

Risk Management Framework 2021- 2025

Blackpool Council



Risk Management Framework

Foreword

The 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.

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

Risk Management Framework

Introduction

In successful organisations, risk management enhances strategic planning and prioritisation, assists in achieving objectives and strengthens the ability to be agile to respond to the challenges faced. The Council cannot be risk averse and be successful. Risk is inherent in everything we do to deliver high-quality services. Risk management must be an integral part of informed decision-making; from policy or project inception through implementation to the everyday delivery of our services. The Council's approach is based on and closely aligned to the best practice established in the Orange Book which sets out the approach with managing risk in the Public Sector.

As with all aspects of good governance, the effectiveness of risk management depends on the individuals responsible for operating the systems put in place. Our risk culture must embrace openness, support transparency, welcome constructive challenge and promote collaboration, consultation and co-operation. We must invite scrutiny and embrace expertise to inform decision-making.

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. For the risk management framework to be considered effective, the following principles shall be applied:

- Risk management shall be an essential part of **governance and leadership**, and fundamental to how the organisation is directed, managed and controlled at all levels.
- Risk management shall be an **embedded** part of all organisational activities to support decision-making in achieving objectives.
- Risk management shall be **collaborative and informed** by the best available information and expertise.
- **Risk management processes** shall be structured to include:
 - a. risk identification and assessment to determine and prioritise how the risks should be managed;
 - b. the selection, design and implementation of risk treatment options that support achievement of intended outcomes and manage risks to an acceptable level;
 - c. the design and operation of integrated, insightful and informative risk monitoring; and
 - d. timely, accurate and useful risk reporting to enhance the quality of decision-making and to support management and oversight bodies in meeting their responsibilities.
- Risk management shall be **continually improved** through learning and experience.

There are a number of key terms which are used throughout this document and these are defined as follows:

Risk Management Framework

- **Governance** is the system by which organisations are directed and controlled. It defines accountabilities, relationships and the distribution of rights and responsibilities among those who work with and in the organisation, determines the rules and procedures through which the organisation's objectives are set, and provides the means of attaining those objectives and monitoring performance.
- **Risk Management** is the co-ordinated activities designed and operated to manage risk and exercise internal control within an organisation.
- **Risk** is the effect of uncertainty on objectives. Risk is usually expressed in terms of causes, potential events, and their consequences (impact and likelihood).
- **Internal Control** is the dynamic and iterative framework of processes, policies, procedures, activities, devices, practices, or other conditions and/or actions that maintain and/or modify risk.
- **Assurance** is a general term for the confidence that can be derived from objective information over the successful conduct of activities, the efficient and effective design and operation of internal control, compliance with internal and external requirements, and the production of insightful and credible information to support decision-making.

Risk Management Framework

Governance and Leadership

Risk Culture

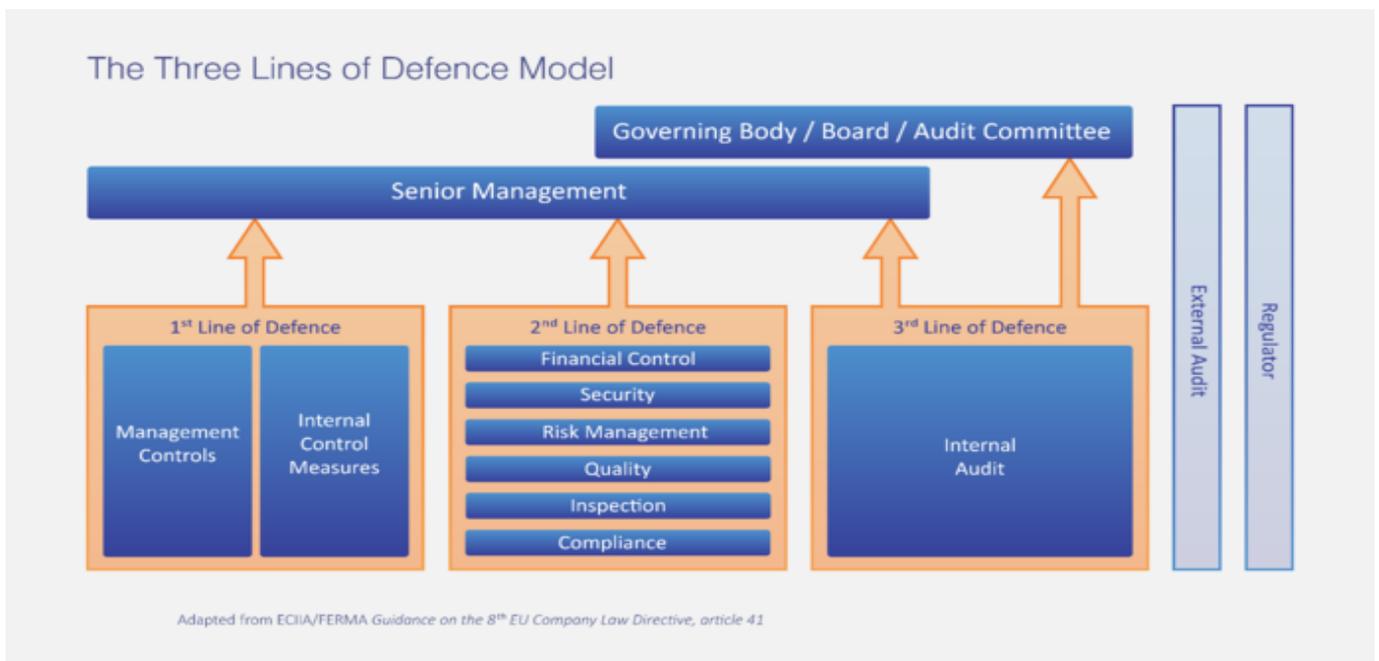
Behaviour and culture significantly influence all aspects of risk management at each level and stage. To support the appropriate risk culture, the Corporate Leadership Team will ensure that expected values and behaviours are communicated and embedded at all levels. The Corporate Leadership Team set the risk appetite to support informed decision making, ensure confidence in the response to risks and ensure transparency.

The risk appetite is the amount and type of risk that the Council is willing to take in order to meet its objectives. It is defined by setting risk tolerances within a criteria established in a risk matrix. 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 Head of Audit and Risk will periodically assess the Council's risk culture, incentivise expected behaviours and sanction inappropriate behaviours. Where they are not satisfied, they will direct and manage corrective actions and seek assurances that the desired risk culture and behaviours are promoted.

Roles and Responsibilities

Everyone in an organisation has some responsibility for risk management. The "three lines of defence" model provides a simple and effective way to help delegate and coordinate risk management roles and responsibilities within and across the Council.



Risk Management Framework

- **First Line of Defence** - management have responsibility and accountability for identifying, assessing and managing risks. The first line 'own' the risks, and are responsible for execution of the Council's response to those risks through executing internal controls on a day-to-day basis and for implementing corrective actions to address deficiencies.
- **Second line of Defence** - consists of functions and activities that monitor and facilitate the implementation of effective risk management practices. They also facilitate the reporting of adequate risk related information up and down the organisation. The second line supports management by bringing expertise and monitoring alongside the first line to help ensure that risk are effectively managed.
- **Third Line of Defence** - the internal audit function will, through a risk-based approach to its work, provide an objective evaluation of how effectively the organisation assesses and manages its risks, including the design and operation of the "first and second lines of defence".
- **External Assurance** - sitting outside of the Council's own risk management framework and the three lines of defence, are a range of other sources of assurance that support an organisation's understanding and assessment of its management of risks and its operation of controls such as external audit, Ofsted and the CQC.

To support effective governance and decision-making at each level, the roles and responsibilities for risk management are clarified and defined below:

Role	Responsibilities
Audit Committee	<ul style="list-style-type: none"> • Understand the Council's strategy, operating environment and the associated risks. • Understand the role and activities of the Corporate Leadership Team in relation to managing risk; • Discuss with the Corporate Leadership Team their attitude to and appetite for risk to ensure these are appropriately defined and communicated so that management understands these parameters and expectations; • Understand the risk management framework and the assignment of responsibilities; • Review the risk management framework to evaluate how well the arrangements are actively working in the organisation; and • Consider the adequacy and effectiveness of control processes in responding to risks within the organisation's governance, operations, compliance and information systems.
Corporate Leadership Team	<ul style="list-style-type: none"> • Lead the assessment and management of risk and take a strategic view of risks in the Council.

Risk Management Framework

Role	Responsibilities
	<ul style="list-style-type: none"> • Ensure that there are clear accountabilities for managing risks and that managers are equipped with the relevant skills and guidance to perform their assigned roles effectively and efficiently. • Ensure that roles and responsibilities for risk management are clear to support effective governance and decision-making at each level with appropriate escalation, aggregation and delegation. • Determine and continuously assess the nature and extent of the strategic risks that the Council is willing to take to achieve its objectives - its “risk appetite” - and ensure that planning and decision-making appropriately reflect this assessment. • Agree the frequency and scope of its discussions on risk to review how management is responding to risks and how this is integrated with other matters including business planning and performance management processes. • Specify the nature, source, format and frequency of the information that it requires. • Ensure that there are clear processes for bringing significant issues to its attention more rapidly when required, with agreed triggers for doing so. • Use horizon scanning to identify emerging sources of uncertainty, threats and trends. • Assure itself of the effectiveness of the organisation’s risk management framework. • Designate an individual to be responsible for leading the organisation’s overall approach to risk management, who should be of sufficient seniority and should report to a level within the organisation that allows them to influence effective decision-making. • Ensure the allocation of appropriate resources for risk management, which can include, but is not limited to people, skills, experience and competence. • Chair Directorate Risk Management Group meetings, or nominate a suitable chair / risk champion. • Incorporate risk management into Departmental Management Team agendas.
Head of Audit and Risk	<ul style="list-style-type: none"> • Periodically assess the robustness of the Council’s Risk Management Framework and culture.

Risk Management Framework

Role	Responsibilities
	<ul style="list-style-type: none"> • Ensure that expected values and behaviours are communicated and embedded at all levels to support the appropriate risk culture. • Establish the organisation’s overall approach to risk management. • Establish risk management activities that cover all types of risk and processes that are applied at different organisational levels. • Ensure the design and systematic implementation of policies, procedures and practices for risk identification, assessment, treatment, monitoring and reporting. • Consider the organisation’s overall risk profile, including risk management within wholly owned companies. • Monitor the quality of the information received and ensure that it is of a sufficient quality to allow effective decision-making.
Risk Champions	<ul style="list-style-type: none"> • 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.
Heads of Service	<ul style="list-style-type: none"> • 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.

Risk Management Framework

Role	Responsibilities
	<ul style="list-style-type: none"> • 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.
Line Managers	<ul style="list-style-type: none"> • Contribute to the maintenance of 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.
Employees	<ul style="list-style-type: none"> • 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 Management Framework

Embedding Risk Management

The assessment and management of opportunity and risk should be an embedded part of, and not separate from:

- Setting strategy and plans;
- Evaluating options and delivering programmes, projects or policy initiatives;
- Prioritising resources;
- Supporting efficient and effective operations;
- Managing performance;
- Managing tangible and intangible assets; and
- Delivering improved outcomes.

The Corporate Leadership Team, supported by the Head of Audit and Risk, will ensure that risks are transparent and considered as an integral part of appraising options, evaluating alternatives and making informed decisions. Effective appraisal supports the assessment of the costs, benefits and risks of alternative ways to meet objectives. When conducting an appraisal, consideration will be given to the identification and analysis of risks in the design and implementation of options.

This analysis and evaluation will provide the foundation to understand the risks arising through chosen options and how these will be managed, including how these will be subject to effective and on-going monitoring.

Delivery confidence will be supported through the transparent identification of the risks faced and how those risks will be managed within business and financial plans.

Risk Management Framework

Collaboration and Information

The management of risks and the operation and oversight of internal control are considered and aligned across the Council. This requires collaboration and cross-organisational working and a range of risk management groups have been implemented which have been designed to support a comprehensive view of the risk profile in support of governance and decision-making requirements. Through the risk management structure awareness of risk management processes are raised to help ensure that these are conducted systematically, iteratively and collaboratively, drawing on the knowledge and views of experts and stakeholders.

This communication and consultation will assist relevant stakeholders in understanding the risks faced, the basis on which decisions are made and the reasons why particular actions are required and taken. Communication and consultation at the risk management groups should:

- Bring together different functions and areas of professional expertise in the management of risks;
- Ensure that different views are appropriately considered when defining risk criteria and when analysing risks;
- Provide sufficient information and evidence to facilitate risk oversight and decision making; and
- Build a sense of inclusiveness and ownership among those affected by risk.

The detailed terms of reference for each group can be found in [Appendix 1](#). The Council's risk management groups include:

- Corporate Risk Management Group
- Directorate Risk Management Groups
- Health and Safety Directorate Committee Meetings
- Property Risk Management Group
- Highways Risk Management Group
- Driving at Work Risk Management Group
- Emergency Planning Risk Management Group
- Events Safety Advisory Group
- Equality and Diversity Steering Group

Each risk management group has a SharePoint site set up where agendas, minutes and supporting papers will be held. The SharePoint sites will also be the area for storing risk registers. It is the responsibility of the Chair of each meeting to ensure that the SharePoint site is 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.

Risk Management Framework

Risk Management Process

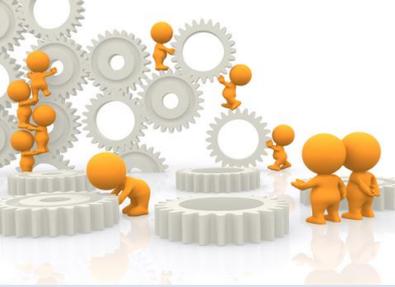
The risk assessment process adopted by the Council has four key components as illustrated below:



Risk Identification

The aim of risk identification is to understand the Council's overall risk profile. Risk identification activities should produce an integrated and holistic view of risks and should be considered in terms of the following categories of risk:

Risk Management Framework

Risk Category	Description
	<p>Risks arising from identifying and pursuing a strategy, which is poorly defined, is based on flawed or inaccurate data or fails to support the delivery of commitments, plans or objectives due to a changing macro-environment (e.g. political, economic, social, technological, environment and legislative change).</p>
	<p>Risks arising from unclear plans, priorities, authorities and accountabilities, and/or ineffective or disproportionate oversight of decision-making and/or performance.</p>
	<p>Risks arising from inadequate, poorly designed or ineffective/inefficient internal processes resulting in fraud, error, impaired customer service (quality and/or quantity of service), non-compliance and/or poor value for money.</p>
	<p>Risks arising from a defective transaction, a claim being made (including a defence to a claim or a counterclaim) or some other legal event occurring that results in a liability or other loss, or a failure to take appropriate measures to meet legal or regulatory requirements or to protect assets (for example, intellectual property).</p>

Risk Management Framework

Risk Category	Description
 <p data-bbox="563 757 673 786">Property</p>	<p data-bbox="836 622 1479 815">Risks arising from property deficiencies or poorly designed or ineffective/ inefficient safety management resulting in non-compliance and/or harm and suffering to employees, contractors, service users or the public.</p>
 <p data-bbox="563 1104 673 1133">Financial</p>	<p data-bbox="836 927 1479 1160">Risks arising from not managing finances in accordance with requirements and financial constraints resulting in poor returns from investments, failure to manage assets/liabilities or to obtain value for money from the resources deployed, and/or non-compliant financial reporting.</p>
 <p data-bbox="563 1462 711 1491">Commercial</p>	<p data-bbox="836 1317 1479 1550">Risks arising from weaknesses in the management of commercial partnerships, supply chains and contractual requirements, resulting in poor performance, inefficiency, poor value for money, fraud, and /or failure to meet business requirements/objectives.</p>
 <p data-bbox="563 1765 651 1794">People</p>	<p data-bbox="836 1646 1479 1879">Risks arising from ineffective leadership and engagement, suboptimal culture, inappropriate behaviours, the unavailability of sufficient capacity and capability, industrial action and/or non-compliance with relevant employment legislation/HR policies resulting in negative impact on performance.</p>

Risk Management Framework

Risk Assessment

While each risk identified may be important, some form of measurement is necessary to evaluate their significance to support decision-making. 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 purpose of this risk analysis is to support a detailed consideration of the nature and level of risk. The risk analysis process should use the above risk criteria to foster consistent interpretation and application in defining the level of risk, based on the assessment of the likelihood of the risk occurring and the consequences should the event happen.

Risk evaluation should involve comparing the results of the risk analysis with the nature and extent of risks that the Council is willing to take - its risk appetite - to determine where and what additional action is required.

The outcome of risk evaluation should be recorded in a risk register communicated and validated through the risk management group structure. It should be regularly reviewed and revised based on the dynamic nature and level of the risks faced and at a minimum in March and September each year. An example risk register is illustrated below:

Risk Management Framework

Description of Risk	Impacts / Consequences	Opportunity	Gross Risk Score			Controls and Mitigation	Net Risk Score			Further Actions to Reduce Risk	BCM Risk? Y/N?	Risk Owner / Risk Manager	Actions to be addressed by:
			I	L	GS		I	L	NS				

Risk Treatment

Selecting the most appropriate risk treatment option(s) involves balancing the potential benefits against the costs, efforts or disadvantages of proposed actions, and should take into account all of the Council’s obligations, commitments and stakeholder views.

Risk treatment is the process of taking action to minimise the likelihood of the risk occurring, and also reducing the severity of the consequences should it occur. Risk control usually requires managers to identify and implement revised working practices or implement projects to remove potential risks. The various options available are listed in the following table:

Tolerate	Do nothing and continue as planned. The ability to do anything may be limited or the cost of taking action may be disproportionate to the potential benefit gained.
Treat	Introduce control procedures to increase the chance of success.
Transfer	Share the exposure of risk via insurance or with a contractor. The relationship with a contractor needs to be carefully managed as it may not be possible to fully transfer all risks and some aspects might remain such as reputational risk.
Terminate	Withdraw from the activity if possible.

As part of the selection and development of risk treatments, the Council should specify how the chosen option(s) will be implemented, so that arrangements are understood by those involved and effectiveness can be monitored. This should include:

- The rationale for selection of the option(s), including the expected benefits to be gained;

Risk Management Framework

- The proposed actions;
- Those accountable and responsible for approving and implementing the option(s);
- When action(s) are expected to be undertaken and completed.

Where additional action is required to bring the levels of risk within the nature and extent that the organisation is willing to take to achieve its objectives, the organisation should select, develop and implement options for addressing risk. These might be manual or automated. This involves an iterative process of:

- Planning and implementing internal control;
- Assessing the effectiveness of internal control;
- Deciding whether the nature and extent of the remaining risk after the implementation of internal controls is acceptable; and
- If not acceptable, reassessing options and taking further action where appropriate.

Risk Monitoring

Risk monitoring plays a role before, during and after implementation of risk treatment. Ongoing and continuous monitoring supports understanding of whether and how the risk profile is changing and the extent to which internal controls are operating as intended to provide reasonable assurance over the management of risks to an acceptable level in the achievement of organisational objectives.

When undertaking risk monitoring the risk owner / risk manager should consider:

- Are the key risks still relevant?
- Has anything occurred which could impact upon them?
- Are performance indicators appropriate?
- Are the controls in place effective?
- Have risk scores changed and if so are they decreasing or increasing?

The process for six monthly monitoring of risks is defined below:

- Services identify their risks and formulate their risk registers by holding a risk workshop, this can be supported by the Audit and Risk team if required.
- The registers are assessed every six months (or more frequently if significant change has occurred), taking into consideration current controls, further actions, timescales and the scoring mechanism.
- The risk registers should be updated in SharePoint so that the Audit and Risk Team can report progress to the Corporate Leadership Team and Audit Committee.
- Risk management issues are discussed and escalated where necessary at the Directorate Risk Management Groups (DRMGs) which are held twice a year and attended by service managers and the Risk Champion for the Directorate.

Risk Management Framework

- Issues and discussions arising out of the DRMGs are taken to the higher level Corporate Risk Management Group chaired by the Head of Audit and Risk twice a year.

The results of monitoring and review are incorporated into the Audit and Risk Quarterly Report which is provided to the Corporate Leadership Team and Audit Committee. Recording and reporting aims to:

- Transparently communicate risk management activities and outcomes across the organisation;
- Provide information for decision-making;
- Improve risk management activities; and
- Assist interaction with stakeholders, including those with responsibility and accountability for risk management activities.

Strategic risks are subject to “deep dive” reviews by the Corporate Leadership Team and Audit Committee, with those responsible for the management of risks and with appropriate expertise present at an appropriate frequency depending on the nature of the risk and the performance reported.

Risk Management Framework

Continual Improvement

The Council will monitor and adapt the risk management framework to address external and internal changes and improve the suitability, adequacy and effectiveness of the framework when significant changes are required.

Risk Management Assurance

When seeking assurance on the effectiveness of risk management, questions which the Corporate Leadership Team, Audit Committee and Internal Audit may want to ask include:

<u>Assurance Questions</u>	
Governance and Leadership	<ul style="list-style-type: none"> • How is the desired risk culture defined, communicated, and promoted? How is this periodically assessed? • How do human resource policies and performance systems encourage and support desired risk behaviours and discourage inappropriate risk behaviours? • How has the nature and extent of the strategic risks that the Council is willing to take in achieving its objectives been determined and used to inform decision-making? Is this risk appetite tailored and proportionate to the Council? • How are the Corporate Leadership Team, Audit Committee and other governance forums supported to consider the management of risks, and how is this integrated with discussion on other matters? • How effective are risk information and insights in supporting decision-making, in terms of the focus and quality of information, its source, its format and its frequency? • How are authority, responsibility and accountability for risk management and internal control defined, co-ordinated and documented throughout the organisation? • How is the designated individual responsible for leading the overall approach to risk management positioned and supported to allow them to exercise their objectivity and influence effective decision-making? • How are the necessary skills, knowledge and experience of the organisation’s risk practitioners assessed and supported? • How has the necessary commitment to risk management been demonstrated?
Embedding Risk Management	<ul style="list-style-type: none"> • How are risks considered when setting and changing strategy and priorities?

Risk Management Framework

	<ul style="list-style-type: none"> • How are risks transparently assessed within the appraisal of options for policies, programmes and projects or other significant commitments? • How are emerging risks identified and considered? • How are risks to the public assessed and reflected within policy development and implementation?
<p>Collaboration and Information</p>	<ul style="list-style-type: none"> • How is an aggregated view of the risk profile informed across the organisation, arm’s length bodies and the extended enterprise supporting the delivery of services? • How are the views of external stakeholders gathered and included within risk considerations? • How does communication and consultation assist stakeholders to understand the risks faced and the organisation’s response? • How is function and professional expertise used to inform strategies, plans, programmes, projects and policies? • How do expert functions and professions inform the identification, assessment and management of risks and the design and implementation of controls?
<p>Risk Management Processes</p>	<ul style="list-style-type: none"> • How are risk categories used to facilitate the identification of risks within the overall risk profile? • How are risk criteria set to support consistent interpretation and application in assessing the level of risk? How effective are these in supporting the understanding and consideration of the likelihood and consequences of risks? • How are limitations and influences associated with the information and evidence used with risk assessments highlighted?
<p>Continual Improvement</p>	<ul style="list-style-type: none"> • How are policies, programmes and projects evaluated to inform learning from experience? How are lessons systematically learned from past events? • How are improvement opportunities identified, prioritised, implemented and monitored? • How dynamic is the assessment of risks and the consideration of mitigating actions to reflect new or changing risks or operational efficiencies? • How are exposures to each strategic risk assessed against the nature and extent of risks that the organisation is willing to take in achieving its objectives – its risk appetite – to inform options for the selection and development of internal controls?

Risk Management Framework

	<ul style="list-style-type: none"> • How are decisions made in balancing the potential benefits of the design and implementation of new or additional controls with the costs, efforts and any disadvantages of different control options? • How are contingency arrangements for high impact risks designed and tested to support continuity, incident and crisis management and resilience? • How is the nature, source, format and frequency of the information required to support monitoring of risk management and internal control defined and communicated? • How are new and changing strategic risks highlighted and escalated clearly, easily and more rapidly when required? • How comprehensive, informative and coordinated are assurance activities in helping achieve objectives and in supporting the effective management of risks?
--	--

Risk Champion Role

The Risk Champions please a key role in ensuring continual improvement at directorate level and to ensure that this occurs a specification outlining the qualities and expectations of the Corporate Leadership Team appointed Risk Champions is in place:

<u>Risk Champion Specification</u>	
Seniority	<ul style="list-style-type: none"> • Head of Service or above. If the role is delegated down the Risk Champion must attend both Corporate Risk Management Group and Directorate Risk Management Group meetings.
Skills	<ul style="list-style-type: none"> • Ability to make decisions, or able to influence decision making. • Promote risk management best practice throughout the directorate. • Proactively campaign and communicate the value of risk management. • Champion, monitor and report on the implementation of risk registers and business continuity plans twice yearly. • Ability to challenge risk assumptions. • Review and challenge the red risks in their directorate. • Discuss and review learning outcomes from directorate insurance claims.
Knowledge	<ul style="list-style-type: none"> • Good working knowledge of entire directorate.

Risk Management Framework

	<ul style="list-style-type: none"> • A good understanding of risk management concepts, principles and processes. • Familiarity with the Risk Management Framework.
<p>Commitment</p>	<ul style="list-style-type: none"> • Either Chair or attend risk management groups in line with the arrangements for your directorate. • Ensure that administrative support is identified to schedule and arrange meetings in a timely fashion to feed into the Corporate Risk Management Group. • Ensure that administrative support is identified to request items for the agenda at least two weeks before the meeting; upload the meeting agenda and supporting documents onto Sharepoint and circulate the link to meeting attendees; take minutes and ensure that these are uploaded to Sharepoint, and the link circulated, within one month of the meeting taking place. • Ensure appropriate representation (and a nominated deputy is identified) from all service areas at the Directorate Risk Management Group. Ensure that the nominated deputy is fully briefed prior to attendance. • Ensure that the Risk and Resilience Team is notified of any changes to DRMG attendees so that access can be given to the relevant information on Sharepoint. • Represent the department at the Corporate Risk Management Group twice a year, acting as a link between the directorate and the corporate group, sharing information as appropriate to the wider Directorate.

Risk Management Group Good Practice Model

Similarly, the risk management groups are a key component in ensuring continual review and improvement of risk management and they are encouraged to follow the good practice model:

<p align="center"><u>Risk Management Group Good Practice Model</u></p>	
	<ul style="list-style-type: none"> • All attendees to be given the opportunity to provide items for the agenda. • Request appropriate incident data and profiles from the Risk and Resilience Team to identify areas for investigation, improvement and training. • Each service to provide an update on service risks / improvements / changes / lessons learned at each meeting.

Risk Management Framework

- Risk Champion and Driving at Work Representative to provide appropriate updates and gather information / concerns from attendees to feed into the Corporate Risk Management Group and Driving at Work Group.
- Ensure that any cross-cutting strategic risks are escalated to the Corporate Risk Management Group for inclusion on the strategic risk register.
- Set targets for incident reduction within the directorate and monitor reduction in the number of incidents.
- Forward plan on an annual basis to include any specific risk themes or opportunities that needs to be addressed or discussed and identify training needs and skills gaps that need to be developed.

Risk Management Framework

Appendix 1 – Risk Management Group Terms of Reference

Corporate Risk Management Group	
Purpose	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Twice a Year
Chair	<ul style="list-style-type: none"> Head of Audit and Risk
Agenda Setting	<ul style="list-style-type: none"> Head of Audit and Risk
Minutes and Administration	<ul style="list-style-type: none"> Audit and Risk Admin
Attendees	<ul style="list-style-type: none"> Senior Risk and Resilience Advisor Risk and Resilience Officer Legal Officer (Claims Handling) Directorate Risk Champions Property Risk Champion Highways Risk Champion Driving at Work Risk Champion Senior Health and Safety Advisor ICT Senior Manager Director of Resources Senior Equalities and Diversity Advisor Emergency Planning Manager
Reporting Lines	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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.

Risk Management Framework

	<ul style="list-style-type: none"> • 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.
--	--

<u>Directorate Risk Management Groups</u>	
Purpose	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Twice a Year
Chair	<ul style="list-style-type: none"> • Director or Directorate Risk Champion
Agenda Setting	<ul style="list-style-type: none"> • Directorate Risk Champion
Minutes and Administration	<ul style="list-style-type: none"> • Directorate Support
Attendees	<ul style="list-style-type: none"> • Directorate Service Managers / Heads of Service • Risk and Resilience Team representative • Legal Officer (Claims Handling)
Reporting Lines	<ul style="list-style-type: none"> • Directorate Management Teams • Corporate Risk Management Group
Terms of Reference	<ul style="list-style-type: none"> • 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.

Risk Management Framework

Health and Safety Directorate Committee Meetings

Purpose	<ul style="list-style-type: none"> To engage with the work force and the Trade Unions on health and safety matters.
Frequency of Meetings	<ul style="list-style-type: none"> Twice a year
Chair	<ul style="list-style-type: none"> Director or Directorate Risk Champion
Agenda Setting	<ul style="list-style-type: none"> Risk Champion
Minutes and Administration	<ul style="list-style-type: none"> Directorate Support
Attendees	<ul style="list-style-type: none"> Staff representative from each service Head of Service Trade Union Representative Health and Safety Team Representative
Reporting Lines	<ul style="list-style-type: none"> Corporate Risk Management Group.
Terms of Reference	<ul style="list-style-type: none"> 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 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	<ul style="list-style-type: none"> Reduce property related risks.
Frequency of Meetings	<ul style="list-style-type: none"> Quarterly
Chair	<ul style="list-style-type: none"> Head of Property Services

Risk Management Framework

Agenda Setting	<ul style="list-style-type: none"> • Head of Property Services
Minutes and Administration	<ul style="list-style-type: none"> • Property Services
Attendees	<ul style="list-style-type: none"> • Property Services representatives • Directorate representatives • Health and Safety Advisor • Risk and Resilience Team representative • Blackpool Coastal Housing representative • Blackpool Housing Company representative. • Fire Service Representative • Property Insurer Representative
Reporting Lines	<ul style="list-style-type: none"> • Corporate Risk Management Group
Terms of Reference	<ul style="list-style-type: none"> • 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.

<u>Highways Risk Management Groups</u>	
Purpose	<ul style="list-style-type: none"> • Reduce Highways Tripping Claims
Frequency of Meetings	<ul style="list-style-type: none"> • Quarterly
Chair	<ul style="list-style-type: none"> • Head of Highways

Risk Management Framework

Agenda Setting	<ul style="list-style-type: none"> • Head of Highways
Minutes and Administration	<ul style="list-style-type: none"> • Highways Departmental Support
Attendees	<ul style="list-style-type: none"> • Network Planning Officer • Risk and Resilience Team representative • Legal Officer (Claims Handling) • Senior Counter Fraud Advisor • Highways Inspector • Communications Team representative
Reporting Lines	<ul style="list-style-type: none"> • Corporate Risk Management Group
Terms of Reference	<ul style="list-style-type: none"> • 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.

<u>Driving at Work Risk Management Groups</u>	
Purpose	<ul style="list-style-type: none"> • To reduce the number of work related driving incidents.
Frequency of Meetings	<ul style="list-style-type: none"> • Three Times a Year
Chair	<ul style="list-style-type: none"> • Director of Community and Environmental Services
Agenda Setting	<ul style="list-style-type: none"> • Risk Services
Minutes and Administration	<ul style="list-style-type: none"> • Audit and Risk Admin
Attendees	<ul style="list-style-type: none"> • Directorate representatives • Health and Safety Advisor • Risk and Resilience Team representative • Blackpool Coastal Housing representative • Enveco representative.

Risk Management Framework

	<ul style="list-style-type: none"> Employee Relations Manager Corporate Health Manager
Reporting Lines	<ul style="list-style-type: none"> Corporate Risk Management Group
Terms of Reference	<ul style="list-style-type: none"> Develop and maintain the Council’s driving at work handbook and adhere to the requirements of the driving at work policy. Consider 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. Reporting on changes to legislative requirements. Assess and consider risks relating to the Council’s fleet and the grey fleet.

<u>Emergency Planning Risk Management Group</u>	
Purpose	<ul style="list-style-type: none"> Ensure the Council can adequately respond to a major incident.
Frequency of Meetings	<ul style="list-style-type: none"> Twice a Year
Chair	<ul style="list-style-type: none"> Shared Emergency Planning Service Manager
Agenda Setting	<ul style="list-style-type: none"> Shared Emergency Planning Service Manager
Minutes and Administration	<ul style="list-style-type: none"> Risk and Resilience Officer
Attendees	<ul style="list-style-type: none"> Shared Service Emergency Planning Officer Head of Audit and Risk Lead Out of Hours Duty Officer Principal Building Control Officer Head 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

Risk Management Framework

	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Corporate Risk Management Group.
Terms of Reference	<ul style="list-style-type: none"> • Ensure that the Council meets its statutory duties under the Civil Contingences Act 2004 including: <ul style="list-style-type: none"> • Risk assessment of an emergency occurring. • Emergency Planning • Cooperation. • Information sharing. • Warning and Informing

<u>Events Safety Advisory Group</u>	
Purpose	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Monthly
Chair	<ul style="list-style-type: none"> • Director of Communication and Regeneration
Agenda Setting	<ul style="list-style-type: none"> • Director of Communication and Regeneration
Minutes and Administration	<ul style="list-style-type: none"> • Director of Communication and Regeneration PA
Attendees	<ul style="list-style-type: none"> • Events Manager • Emergency Planning representative • Public Protection representative • Public Health representative

Risk Management Framework

	<ul style="list-style-type: none"> ● Health and Safety representative ● Risk and Resilience representative ● Licensing representative ● Property Services representative ● Traffic Management representative ● Lancashire Constabulary ● Lancashire Fire and Rescue Service ● North West Ambulance Service ● Blackpool Transport services <p>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.</p>
Reporting Lines	<ul style="list-style-type: none"> ● Directorate Risk Management Groups, CLT and DMTs as appropriate.
Terms of Reference	<ul style="list-style-type: none"> ● 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. ● 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.

<u>Equality and Diversity Steering Group</u>	
Purpose	<ul style="list-style-type: none"> ● To coordinate the development of equality and diversity practice and management of Equality Act compliance risks across Council directorates.
Frequency of Meetings	<ul style="list-style-type: none"> ● Quarterly
Chair	<ul style="list-style-type: none"> ● Senior Equality and Diversity Advisor

Risk Management Framework

Agenda Setting	<ul style="list-style-type: none">• Senior Equality and Diversity Advisor
Minutes and Administration	<ul style="list-style-type: none">• HR Policy Officer
Attendees	<ul style="list-style-type: none">• Senior reps from all Council directorates
Reporting Lines	<ul style="list-style-type: none">• DMTs, CLT, Portfolio Holder for Equalities and Corporate Risk Management Group
Terms of Reference	<ul style="list-style-type: none">• In collaboration with DMTs and Heads of Service to ensure that all relevant equality risk systems and procedures are adhered to, especially related to equality analysis of decision making and compliance with public sector duty requirements – Section 149 of Equality Act.