



Risk Management Assurance Policy





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Introduction

Risk management helps us to understand the risks associated with delivering Bristol City Council's services. It makes us think about the decisions we take, and how we manage everyday service delivery, projects and our work with partners.

Risk management is often primarily concerned with the adverse potential of risk. However, not all risk is bad. Some opportunities can only be unlocked by taking risks. The key to success in these situations is to take risks knowingly and manage them appropriately.

The purpose of this policy is to set out the council's approach for the systematic management of risk, the culture, expectations/ responsibilities on all managers and decision makers with regard to considering and managing risk in pursuit of achieving the council's priorities and objectives.

The benefits from an effective risk management framework are:

- Improve the assessment and response for both opportunities and threats
- Establish a reliable basis for better decision making and planning
- Improved customer service, and better outcomes
- Increase the likelihood of achieving its goals and delivering outcomes
- Improved strategic, operational and financial management and value for money
- Enhanced reputation, and securing confidence, trust from our stakeholders
- Effectively allocate and use resources for risk treatment
- Improve organisational resilience
- Continuity of knowledge

- Improved governance and compliance

Through this policy we aim to:

- Identify the scope of risk management
- Embed and integrate risk management in the culture of the council
- Assign of roles, responsibilities and accountability for risk management activities within the council
- Raise awareness of the need for risk management by all those connected with the council's delivery of services
- Contribute to the prevention of injury, damage and losses to reduce the cost of risk
- Ensure we identify and realise opportunities and their resulting benefits
- Ensure consistency throughout the council in the management of risk

These aims will be achieved with a clear and evidenced approach consistently applied across the organisation that embeds consideration of risk in policy formulation, planning and decision making at all levels by:

- Incorporating risk management considerations into all levels of business planning
- Incorporating risk management considerations into all levels of programme, project and partnership arrangements
- Skills training and development for all relevant managers, staff and Members in the effective management of risk
- Regular monitoring and reporting of risk to identify trends and likely direction of risks for Members and Senior Managers to be aware of when making decisions

Policy Statement of Commitment

The Mayor, Cabinet and Corporate Leadership Board view risk management as an integral part of good internal control and corporate governance.

The way in which we manage our risks directly impacts our success in achieving our objectives, and in delivering services to the communities to which we are accountable. Bristol City Council is committed to adopting best practice in its management of risk to ensure retained risk is of an acceptable and tolerable level in order to maximise opportunities and demonstrate it has made full consideration of the implications of risk to the delivery and achievement of outcomes, strategic aims and priorities.

The council is, within the above context, committed to the management of risk in order to:

- Ensure that statutory obligations and policy objectives are met
- Prioritise areas for improvement in service provision and encourage meeting or exceeding customer and stakeholder expectations
- Safeguard its employees, clients or service users, Members, pupils, tenants and all other stakeholders to whom the council has a duty of care
- Protect its property including buildings, equipment, vehicles, knowledge and all other assets and resources
- Identify and manage potential liabilities
- Maintain effective control of public funds and efficient deployment and use of resources achieving value for money
- Preserve and promote the reputation of the council
- Support the quality of the environment

- Learn from previous threats, opportunities, successes and failures to inform future management of risks

These aims will be addressed by systematically identifying, analysing and evaluating, cost effectively controlling and monitoring risks at strategic, programme, project, and operational levels. The council acknowledges that risk cannot be eliminated and may sometimes need to be embraced as part of an innovative approach to problem solving. It is the responsibility of Senior Leadership to ensure that risk management strategies and processes are implemented and brought to the attention of relevant staff in their Directorate. Every employee has a responsibility to support the council's policy in managing risk. The council strives to have an open approach to risk and not be perceived as risk averse whilst ensuring that the most vulnerable are protected and there is increased collaboration with our partners, communities and residents.

Risk management strategies and processes are to be reviewed for efficiency and effectiveness as part of the annual management review cycle.

The council's risk management objectives are a long-term commitment, inherent to good governance practices and fully supported by the Mayor and the Corporate Leadership Board.

This Risk Management Assurance Policy complements and supports the strategic aims and priorities that are set out in the Bristol City Council Corporate Strategy 2018-2023.

**Executive Director of Resources
and Head of Paid Services Mike Jackson**

Deputy Mayor Cllr. Cheney

Principles and Culture

As a modern local authority, the council is committed to delivering quality services to the citizens and communities of Bristol. In doing so, our over-riding attitude to risk is that it should be identified and managed rather than avoided with an organisational culture that embraces and embeds consideration of risk in its day to day operations at every level. A risk culture that emanates throughout the organisation to ensure all levels of buy in to the corporate risk process.

Risk Management is about understanding and evaluating opportunities and threats and making informed decisions about how these are to be managed in order to achieve our aims and deliver beneficial outcomes.

The council recognises it needs to take risks but must do so in a controlled manner to reduce its exposure to the level acceptable by the Mayor, Cabinet and relevant regulators and inspectors.

Innovative solutions are encouraged, and while they often involve risk, they can be implemented with awareness, authority and management of the risks that each respective case carries.

At Bristol City Council, we are committed to ensuring risk management is embedded across the whole organisation. To do this, we have mapped the councils core values, risk management principles and the core attitudes and behaviours required to deliver a strong culture and appetite for managing risk. The risk management principles are based on the OGC’s Management of Risk Framework and in accordance with the International Risk Management Standard (ISO:31000).

The risk management assurance policy is designed with these principles at their core. *Figure 1* below shows BCC’s Risk Management Assurance Culture Model for managing and assuring risk.

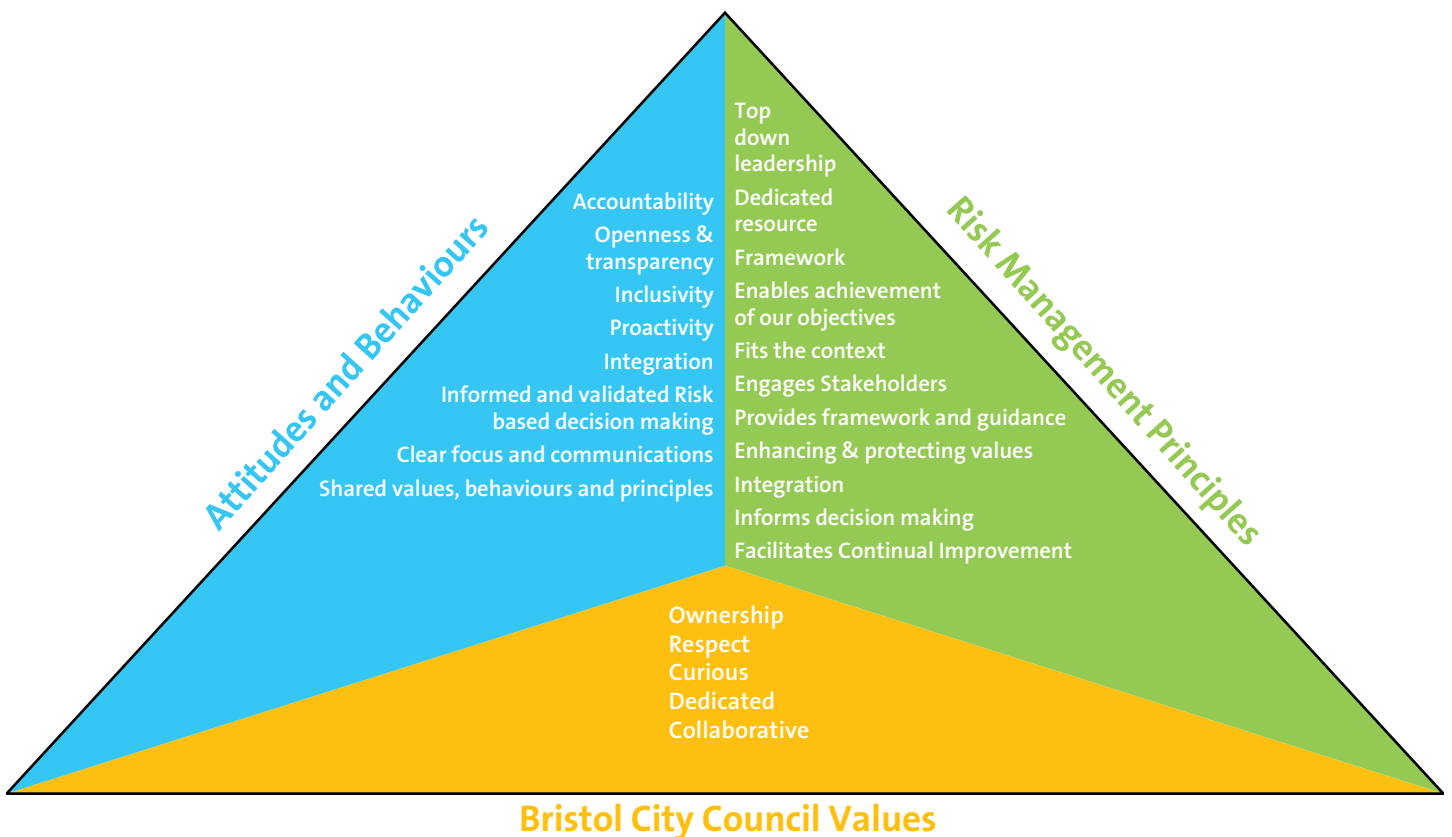


Figure 1. BCC’s Risk Management Assurance Culture Model

Risk Management Framework

Risk Management is the planned and systematic approach to the identification, analysis, evaluation, prioritisation and control of risks and opportunities facing the council.

Risk is the **chance** of something happening that will have an impact on achievement of objectives. Risk can be both Positive Opportunities and Negative Threats.

At Bristol City Council, we are committed to ensuring risk management is embedded across the whole organisation. Risk Management needs to be an integral part of how services are developed and delivered every day. It is imperative that there is a single flexible approach for the management of business risk, adopted through all levels of the organisation.

Bristol City’s Risk Management Assurance Policy gives an outline on how risks are managed across the council by everyone. To effectively

manage risk, the framework is integrated across the organisation involving all key stakeholders including - but not limited to - officers, leaders, Members, partners and suppliers.

For risk management to be successful, it is essential that there is a single yet flexible approach for the management of risk, adopted through all levels of the council. This Policy is one part of the overall risk framework; the key elements are set out in *Figure 2* below.

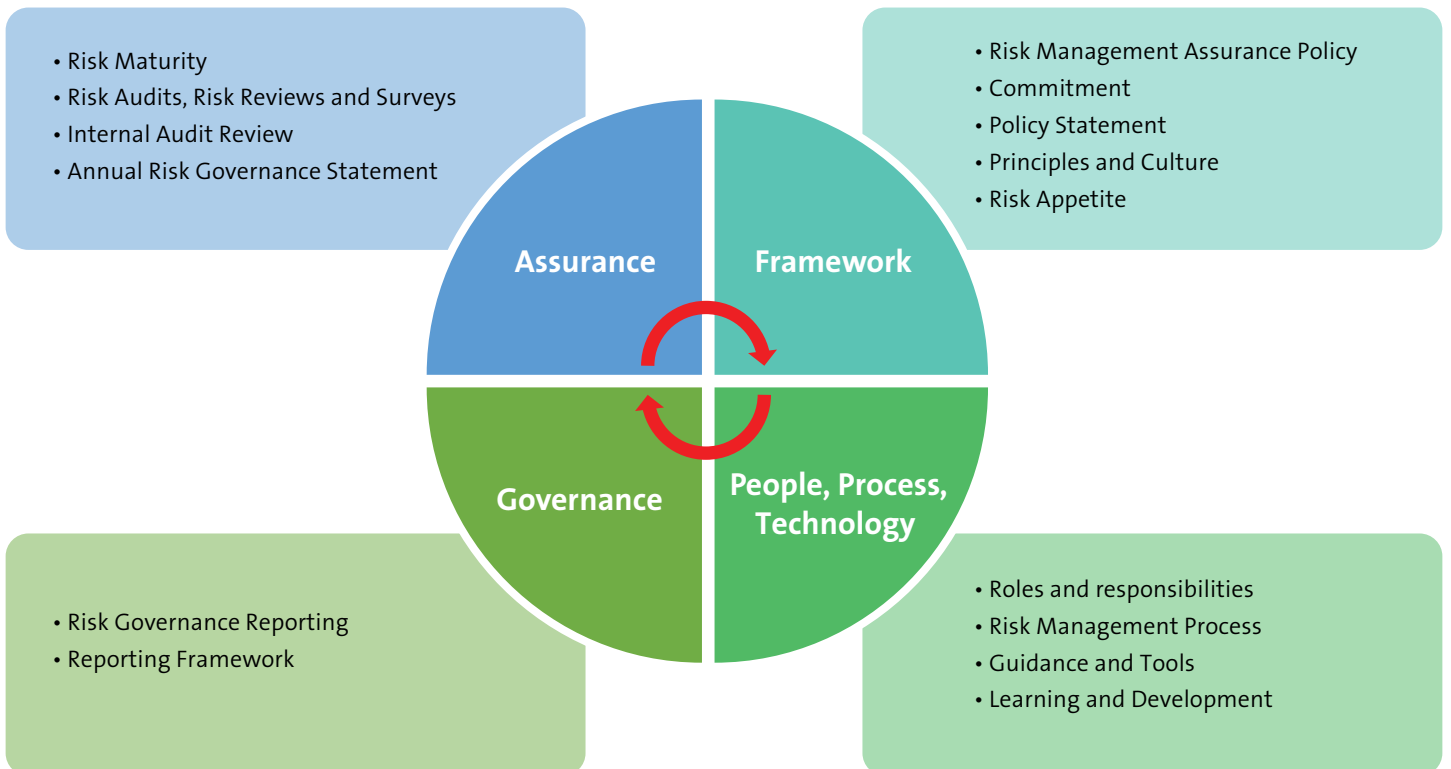


Figure 2. Risk Management Assurance Framework

When risks are identified, it is important that we ascertain both the opportunities as well as what might go wrong, what the potential impacts may be, what could trigger the occurrence and deciding how best to **minimise** or **maximise** the risk materialising.

There are times when things will go wrong despite our attempts to prevent them, which could result in 'issues' that need resolution. Proactive risk management of these will ensure that threat impacts are kept to a minimum and opportunities are maximised. The council's approach provides for threats, opportunities and issues management.

Management and maintenance of risks and issues are on the risk / issue registers and supporting reports which undergo regular review, monitoring and reporting in line with this policy.

As well as instinctively managing risk on a day to day basis, consideration and recording of risk is

required in the following management processes (see Annex B for Complimentary processes):

- Strategic, service planning and resourcing
- Policy and decision making
- Project or Programme delivery
- Partnership working
- Business continuity planning
- Performance management
- Budget planning and monitoring cycle
- Planning when implementing change
- Commissioning and procurement activity
- Health and safety arrangements
- Civil Protection

Roles and Responsibilities

Effective Risk Management requires that there is clarity of the responsibilities for risk, and ownership of the risks identified. This policy requires that the elected Mayor, Members and managers at all levels assist in, and take responsibility for, identifying, considering and controlling risk and opportunities (and the better use of resources) in all their activities and areas of responsibility.

All Members, senior leaders, employees and partner organisations have a role to play in ensuring that risk is effectively managed. We acknowledge that this is not always under the council's direct control but we will take all reasonable steps to encourage and embed risk management wherever we have a stake. To be effective, the risk management framework must be fully endorsed and supported by the officer and political leadership of the council, who set the organisational tone for risk management and champion the benefits through all levels of the business.

Risk management is only considered to be truly embedded when it functions as part of the council's day to day operations. Effective Risk Management requires that there is clarity of the responsibilities for risk, and ownership of the risks identified. This policy requires that the elected Mayor, Members and managers at all levels assist in, and take responsibility for, identifying, considering and controlling risk and opportunities (and the better use of resources) in all their activities and areas of responsibility.

Recognition from Senior Management of the importance of risk management to the effective operation of the council is resonated through the appropriate allocation of resources to deliver the risk management framework across Bristol City Council. The key responsibilities for each group/stakeholder roles and responsibilities are set out in Annex A.

Risk Appetite and Tolerance

Bristol City Council aims to be risk aware, but not overly risk averse and to actively manage business risks to protect and grow the organisation. To deliver its strategic aims, the organisation recognises that it will have to take and manage certain business risks. Intolerable risks are those that could negatively affect the safety of employees or our customers/clients, have a damaging impact on our reputation, lead to breaches of laws and regulations and / or endanger the future operations of the council.

Risk Appetite

Risk appetite is best summarised as “the amount of risk an organisation is willing to accept to secure its objectives”. The risk appetite of Bristol City Council is reflected in the scoring schemes used for risk and opportunity assessment, and the recommended handling strategies for identified risks and opportunities. The scoring schemes describe what constitutes a significant risk or opportunity, and these in turn inform the approach to their management.

Risk Tolerance

Culture, Policy and competitive position all influence our tolerance to risk and defining it can be challenging as every case will be different. The diversity of the services delivered by the council and nature of the risks it faces, means it is not possible to set a ‘one size fits all’ risk tolerance that managers and Members alike can apply and embed in strategic and operational decision making. The council’s approach is to record risk tolerance on a case by case basis within the councils Risk Registers and the Risk Reports.



Risk Registers

As part of good governance, the council manages and maintains a working register of its key strategic and operational business risks at various levels - assigning named individuals as responsible officers for ensuring the risks and their control measures are monitored and effectively managed.

Service Risk Registers are the working live tool for the detailed capturing of risk information to enable reporting on risk activity and the organisations risk profile. The working risk register is a live data record where new risks are captured, others are managed to elimination and some require close and regular monitoring. The Corporate and Directorate Risk Reports are generated from the working risk registers for publication. All key council decisions will be supported by a supporting Risk Report.

Standard templates are to be used for recording risk. The councils risk register and report template includes provision for recording threats and opportunities as well as those risks that have occurred which are now 'issues' to be addressed. Where more detailed plans are in place, the risk register need not duplicate these but simply cross refer to them.

The Corporate Risk Report (CRR) contains risks that, should they occur, could have a fundamental impact on the council's ability to operate, achieve its strategic objectives or successful delivery of outcomes.

The Corporate Risk Report is the means by which Members and leaders of the organisation will be focussed on the strategic and business critical risks and review the effectiveness of risk management arrangements in place to monitor and manage these risks. The CRR is 'owned' by the Corporate Leadership Board (CLB) and used by them and Cabinet to ensure the most critical / significant risks are being managed effectively within an agreed risk tolerance.

The Directorate Risk Reports (DRR) details the key risks faced by each Directorate in delivering their Directorate Plan. They also include significant issues that have impacted the Directorate objectives. These reports are owned by the relevant Executive Directors and are reviewed at least quarterly by Directorate Leadership Teams (DLT) and Cabinet Members in line with their portfolio. Scrutiny and the Audit Committee will receive the Corporate and Directorate Risk Reports at period end following the quarterly Cabinet Risk Report.

The process in use is administered by the Risk and Insurance Team. The Risk and Insurance Team promote self-service approach by providing guidance, support and delivering training across all services.

Risk Management Process

Carrying out an assessment of the risks against business objectives is primary to business & service planning, core decision-making processes influencing policy, financial planning & spending, agenda management, change management, project management and performance management.

The risk assessment methodology is designed to assist managers in focusing on the key risks and ensuring that actions are in place to effectively manage these risks.

The Risk Management Process (see *Figure 3* opposite) is a series of logical steps which are carried out in sequence to progress through each stage of managing a risk. The process is cyclical and it is often necessary to revisit earlier steps and carry them out again to ensure you have a complete picture of the risks to the activity/ outcome being assessed.

The risk management process begins by establishing the context around which you want to identify and assess risks. This could relate to an activity, objective or outcome. Risk identification sets out to identify an organisation's exposure to uncertainty. This requires knowledge of the organisation, the market in which it operates, the legal, social, political and cultural environment in which it exists, as well as the development of a sound understanding of its strategic and operational objectives, including factors critical to its success and the threats and opportunities related to the achievement of these objectives.

Once identified, the risks need to be assessed and assigned a score for both their impact and probability – the combined outcome of this produces the risk rating.

Risk identification should be forward looking and focus on both potential threats to, and opportunities that may present in achievement of objectives. The assessment will identify whether the matter is a risk (an event in the future) or an issue (an event that is already happening).

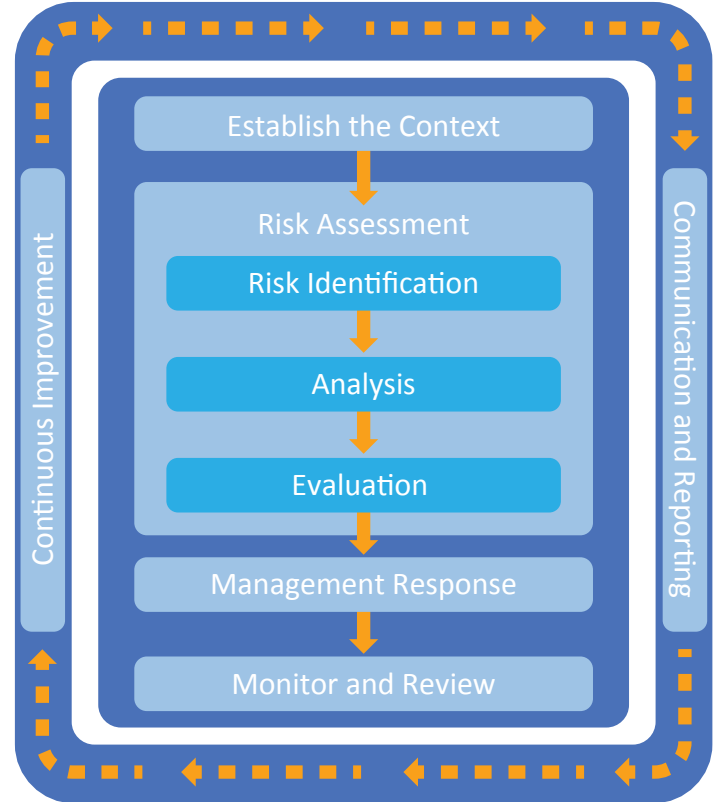


Figure 3. Risk Management Process

To ensure consistency and the ability to compare and report on the various levels of risk; Bristol City Council has adopted a risk matrix to be used when determining the risk rating. This is detailed in *Figure 4* on the next page.

Following identification and assessment, a decision must be taken on how best to respond to the risk and if accepted then strategies to manage the risk need to be determined. There should be communication and consultation throughout the process and the need for continual monitoring and review of the risk(s) throughout the lifecycle of the activity/objective/outcome.

Each risk should have a clear link to one or more of the strategic of the council. The relevant strategic aim is included as part of the captured risk information providing increased assurance that there is effective identification and management of risk.

The risk matrix is used to evaluate the risks and there is an understanding of the risk exposure faced, the level of risk will influence the type of management response and management action we choose to manage the risk see diagram *Figure 4* below.

For each risk, consideration should be given to the impact under each category and the highest impact category used in assessing the impact level measures that should be used in making this assessment. The scoring categories for the likelihood and impact are set out in the risk management process guidance.

The current level of risk needs then to be considered against the risk tolerance for each risk (the level of risk the council is prepared to accept). This will vary according to the nature of the risk and must be agreed by Executive Director Management if not in the green / light blue area of the matrix. Where the current level of risk is higher than the risk tolerance, an action plan is required that will result in the risk level reducing. Where current risk levels are lower than the risk tolerance, removal of some controls is permitted to release costs to other risk management priorities.

Where issues are identified, these can be assessed against the impact guidelines within the Risk Management Process, to judge whether the issue needs to be addressed, whether a contingency plan had already been developed or if a plan of further action is needed. There will also be a need to assess whether this means that a risk has ceased to exist, or whether there is a possibility that it may recur.

Ensuring that all business risks are assessed and managed through the adopted risk management process drives consistency through the risk management framework and enables risks to be compared and reported on against a like for like basis. It also provides the council with the ability to map its collective risk exposure of an activity, objective, outcome, function(s) or indeed whole council operation to support its Strategic Aims. The risk tolerance for each risk is also recorded together with further actions required to ensure the current level of risks is in line with the agreed risk tolerance as identified in the risk register.

		Threat Impact (Negative risks)				Opportunity Impact (Positive Risk)						
Threat Likelihood	Almost certain	4	4 (Low)	12 (Medium)	20 (High)	28 (Critical)	28 (Significant)	20 (High)	12 (Medium)	4 (Low)	4	Almost certain
	Likely	3	3 (Low)	9 (Medium)	15 (High)	21 (High)	21 (High)	15 (High)	9 (Medium)	3 (Low)	3	Likely
	Unlikely	2	2 (Low)	6 (Medium)	10 (Medium)	14 (High)	14 (High)	10 (Medium)	6 (Medium)	2 (Low)	2	Unlikely
	Rare	1	1 (Low)	3 (Low)	5 (Medium)	7 (Medium)	7 (Medium)	5 (Medium)	3 (Low)	1 (Low)	1	Rare
			1	3	5	7	7	5	3	1		
			Minor	Moderate	Major	Critical	Exceptional	Significant	Modest	Slight		

Figure 4. Risk Matrix

Governance Reporting and Escalation

The Corporate Risk Report (CRR) is subject to quarterly review by the Corporate Leadership Board and Cabinet and is subject to the call-in procedure following Cabinet. The Directorate Risk Reports are subject to quarterly review by Executive Director Management meetings and Member Portfolio holders. The Risk Management Action Table (Figure 5) below shows the action levels to be taken in the management and reporting of risk.

Audit Committee are provided with the Corporate Risk Report quarterly each year to provide independent challenge and assure themselves that risk management arrangements are effective. They can request additional information as necessary.

An overview of the effectiveness of the risk management process is also provided annually by the Internal Audit Team to give them the relevant assurance that the whole process is working effectively.

The Corporate Risk Report and Directorate Risk Reports will be made available to Scrutiny Task and Finish Groups on following period end and Cabinet reporting. Individual Risk Reports based on the

information contained within the DRR's for areas in line with their roles may be requested as set out in the reporting process guide. Other registers are maintained and reviewed monthly as part of core management processes such as service planning and performance and project management processes.

The council's Risk Management Assurance Policy relies on escalation of risks from service/operation level through to strategic Corporate Risk Report to ensure CLB and Members are aware of the most significant risks. The escalation process is shown in Figure 6 on the following page. As part of this process consideration can be given to the actions proposed to manage the risk, whether the tolerance level recorded is appropriate and whether it is aligned to the correct service area. Additionally, in reviewing the Corporate Risk Report both the Corporate Leadership and Cabinet may identify risks to which the assessment may need to be revised or risk transferred.

Risks with a current risk score of 14 to 28 (high and critical/significant risk) need to be escalated at Executive Directorate Management meetings for consideration for inclusion in the Corporate Risk Report.

Threat Level	Opportunity Level	Level of risk	Action Required
1-4	1-4	Low	May not need any further action/monitor at service level.
5-12	5-12	Medium	Action required, manage and monitor at the Directorate Level.
14-21	14-21	High	Must be addressed - If Directorate level risk consider escalating to the Corporate Risk Report, if Corporate consider escalating to the Cabinet Lead.
28	28	Significant	Action required - escalate (if Directorate level risk, escalate to the Corporate Level, if Corporate bring to attention of the Cabinet Lead to confirm actions to be taken.

Figure 5. Risk Management Action Table



Figure 6. Risk Governance Reporting Framework

All risks scoring 20 to 28 (high, critical / significant risk) will automatically be escalated to the Corporate Risk Report. Issues that have arisen that are significantly impacting on the council are recorded within CRR report.

The Executive Director Management will determine where risks are monitored via the Directorate Risk Report and Service Risk Registers. Escalations must be flagged in a timely manner to enable discussion prior to the next quarterly Executive Team Risk meeting.

Directorate Management Teams will consider what core risks need to be escalated to the Corporate Risk Report and if so, the Strategic Director must ensure this escalation occurs through the reporting process.

Where a significant and urgent risk emerges outside of the reporting period which you believe needs to be discussed as soon as possible complete a Risk Escalation Report to the appropriate manager for discussion and action.

A risk may need to be escalated to a higher level if:

- the risk becomes too unwieldy to manage at the current level
- the risk rating cannot be controlled/contained

within its current level

- the risk remains very high even after mitigations are implemented
- the risk will impact on more than one service/ project or function if the risk event materialises
- the risk moves outside the appetite boundaries / comfort zone

A risk may need to be moved to a lower level if:

- the risk can be controlled / managed at a lower level
- the risk rating decreases significantly
- the risk event will only affect one team / service area / team and the impact will be limited then this should be controlled more locally at a lower level

There should be communication and consultation throughout the process and the need for continual monitoring and review of the risk(s) throughout the lifecycle of the activity / objective / outcome.

The process is cyclical, and it is often necessary to revisit steps and carry them out regularly to ensure you have a complete picture of the risks to the activity/outcome being assessed as part of continuous improvement in the management of risk.

Support Guidance and Tools

All staff have a role to play in risk management and the Corporate Risk Management Group (CRMG) have responsibility for helping to deliver the Risk Management Assurance Policy and for developing the necessary training or advice to enable the council to implement the measures contained in this Policy throughout the council.

The Risk and Insurance Team is responsible for developing workforce risk management capability across the organisation, through the provision of guidance, education, training and support. Risk management forms part of the corporate learning and programme at various levels to provide the right level of training and support for Members and managers and effective tools and methodology for identifying, assessing and prioritising risks. Areas of support include:

- Corporate induction
- Induction for new managers
- Risk management is also included in the generic skills set in the workforce plan for all employees and will be supported by a suite of corporate training
- More advanced training needs will be identified through the 'Leadership and Management Development Framework'

Guidance materials are under regular review to ensure they reflect the needs of the organisation and are compatible with the organisations structure having the flexibility to adapt to new and changing structures. New ways to engage with officers and leaders to help with the understanding and embedding of effective risk management is under regular review, with the options for digital learning and development high on the agenda.

The risk management Policy, guidance and training materials are reviewed on a regular basis to ensure they continue to meet the needs of the organisation and incorporate the very latest industry best practice.

Training on risk management is also offered to all staff and members periodically either on specific subjects or as identified through Personalised Development Plans.

The risk management intranet pages are continually being improved. Outlining what risk management is, and how all employees can play their part in reporting and managing risks. It will also contain CRMG guidance notes and other useful information. New training and guidance will continually be developed and rolled out. Risk management records will be managed via SharePoint. The Risk Management Policy and supporting arrangements will be available and communicated.

Risk Governance, Assurance and Maturity

The Audit & Accounts Regulations 2015 requires the council to have effective arrangements for the management of risk and each year, in the council's Annual Governance Statement, the council is required to comment on the effectiveness of its arrangements in this regard. The statement must also identify any significant governance issues that may have resulted from failures in governance and risk management. Legal requirements aside, effective risk management is required to ensure the continued financial and organisational well-being of the council and council - wide ownership and accountability for managing risk is critical to the success of delivering the organisations priorities and objectives. Management of risk is inseparable from effective management of the councils performance.

The Risk Management Assurance Policy complements Bristol City Council's internal control environment, alongside other financial, operational and compliance controls. Assurance provides confidence, based on enough evidence, that internal controls are in place and operating effectively and that objectives are being achieved.

Members and senior management are responsible for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. They maintain a sound risk management and internal control systems.

Annex A of this Policy outlines the roles and responsibilities, and the governance reporting framework for Risk Management within Bristol City Council (*page 13*), demonstrating our arrangements for dispersing accountability and responsibility for risk management throughout the organisation. With focus on internal control, the Audit Committee are the organisation's oversight body for risk management, providing check and challenge to

the risk management assurance policy, process and delivery. The Roles and responsibility of the Audit Committee are set out in Annex A.

The Risk and Insurance Team work closely with internal audit and governance colleagues to ensure the principles of good governance are adopted. Auditing of the Risk Management Assurance Policy is undertaken by the council's internal audit team in accordance with their audit plan and recommendations arising are fed back through the risk management annual plan to ensure continual improvement.

Bristol City Council adopts the three-line defence model for effective risk management and control as shown in the *Figure 7 Risk Management Assurance Model* on the following page. The Risk Assurance Model clarifies response at both an operational and strategic level of the organisation. Within this model, management control is seen as the first line of assurance; this shows how each service area complies with risk management sources of assurance. The second line of assurance shows the oversight functions of Assurance Services. The third line of assurance provides Internal Audit's assessment of the risk management sources of assurance. Assurance is also offered from external sources such as external audit and regulators. This model provides active scrutiny and challenge to ensure assurance is achieved.

At the end of each year, the Executive Team assures the Audit Committee that significant risks have been adequately managed. Internal Audit performs an independent audit of Risk Management at the council each year, which they report to the Audit Committee. The Audit Committee then provide a statement of assurance to the Cabinet that our major risks are adequately managed.

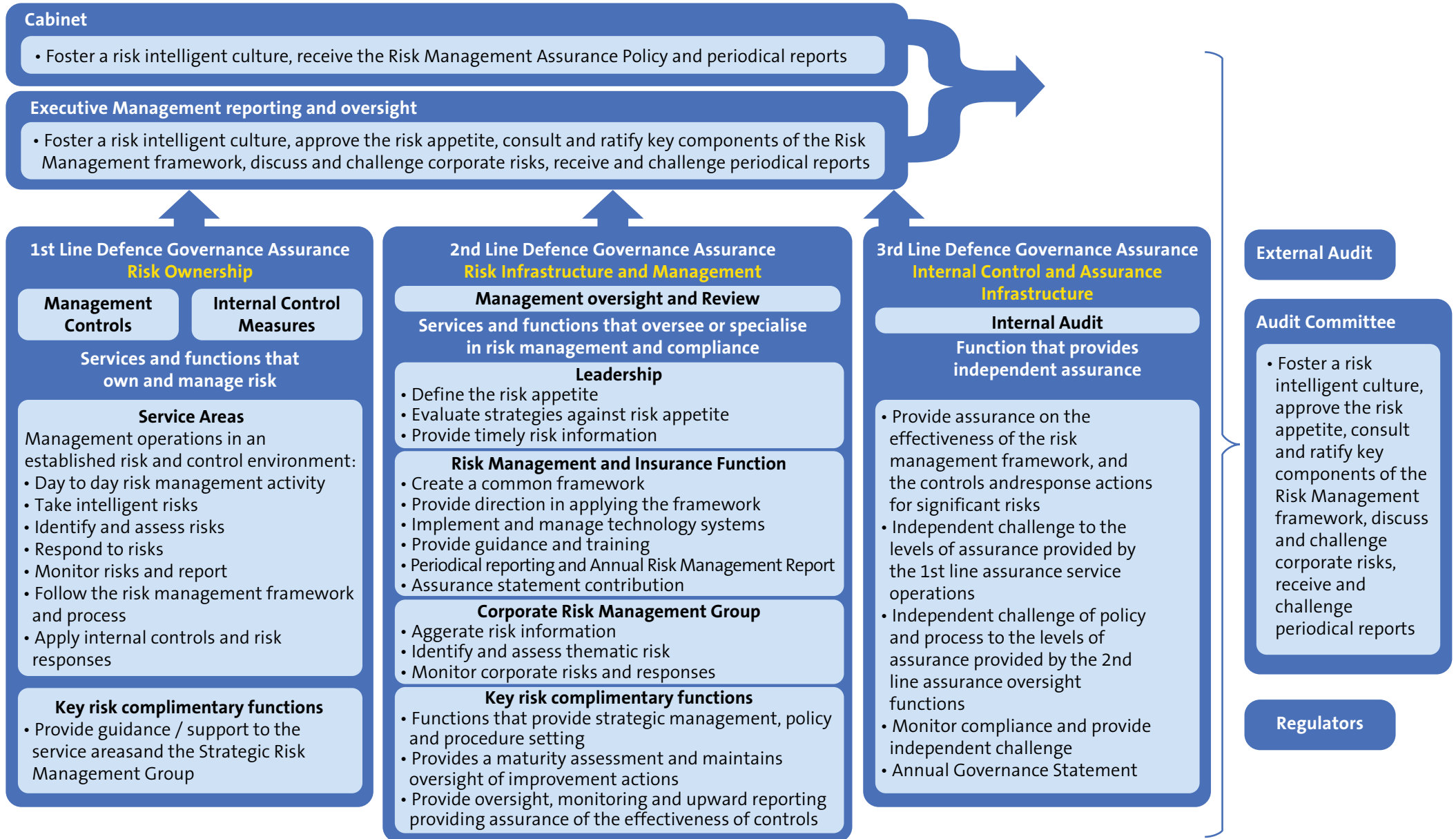


Figure 7. Risk Management Assurance Model

Risk Management Maturity

All organisations, including Bristol City Council, are on a risk management journey. Risk maturity refers to where the business is on that journey and how well-established risk management is as a discipline across the organisation. There is increasing complexity of risks facing public service organisations and our senior leaders recognise and actively support the driving forward of the risk management agenda. Through self-assessment and bench marketing we will continue to review our current risk management capability to help us direct our resources to areas that need improvement and further development, ensuring that risk management arrangements remain fit for purpose in this changing environment.

We network and share information with other councils which enables us to benchmark ourselves against similar organisations. The council regularly engages with external risk management bodies such as Alarm (the Public Risk Management Association), and the Institute of Risk Management. These provide additional opportunities for Bristol City Council to compare itself with industry best practice and ensure that it continues to move forward on the risk management journey.

Annually a maturity assessment will be undertaken including self-assessment, performance metrics and stakeholder opinions which will inform the risk management compliance and performance. The council will additionally carry out an annual benchmarking exercise. The diagram below shows the maturity levels adopted by CIPFA.



Risk Management Review and Audit

To ensure the Risk Management Assurance Policy, guidance and associated tools remain fit for purpose, we continually seek to review and improve our risk management methodology and embrace new initiatives, new legislation, government guidance or internal changes in practice are captured and reflected. We adapt to our changing operating environment and economic conditions and have a framework with enough flexibility to cope with these changes. We aim to improvise, innovate and experiment in addressing challenges and exploiting opportunities learning from both success and failure, which strengthens the organisation and its dependent networks.

Risk management is subject to the councils internal audit practices and as such is audited in line with the timetabling set by the Internal Audit Plan. Any recommendations arising from audit activity is channelled back through our annual work plans to ensure they are addressed. The council is also subject to Peer Reviews and External Audit.

Group / Individual	Responsibilities
MEMBERS	
Elected Mayor and Cabinet	<ul style="list-style-type: none"> ● Oversee delivery of the Risk Management Assurance Policy ● Determine overall risk appetite and tolerance for the council ● Ensure consideration of risk in decision making ● Review progress of the management of strategic risks ● Quarterly review of Corporate Risk and Issues Registers ● Mayor to sign the Annual Governance Statement ● Approve the Risk Management Assurance Policy
Cabinet Member Leads	<ul style="list-style-type: none"> ● Oversee risks relating to their portfolio ● Oversee risk management policy (Cabinet Member Resources)
Directorate Scrutiny Commissions	<ul style="list-style-type: none"> ● Challenge decisions made by Cabinet where risks have not been properly considered. ● Task and finish groups can request risk report information for areas in line with their portfolios
Audit Committee	<ul style="list-style-type: none"> ● Provide independent assurance to the council on the effectiveness of risk management and internal control by: <ul style="list-style-type: none"> • Reviewing the Corporate Risk Report to ensure it is reflective of the strategic risks to the delivery of the council's objectives and management of risks is effective • Scrutinising the Annual Governance Statement to ensure it is a correct reflection of internal control, risk management and governance • Receiving reports from Internal Audit, External Audit and other inspection bodies indicating strengths and weaknesses in internal control, risk management or governance ● Review the effectiveness of risk management arrangements ● Provide comment and challenge on risk management activity and progress
Leadership	
Head of Paid Service/ Corporate Leadership Board	<p>Overall responsibility to:</p> <ul style="list-style-type: none"> ● Ensure the Annual Governance Statement is an accurate reflection of internal control, risk management and governance (Head of Paid Service to sign) ● Oversee corporate and cross cutting risks and resolve conflicts and competing demands for resources
Director Finance	<p>Overall leadership for the effective delivery of the organisation's risk management service in accordance with industry best practice.</p> <ul style="list-style-type: none"> ● Ensure risk management features as part of the organisations proper administration to protect the authority from financial and reputational risk ● Lead a quarterly review of Corporate Risks with the Strategic Leadership Team, and Cabinet ● Arrange for the annual review of the Risk Management Assurance Policy ● Support the roll-out of a Risk Management Assurance Policy across the council, including advice and training, including to Members ● Report progress with risk management to Members, particularly the Audit Committee, and to Executive Directors ● Identify and monitor key revenue budget and capital programme risks ● Ensure appropriate external insurance cover, and as S151 Officer provides assurances regarding overall financial risk management of the council for the Annual Governance Statement

Group / Individual	Responsibilities
Corporate Leadership Board (CLB)	<ul style="list-style-type: none"> ● Overall accountability for risk management across the business including ensuring the corporate risk information is a live and up to date record of the current risk exposure ● Set the tone for risk management, promote the benefits of effective risk management and lead by example in embedding the Risk Management Assurance Policy ● Establish a control environment and culture where risk can be effectively assessed and managed ● Regularly discuss and review the Corporate Risk Report and associated risk reports
Executive Director Management Team	<ul style="list-style-type: none"> ● Ensure risk is appropriately considered in items that require political and management direction ● Regularly review Corporate and Directorate Risk information ● Sign of risk information ● Attend Audit Committee when requested to further explain their strategies to manage risk both threats and opportunities and issues ● Ensure that working risk register entries are maintained and up to date ● Submit periodical updated risk registers and reports to the Risk and Insurance Team in line with reporting timelines
OFFICERS	
Risk and Insurance Manager supported by the Risk and Insurance Team	<ul style="list-style-type: none"> ● The Risk and Insurance Manager supported by the Risk and Insurance and Team, complimentary services have a key role to play in supporting the operating principles of the council and helping to achieve the strategic aims and priorities by providing oversight, challenge and assurance that risk is being effectively managed across the organisation; whilst delivering a high performing, customer focused service ● The team develops and delivers the Risk Management Assurance Policy for the council and is responsible for developing workforce risk management capability across the organisation, through the provision of guidance, education, training, and support to enable the organisation to take control of the risks that threaten or optimise delivery and to embed the risk management principles and practices across the business ensuring that this adds value and is in line with the industry standards and requirements
Corporate Risk Management Group (CRMG)	<p>The CRMG has a role to further embedded risk management as part of the council's culture of governance, with members, managers and partners at all levels recognising that risk management is part of their job and held accountable for managing risks by:</p> <ul style="list-style-type: none"> ● Embedding the processes across the council as part of the risk management arrangements ● Establishing a robust and systematic approach for identifying, managing and responding to risk including evaluation, review, development, consultation and communication to support well thought through risk taking and decision making ● Developing appropriate training and awareness arrangements for Members, Senior Officers, Staff, Partners and the Community ● Promoting good corporate governance and contribute to the annual governance statement

Group / Individual	Responsibilities
Executive Directors (All)	<ul style="list-style-type: none"> ● Ensure there are effective risk management arrangements in their directorate in line with this policy and ensure adherence with the Risk Management Assurance Policy ● Champion the benefits of effective risk management ● To appoint a risk coordinator to drive forwards the risk management arrangements within their Service ● Hold workshops for the assessment of risk ● Maintain the working Directorate Risk Reports, ensure they are reviewed at least quarterly by the Directorate Management Team and that risks are escalated to the Corporate Risk Report where appropriate ● Approve actions/plans with residually high risk i.e. those outside the City Council's risk tolerance and where necessary are escalated to CLB ● Take ownership for risks within their service and ensure risk registers, risk assessments including project registers are regularly discussed, reviewed, updated and escalated as appropriate ● Ensure key decision reports contain balanced and considered risk assessments
Monitoring Officer	<ul style="list-style-type: none"> ● Provide assurances regarding overall legal risk management of the council for the Annual Governance Statement and input to risk reports and registers as required ● Ensure the Annual Governance Statement is an accurate reflection of internal control, risk management and governance to sign off
Directors, third and fourth tier managers	<ul style="list-style-type: none"> ● Here ensure that risks to services are properly recorded on risk reports and registers and manage risks effectively in their service area, in accordance with the risk management arrangements ensuring that: <ul style="list-style-type: none"> • Service working risk registers are maintained as needed and reviewed regularly • Any significant new risks identified through the business planning process are fed through to the line manager and escalated for consideration by the Directorate Management Team • The risk management arrangements are embedded in their service areas, and that staff are aware of the underlying risk management principles. • Where necessary escalate risks to Management Teams • Ensure their staff have appropriate understanding and training on risk management • Champion the benefits of risk management across their service and communicate the corporate approach to managing risk
Councillor(s) Support Officers	<ul style="list-style-type: none"> ● Monitor inclusion of risk assessment in all reports to Cabinet requiring a decision
Corporate Safety Team	<ul style="list-style-type: none"> ● Provide technical and advisory assistance to Strategic Directors, Managers and staff to promote and maintain effective safety, health, and welfare services ● Conduct audits of health and safety arrangements, including the completion of Health and Safety risk assessments

Group / Individual	Responsibilities
Civil Contingency Manager/ Civil Protection Unit	<ul style="list-style-type: none"> ● Ensure: <ul style="list-style-type: none"> • Services have the templates and support to ensure service continuity risks affecting a critical service are can be addressed in a Business Continuity Plan and reflected in the Directorate Business Continuity Plan • The Directorate Management Teams are aware of emerging new high risks to business continuity planning • Ensure Corporate Continuity Planning takes account of risks in the Corporate, Directorate and Service Planning working Risk Registers, as well as external risks in the Local Resilience Form (LRF) - Community Risk Register • Promote and assist contingency planning and business continuity at Corporate, Directorate and Service Delivery level to mitigate risks outside the council's risk tolerance
Strategic Intelligence & Performance Team	<ul style="list-style-type: none"> ● Support the development of strategic and service planning which ensures robust consideration of risk in achievement of objectives
Internal Audit	<ul style="list-style-type: none"> ● Plan audit work to take into account key risks, and how effectively they are managed providing assurances for the Annual Governance Statement, the Corporate Risk Register and Audit Committee ● Undertake periodic reviews of the effectiveness of risk management ● Undertake proactive fraud prevention and detection work based on an assessment of fraud risk to the council ● Prepare, on behalf of the Mayor and Head of Paid Service, the Annual Governance Statement
All Staff	<ul style="list-style-type: none"> ● Manage risk as part of their role and report risks to their managers by: <ul style="list-style-type: none"> • Develop understanding and become familiar with the Risk Management and Assurance Policy • Maintain awareness of risks, their impact, including costs, and feed these through the adopted risk management process including alerting management to: <ul style="list-style-type: none"> • Risks which are not effectively managed, or the level of current risk is unacceptably high (amber or above) • Issues that arise or near misses

Complementary functions

There are several complimentary functions linked to the management of risk including:

Business Planning, Health & Safety, Business Continuity and Performance Management. All have significant risks associated with them which may have a major impact across the council. It is vitally important that risks in these areas are identified, assessed and prioritised. Representatives of the below teams attend the Corporate Risk Management Group as and when needed.

Risk management in Business Planning, budget planning and decision making

The risk management process, practices and the hierarchy of risk registers helps us to manage the risks that the council and City faces. The council is committed to using risk information to inform decision making and planning:

- Strategic and operational service planning guidelines require that all service plans include relevant risk information (e.g. from risk registers) within their action plans
- Departments are required to use information on significant risks, contained in risk registers to inform decisions on budget re-alignments and investments
- All proposed budget reductions must include a detailed analysis of the risk surrounding the delivery of such reductions as well as the additional risks presented by their successful implementation
- All efficiency improvements must be accompanied by a detailed analysis, including proposed strategies to manage risk. Of the risks that threaten the delivery of the savings, whether they are cashable or non-cashable

- All projects and partnerships must be planned in recognition of the risks that threaten their effective operation and the delivery of their outcomes
- All Decision Pathway reports should be supported by a risk assessment

Risk management in project management

The Council's approach to project risk management identifies and prioritises the priorities of the project so that the most significant risks are managed proportionately. Project risk management is an important aspect of project management. Project risk is defined as, "an uncertain event or condition that, if it occurs, has a positive or negative effect on a project's objectives." All managers are expected to manage risks in accordance to the Council policy and guidance and ensure that the risk management is proportionate to the complexity and significance of the project. Risk Management is a critical and continuous process and appropriate Risk Assessments where appropriate will be undertaken, reviewed and managed throughout the life of a project.

Risk management in partnerships and stakeholder engagement

The council's approach to partnership risk management identifies and prioritises the priorities of the partnership so that the most critical risks are managed proportionately. Partnership governance bodies should ensure that partnerships (including their constituent projects and/or partnerships) are risk managed according to the council policy and guidance and ensure that the risk management is proportionate to the complexity and significance

of the partnership. Risk management for the partnerships must be designed to work across the appropriate organisational boundaries and accommodate and engage the different stakeholders involved. Large and or complex stakeholder communities can introduce their own risk and need to be explicitly managed. Where the council is not the 'leading partner' that 'sets' the management culture, it is the responsibility of council colleagues in the partnership to ensure that the potentially different risk management approaches work together harmoniously to the benefit of all partners.

Risk management in procurement

The council's approach to procurement management of risk includes the identification, management and prioritisation for contracts award so that the risks can be managed proportionately. All managers are expected to manage risks in accordance to the council policy and guidance and ensure that the risk management is proportionate to the complexity and significance of the contract. Risk Management is a critical and continuous process, and appropriate Risk Assessments where appropriate will be undertaken, reviewed and managed throughout the Procurement Journey. It is important to engage with the marketplace in terms of identifying the desired outcomes, risks and issues.

Health, Safety and Wellbeing

The council has responsibilities under health and safety legislation to ensure the health, safety and welfare at work of employees and other people affected by the council's business. Managing health and safety risks is an integral part of business risk management and the management of such risks should not be taken in isolation. Poor health and safety management can have a negative impact on

other business risks such as reputation, insurance, business continuity and financial resources.

Health and safety risks vary across the council due to the diversity of work activities. The effective management of the risks, as with all significant corporate risks, is an essential part of the role of the relevant managers. The organisation and arrangements for managing health and safety within the council are detailed in the council and Directorate / Directorate's Health and Safety Policy documents.

The health and safety management system in Bristol City Council is based on the model detailed in the Health and Safety Executive publication "Successful Health and Safety.

Management" (HSG65) and takes into account the Institute of Directors / Health and Safety Commission guidance "Leading Health and Safety at Work – Leadership Actions for Directors and Board Members".

Business Continuity

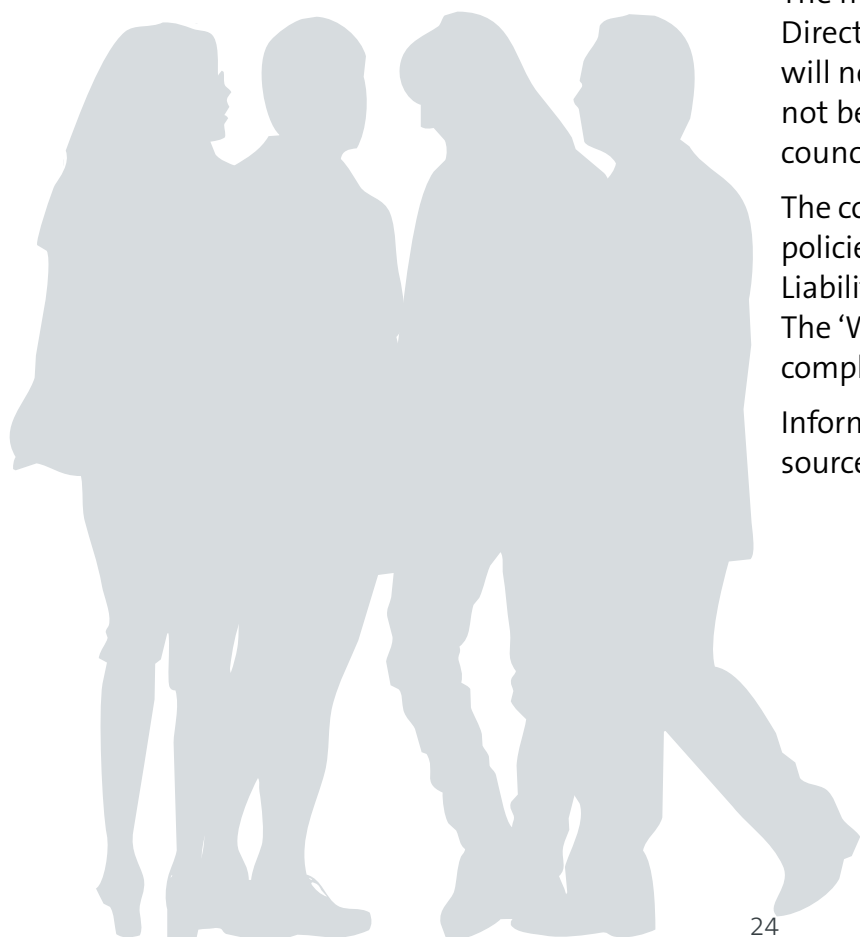
Business Continuity Management (BCM) is complementary to a risk management framework that sets out to understand the risks to the council, and the consequences of those risks seeking to manage risk around the key services that the council delivers, service delivery can be disrupted by a wide variety of incidents, many of which are difficult to predict or analyse by cause. By focusing on the impact of disruption, BCM identifies the services which the council must deliver, and can identify what is required for the council to continue to meet its obligations.

Through BCM, the council can recognise what needs to be done before an incident occurs to protect its people, premises, technology, information, supply chain, stakeholders, reputation and importantly the services that the council delivers to the people of Bristol.

With that recognition, the council can then take a realistic view on the responses that are likely to be needed as and when a disruption occurs, so that it can be confident that it will manage any consequences without unacceptable delay in delivering its services.

Risk management and performance management

The council acknowledges the crucial links between risk and performance management. Risk management is an integral part of the business performance management framework. Performance cannot be reviewed or reported on without an accompanying review and report on the risks in play, whether they are a direct threat to progress or arise from an initiative to achieve new and critical benefits.



Insurance

Insurance acts as a risk transfer mechanism which reduces the financial risk to the council. The council transfers the insurable risks to an insurance company by contributing a premium.

In the event of a financial loss, the council is entitled to indemnity, subject to the terms and conditions that are in place. The administration of the council's insurance arrangements is undertaken by the Risk Management and Insurance Section, within Resources. The section provides a comprehensive and professional Insurance service including insurance provisions and other related insurance activities as well as processing new and outstanding claims.

The council is required to provide Insurance Cover or alternative funding for a variety of possible or probable events and liabilities that could arise. The majority of risks identified through Corporate, Directorate, Programme or Project risk registers will not be insurable and some, on balance, may not be financially viable or of benefit to the council to insure.

The council currently have multiple insurance policies in place, the main policies being Public Liability, Employers' Liability, Motor and Property. The 'What Is Insured?' document provides a complete overview of insurance

Information and Guidance is provided via the source.