Monitor the adequacy of the Council's risk management arrangements. • Approve the strategic risk register and consider progress reports on the risks included in it. • Gain assurance about the extent to which risk management objectives are being met. • Approve the Council's Risk Management Framework.
Corporate Leadership Team	Management	• Determine the Council's overall risk appetite and promote effective risk management. • Agree the Council's Risk Management Framework. • Identify Risk Champions in each directorate. • Embed risk management within the corporate planning framework of performance planning, business planning, change management, short and medium term financial planning, the IPA process and target setting. • Regularly review the strategic risk register in accordance with agreed monitoring procedures.
Risk Champions	Management	• Schedule, Chair and arrange minutes for a Directorate Risk Management Group at least twice a year. • Ensure appropriate representation (and a nominated deputy is identified) from all service areas at the Directorate Risk Management Group. • Promote risk management best practice. • .Represent the department at Corporate Risk Management Group, acting as a link between the directorate and the corporate group. • Champion, monitor and report on the implementation of risk registers and business continuity plans on a quarterly basis.

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Risk Management Framework

Individual / Group	Role	Responsibilities
Heads of Service	Management	• Maintain risk registers for their service, ensure reviews are undertaken twice a year and ensure that all risks are aligned to corporate objectives. • Ensure that all staff have appropriate skills and expertise to effectively manage the risk that they are responsible for. • Ensure that mitigating actions are carried out and controls are in place to reduce risks, whilst identifying and enabling cost-effective strategies to be put in place to minimise the incidence of these. • Encourage and develop positive risk taking in relation to service development and modernisation within a controlled and monitored process. • Feedback on the effectiveness of the risk management process. • Ensure that all partnerships entered into have appropriate risk management arrangements, including a risk register and regular reporting to the governing board. • Promote effective risk management in service areas. • Ensure all significant projects entered into follow an appropriate project management methodology and project risks are identified and managed. • Incorporate risk management into Departmental Management Team agendas.
Line Managers	Operational	• Contribute to the maintenance a risk register for their service area. • Share relevant information with colleagues. • Feedback on effectiveness of the risk management process to their Heads of Services. • Encourage and develop positive risk taking in relation to modernisation and business change within a controlled and assessed process. • Utilise risk management data to minimise unwanted incidents and outcomes at operational level. • Ensure staff have the appropriate skills to manage risk.

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Risk Management Framework

Individual / Group	Role	Responsibilities
Employees	Operational	• Liaise with their line manager to assess areas of risk and opportunity in their job. • Identify new or changing risks in their job and feed these back to their line manager. • Highlight any risk management issues or inadequacies with their job or department. • Be aware of their accountability for ensuring that risks are adequately managed. • Understand how they can make a positive contribution to the improvement of risk management practices.
Risk Services	Support	• Provide support for operational, strategic, project and partnership risk management activities. • Identify and report on areas of non-compliance with risk management practices. • Undertake detailed risk management data analysis and present it to Corporate Leadership Team and Audit Committee. • Maintain strong links between the various risk professionals in Risk Services to ensure that solutions are joined up and unnecessary duplication is avoided. • Develop appropriate guidance to help raise awareness of the need for and benefits of effective risk management. • Support the various risk management groups.

Risk Management Timetable

The timetable for risk management meetings is as follows:

Frequency	Chaired By	Meeting
Twice a Year	Head of Audit and Risk	Corporate Risk Management Group
Twice a Year	Directorate Risk Champions	Directorate Risk Management Groups

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Risk Management Framework

Frequency	Chaired By	Meeting
Twice a Year	Directorate H&S Champions	Health and Safety Committee Meeting
Quarterly	Head of Property Services	Property Risk Management Group
Quarterly	Head of Highways	Highways Risk Management Group
Three Times a Year	Director of Community and Environmental Services	Driving at Work Risk Management Group
Twice a Year	Shared Service Emergency Planning Manager	Emergency Planning Risk Management Group
Monthly	Director of Place	Events Safety Advisory Group
Quarterly	Equality and Diversity Manager	Equality and Diversity Steering Group
Quarterly	Head of HR and Workforce Development	HR Risk Management Group

Risk Management Group Terms of Reference

The terms of reference for each of the Risk Management Group are as follows:

Corporate Risk Management Group	
Purpose	• To consider the range of risks faced by the Council and review the effectiveness of measures put in place to manage those risks.
Frequency of Meetings	• Twice a Year
Chair	• Head of Audit and Risk
Agenda Setting	• Head of Audit and Risk
Minutes and Administration	• Assistant Risk and Resilience Officer
Attendees	• Risk and Resilience Officer • Legal Officer (Claims Handling) • Directorate Risk Champions

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Risk Management Framework

	• Property Risk Champion
	• Highways Risk Champion
	• Driving at Work Risk Champion
	• Health and Safety Manager
	• ICT Senior Manager
	• Director of Resources
	• Strategic Equalities and Diversity Manager
	• Emergency Planning Manager
Reporting Lines	• Annual updates to the CLT regarding the strategic risk register.
	• Key issues identified to be reported to Audit Committee.
	• Dissemination of information to Directorate and Thematic Risk Management Groups.
Terms of Reference	• Develop the Risk Management Framework and ensure that this is implemented across all directorates.
	• Review risks faced by all Council services and feed any strategic / cross cutting issues into the strategic risk register.
	• Raise awareness of insurable risks, their financial implications and challenge why compensation payments have been made.
	• Discuss and agree methods by which directorate exposures can best be managed.
	• Monitor the effectiveness and application of risk management initiatives and activity across the Council.

Directorate Risk Management Groups	
Purpose	• To ensure that effective risk management is embedded within their directorates and that appropriate remedial action is taken to resolve control failings and help prevent future occurrences.
Frequency of Meetings	• Twice a Year
Chair	• Directorate Risk Champion
Agenda Setting	• Directorate Risk Champion
Minutes and Administration	• Directorate Support

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Risk Management Framework

Attendees	• Directorate Service Managers / Heads of Service • Risk and Resilience Team representative • Legal Officer (Claims Handling)
Reporting Lines	• Directorate Management Teams • Corporate Risk Management Group
Terms of Reference	• Provide overall risk management direction for the directorate taking into account and contributing to the corporate risk strategy and plan. • Identify risks within their directorate and agree their treatment. • Ensure that any cross-cutting strategic risks are escalated to the Corporate Risk Management Group for inclusion on the strategic risk register. • Request appropriate incident data and profiles from the Risk and Resilience Team to identify areas for investigation, improvement and training. • Set targets for incident reduction within the directorate and monitor reduction in the number of incidents. • Utilise risk management within planning processes. • Be responsible for implementing business continuity guidance.

Health and Safety Directorate Committee Meetings	
Purpose	• To engage with the work force and the Trade Unions on health and safety matters.
Frequency of Meetings	• Twice a year
Chair	• Directorate Health and Safety Champion
Agenda Setting	• Risk Champion
Minutes and Administration	• Directorate Support
Attendees	• Staff representative from each service • Trade Union Representative • Health and Safety Team Representative
Reporting Lines	• Corporate Risk Management Group.
Terms of Reference	• Keep under review the systems and practices adopted in the directorate to ensure that the health and safety management system is complied with. • The examination of accident trends, together with recommendations for

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corrective action.

- Consideration of reports from the health and safety team including findings from their inspections.

- Assistance in the development of safety rules, safe systems of work and monitoring the introduction of measures that may substantially affect the health and safety of employees.

- Monitoring the adequacy of safety and health communication and publicity in the directorate.

- Monitoring changes to health and safety legislation likely to impact on the directorate.

- Reduce health and safety related risks.

Property Risk Management Groups	
Purpose	• Reduce property related risks.
Frequency of Meetings	• Quarterly
Chair	• Head of Property Services
Agenda Setting	• Head of Property Services
Minutes and Administration	• Property Services
Attendees	• Risk and Resilience Officer • Head of Audit and Risk • G&P Property and Development Officer • Head of Libraries • Fire Safety / H&S Advisor • Property Services Mechanical Engineer • Cost and Contracts Manager • Capital Projects Senior Projects Manager • Group Property Manager • Property Insurers Representative • BHC Director of Development • BCH Head of Asset Management

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Risk Management Framework

	• Principal Building Control Surveyor • Property Services Facility Officer • Head of Leisure, Catering and Illuminations • Fire Service Representative
Reporting Lines	• Corporate Risk Management Group.
Terms of Reference	• Discuss recent property developments and associated risks • Receive multi-agency audit reports and discuss the implementation of their findings. • Receive health and safety audit reports and discuss the implementation of their findings. • Consider property insurance claims and consider ways in which these can be reduced going forward. • Ensure that the thematic property business continuity plan is up to date. • Discuss proactive and reactive maintenance plans and progress against these. • Oversee the management of unsafe structures across Blackpool. • Consider multi-agency solutions for property risks including fire, arson, break-ins and building security. • Oversee management of void buildings to reduce property risk.

Highways Risk Management Groups	
Purpose	• Reduce Highways Tripping Claims
Frequency of Meetings	• Quarterly
Chair	• Head of Highways
Agenda Setting	• Head of Highways
Minutes and Administration	• Highways Departmental Support
Attendees	• Network Planning Officer • Risk and Resilience Officer • Legal Officer (Claims Handling) • Insurance Fraud Officer • Highways Inspector

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	• Marketing Officer
Reporting Lines	• Corporate Risk Management Group
Terms of Reference	• Review insurance claims received in the quarter to assess what further controls can be put in place and recommended to the RAMS Board. • Review all 'live' cases to establish any mitigating controls which can be put in place and make recommendations to the RAMS Board. • Determine the number of claims received and assess how many of these have been successfully defended and how many have been settled so that an accurate position in terms of success can be reported. • Agree positive public relations and communications relating to the reduction of claims and proactive insurance fraud work. • Review reserves set on live insurance claims and determine whether there is any scope to increase or decrease these. • Review the financial risk exposure faced by the Council for PLH claims to make recommendations to the Corporate Risk Management Group in terms of levels of insurance reserves which need to be maintained.

Driving at Work Risk Management Groups	
Purpose	• To reduce the number of work related driving incidents.
Frequency of Meetings	• Three Times a Year
Chair	• Director of Community and Environmental Services
Agenda Setting	• Risk Services
Minutes and Administration	• Assistant Risk and Resilience Officer
Attendees	• Integrated Transport Manager • Health and Safety Manager • Illuminations Production Manager • Head of Visitor Services • Head of Adult Care and Support • Early Help Senior Service Manager • Engineering Manager • Corporate Health Manager

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Risk Management Framework

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	• Social Care Senior Service Manager • Risk and Resilience Officer • Employee Relations Manager • Street scene Manager • Head of Customer Engagement and Life Events • Head of Leisure, Catering and Illuminations • Waste Services Manager • BCH Representative
Reporting Lines	• Corporate Risk Management Group
Terms of Reference	• Develop and maintain the Council's driving at work handbook and adhere to the requirements of the driving at work policy. • Consider internal audit report findings in relation to Driving at Work. • Review motor insurance claims and establish what lessons can be learned and what further controls may be required to reduce claims going forward. • Identify potential training needs for staff that drive at work and look at solutions for addressing these needs. • Set targets for incident reduction across all departments and monitor reduction in terms of the number of incidents. • Reporting on changes to legislative requirements. • Assess and consider risks relating to the Council's fleet and the grey fleet.

Emergency Planning Risk Management Group	
Purpose	• Ensure the Council can adequately respond to a major incident.
Frequency of Meetings	• Twice a Year
Chair	• Shared Emergency Planning Service Manager
Agenda Setting	• Shared Emergency Planning Service Manager
Minutes and Administration	• Assistant Risk and Resilience Officer
Attendees	• Shared Service Emergency Planning Officer • Head of Audit and Risk • Lead Out of Hours Duty Officer

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Risk Management Framework

	• Principal Building Control Officer
	• **H**ead of Coastal & Environmental Partnership Investments
	• Media Manager
	• Street Scene Manager
	• Manager - Urgent Care, Rapid Response & Reablement
	• Vitaline Team Leader
	• Leisure Services Manager
	• Service Manager – Public Protection
	• Head of ICT Services
	• Children's Services Critical Incident Response Team Representative
	• Head of Property Services
	• Head of Registration and Bereavement Service
	• Public Health Business Manager
	• Customer First Service Manager
Reporting Lines	• Corporate Risk Management Group.
Terms of Reference	• Ensure that the Council meets is statutory duties under the Civil Contingences Act 2004 including: - Risk assessment of an emergency occurring. - Emergency Planning - Cooperation. - Information sharing. - Warning and Informing

	## Events Safety Advisory Group
Purpose	• It is the policy of Blackpool Council to ensure event organisers uphold reasonable standards of public safety and to encourage the wellbeing of the public, officials and performers at organised events in public spaces. The Safety Advisory Group has been established to advise organisers on licencing, health and safety and any other issues relating to their public event.
Frequency of Meetings	• Monthly

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Risk Management Framework

Chair	• Director of Place
Agenda Setting	• Director of Place
Minutes and Administration	• Director of Place PA
Attendees	The SAG shall consist of persons with sufficient seniority, experience, competence and knowledge of their service to be able to advise on operational matters. • The Chair will be a representative from the Local Authority • The relevant service lead will act as lead service to SAG • The Local Authority will provide the administrative support, including taking and circulating minutes, meeting invites and creating an Agenda The SAG will be constituted to include representatives from the following services organisations: • Local Authority (LA) Contingency Planning Unit • LA Environmental Health • LA Health and Safety • LA Licensing • LA Estate Management • LA Traffic Management • Lancashire Constabulary • Lancashire Fire and Rescue Service • North West Ambulance Service • Blackpool Transport services On occasion specialist advice may be sort from organisations outside of the SAG core membership. Invited representation and members of the voluntary sector may be invited to attend SAG meetings by the chair as deemed appropriate.
Reporting Lines	• Directorate Risk Management Groups, CLT and DMTs as appropriate.
Terms of Reference	• Provide a forum within which the local authority and other key partners can develop a co-ordinated approach to crowd and spectator safety and wellbeing. • Advise on planning, venue and its immediate environs required by an event. • Advise on Health and Safety legislation, Licensing Act 2003 and other relevant legislation and guidance for public events and venues. • Advise on enforcing actions and the duty of care of the local authority and other partners as defined in related legislation.

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| | • Receive reports in relation to event safety found during post-event inspections by group members.
 • Receive notification of any issues, prohibition notice(s) or prosecutions relating to events.
 • Take on other safety and public protection functions as agreed.
 • Maintain an overview of forthcoming events within Blackpool.
 • Monitor compliance with the standards agreed . |

Equality and Diversity Steering Group

Purpose	• To coordinate the development of equality and diversity practice and management of Equality Act compliance risks across Council directorates.
Frequency of Meetings	• Quarterly
Chair	• Strategic Equality and Diversity Manager
Agenda Setting	• Strategic Equality and Diversity Manager
Minutes and Administration	• HR Policy Officer
Attendees	• Senior reps from all Council directorates
Reporting Lines	• DMTs, CLT, Portfolio Holder for Equalities and Corporate Risk Management Group
Terms of Reference	• In collaboration with DMTs and Heads of Service to ensure that all relevant equality risk systems and procedures are adhered too, especially related to equality analysis of decision making and compliance with public sector duty requirements – Section 149 of Equality Act.

HR Risk Management Group

Purpose	• To assess the potential impact of changes to HR legislation.
Frequency of Meetings	• Quarterly
Chair	• Head of HR and Workforce Development
Agenda Setting	• Head of HR and Workforce Development
Minutes and Administration	• Head of HR and Workforce Development
Attendees	• Chief Executive • Director of Resources

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Risk Management Framework

	• Head of Audit and Risk
Reporting Lines	• CLT and CRMG as appropriate.
Terms of Reference	• Equal Pay Claims. • Current and evolving equal pay risks. • Holiday pay and evolving case law. • Evolving case law which could impact employee costs. • Terms and condition risks.

Risk Management Administration

Each risk management group will have a SharePoint site set up where agendas, minutes and supporting papers will be held. The SharePoint sites will also be the main area for storing risk registers.

It is the responsibility of the Chair of each meeting to ensure that the SharePoint site it kept up to date with all relevant data.

Members of the risk management group will have access to the SharePoint site for each group along with relevant Heads of Service and Chief Officers.

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