



**BRACKNELL FOREST BOROUGH
COUNCIL**

**Risk Management Strategy
2012/13**

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1. BACKGROUND

Bracknell Forest lies 28 miles west of London, at the heart of the Thames Valley and within the county of Berkshire. The Borough is in the Western Corridor and Blackwater Valley Sub-region. Our economy is of above average size and productivity compared to the county and nationally. Good access links, a well educated labour force and the quality of the environment are key attractors to the companies that have and continue to locate here, including a number of multi-national organisations. The Borough has experienced some of the highest population growth rates in the country leading to pressures on infrastructure, services and the Borough's environmental assets including sites designated as being important for nature conservation at an international, national and local level.

The Borough's population is 113,200 (first 2011 Census figures). Between 1991 and 2001, this grew twice as fast as the average for South East England (14% compared to 7%). The population is relatively young (median age 37.9 years compared to England 39.5 years). Only 14.7% of the population is of pensionable age, compared to 19.3% nationally, although this is expected to grow.

Our population is relatively healthy. Average life expectancy is increasing and is currently 79.7 years for men and 83.8 years for women. Our residents are generally well-educated, with a higher-than-average proportion qualified to NVQ Level Four and above. However, in parts of the Borough, particularly Bracknell town wards, attitudes to learning reflect the New Town origins and are less positive.

The average house price has remained well above the national average for many years. The average price peaked at £229k in December 2007 and during the recession reached its lowest of £186k in March 2009. Prices are now rising, reaching £213k in August 2010 (27% above the national average). Finding acceptable locations for new housing and providing appropriate infrastructure continue to be major concerns for both partners and residents.

The 2001 Census showed that 90.6% of the population was 'White British' and 72% was Christian. The BME population at that time was 5.9%. However, the 2007 census estimates showed that 85.2% of the population was 'White British' and 14.8% of the population was BME and 'white other'. Since 2001 the proportion of school pupils from Minority Ethnic Groups increased from 6% to 16.1% in 2011. 8.6% of pupils have English as an Additional Language (EAL) and 78 different languages are spoken in our schools. Despite the rapid change in the composition of the population, the area is generally a cohesive community where people get on well together.

Bracknell Forest is one of the least deprived areas (ranked 291 out of 326 on the Index of Multiple Deprivation 2010). Property prices and levels of car ownership are significantly higher than the national average and average free school meals eligibility remains relatively low in the national context (7.8% in 2011). However, these headline figures mask significant pockets of deprivation. For instance, eleven primary schools have free school meal eligibility in excess of 10%. 11% of 0-16 year olds in the borough are now living in poverty compared to a national average of 21.6%. However, there are

six wards in the borough that have child poverty rates higher than the national average with the highest ward rate being 23%

Bracknell Forest is within the relatively economically buoyant Thames Valley. The number of people claiming Job Seekers' Allowance rose to a peak of 2.6% in August 2009 but has since fallen and was 2.2% in August 2011. The economic downturn has had a significant impact on the proportion of young people (aged 16-18) not in education, employment or training (NEET). During the quarter November 2010 to January 2011 (as reported to the Dept for Education), the proportion of young people aged 16-18 in Bracknell Forest who were not in education, employment or training (NEET) was 6.1% (typically this represents around 130 young people). This remains a key priority for the area. An overriding ambition for the economy is to regenerate Bracknell Town Centre as soon as possible to create a centre which provides a vibrant economic, social and cultural heart to the Borough and a real sense of place.

Crime levels remain lower than the national average. The overall level of crime in Bracknell Forest fell by 10% in the 2010/11 11 (a total reduction of 25% since 1st April 2007). Anti-social behaviour as recorded by the Borough's ASB data base fell by over 11% in 2010/11 (with the most serious categories falling by more than 17%).

The Council has developed its Vision "To make Bracknell Forest a place where all people can thrive; living, learning and working in a clean, safe and healthy environment" to reflect local needs based on the Borough's population demographic. Six Priorities for delivering this Vision have been identified which are supported by 11 Medium Term Objectives. These were approved by full Council in November 2011. An overriding ambition is to regenerate Bracknell Town Centre to provide a vibrant, economic, social and cultural heart to the Borough. This is reflected in the first of the following 6 Priorities:

- Priority 1: A Town Centre fit for the 21st Century
- Priority 2: Protecting and enhancing our environment
- Priority 3: Promoting health and achievement:
- Priority 4: Create a Borough where people are, and feel, safe:
- Priority 5: Provide Value for Money
- Priority 6: Sustain economic prosperity

In a climate of a rising population, changes in ethnic diversity and economic pressures on our residents, we can expect to see significant shifts in service demands in terms of the amount and type of services they need. Effective risk management will ensure we are better prepared to face these challenges and is essential for ensuring that our Priorities and underlying Medium Term Objectives are achieved.

2. EXECUTIVE SUMMARY

The Council recognises that there are risks involved in everything we do and that as an organisation accountable to the public we have a duty to manage those risks in a balanced, structured and cost effective way. In doing so, the Council will better achieve its objectives and enhance the value of the services it provides.

Risks to the achievement of our objectives are set out in our Strategic Risk Register, Directorate Risk Registers and project risk logs. Our key strategic risks at the Council relate to financial pressures and infrastructure and maintenance of assets. Risk management is about improving the quality of information about the likelihood and consequences of these events occurring and subsequently using this information to make informed decisions and judgements.

The Executive approved the Risk Management Strategy incorporating the Risk Management Policy Statement in 2009 demonstrating the Council's intention to embed risk management across the organisation by requiring all Members, officers and staff to assist in and take responsibility for the identification, control and mitigation of risk. The Policy is fully supported by Council Members, the Chief Executive, the Corporate Management Team and the Strategic Risk Management Group.

The Risk Management Strategy is updated annually to update the priorities for the year and is approved by the Governance and Audit Committee. A Risk Management Toolkit is in place which was last updated in November 2010.

3. AIM OF THE RISK MANAGEMENT STRATEGY

The aim of the Risk Management Strategy 2012/13 is to set out the actions for the embedding of robust risk management arrangements across the Council and its Local Strategic Partnership and Strategic Partnership Themes during 2012/13.

4. SCOPE OF THE STRATEGY

In order to implement the Policy, this strategy -

- Sets out the arrangements for implementing risk management arrangements.
- Assigns responsibilities for delivering specific elements of the Strategy
- Summarises the progress made to date on embedding risk management and set out the action to be taken forward to fully embed risk management processes

5. ROLES AND RESPONSIBILITIES

The Council has a statutory responsibility to have arrangements in place for managing risks as stated in the Accounts and Audit Regulations 2011 which says

“The relevant body is responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of the body’s functions and which includes arrangements for management of risk”.

In addition, the Civil Contingencies Act 2004 places a duty on local authorities to assess the risk of emergencies occurring and use this to inform contingency planning.

Ultimate responsibility for ensuring that the Council has effective risk management rests with the Executive. The Governance and Audit Committee supports the Executive in providing independent oversight of the adequacy of all audit and governance assurances. The Strategic Risk Management Group was established to oversee risk management arrangements and report to CMT. The Chief Executive has identified the Borough Treasurer as Lead Officer for Risk Management and delegated to him responsibility for ensuring effective arrangements are in place.

The Borough Treasurer has tasked the Head of Audit and Risk Management with reviewing and monitoring risk management procedures and identifying areas for improvement. There are risk implications across all the aspects of our services and projects and hence all officers across the Council have responsibility for ensuring risks are identified and managed as appropriate. Appendix 1 clarifies roles and responsibilities.

6. PROGRESS MADE DURING 2011/12 AGAINST THE RISK MANAGEMENT STRATEGY

During 2011/12 the following developmental actions were taken to further improve risk management:

- A refresh of the format of the Strategic Risk Register to streamline risks and provide a more useful tool for managing key risks to senior management and Members;
- Development of the town centre regeneration project risk register;
- Update of the Directorate Business Continuity Plans which facilitated the review and update of the Council-wide Business Continuity Plan;
- Identification of the IT systems supporting delivery for the critical functions; and
- The membership of SRMG has been strengthened by the attendance of the Information Security Officer to raise awareness of information governance risks and report back to the Group on information breaches inform assessment of the strategic risk.

7. RISK MANAGEMENT PRIORITIES FOR 2012/13

Business Continuity

During 2011/12, the directorate and Council-wide business continuity plans were updated and the IT systems to support the critical functions were

identified. The need to undertake a testing exercise was identified as part of the review of the plans. A specialist consultant has been engaged to facilitate a test exercise in October 2012. The exercise will be targeted at the Crisis Management Team. The Strategic Risk Management Group will monitor any actions identified from the testing exercise to ensure these are addressed.

In addition, during the next 12 months the Group will consider the effectiveness of arrangements for promoting effective business continuity arrangements across the Council and the ICT solutions in place for responding to business continuity incidents.

Information Assets and Information Risks

The Council and its contractors hold sensitive data in electronic and manual form such as personal data on staff, residents, vulnerable individuals such as children and adults with social care needs and suppliers which could potentially be misused or stolen if not secure. To mitigate this risk, work is ongoing to identify the Council's "information assets" and their associated risks

Actions to Address Strategic Risks

Progress on actions to address strategic risks will be monitored on a six monthly basis.

Significant Operational, Project and Programme Risks

Directorate Risk Registers are in place across the Council and risk logs should be in place for all major projects and programmes. Arrangements will be reviewed over the next year to ensure that these are in place and that there are satisfactory procedures in place to identify and mitigate key risks and ensure registers/log are reviewed and updated regularly.

ROLES AND RESPONSIBILITIES

The Executive: -

- The Executive will be presented with an updated Strategic Risk Register at least once a year for consideration and approval;
- Significant changes to strategic risks will be summarised in the quarterly Corporate Performance Overview Report (CPOR) considered by the Executive;
- Members will be expected to attend any appropriate training to ensure they have a sound understanding of the risk management process within the Council and adequate knowledge of risk management to perform their various roles; and
- Risk management considerations should be assessed on each report presented to Members, in the same way as financial and legal implications.

Governance and Audit Committee: -

- Changes identified as part of CMT's annual review of the Risk Management Strategy and Guidance incorporating the Risk Management Policy will be considered by the Governance and Audit Committee;
- The Governance and Audit Committee will be responsible for monitoring the adequacy of the governance arrangements, including risk management processes, to ensure that the Council is complying with its statutory and regulatory obligations;
- On an annual basis the Governance and Audit Committee will review and approve the Annual Governance Statement (AGS). The AGS is an assessment of the effectiveness of the Council's governance arrangements during the previous financial year which includes review of risk management arrangements as an integral part of good governance;
- The Governance and Audit Committee will receive updates on risk management prepared by the Head of Audit and Risk Management;
- The Governance and Audit Committee will seek assurance that officers are developing and progressing Action Plans to address risks;
- Members will be expected to attend any appropriate training to ensure they have sufficient knowledge of risk management to perform their role on the Governance and Audit Committee.

Lead Member: -

- A Member "Lead" for risk management will be nominated by the Leader;
- The role of Lead Member will include promoting the application of risk management and related training to Members;
- The Lead Member will promote robust risk management in decision making by Members;
- The use of risk assessments within reports for decision making will be encouraged by the Lead Member; and
- The Lead Member will promote robust risk management reporting to the Executive and Governance and Audit Committee.

Corporate Management Team (CMT): -

- The Chief Executive will take overall responsibility for risk management as the Head of the Paid Service;
- The Risk Management Strategy and Guidance incorporating the Risk Management Policy will be reviewed annually by CMT;
- Risk management arrangements and initiatives proposed by the Head of Audit and Risk Management will be considered by and agreed with CMT;
- CMT will review the Strategic Risk Register twice a year;
- CMT will seek assurance that strategic and directorate operational risks and actions to mitigate risk are identified and documented;
- Adequacy and progress of actions to address strategic risks will be overseen by CMT and recommendations made to relevant Directors where appropriate to address gaps in assurance;
- Recommendations will be made by CMT to the Head of Audit and Risk management where operational risks need to be escalated to the Strategic Risk Register;
- CMT will recommend any risk management issues to be reported to the Governance and Audit Committee; and
- CMT members will be expected to attend any appropriate training to ensure they have adequate knowledge to perform their various roles

Lead Officer: -

- The Chief Executive will nominate an Officer 'Lead' for risk management;
- The Lead Officer will chair the Strategic Risk Management Group;
- Responsibility for providing assurances to the Governance and Audit Committee and Governance Working Group on the adequacy of risk management arrangements will rest with the Lead Officer for risk management;
- The Lead Officer will ensure that there is adequate staff resource in place to maintain the Strategic Risk Register and provide central risk management support and advice;
- The role of Lead Officer will include promoting the application of risk management to CMT; and
- The Lead Officer will be responsible for ensuring that a programme of training for officers is developed to facilitate the embedding of risk management throughout the organisation.

Directors/Chief Officers

- All Directors will promote risk management in their Departments and ensure that risks are properly assessed and managed at all levels in all their services;
- Each Director will ensure that there are adequate actions in place to mitigate strategic risks for which they are the risk owner;
- Directors will ensure that their directorates risk register is a complete and up to date record of all significant risks within their directorate consistent with the methodology in the Toolkit, that appropriate actions are identified to address these risks and that the register is reviewed quarterly by their DMT, updated to address changes in risks and progress in actions and copied to the Head of Audit and Risk Management;
- Each Director will ensure that risk management is considered in any partnerships so that risks are understood and the responsibility for each risk is clear;

- Each Director will ensure that his/her representative on the Strategic Risk Management Group is at the appropriate level (i.e. Chief Officer) and that they contribute actively to the Group's activities and within the Department on all risk management issues;
- Directors will ensure that reports for decision making include an assessment of risk; and
- Risk management performance will be reflected in the competency frameworks.

Strategic Risk Management Group (SRMG): -

- The SRMG acts as a "Strategic Risk Board," taking the lead in updating the Strategy, reviewing the Strategic Risk Register and reporting to CMT and Members on progress on risk management;
- SRMG will oversee all aspects of risk affecting the Council including but not limited to the Strategic Risk Register, Health and Safety and Emergency Planning;
- The SRMG will seek to research good practice in risk management and to adopt appropriate good practice in the Council;
- SRMG members must act as the risk management champions in their own Departments and raise awareness of risk management;
- A brief 'job description' has been devised for SRMG members to clarify and codify their role: -
 - SRMG members will attend the Group's meetings. If they are unable to attend they will send a representative in their place
 - SRMG members will be pro-active in the work of the Group
 - SRMG members will support all staff in their Department in relation to risk management matters
 - SRMG members will facilitate Departmental Management Team discussions of risk management matters by providing discussion papers, reports of areas of excellence and weakness etc.
 - SRMG members will have specific tasks and targets set for their risk management work
 - SRMG members will undertake appropriate training to improve their effectiveness

Head of Audit and Risk Management

- The Head of Audit and Risk Management has a key role in ensuring that the Strategic Risk Register is up to date/comprehensive and that actions are being taken to address strategic risks;
- The Head of Audit and Risk Management also plays an important part in ensuring Departments have processes in place to identify and address significant operational and project risks;
- The Head of Audit and Risk Management will provide assurance on the risk management process and highlight necessary improvements;
- The risk management arrangements will be reviewed as required under the Internal Audit Plan;
- Internal Audit Plans must be risk-based, with strategic risks being prioritised when reviewing systems;
- Internal Audit reports must identify the perceived risks clearly and make SMART recommendations for mitigating or eliminating those risks.

Emergency Planning Officer:-

- To update and maintain the Council's Civil Emergency Plan and to provide the framework and coordinating role to its Business Continuity planning process to ensure the Council is able to respond at corporate level in the event of an emergency or critical incident;
- To report to SRMG quarterly on business continuity strategies, plans and procedures to ensure the organisation can respond to a business critical incident;
- To ensure coordination and training across all departments of the Council to ensure the ability to implement plans;
- To ensure adequate liaison with all other appropriate agencies and neighbouring authorities in respect of their emergency response plans and the interaction with this Council; and
- To facilitate periodic training and testing of the plans.

Senior Advisor Health and Safety:-

- To advise and assist line managers throughout the Council's operation on matters relating to their duties and obligations under the provisions of the Health and Safety at Work etc Act 1974 and related legislation;
- To liaise with managers in investigating accidents and in carrying out risk analysis and safety audits and to produce reports as required;
- To provide a lead role in the production and maintenance of the Council's safety policy;
- To develop and implement action plans to reduce health and safety risks identified by risk assessments and inspections;
- To undertake such other work as the Council or the Director of Corporate Services may determine as being compatible with the responsibility levels of the post; and
- To report to SRMG on a six monthly basis on health and safety inspection visits and incidents reported and investigated.

The Head of Building Surveyors

- The Head of Building Surveyors advise CMT and SRMG on the risks associated with the Council's properties.

The Chief Officer: Information Services

- The Chief Officer: Information Services advises CMT and SRMG on the risks associated with information technology and information security.

The Team Manager Climate Change

- The Team Manager Climate Change advises CMT and SRMG on the impact of climate change risks and will coordinate the climate change risk assessment.

Heads of Service/Cost Centre Managers/Project Managers: -

- These managers are the experts on their services and projects and they must make regular and thorough risk assessments to identify significant strategic risks and mitigation where appropriate;
- Significant risks must be included in Directorate Risk Registers, Project Initiation Documents (PID) and in any key decision report, report requesting budget provision or proposing savings, changes to service levels etc.

- Risks must be monitored during the year and significant new or changed risks recorded in the directorate risk register;
- Risk management topics should be on the agenda for team meetings regularly and at least quarterly. Project teams would expect to consider risk management at most, if not all, of their team meetings;
- Managers will ensure that risk management is considered in any partnerships so that risks are understood and the responsibility for each risk is clear;
- Managers will be expected to attend any appropriate training to ensure they have adequate knowledge to perform their role; and
- Risk management will be included in competency frameworks.

Partnership Leads

- Partnerships Leads should ensure that partnerships comply with the Partnership Governance Toolkit which incorporates risk management responsibilities;
- Arrangements for risk management for each partnership must be agreed with the partners;
- There should be processes in place to review partnership risks and progress on risk action plans at least twice a year; and
- Procedures must be put in place for identifying partnership risks that have a Council wide impact and for reporting these to the Head of Audit and Risk Management.

Employees: -

- Employees must carry out risk assessments as instructed;
- They must draw to management's attention any risks to the achievement of day-to-day objectives that have not been identified previously so that these can be recorded and action take to mitigate them where required;
- Employees will be expected to attend any appropriate training to ensure they have adequate knowledge to perform their role; and
- Risk management will be reflected in competency frameworks.

AN ANNUAL CYCLE FOR RISK MANAGEMENT

| | QUARTER 1 | QUARTER 2 | QUARTER 3 | QUARTER 4 |
|---|-----------|-----------|-----------|-----------|
| SRMG meets | X | X | X | X |
| Risk Management Strategy reviewed | | X | | |
| Strategic Risk Register reviewed by SRMG | X | X | X | X |
| Strategic Risk Register reviewed by CMT | | X | | X |
| Strategic Risk Register approved by the Executive | | | X | |
| Significant strategic risk actions updated and reported through CPOR | X | X | X | X |
| Update on risk management provided to Governance and Audit Committee or equivalent | X | X | X | X |
| AGS reflecting risk management reviewed by CMT | X | | | |
| AGS reflecting risk management approved by Governance and Audit Committee or equivalent | X | | | |
| Directorate risk registers reviewed , updated and copied to the Head of Audit and Risk Management | X | X | X | X |

RISK MANAGEMENT POLICY STATEMENT

The Council provides a diverse range of services to the community, partners, businesses and visitors to the area and recognises that, as a large and multi-functional organisation, it is exposed to a wide variety of risks. It is therefore committed to effective risk management as an integral part of the Council's governance arrangements and internal control framework in order to: -

- Help ensure the achievement of the Council's overall aims and objectives
- Preserve and enhance service delivery
- Promote better decision making
- Encourage innovation through balancing risk with opportunity

In terms of the basic principles which underpin our approach to risk management, it is the Council's policy to ensure that:

- There is a single corporate approach to risk management which is adopted consistently by services, projects and partnerships;
- The roles and responsibilities for risk management are clearly defined, communicated and understood by all staff;
- Risk assessments are undertaken as part of all strategic decision-making;
- Risk assessment is an integral part of the corporate and service planning process;
- Strategic risks are identified, evaluated and recorded in the Strategic Risk Register;
- Significant operational risks are identified and recorded in Directorate Risk Registers;
- Risks the Council faces are managed by implementing measures to avoid, reduce and control them to within the Council's risk tolerance level;
- Actions plans to address risks are recorded;
- Partnership arrangements are subject to risk assessments ;
- Projects and programmes manage risk throughout their life cycles in line with the corporate programme and project management approaches; and
- The effectiveness of risk management arrangements are reviewed annually.

The Council's Strategic Risk Management Group is responsible for the implementation of a unified risk management strategy, the promotion of risk awareness and the monitoring of the effectiveness of risk management measures undertaken.

This policy requires elected Members, officers and staff to assist in and take responsibility for the identification, control and mitigation of risk to minimise the possibility and impact of losses or disruption. Risk management is a continuous process that demands awareness and action. It is the responsibility of each Service Area to comply with the Council's Risk Management Policy and the corporate approach to risk management. Senior Managers are accountable for managing risks to which their area is exposed whilst all employees have duty to support the Council's initiative be managing risks within their control.

STRATEGIC RISK MANAGEMENT GROUP TERMS OF REFERENCE

1. Object and Functions

The Strategic Risk Management Group shall make recommendations to CMT, the Governance and Audit Committee or any other committee of the Council on matters affecting or likely to affect the organisation's exposure to significant risk. The Strategic Risk Management Group shall:

- I. Be responsible for risk assessment matters that relate to Bracknell Forest Council's services, programmes, projects and/or to employees and all other people who may be affected by the Council's activities;
- II. Receive reports in respect of Health and Safety and Emergency and Business Continuity Planning,
- III. Receive and review updates of the Strategic Risk Register, receive reports on risk management and monitor the effectiveness of risk management policies and procedures;
- IV. Ensure that risk management becomes embedded across the Council; and
- V. Report quarterly to the Corporate Management Team (CMT).

2. Membership

The membership of the Strategic Risk Management Group shall be determined by CMT and shall include

- I. Representatives from each Directorate's DMT;
- II. The Council's Emergency Planning Officer;
- III. The Senior Health and Safety Advisor;
- IV. The Head of Audit and Risk Management;
- V. The Chief Officer: Information Services;
- VI. The Information Security Officer.

3. Chairman

The Group shall be chaired by the Borough Treasurer.

4. Meetings

The Group shall meet at least four times a year but a special meeting may be called if 24 hours notice is given in the case of emergency. All meetings shall be convened during normal working hours. Additional meetings shall be arranged if necessary as agreed by the Chairman.

5. Agendas

- I. All items should be submitted to the Secretary of the Group at least ten working days before the meeting for inclusion on the agenda.
- II. Each Member of the Group shall receive a copy of the agenda and papers at least three working days before the meeting.

6. Reporting

- I. Minutes of the meetings of the Group shall be documented as soon as possible after the meeting.
- II. Copies of minutes shall be circulated to all members of the Group
- III. The Borough Treasurer will ensure that the Strategic Risk Register considered by SRMG is reviewed by CMT at least twice a year.
- IV. The Borough Treasurer will ensure that regular updates on risk management are provided to the Governance and Audit Committee.