



Vale of Glamorgan Council

RISK MANAGEMENT STRATEGY 2018 - 2020

Managing Risk in the Vale of Glamorgan Council

March 2018

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Risk Management Policy Statement

Effective Risk Management allows us to make the most of our opportunities, make the right decisions and achieve our objectives once those decisions are made. Our policy is one of embedding risk management into every aspect of the organisation. A proper knowledge and awareness of risks creates an environment in which significant changes can be achieved with confidence.

The Corporate Plan defines both our Well-being Outcomes and our organisational values. These values are our guiding principles for shaping our culture and attitudes and explain what is important to the Council. Our values are:

- **Ambitious**-Forward thinking, embracing new ways of working and investing in our future.
- **Open**-Open to different ideas and being accountable for the decisions we take.
- **Together**-Working together as a team that engages with our customers and partners, respects diversity and is committed to quality services.
- **Proud**-Proud to serve our communities and to be part of the Vale of Glamorgan Council.

These values have been aligned with the five ways of working to underpin the sustainable development principle that is a fundamental to the Well-being of Future Generations Act. Developing an organisation that fosters these values and ways of working will only be successful if we can effectively manage our risks. Therefore, having in place a Risk Management Strategy that clearly defines how we define, manage and monitor our risks corporately is essential.

It is vital that our approach is open and demonstrates integrity and accountability.

Our Risk Management Strategy will:

- Help us to identify and achieve our corporate priorities
- Enhance corporate governance
- Allow us to make informed decisions
- Enable effective use of resources
- Prevent injury, damage and loss and reduce the cost of risk
- Ensure legal and regulatory compliance
- Reduce actions against the Council
- Promote continuous improvement
- Integrate risk management into our culture
- Raise awareness of the need for proactive management of risk by all who are involved in delivering our services

This policy has the full support of our Members (including Audit Committee), the Corporate Management Team and the Insight Board.

1. Introduction to Risk

1.1 What is Risk?

Risk is the possibility of something happening that results in an unwanted event that could affect the Council in an adverse way. This could mean that:

- Our objectives are not achieved;
- Our assets are not safeguarded from loss;
- We don't comply with organisational policies and procedures or external legislation and regulation;
- Our resources are not used in an economic, efficient and effective manner;
- The integrity of our management and financial information is open to question and is not reliable;
- The customers / clients we serve / support are put at risk.

1.2 What is Risk Management?

The Institute of Risk Management defines risk management as "understanding, analysing and addressing risk to make sure organisations achieve their objectives". Effective risk management can therefore be seen to minimise the threats presented by risks and, through careful management, maximising the potential the opportunities present. Risk management means identifying and analysing potential risks and determining ways of minimising either the likelihood of that risk happening or the impact that it could have on the Council.

1.3 How we manage risk in the Vale of Glamorgan Council

This Risk Management Strategy describes how we analyse and manage risk using a seven-step process¹ shown below:



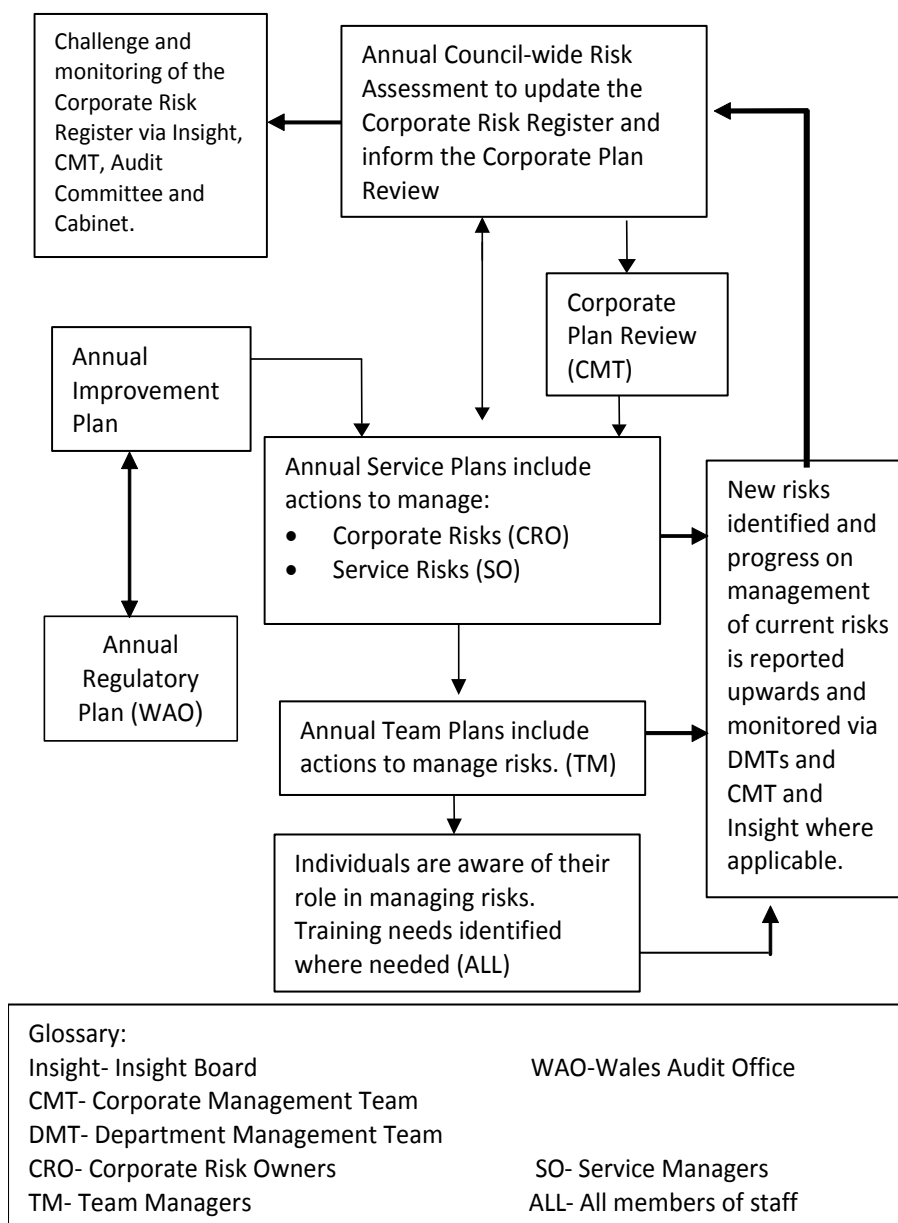
This strategy outlines how this process is used to analyse and manage Corporate Risks (cross-cutting and long term risks), Service Risks (service specific and day-to-day risks) and Project Management Risks (temporary risks associated with delivery of a project) and clarifies the responsibilities of individuals and groups for risk management.

Our Risk Management Framework sets out the way in which we manage our risk across the Council and is an integral part of performance management. The framework

¹ Zurich Municipal & SOLACE (2000) *Chance or Choice – Risk Management and Internal Control*

provides a mechanism by which we can identify record, assess, manage and monitor and review risks.

Figure 1– Risk Management and the Performance Management Framework



1.4 The Cost of Managing Risk

When deciding how to manage risks, officers must consider the possible costs of relevant options, including the option of maintaining the status quo. The cost of managing risk will be allocated from within existing resources or through revenue and capital bids.

1.5 Risk and Decision Making

As part of the Council’s ongoing business, the Cabinet must make decisions on different policy options. The potential risks associated with these options should be included as relevant issues and options within any Cabinet and CMT reports.

1.6 Supporting Policies and Procedures

The following policies and procedures support this risk management framework:

- Performance Management Framework
- Project Management Methodology
- Code of Corporate Governance
- Anti-Fraud and Bribery Policy
- Corporate Health & Safety Policy
- Wales Programme for Improvement Risk Assessment Methodology
- Asset Management Plan
- Procurement Code of Practice
- Corporate Contract Management Policy

1.7 Training and Development

Risk Management training is delivered as and when required (identified via Member Induction/Member Development work and via annual #itsaboutme staff appraisals) to equip all employees and elected members with the necessary knowledge and skills to:

- Manage all types of risk within their remit.
- Develop their understanding of what risk management is and how the authority aims to manage risk effectively.
- Understand their responsibilities for managing risks at all levels and have the necessary skills and knowledge to meet these.

Training and development is offered in the form of briefings, workshops as well as the provision of more specialist training as required. This strategy is also supported by a Risk Management Guide that is accessible to both elected members and officers to provide a brief and concise overview of our risk management approach as an easy read quick guide.

2. Our Risk Management Approach

The risk management approach has 3 main stages:

1. Identification of a risk and its definition
2. Evaluation of the inherent risk, effectiveness of controls and the residual risk.
3. Management of risk.

Outlined below is an overview of each of these risk stages.

2.1 Identifying & Defining Risks

The risk assessment approach starts with the identification of the risks that could impact on the Council. Failure to appropriately identify risks early on could severely impact on our ability to deliver our priorities and services to our citizens. In this context, risk should be viewed as dynamic where it is in a constant state of flux. Therefore it is essential that we have robust mechanisms in place to scan the horizon for new and emerging risks and channels through which these risks can be identified and captured.

Currently the identification of risks takes place through:

- Annual Self-Assessment and Service Planning process- undertaken by Heads of Service and their Officers
- Team Plans- Present an opportunity for managers to identify and discuss with their teams any emerging risks.
- Departmental Team Meetings- undertaken by Team Managers where risk should feature as a standing item on agendas.
- Insight Board, CMT, Audit Committee and Cabinet- look more at the strategic identification of risk.

Many risks are influenced by external events/circumstances that are outside our control. Therefore, when defining risks it is useful to consider the risks arising/influenced in relation to the categories of Political & Legislative, Resource, Service Delivery & Well-being and Reputational factors.

Table 1 below provides a definition of these risk factors.

Risk Factors	Description
Political & Legislative	Legislative risks associated with us failing to comply with legislative requirements or following statutory procedures and the repercussions this has on the organisation. Political risks associated with failing to delivering key policies, focusing on the wrong strategic priorities and not meeting manifesto commitments. All of these could impact on our ability to evolve and modernise as an organisation.
Resources	Risks present a threat to our assets as an organisation whether it is in relation to our workforce, technology, property/buildings and /or finance. Operating in a climate of diminishing resources whilst effectively managing demand for our services will continue to be an ongoing factor when defining resource-based risks and our ability to manage and mitigate these risks.
Service Delivery and Well-being	These are risks that threaten our ability to deliver services as well as impact on our ability to safeguard the well-being and improve outcomes for our citizens. Such factors might include the inability to meet demand for services, fluctuations in the demographic and inability to engage with our customers in change and manage expectations.
Reputation	These can be defined as risks that could have a damaging impact on the Council's perception by citizens as well as external regulators and public bodies. Negative publicity may arise due to not consulting/engaging with stakeholders, failing to investigate complaints and/or due to poor response to incidences impacting on media relations.

After the initial risks have been identified it is essential that each risk is defined and understood with a clear description and explanation

2.2 Risk Evaluation

The scale of risk is measured by two variables, the likelihood of the risk occurring and the possible impact of the risk. **Likelihood** is the probability of a particular outcome happening. When assessing the likelihood, Risk Owners should identify if and how often the risk has occurred in the past. For example:

	Likelihood			
Measure	Very unlikely	Possible	Probable	Almost certain
Probability	Less than 10% chance of occurring	Less than 50% chance of occurring.	Greater than 50% chance of occurring.	90% chance of occurring.

Impact is the significance of the event, i.e. how bad would it be? Some risks such as financial risk can be evaluated in numeric terms. Others, such as adverse publicity, can only be evaluated in subjective ways.

Table 2 below is an assessment grid for evaluating impact of a risk.

Risk Categories	Impact			
	Low	Medium	High	Catastrophic
Political & Legislative	Stable political leadership. Very minor fluctuations in political composition (E.g. due to a By-Election or planned changes to Scrutiny Committee Membership and/or Executive Roles).	Some minor instability in political leadership due to unplanned change to Executive Roles which could impact on the perspective and reputation of the political party.	High levels of political instability due to a sudden change in administration due to events/incidents that triggers a vote of no confidence.	Complete failure of political infrastructure resulting in the organisation going into 'Special Measures'. Welsh Ministers take control of the decision making for the organisation.
	Organisation is in a strong position to respond to changing policy and legislative environment.	Inability to meet some aspects of our new legislative requirements that causes some level of service disruption.	Very high levels of service disruption and failure to meet key requirements of new legislation resulting in some litigation and fines.	Council is no longer able to operate its services to meet its most basic statutory requirements.
Resources	Less than £50K	£50K-£250K	£1Million	More than £1Million
	Minor workforce pressures affecting a small number of staff.	Short-term workforce pressures affecting one or more teams impacting on staff capacity and availability.	Longer term workforce pressures impacting on our capacity operate sustainable services. This could result in redundancies for the service area/s affected.	Large scale workforce pressures across multiple Directorates/whole Council that impacts on our ability to deliver statutory services. Potential for mass redundancies.
	Minor ad hoc disruption to ICT systems due to network issues and/or system issues.	Some short-term disruption over a period of days (interim failures) in ICT systems due to network and/or system issues.	Large scale ICT system failures over an extended period of time or affecting multiple systems.	Complete failure of multiple systems with no business continuity in place resulting in the Council unable to operate and deliver multiple services.

Risk Categories	Impact			
	Low	Medium	High	Catastrophic
	Very low level data breaches that do not require investigation from the Information Commissioner's Office.	Low level of data breaches that are investigated with no further action required.	High level of data breaches of highly sensitive personal data/information resulting in Information Commissioner's Office intervention.	Very high levels of data breaches across the whole Council that are impacting on our ability to process and manage data effectively and operate our services.
	Minor building compliance breaches detected that are resolved and have little or no effect on service delivery and no harm to the public/staff.	Low level building compliance breaches that cause short-term disruption to service delivery with minor level of harm/injury to the public/staff.	High/Multiple building compliance breaches causing longer term disruption to service with some incidences of harm/injury to the public/staff.	Wider spread building compliance breaches resulting in service failure and or serious harm/injury or death of an individual/s.
Service Delivery & Well-being	<p>Minor disruption to service for a small number of people.</p> <p>No lasting detrimental effect on the environment, community and local economy.</p> <p>Minor injury to an individual.</p>	<p>Short-term service failure having minor effect on public well-being.</p> <p>Short-term local detrimental effect.</p> <p>Minor injury to several people.</p>	<p>Large scale service failure without effect on well-being or small-scale failure having significant effect on individuals.</p> <p>Long-term detrimental effect on environment, community and the local economy.</p> <p>Serious injury to one or more people resulting in hospitalisation.</p>	<p>Total shutdown of service having serious detrimental effect on well-being.</p> <p>Extensive detrimental impact on the environment, community and the local economy.</p> <p>Fatality</p>
Reputation	Increase in complaints	Local press coverage	National press and complaints upheld by Ombudsman.	Intervention by external regulators.

In order to effectively assess the scale of a risk we have developed a three step evaluation process.

This involves:

1. Assessing inherent risk
2. Assessing the effectiveness of controls
3. Evaluating residual risk

2.2.1 Assessing Inherent Risk-

Before we consider what arrangements we've got in place to manage the risk, we think about the impact and likelihood of the risk occurring. This will enable us to define a risk score in a pre-control environment i.e. what the risk would look like if there were no controls in place.

Inherent risk can be scored using a traditional risk matrix where the higher the score allocated to the risk, the higher the overall scale of the risk. To calculate the inherent or residual risk score, we multiply the likelihood score by the impact score.

Table 3 below is a traditional risk scoring matrix.

Possible Impact or Magnitude of Risk	Catastrophic	4 <i>MEDIUM</i>	8 MEDIUM/HIGH	12 HIGH	16 VERY HIGH
	High	3 <i>MEDIUM/LOW</i>	6 <i>MEDIUM</i>	9 MEDIUM/HIGH	12 HIGH
	Medium	2 LOW	4 <i>MEDIUM</i>	6 <i>MEDIUM</i>	8 MEDIUM/HIGH
	Low	1 VERY LOW	2 LOW	3 <i>MEDIUM/LOW</i>	4 <i>MEDIUM</i>
Low 1-2 Low/Medium 3 Medium 4-6 Medium/High 8-10 High 12-16		Very Unlikely	Possible	Probable	Almost Certain
Likelihood/Probability of Risk Occurring					

2.2.2 Assessing the effectiveness of controls-

We think about the existing controls that are in place to manage or mitigate the risk and the impact these have in terms of reducing the likelihood of the risk occurring or the impact it would have.

The effectiveness of our controls is based on evaluating how effective the controls are at reducing a) the likelihood of and b) the impact of the risk occurring. For example, a score of zero would imply a poor control of the risk whereas a four would suggest that the controls in place are highly effective. To calculate the overall effectiveness of controls score, we multiple the likelihood score by the impact score.

Table 4 shows our effectiveness of control scoring mechanism.

Score	Effectiveness of control
0	Very Low control of the risk
1	Low control of the risk
2	Medium control of the risk
3	High control of the risk
4	Very high control of the risk

2.2.3 Evaluating Residual Risk-

This can be described as the subsequent risk score as a result of applying the controls to mitigate the risk. Like inherent risk, residual risk can be scored using the traditional risk matrix where the higher the score the higher the overall scale of the risk.

In order to derive the Residual Risk score from the interaction between the inherent risk and the effectiveness of controls, the inherent risk scores for likelihood and impact are divided by the likelihood and impact scores for the effectiveness of controls. This provides a measure by which we can demonstrate the mitigating effect the controls have on managing the risk. The overall residual risk status is then calculated by multiplying the overall residual likelihood score by the overall residual impact score.

2.3 Managing Risks

Some risks may be amenable to effective management whilst others may be partially or wholly beyond the control of the Council.

Our approach to managing risk will depend on whether we wish to avoid, eliminate/reduce, transfer or accept these risks.

Table 5 defines the ways in which we can respond to risk in terms actions we take to manage risk.

Avoid	Terminate the risk – by doing things differently and thus removing the risk where it is feasible to do so. Countermeasures are in place that either stop the threat or problem from occurring or prevent it having any impact on the project or business.
Eliminate or Reduce	Treat the risk – take action to control it in some way where the actions either reduce the likelihood of the risk developing or limit the impact on the project to acceptable levels.
Transfer	This is a specialist form of risk reduction where the management of the risk is passed to a third party such as an insurance policy or penalty clause so that the impact of the risk is no longer an issue for the project. Not all risks can be transferred in this way however.
Accept	Tolerate the risk - because nothing can be done at a reasonable cost to mitigate it or the likelihood and impact of the risk occurring are at an acceptable level.

Where actions to avoid, eliminate, reduce or transfer the risk are determined, an action plan will be developed to manage the risk. Actions (controls) to manage the risk can be classified as either 'current controls' or 'countermeasures'. Current controls are existing actions/initiatives that are in place to manage the risk whereas countermeasures are actions that need to be progressed in order to further mitigate the risk. Countermeasures will be progressed over a period of time. For Corporate Risks these are incorporated into a Risk Management Action Plan for delivery. Actions to control a risk may include better communication, new policies or procedures, training, market research or external assistance. It is vital that all relevant staff have clear ownership of the key risks and a named person or group of persons should have the responsibility for implementing each action. Where applicable, a task and finish group may be created to control the key risk and report on progress.

3. Risk Management Roles and Responsibilities

Risk Management is everyone's responsibility. It is the responsibility of all staff and Elected Members to maintain an awareness of risk as well as identify and report any risks appropriately. Therefore, it's essential that there are clear and transparent lines of accountability in terms of the roles and responsibilities of individuals and groups.

The roles and responsibilities in line with the Risk Management Framework are outlined in the **Table 6** below:

Group/ Individual	Roles and Responsibilities
Managing Director	<ul style="list-style-type: none"> • Promote effective risk management within all aspects of the Council's business. • Drive improvement through support for the Risk Management Strategy.
Cabinet	<ul style="list-style-type: none"> • Understand risk management and its benefits • Consider risk implications as part of the decision making process • Endorse and approve the Risk Management Strategy and the associated Corporate Risk Register. • Ensure there are effective controls (actions) in place to manage the corporate risks. • Be jointly responsible with officers for the effective management of risk across the Council. • Act as 'champions' of risk management for the Council.
Audit Committee	<ul style="list-style-type: none"> • Gain an understanding of risk management and its benefits • Review and challenge the Risk Management Strategy and Risk Register and make any recommendations as appropriate. • Approve measures to ensure the effective development and operation of risk management and corporate governance in the Council • Receive reports from Insight and CMT at least on a 6-monthly basis on the progress of all corporate risks • Oversee the production of the Council's Annual Governance Statement and to recommend its adoption. • Review the overall effectiveness of the Council's risk management processes.

Group/ Individual	Roles and Responsibilities
	<ul style="list-style-type: none"> • Challenge how we are managing our corporate risks. • Hold the Leadership to account for the effective management of risks. • Provide regular updates to Cabinet regarding risk monitoring.
Corporate Management Team (CMT)	<ul style="list-style-type: none"> • Ensure that the Council manages risk effectively. • Receive reports from the Insight Board on a quarterly basis on the progress of all corporate risks. • Identify and analyse the strategic/key risks (corporate risks) priorities of the Council. • Ensure that there are effective risk controls (actions) in place to mitigate the risks and protect the integrity and reputation of the Council. • Provide leadership and direction in relation to risk management. • Ensure that our approach to risk management is transparent and applied consistently across the Council. • Ensure there is effective planning of staffing, finances and resources to ensure the management of risks. • Analysing the thematic aspects of Corporate Risk to identify potential actions that can tackle multiple risks in a more strategic way. • Review the risks of major projects. • Update Audit Committee and Cabinet on the management of risk.
Scrutiny Committees	<ul style="list-style-type: none"> • Understand risk management and its benefits • Monitor the implementation of action plans developed to manage risks associated with delivering Well-being Outcomes through service activity as part of quarterly performance reporting.
Insight Board	<ul style="list-style-type: none"> • Develop and review the Risk Management Strategy. • Monitor the status of corporate risks and report to CMT and Audit Committee (6 monthly). • Share experience and good practice in risk, risk management, and strategy implementation. • Identify and drive training programmes as required to raise competency in risk management. • Receive progress reports in person from risk owners as appropriate at quarterly meetings. • Maintain and update the Corporate Risk Register. • Oversee the Authority-wide annual risk assessment to identify any new and emerging risks and ensure the findings are fed back with recommendations to CMT, Audit Committee and Cabinet where appropriate. • Regularly monitor individual risks within the Risk Register to ensure there is a timely review of all corporate risks throughout the year. • Escalate any risks/areas of concern via CMT, Audit Committee and Cabinet for consideration as and when they arise. • Recommend to CMT, Audit Committee and Cabinet the raising of new risks

Group/ Individual	Roles and Responsibilities
	<p>and the closing of others via the Risk Register.</p> <ul style="list-style-type: none"> Review themes and trends arising from risk review work and any issues identified.
Corporate Risk Owners (Directors, Heads of Service and Operational Managers).	<ul style="list-style-type: none"> Gain an understanding of risk management and its benefits. Risk Overview- Identify, analyse and profile key Corporate Risks to the Council. Risk evaluation- Identifying and evaluating inherent risk and the effect existing controls have on mitigating corporate risks and the impact this has on the overall residual risk. Risk Management Plan- Monitor progress in managing corporate risks through the delivery of risk management action plans and where relevant identify and implement further mitigating actions. Monitor progress in implementing corporate risk management actions, and where risk is left unmanaged develop and implement appropriate further action(s). Provide quarterly updates to the Insight Board on progress against action plans developed to manage corporate risks to include timely reports of new significant risks. Provide, as required, progress reports/updates to Insight Board. Lead “task and finish” groups in the development and implementation of action plans to manage key corporate risks and providing timely progress reports to the Corporate Risk Management Group (where appropriate). Ensure that corporate risks relevant to the directorate are actively managed within their areas of business. Cascade information and knowledge of risk within their area of business to officers to raise awareness of risk management. Regularly evaluate, review and update the Corporate Risk Management Group and CMT on the status and management of risks. As a minimum, annually review the risks across the whole directorate/service areas to inform the annual risk assessment (service planning process).
Service Risk Owners (Heads of Service and Operational Managers)	<ul style="list-style-type: none"> Risk Overview- Identify, define and analyse and prioritise service risks utilising the service planning process. Risk Evaluation- assessment of the risk in terms of its score/position. Risk Management Plan- focus is on defining and monitoring how we are managing service risks. Where appropriate reporting should be via the Directorate Management Teams (DMTs) and Scrutiny Committees. Understand risk management and its benefits. Establish risk management training requirements of staff/teams. Determine and put in place effective controls to manage service risks. Ensure that appropriate mitigating actions are outlined in annual service plans in response to service-based risks. Ensure that service plan actions reflect corporate risks. Raise awareness of risk amongst staff and ensure there is appropriate risk

Group/ Individual	Roles and Responsibilities
	<p>management within teams.</p> <ul style="list-style-type: none"> • Disseminate information/updates on risk discussed at CMT and DMTs via Team Meetings as appropriate. • Escalate any service risks to the Corporate Risk Management Group and CMT as appropriate. • Identify and analyse the emergence of new corporate risks to be escalated to Corporate Risk Management Group and CMT.
Corporate Performance Team	<ul style="list-style-type: none"> • Carry out an annual performance assessment to determine risks to service improvement (as part of service planning). • Support managers in the management of service risks where necessary. • Co-ordinate the Corporate Risk Register and manage its development.
Directorate Management Team (DMT)	<ul style="list-style-type: none"> • Monitor progress on implementing risk management actions within the directorate, taking appropriate action where risk is left unmanaged. • Monitor service based risks and corporate risks and identify any new and emerging risks. • Escalate risk to the Corporate Risk Management Group as appropriate. • Report new significant risks (for example as a result of legislative changes) to the Corporate Risk Management Group
Team Managers	<ul style="list-style-type: none"> • Understand risk management and its benefits. • Work with team to analyse and manage team risks and record actions in Team Plan (annually). • Monitor progress on managing team risks and report to the directorate management team. • Escalate risks to Service Risk Owners as appropriate.
All employees	<ul style="list-style-type: none"> • Maintain awareness of risks and feed these into the formal processes • Control risk in their job. • Participate (as appropriate) in the identification, assessment and management of risks via team meetings. • Have a basic knowledge and awareness of risks relevant to their service areas. • Escalate risks to Service Risk Owners as appropriate for consideration.
Internal Audit	<ul style="list-style-type: none"> • Agree a programme of audits utilising the Council's Risk Register and Service Plans to inform the plan. • Report and advise on the processes and management of risk through audit work undertaken. • Draft the Annual Governance Statement that appropriately reflects the risk management processes in place across the Council.
Project Managers	<ul style="list-style-type: none"> • Suggest owners for each risk to the project and monitor actions to control risks and instigate contingency actions where necessary. • Ensure that risk owners monitor each risk.

Group/ Individual	Roles and Responsibilities
Project Management Board	<ul style="list-style-type: none"> • Notify Project Manager of risks. • Make decisions on the Project Manager's recommended actions to mitigate the risks. • Strike a balance between the level of risk and the potential benefits of the project • Notify CMT of any risks that affect the project's ability to meet corporate objectives.
Service Specific partnerships / Committees	<ul style="list-style-type: none"> • Where there is a service area of high risk (e.g. child protection, community safety) partnerships or committees will work to minimise the risk.

4. Types of Risk

Due to the complexity of risk, there are different levels of risk that can be categorised by the Council. These categories are:

- **Corporate Risks** - These are the high profile risks that could have a direct impact on the achievement of the medium to longer term outcomes and objectives of the Council (Corporate Plan). These risks tend to be of a cross-cutting nature (or have major potential consequences) in terms of their potential impact they could have across the whole council and/or wider communities. It is the role of the Insight Board, CMT, Audit Committee and Risk Owners to be constantly scanning the horizon for the emergence of Corporate Risks as well as effectively identify and manage those risks that no longer warrant a corporate risk status.
- **Service Risks** -These are risks that we face on a day to day basis as a Council that may affect our ability to deliver services. These risks tend to be service specific or team specific that do not usually have a wider impact on other types of service delivery. Such risks are identified through our Service Planning process.
- **Project Management Risks** -These are risks associated with the delivery of a project. Such risks are identified using the Project Management Toolkit using either a Capital Bid Proforma (for high and low value capital projects) or a Project Brief (for high and low risk revenue projects) and managed and monitored through a risk and issue log.

4.1 Corporate Risk

Corporate Risks are high profile risks that take into account the medium to long-term outcomes and objectives of the Council (aligned to the Corporate Plan). These Corporate Risks tend to be of a cross-cutting nature (or have major potential consequences) in terms of the potential impact they could have across the Council and the wider community. The Corporate Risk Register is a fundamental element of our integrated planning processes. It will be used to inform the Corporate Plan each time it is reviewed. It is vital that we consider risk when we are setting our corporate priorities.

Corporate Risks are defined/identified in our Risk Register through the completion of our annual self-assessment process (as part of Service Planning) as well as by regular horizon scanning undertaken by Risk Owners (at Insight Board or CMT) to identify new and emerging risks.

The Corporate Risk Register provides a detailed outline of all the Corporate Risks facing the Council at any given point in time. Each Corporate Risk is profiled and analysed using the Corporate Risk template. The Risk Register profile template used is shown in **Annex A**.

The key sections of the risk template include:

1. **Risk Description**- High level description of risk including background information about the policy and legislative environment.
2. **Risk Owner**- Lead officer for reporting and monitoring the risk.
3. **Contribution to the Well-being Goals**- Shows the alignment of the Corporate Risk to the Well-being Goals of the Well-being of Future Generations (Wales) Act to indicate the potential impact this risk could have on our ability to deliver/meet the Well-being Goals.
4. **Risk Categories**- There are multiple facets to risk. Defining Corporate Risks by risk categories/risk themes enables us to better define and understand all aspects of the risk. The four risk categories we use are: Political and Legislative, Resources, Service Delivery and Well-being and Reputation. These categories have been identified as the key risk considerations for our organisation that have a significant influence/effect over the effectiveness of service delivery. For example, any changes in the legislative environment such as the introduction of a new Act will place more duties on us to meet legislative requirements. Therefore, when thinking about the risk from a 'Political & Legislative perspective, this can be defined as the 'repercussions of us not meeting our new legislative requirements' which has an influence/impact on the Corporate Risk overall.
5. **Risk Evaluation**- There are three parts to the risk evaluation process. We consider the risk in different stages:
 - **Inherent risk** – i.e. before we consider what arrangements we have got in place to manage the risk, we think about the impact and likelihood of the risk occurring.
 - **Controls** – we think about the controls that are in place to manage or mitigate the risk and the impact these have in terms of reducing the likelihood of the risk occurring or the impact it would have.
 - **Residual risk** – we evaluate how effective the controls are at managing or mitigating the risk and the result this has on the risk. The methodology for our risk evaluation is set out in **Annex B** of the Corporate Risk Management Guide.
6. **Risk Management Plan**- This section documents in the form of an action plan what further actions will be taken to further manage the risk. The action plan makes linkages to actions contained in the Corporate Plan and Service Plans. These actions are monitored and updated quarterly. Once actions have been fully completed, they become controls and included in the Risk Evaluation section of the template. This may then result in a rescoring of the effectiveness of controls scoring which can in turn impact on the residual risk score. The action plan is also aligned to the four risk categories and Well-being of Future

Generations Act in relation to the five ways of working that enable us to demonstrate how we are applying the Sustainable Development Principle to our ways of working and our decision making. See **Annex B** of the Corporate Risk Management Guide for more detail regarding the Risk Management Plan.

The **Insight Board** is responsible for overseeing the annual risk assessment process to identify and evaluate corporate risks and for determining if any existing Corporate Risks still merit a position in the Register.

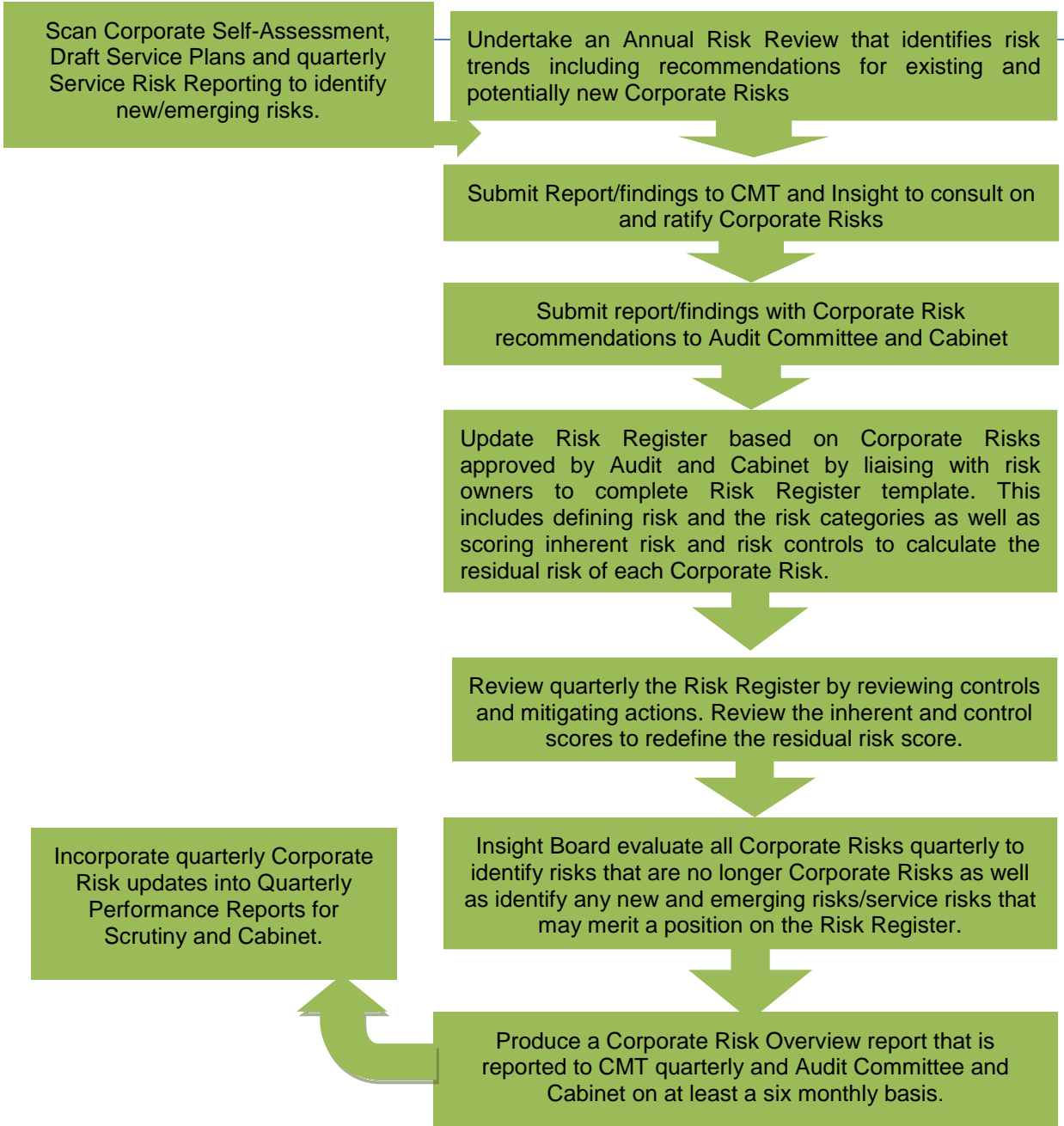
The Insight Board considers risk on a quarterly basis to discuss, review, monitor and analyse risks and the Register and to identify any new and emerging corporate risks on the horizon.

The group is chaired by the Managing Director and its members are representative of a cross-section of all the Directorates.

The group monitors the risks outlined in the Risk Register throughout the year. The group reports its findings and recommendations on the Register to CMT, Audit Committee and Cabinet on a regular basis.

The flow chart below outlines Corporate Risk governance arrangements in more detail.

Corporate Risk Reporting Process



4.2 Service Risk

Service Risks describe the operational risks that may impact on our ability to deliver service plan actions and ultimately impact the delivery of Corporate Plan priorities. Although these risks are localised to service plans their impact and effect could be far reaching if not effectively controlled and managed. Like Corporate Risk, our service risks can be defined by the four risk categories: Political and Legislative, Resources, Service Delivery and Well-being and Reputation. Since service risks are closely aligned to delivery of our Corporate Plan priorities, we consider the Sustainable Development principle and five ways of working when developing our mitigating actions.

Annually, Service managers are asked to identify their service risks when assessing the service challenges and priorities as part of the council's annual self-assessment and service planning cycle. The Self-Assessment retrospectively evaluates the status of the service risks and corporate risks aligned to each service area, whilst Service Plans identify the service risks impacting on service areas going forward.

Service risks are evaluated following the same three step risk evaluation process used for Corporate Risk. This involves evaluating and scoring the inherent risk (risk in a pre-control environment), the effectiveness of controls at managing the risk and the residual risk in terms of the impact these controls are having on mitigating the risk.

The Service Risk Owner is responsible for ensuring there are appropriate controls (actions) in place to manage the service risks (which are documented in the Service Plans) and that any further mitigating actions are outlined as actions in their relevant Service Plans or at Team Plan level. Service Risk Owners are responsible for reviewing and updating their Service Plan risks each quarter. These Service Risks are reported via our quarterly performance reports to Scrutiny and Cabinet. Service risks of a cross-cutting nature can impact on the delivery of Corporate Plan Activity or Council business. Where these risks escalate over time, Service Risk Owners can request that these risks are evaluated by the Insight Board for inclusion on the Risk Register. **Annex C** is the Service Risk Template.

The flow chart below outlines Service Risk arrangements in more detail.

Service Risk Reporting

Undertake an Annual Review of the existing Service Risks as part of the Council's Annual Service Self-Assessment. This is undertaken as part of the service level self-

As part of the annual Service Planning cycle, Heads of Service identify their service risks for the forthcoming year and horizon scan for new and emerging risks. These are then documented in all Service Plans along with existing controls in place to manage the risks. Corporate Risks are also aligned to the relevant Service Plans. All Service Risks are evaluated and scored at that point in time and any further mitigating risk actions identified in the accompanying action plan.

Service Plans containing service risks for the forthcoming year are submitted to Scrutiny and Cabinet for final approval.

Service Risks are reviewed and evaluated by Risk Owners every quarter using a service risk template. These risk scores are then collated into the corporate performance reports reported each quarter to Scrutiny and Cabinet.

Scrutiny, Cabinet or the Risk Owner may identify service risks that have escalated over time that have a more cross-cutting impact on our ability to meet our Corporate Plan priorities. Where this is the case they can request that the risk is evaluated for inclusion in the Corporate Risk Register. This risk is then reported to the Insight Board for consideration and recommendations to CMT and Audit Committee if deemed suitable for inclusion.

4.3 Project Risks

Generally, a project is a one-off work activity that introduces change through the delivery of its objectives. It is a temporary work activity that only exists to deliver improved services to support the aims of the Council. Projects have important differences from day to day work as they:

- Create change
- Are unique and non-repetitive
- Are limited in time and scope
- Operate within an agreed budget
- Have specific end products
- Require different skills at different times
- Involve risks
- Involve a variety of human resources with different skills, responsibilities and competencies that may be drawn from both internal and external sources

Our Project Management Toolkit sets out the ways in which we can manage these different types of project. The type of project determines what type of project methodology we adopt. For example, capital projects (high and low cost) and high risk revenue projects require a more detailed approach. In order to define whether a revenue project is high or low risk we use a Project Risk Matrix (See **Annex D**)

Risk is a major factor to be considered during the management of a project. Every project regardless of its size will have risks associated with it. Therefore, it is essential that we identify and manage our risks to minimise issues and maximise the chances of success. Project risks can be financial, economic, legislative, environmental, customer and or reputational risks among others. Therefore, project management must control and contain these risks if a project is to be successful.

The Project Manager, along with the Project Board, is responsible for ensuring that all risks are identified and proactively managed throughout the project. The Project Manager should work with the Project Board and Project Sponsor to identify and assess the risks associated with the project and ensures that where appropriate countermeasures are in place to address these. The Project Manager must also ensure that all risks have an owner. For projects involving external organisations or partnerships it is essential that risks are identified jointly with our partners and it needs to be clearly documented how the risks are to be shared between partners.

Risks are initially outlined in the Capital Bid Proforma (for high and low value capital projects) or through the completion of a Project Brief (for both high and low risk revenue projects) prior to the onset of any project work. All risks should be regularly reviewed and updated during the course of the project and the Project Board/Sponsor must be updated on the management of project risks.

Project Managers are required to maintain a Risk and Issues Log (See **Annex E**) for all types of project. The purpose of the Risk and Issue Log is to provide information about the encountered issues and potential risks to the project and countermeasures put in place to mitigate/eliminate these risks/issues and to provide a risk status on them. The Risk and Issues Log is completed once the Capital Bid Proforma/Project Brief (as appropriate) is approved. The Risk and Issues Log is updated and is reported to the Project Board (as a monitoring tool) on a monthly basis for the duration of the project.

Reshaping Services is the Council's transformational change programme which looks at new and innovative models for service delivery so that we can continue to deliver a broad range of services to an acceptable standard to our citizens. The Reshaping Services programme is made up of a series of projects. We utilise our Project Management Toolkit (as outlined above) in order to identify and monitor our project-specific risks in relation to the Reshaping Services programme. However for the programme as a whole, risks are identified at the programme level by the Programme Board

Corporate Risk: _____

1 – Risk Overview						
1.1 Risk Description						
1.2 Risk Owner						
1.3 Alignment with Well-being Goals						
A Globally Responsible Wales	A Prosperous Wales	A Resilient Wales	A Healthier Wales	A More Equal Wales	A Wales of Cohesive Communities	A Wales of Vibrant Culture and Thriving Welsh Language

1.3 Risk Categories		
Categories	Yes/No	Definition
Political & Legislative		
Resources		
Service Delivery and Wellbeing		
Reputation		

2 – Risk Evaluation			
2.1 Inherent Risk Scoring			
Category	Likelihood	Impact	Total Inherent Risk Score
Political & Legislative			

Resources			
Service Delivery & Well-being			
Reputation			
Overall			

2.2 Controlling Inherent Risk			
Category	Current Controls	Effectiveness of controls	
		Likelihood Score	Impact score
<i>Political & Legislative</i>			
<i>Resources</i>			
<i>Service Delivery & Well-being</i>			
<i>Reputation</i>			

2.3 Residual Risk Scoring & Direction of Travel

2.3 Residual Risk Scoring & Direction of Travel											
	Inherent Risk Scores			Effectiveness of controls Score			Residual Risk Score			Direction of Travel	Forecast Direction of Travel
Category	Likelihood	Impact	Total	Likelihood	Impact	Total	Likelihood	Impact	Total		

3. Risk Management Plan – Mitigating Actions

Risk Action Ref.	Action	Risk Categories				Demonstration of 5 Ways of Working					Officer	Completion Date	Update (Date)
		Political & Legl	Resources	Service & Well-being	Reputation	Integration	Collaboration	Involvement	Prevention	Long-Term			

ANNEX B: CORPORATE RISK MANAGEMENT GUIDANCE

Corporate Risk 6: Workforce Needs

OVERVIEW

This guidance note has been created based on one of the corporate risks (workforce needs) and is an extract from the Q2 FY2017/18 Corporate Risk Register. The note provides a description for the key components of the register.

SECTION 1 – RISK OVERVIEW

This section provides an overview of the risk, identifying the owner and the impact on the Council's ability to meet the national well-being goals. The section also introduces and documents the risk from each of the four categories of risk used by the Council.

1 – Risk Overview						
1.1 Risk Description		<p>As the Council goes through significant change over the next few years it is imperative that we are able to anticipate the human resources implications of such change and ensure that we have a number of people with the right skills and experience to deliver the services of the future. In managing the risk it is important to consider the particular challenges presented by the current financial pressures within the public sector, the need to ensure the engagement of staff throughout the change process and the need to plan for and respond to issues of anticipated skills shortages. The risk needs to be considered alongside the Council's reshaping services agenda and in the context of the local government reform agenda. Therefore, the innate risk is the inability to anticipate and plan for the workforce needs of the future in order to meet the changing service requirements.</p>				
<p>1: RISK DESCRIPTION: This provides a high level description of the risk and background information about the risk in terms of external factors, legislative background, policy environment etc.</p>						
1.2 Risk Owner		<p>Head of Human Resources (RB)</p>				
<p>2: RISK OWNER: This is the person who is the lead officer for the reporting and monitoring of the risk. However, this doesn't mean that the risk owner is solely responsible for all the actions that will be taken to manage the risk. This is because a Corporate Risk will often have multiple parts that cut across a number of service areas.</p>						
1.3 Impact on our contribution to the Wellbeing Goals						
A Globally Responsible Wales	A Prosperous Wales	A Resilient Wales	A Healthier Wales	A More Equal Wales	A Wales of Cohesive Communities	A Wales of Vibrant Culture and Thriving Welsh Language
No	Yes	Yes	Yes	Yes	Yes	Yes

3: WELL-BEING GOALS IMPACT: This section aligns the Corporate Risk to the Well-being Goals of the Well-being of Future Generations (Wales) Act to indicate the potential impact this risk could have on our ability to deliver/meet the Well-being Goals.

4: RISK CATEGORIES: Due to the nature of corporate risks, there will always be several aspects to them. To help analyse and evaluate the various aspects of the risk, the Council uses four categories which provide different perspectives on the risk. These are Political & Legislative, Resources, Service Delivery & Well-being and Reputation. These categories have been identified as they are the key considerations for our organisation that have a significant influence/effect over how we define and describe each corporate risk. They are a consolidation of the previous categories of risk used and represent a simplification of the way in which risks are categorised. As a risk is identified, we look to define it from each of the four categories as they apply. For example, any changes in the legislative environment such as the introduction of a new Act will place more duties on us to meet requirements of the new legislation. Therefore, when thinking about the risk from the perspective of “political and legislative” the we will describe the repercussions of us not meeting our new legislative requirements and the impact this has on the Corporate Risk overall.

1.4 Risk Categories		
Categories	Yes/No	Definition
Political & Legislative	Yes	Political and legislative repercussions of failing to implement the agreed actions set out in the Council’s Workforce Plan would impact adversely on the Council’s ability to ensure the workforce needs of the future are met.
Resources	Yes	<p>A failure to implement the agreed actions set out in the Council’s Workforce Plan would impact adversely on a range of factors including the commitments to increase the number of apprenticeships within the Council (and wider community), the increase of younger employees (as a percentage of the wider workforce) and the aims within the Council’s Equalities Strategy.</p> <p>A failure to implement the agreed actions set out in the Council’s Workforce Plan would impact adversely on the Council’s ability to ensure the workforce needs of the future are met.</p> <p>A failure to implement the agreed actions set out in the Council’s Workforce Plan (and specifically in relation to change management) would impact adversely on the Council’s ability to respond to financial challenges over the next four years.</p> <p>Inability to recruit and retain suitably qualified staff with appropriate skills in the right areas to deliver services effectively.</p> <p>Inability of leadership to respond to the changing policy landscape and the challenges this presents, impacting on our ability to deliver good quality services to meet the needs of our citizens.</p> <p>Failure to effectively engage and mobilise our resources to deliver our workforce priorities.</p> <p>Failure to have the appropriate skills in place in the right areas to deliver services effectively.</p>
Service Delivery and Wellbeing	Yes	<p>Failure to properly anticipate and respond to future workforce needs could pose a threat to the effectiveness and viability of sustainable service delivery and its ability to meet achieve the outcomes and priorities set out in our Corporate Plan.</p> <p>Inability to anticipate and plan for workforce needs of the future in order to meet changing service requirements.</p> <p>Inability to manage and support organisational change impacting on our ability</p>

1.4 Risk Categories		
Categories	Yes/No	Definition
		to deliver sustainable services both now and in the future.
Reputation	Yes	<p>Negative perception of the Council amongst citizens as an employer impacting on recruitment and retention rates across the organisation.</p> <p>A key aspect of the workforce plan (section 6/theme viii) is the need to ensure the Council have a workforce that reflects the wider community. Within this are specific aspects to ensure that measures are taken to ensure representation from protected groups under the Equalities Act 2010. A particular feature of this includes strategies to deal with occupational segregation and address the gender pay gap that exists nationally and locally. A failure to implement actions within the workforce plan would impact adversely on such equalities commitments and our reputation as an employer.</p>

SECTION 2 – RISK EVALUATION

This is the second section of the risk register. It is where we consider the risk in different stages:

- i. “The inherent risk” – i.e. before we consider what arrangements we’ve got in place to manage the risk, we think about the impact and likelihood of the risk occurring.
- ii. Controls – we think about the controls that are in place to manage or mitigate the risk and the impact these have in terms of reducing the likelihood of the risk occurring or the impact it would have.
- iii. The “residual risk” – we evaluate how effective the controls are at managing or mitigating the risk and the result this has on the risk.

Scoring is done by the likelihood of it occurring and the impact it would have if it did occur. We use a 1-4 scoring mechanism to define the likelihood and impact of a risk. See Appendix 1 for the risk scoring matrix. The multiplication of the likelihood and impact enables us to show how the two factors combined measure the scale of a risk.

5 – INHERENT RISK SCORING:

For each of the four risk categories we identify a likelihood and impact score and use this to calculate a total inherent risk score for each risk category (by multiplying the likelihood by impact score).

To calculate the Overall Inherent Risk Score we calculate the average score for likelihood and impact columns for each risk category separately. The average likelihood is then multiplied with the average impact score to provide the Overall Inherent Risk Score for the Corporate Risk.

Please note that the risk scores are always whole numbers and as such, anything calculated as .5 and above is rounded up and anything below .5 is rounded down to the next whole number.

2 – Risk Evaluation			
2.1 Inherent Risk Scoring			
Category	Likelihood	Impact	Total Inherent Risk Score
Political & Legislative	3 (Probable)	3 (High)	9 (Medium/High)
Resources	3 (Probable)	3 (High)	9 (Medium/High)
Service Delivery & Well-being	2 (Possible)	2 (Medium)	4 (Medium)
Reputation	3 (Probable)	3 (High)	9 (Medium/High)
Overall Inherent Risk Score	3 (Probable)	3 (High)	9 (Medium/High)

6 – CONTROLLING INHERENT RISK

In this part of the register, the risk owner identifies and defines all of the existing controls that are in place to help minimise or reduce the risk. For ease of identifying them and understanding their effectiveness, this is done for each risk category in turn. In some cases controls may align to more than one risk category.

The risk owner provides an indication of the effectiveness of controls on the risk in terms of how effective they are at reducing both the likelihood and impact of the risk. Controls are scored 0-4, where a zero implies a poor control of risk and a four suggest that the controls in place a highly effective. See **Appendix 1** for a more detailed breakdown of scoring definitions for effectiveness of controls.

For each of the four risk categories a likelihood and impact score are provided along with a total effectiveness of control score which is calculated by multiplying the score for likelihood by the impact score for each risk category.

To calculate the Overall Effectiveness of Controls Score we calculate the average score for likelihood and impact columns for each risk category separately. The average likelihood is then multiplied with the average impact score to provide the Overall Effectiveness of Controls Score for the Corporate Risk.

Please note that the risk scores are always whole numbers and as such, anything calculated as .5 and above is rounded up and anything below .5 is rounded down to the next whole number.

2.2 Controlling Inherent Risk				
Category	Current Controls	Effectiveness of controls		
		Likelihood Score	Impact score	Total Score
Political & Legislative	<p>CMT/Cabinet receives regular reports on a range of HR issues and developments.</p> <p>Robust performance management arrangements in place across all service areas.</p>	2	2	4
Resources	<p>Managers are supported through the management of change through training and ongoing advice from HR Officers.</p> <p>Workforce Plan has been refreshed and approved by Cabinet in 2016/17 that is aligned to the new Corporate Plan in relation to workforce needs.</p> <p>The HR team has been restructured to increase the information, planning and performance capacity of the team and to increase the focus on organisational development issues.</p> <p>Leadership Café established to support succession planning and leadership development across the Council.</p> <p>Improvements made to workforce planning processes.</p> <p>Launched a new Training and Development</p>	2	2	4

2.2 Controlling Inherent Risk				
Category	Current Controls	Effectiveness of controls		
		Likelihood Score	Impact score	Total Score
	<p>Strategy and Management Competency Framework.</p> <p>Launched the new 'Staff Charter' following consultation and refinement.</p> <p>Developed a Staff Engagement Strategy and launched an effective staff engagement programme.</p>			
Service Delivery & Well-being	<p>Workforce Planning delivered with a focus on alternative service delivery and workforce implications.</p> <p>Continue to monitor and report performance against corporate health indicators including labour turnover and attendance data.</p> <p>Launched a new Training and Development Strategy.</p> <p>Review of operating model towards a HR Self-Service model.</p> <p>Organisational Development support provided to the Reshaping Services Programme influencing how we deliver alternative models of service delivery.</p>	2	2	4
Reputation	<p>All recruitment adverts promote the Council as an equal opportunities employer.</p> <p>Launched the new 'Staff Charter' following consultation and refinement.</p> <p>Developed a Staff Engagement Strategy and launched an effective staff engagement programme.</p> <p>Raised the profile of the Council as an attractive employer i.e. through our staff engagement processes, 3rd best attendance figures in Wales, Leadership Café award and shortlisted for LGC Local Authority of the Year award.</p>	2	2	4
Overall Effectiveness of Controls		2	2	4

7 – RESIDUAL RISK SCORING: This is the final part of the risk evaluation process. The Residual Risk Score shows the level of risk remaining after the effectiveness of controls have been considered. It allows us to demonstrate how the inherent risk has been managed/reduced by the effectiveness of our controls.

2.3 Residual Risk Scoring & Direction of Travel

Category	Inherent Risk Scores			Effectiveness of Controls Scores			Residual Risk Scores			Direction of Travel	Forecast Direction of Travel
	Likelihood	Impact	Total	Likelihood	Impact	Total	Likelihood	Impact	Total		
Political & Legislative	3	3	9	2	2	4	2	2	4	Establish baseline	↔
Resources	3	3	9	2	2	4	2	2	4	Establish baseline	↔
Service Delivery & Well-being	2	2	4	2	2	4	1	1	1	Establish baseline	↔
Reputation	3	3	9	2	2	4	2	2	4	Establish baseline	↔
Average risk score/ direction of travel	3	3	9	2	2	4	2	2	4	Establish baseline	↔

The overall average residual risk score (C) is calculated in four stages:

- The likelihood and impact scores for each category are averaged for both inherent risk scores and effectiveness of controls scores.
 - The average inherent risk score (A) and average effectiveness of controls score (B) are calculated by multiplying the average likelihood x average impact scores.
 - The residual scores are calculated by dividing the inherent risk scores for likelihood and impact by the likelihood and impact scores for the effectiveness of controls as the controls mitigate the inherent risk.
 - The overall residual risk score (C) is calculated firstly by averaging the residual likelihood and residual impact scores. These scores are then multiplied together
- For example, for the Inherent Risk Score the average of Likelihood for the four risk categories is $11/4 = 2.75$ (rounded to 3). The same calculation is applied for the Impact $11/4 = 2.75$ (rounded up to 3). Therefore, the average inherent risk score is $3 \times 3 = 9$. The same is repeated for the effectiveness of controls to reach an average score of 4.

The overall Residual Likelihood score of 3 (Inherent Likelihood) is divided by 2 (the Effectiveness Likelihood) = 1.5 (rounded up to 2). The Overall Residual Impact score is 3 (Inherent Impact) / 2 (Effectiveness Impact) = 1.5 (rounded up to 2). Therefore, the overall Residual Risk Score = 2 (Average Residual Likelihood) x 2 (Average Residual Impact) = 4.

The Direction of travel column compares risk status with previous quarter in terms of whether the overall risk score has increased, decreased or remained static. The forecast direction of travel anticipates whether the risk is likely to escalate (increase), reduce (decrease) or remain the same over time taking into account any known internal or external factors that are on the horizon.

SECTION 3: RISK MANAGEMENT PLAN

The final section contains a risk management plan. This plan documents the actions that will be taken to manage the residual risk. The action plan makes linkages with actions contained in the Corporate Plan that will mitigate the risk and identifies other actions that are then included in Service Plans. The action plan is monitored quarterly. As updates are received, the Risk Owner determines whether a completed action becomes a control and this is then included in section 2 as described above and may result in a rescoring of the effectiveness of controls (and therefore residual risk).

To ensure the action plan is aligned with the Well-being of Future Generations Act, the action considers whether it demonstrates one or more of the five ways of working which are required to demonstrate that the Sustainable Development Principle is being applied in the way we make decisions.

Please note – the below is only an extract from the action plan associated with this risk (there are several more pages of the plan contained in the register).




3. Risk Management Plan – Mitigating Actions														
Risk Action Ref.	Action	Risk Categories				Demonstration of 5 Ways of Working					Officer	Completion Date	Status	Update (Date)
		Political & Legl	Resources	Service & Well-being	Reputation	Integration	Collaboration	Involvement	Prevention	Long-Term				
ER2 HR/A00 1	Implement an internal strategy to increase the numbers of 16-24 year old employees as a proportion of the wider workforce.		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	TBC	March 2018	Green (On track)	Internal Strategy has now been implemented. Work continues into 2017/18 in terms of the development and exploration of apprentice frameworks with training providers and the employment of Foundation Modern apprentices.

AC10 HR/A00 4	Develop an action plan in response to our Stonewall assessment.		✓	✓	✓	✓		✓		✓	AU	March 2018	Green (On track)	We have developed and initiated an action plan to support our response to the Stonewall 2017 index which is anticipated will show an improvement on our previous submission. Participation in the Survey will enable Stonewall to rank our Council against other respondents and their report will provide the basis for next Year's action plan and 2018 Stonewall Index submission.
AH11 HR/A00 2	Support and monitor the application of the Council's Safer Recruitment Policy	✓	✓	✓	✓	✓		✓		✓	AU	March 2018	Green (On track)	Compliance with the Safer Recruitment policy during the Financial Year 2016/17 and 2017/18 were reported to Cabinet in September 2017. The report identified that the compliance performance outturn in schools has remained at 97% in both years. However, it is encouraging to note that compliance rates in respect of both Schools

																	Schools was 93% and in Corporate was 98%. The overall compliance rate last year was 94%. A detailed Cabinet report on Safer Recruitment for the half year period April to September 2017 is currently being drafted which will provide more detailed information on the compliance outturn across Directorates and Services.
CP1 HR/W0 01	Provide managing change support for managers in relation to specific reshaping projects		☑	☑		☑		☑		☑	AU	March 2018	Green (On track)				HR Business Partners and Assistant Business partners continue to support managers in Change Management Reviews. Recent additional exercises include the Barry Co-educational schools project and the Education Other Than Attending School (EOTAS) consultation and response initiative.

ANNEX C: Quarter X (April – X) Service Risk Monitoring

DIRECTION OF TRAVEL

	Risk level increased at last review
	Risk level decreased at last review
	Risk level unchanged at last review

RISK MATRIX

Possible Impact or Magnitude of Risk	Catastrophic	4 <i>MEDIUM</i>	8 MEDIUM/HIGH	12 HIGH	16 VERY HIGH
	High	3 <i>MEDIUM/LOW</i>	6 <i>MEDIUM</i>	9 MEDIUM/HIGH	12 HIGH
	Medium	2 LOW	4 <i>MEDIUM</i>	6 <i>MEDIUM</i>	8 MEDIUM/HIGH
	Low	1 VERY LOW	2 LOW	3 <i>MEDIUM/LOW</i>	4 <i>MEDIUM</i>
Low 1-2 Low/Medium 3 Medium 4-6 Medium/High 8-10 High 12-16		Very Unlikely	Possible	Probable	Almost Certain
Likelihood/Probability of Risk Occurring					

Risk Description	Inherent Risk Score (April XXXX)		Quarter X (Apr–X) Residual Risk Score		Comments (to support risk scoring)	Direction of Travel	Forecast Direction of travel
	Likelihood	Impact	Likelihood	Impact			

ANNEX D: PROJECT RISK MATRIX

Sizing variable	Low	High
Duration	Less than 12 months	12 months +
Cost	Less than European Procurement Level	More than European Procurement Level
Project resources (FTE)	Less than 6	7 or more including dedicated staff not readily available within existing staff structures
Strategic value	Minor/Moderate risk in relation to achieving Council's aims and objectives	High risk in relation to achieving the Council's aims and objectives
Impact on Organisation	Impacts on limited (1-3) Council services (Low)	Impacts on more than 4 Council services. Requires a corporate overview including new corporate management structures. (High)
Financial impact	Minor/Moderate impact on revenue, expenses or transactional volume	Significant impact on revenue, expenses or transactional volume
Visibility to Senior Management/ Corporate Management Team	The project is of minor/moderate interest to senior management	Senior management will be very interested in this project
Impact on the community	It has a moderate impact on groups within the community.	Impacts significantly on groups within the community.
Complexity	The problem and solution are defined and/or not too difficult to achieve	The problem and solution will be difficult to define and achieve
Dependencies	No/minor links (dependencies) to other projects	Significant links to other projects.

The judgement on whether the project being undertaken is a High or Low Risk Project, is made by the Project Sponsor in conjunction with the Project Manager.

The decision and the rationale for that decision is stated in the Project Brief document.

ANNEX E: Project Risks and Issues Log

8	Initiation	Project Risk & Issue Log	
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Project Name: _____

Date: _____

Blue = Overdue

Red = Updated from last version

Risk No.	Open Date	Description	Assigned To	Priority	Expected Resolution Date	Impact on other Issues/Risks	Date Completed	Business Area	Current Status	Mitigation
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										

Status: O=Open A=Assigned I=Investigated R=Resolved Ap=Approved D=Deferred N=No Action

Priority: C=Critical H=High M=Medium L=Low

Business Area: Project, Business, Technical, Vale, Oracle, Other

Issue No.	Open Date	Description	Assigned To	Priority	Expected Resolution Date	Impact on other Issues/Risks	Date Completed	Business Area	Current Status	Resolution
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										

Status: O=Open A=Assigned I=Investigated R=Resolved Ap=Approved D=Deferred N=No Action

Priority: C=Critical H=High M=Medium L=Low

Business Area: Project, Business, Technical, Vale, Oracle, Other