



Reading
Borough Council
Working better with you

Corporate Risk Management Policy

Managing the Risk and Realising the
Opportunity

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Risk Management is Good Management



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Borough Council
Working better with you

Page 1 of 10

Contents

1.	Our Risk Management Vision	3
2.	Introduction	4
3.	The Strategic Risk Management Framework	5
4.	Corporate Risk Management Policy - Aims & Objectives	6
5.	Corporate Risk Management Policy Statement	7
6.	Corporate Resilience Policy Statement	8
7.	Corporate Health & Safety Policy Statement	9
8.	Corporate Financial Management Policy Statement	10
9.	Corporate Insurance Policy Statement	11
10.	Audit & Assurance Policy Statement	12
11.	Risk Management Roles and Responsibilities	13
12.	Risk Management Training Programme	18

Our Risk Management Vision

Our vision for Reading is to 'maintain and improve the quality of life in Reading, *embracing the challenges of a dynamic, inclusive urban community of the 21st century. Everyone will have the opportunity to benefit from all that Reading can offer. Everyone has a part to play in shaping our future*'.

The Council has set a vision for what the organisation will look like, and for where we want to and need to be to deliver what matters most to the people of Reading: '*A highly regarded, leading Council; ambitious and focused on what matters most for our communities, delivering value for money and quality services*'.

However, we cannot stand still or afford to be complacent. We need to be better at anticipating change and responding to it as well as constantly improving what we do.

To achieve this we want to ensure that the management of risk is inherent in our culture, to help deliver our corporate and future objectives.

The Council recognises that we live in an uncertain world, where the people, environment and communities of Reading may be at risk: Risk Management is a framework by which the Council can view, manage and respond to risk, both threats and opportunities, in a robust, systematic and documented way.

The benefits gained in managing risk are improved strategic, operational and financial management, continuity of knowledge and information management processes, improved statutory compliance, meeting best practice and ultimately improving the services we deliver.

This Corporate Risk Management Policy sets out the Council's

Risk management process and the steps the Council will take in identifying and managing risk within its activities.

The Corporate Health & Safety policy for managing health and safety through out the Council in accordance with Health and Safety at Work Act 1974.

Resilience policy and responsibilities to ensure we are able to respond effectively and deliver critical services in the event of an emergency, whilst ensuring compliance with the Civil Contingencies Act 2004.

Introduction

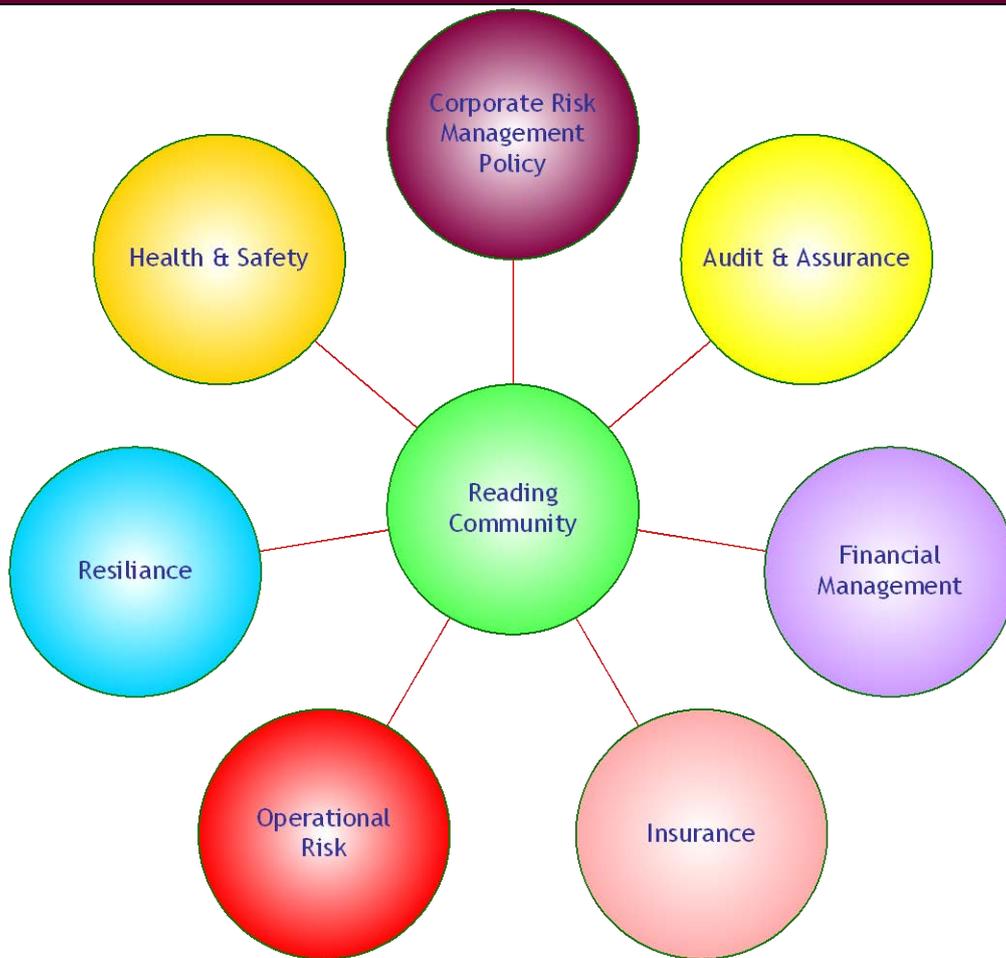
Risk Management is an integral part of the Corporate Governance framework. The Risk Management team within Reading Borough Council brings together the disciplines of Risk Management, Internal Audit, Emergency Planning and Business Continuity. Other disciplines such as Health & Safety and insurance working under the Directorate of Corporate Resources have explicit links with risk management.

This Corporate Risk Management Policy will assist the Council in practicing good corporate governance by reducing risk, stimulating performance throughout the council, improving access to capital, enhancing the services and improving leadership, transparency and social accountability.

How successful we are in dealing with the risks we face can have a major impact on the achievement of our key objectives and service delivery to the Community.

The Corporate Risk Management Policy will help support the agenda 'Working better with you' and underpin the Council's main priorities:

The Strategic Risk Management Framework



At the heart of the risk management service is a focus on the following:

- A Customer Focus - One stop shop for advice, guidance & training
- B Communications - Internet, Intranet, Newsletter, Guidance documents, Bulletins
- C Competence - Qualified & Trained staff
- D Compliance - Providing assurance of compliance with legislation and best practice

Assurance on our services provided by:

Internal Audit

CIPFA benchmarking

Corporate Risk Management Policy

Aims and objectives

Aims

- Create an environment where risk management becomes an integral part of planning, management processes and the general culture of the Authority rather than being viewed or practiced as a separate function.
- Achieve better quality decision-making that will see a reduction in costs and an increase in the probability of delivering the quality services, which the Council is aiming for.
- Work with partners, providers and contractors to develop awareness and a common understanding of the Council's expectations on risk management and business continuity
- Minimising possible failure through a thorough knowledge and acceptance of potential impacts of each major decision taken.
- Minimisation of injury, damage, loss and inconvenience to residents, staff, service users, assets etc arising from or connected with the delivery of Council services.
- Improve our ability to respond to emergency situations and/or business disruptions.

Objectives

- Implement effective risk management as a key element of good governance and rigorous performance management.
- Consider risk as an integral part of corporate and business planning and service delivery.
- Encourage considered and responsible risk taking as a legitimate response to Opportunity and uncertainty.



- Achieve better outcomes for the Council through a more realistic assessment of the challenges faced, through improved decision-making and targeted risk mitigation and control.
- Engender, reinforce and replicate good practice in risk management.
- Provide and use a robust and systematic framework for identifying, managing, responding and monitoring risk.
- Provide a comprehensive Risk Management training and awareness programme.
- To review and monitor our partnerships and other stakeholders management of risk
- Ensure corporate wide awareness and understanding of the roles and responsibilities in all areas of Risk Management.
- Provide key performance risk management information for management.

Operational Risk

Corporate Risk Management Policy Statement

The Council recognises that there are risks involved in everything it does and that it has a duty to manage these 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. Some risks will always exist and can never be eliminated: they therefore need to be appropriately managed.

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.

Approval and publication of this Policy Statement demonstrates this intention. The Policy is fully supported by Council Members, the Managing Director and the Corporate Management Team who are accountable for the effective management of risk within the Council.

In this way the Council will improve its ability to achieve its corporate objectives and enhance the value of services it provides to the community.

The Council's objectives will be achieved by:

- Establishing clear roles, responsibilities and reporting lines within the Council for risk management
- Incorporating risk management in the Council's decision making and operational management processes
- Reinforcing the importance of effective management of risk through training and providing opportunities for shared learning
- Incorporating risk management considerations into Service/Business Planning, Project Management, Partnerships & Procurement Processes
- Monitoring risk management arrangements on a regular basis
- Providing financial incentives to facilitate the proper management of risk



Resilience

Corporate Resilience Policy Statement

Reading Borough Council is committed to developing and maintaining a prepared and resilient organisation. Resilience at Reading Borough Council is about ensuring that we, as a council are prepared for any business interruption or emergency that may occur, both internally and/or externally to the Council that threatens our ability to exercise our civil protection and/or ordinary functions, as required by the Civil Contingencies Act 2004.

It is the Council's policy to ensure that we can continue to deliver our critical services and to support the community and emergency services before, during and after an incident, in so far as reasonably practicable. By taking a proactive approach to Resilience the Council will be able to prioritise, deliver and support the critical activities that both the Council and the communities of Reading rely upon.



The Council's objectives will be achieved by:

- Safeguarding, as far as practicable, the people, property, reputation and financial stability of the Council and the communities of Reading during and after an emergency and to build community resilience with the aim of lessening the impact of any major incident upon our community and enhancing the community's ability to recover.
- To co-ordinate the Council's response to an emergency
- To co-ordinate the Council's efforts in implementing the requirements of the Civil Contingencies Act 2004
- Give advice and assistance on Business Continuity Planning preparation
- Give advice and guidance to senior managers on Emergency & Business Continuity Planning and links to Risk Management
- Ensuring staff are trained, capable and aware of their roles and responsibilities before, during and after an incident
- Actively participating in the Thames Valley Local Resilience Forum
- Producing and maintaining of Corporate and Service Area Emergency Plans.

Health & Safety

Corporate Health and Safety Policy Statement

All employees of Reading Borough Council have a responsibility to comply with all relevant health & safety legislation and to ensure that the Council conducts its work activities in such a manner as to protect the health, safety and welfare of its staff, customers and visitors to Reading.

The Council's Health & Safety Team will ensure that health and safety remains a priority and forms an integral part of the Council's activities and decision-making processes.

To achieve our corporate objectives it is vital that we identify and assess risks and manage these appropriately. This can be achieved through embedding our risk management framework throughout the council.

Reading Borough Council will strive to achieve these aims by integrating safety management into all levels of service planning and delivery. To achieve its aims, the Council will set health and safety targets and monitor its performance. The Council recognises that high standards in health and safety are of equal importance and complementary to delivering a risk managed service.



The Council's objectives will be achieved by: -

- Providing and maintaining plant and systems of work that are safe and without risks to health.
- Making arrangements for ensuring safety and absence of risks to health in connection with the use, handling, storage and transport of articles and substances
- Providing such information, training and supervision as is necessary to ensure the health, safety and welfare at work of our employees.
- Maintaining any place of work under our control in a condition that is safe and without risks to health and the provision and maintenance of the means of access to and egress from it that are safe and without risks.
- Providing and maintaining a working environment for our employees that is without risks to health and adequate as regards the arrangements and facilities for their welfare at work.
- Bringing to the attention of all employees that they as individuals have a legal responsibility to take care of the health and safety of themselves and others, such as members of the public, who may be affected by their acts or omissions at work.
- By consulting with employees, others, such as members of the public and their representatives on all matters that may directly affect their health and safety.

Financial Management

Financial Management Policy Statement

The Council's budget strategy is designed to meet the challenges ahead and provide some flexibility to deal with varying service pressures, which may arise. Within the General Fund balance the Council holds a number of other provisions and reserves to meet known future liabilities and as a contingency against specific areas of risk.

Detailed monthly budget monitoring arrangements are in place across the Council, which have been designed to provide an early warning of possible budget variations in order that early remedial action can be taken where appropriate.

During the year management will focus resources on key risk areas as part of the overall monitoring and management of services so the risk of overspending is minimised.

The Council has for many years undertaken a proactive approach to Treasury Management and uses specialist advisors to assist the Council in maximising the funding position. At present the Council's long-term borrowing requirement is fully funded at fixed interest rates.



The Council's objectives will be achieved by: -

- Optimising the balance between spending and tax levels.
- Hold balances to enable flexibility to deal with the risks the Council faces over the year.
- Containing demand led budgets
- Responding to the challenge of Safeguarding Children and vulnerable adults
- Transforming and Reshaping Services Programmes
- Managing the revenue impact of the Capital Programme
- Achievement of savings and driving efficiency across the Council
- Mitigating the adverse impact of the economic slowdown such as declining revenue and capital income, and potential service pressures
- Maximise efficiency and provide value for money including the identification of savings to help meet Government Efficiency Targets.
- Strike the right balance between resources for day-to-day services and investment for the future.

Insurance

Corporate Insurance Policy Statement

The availability of insurance is no substitute for good risk management. By managing risk effectively, service managers can substantially reduce the number and severity of losses. This in turn releases resources to enhance service delivery and resilience.

The efficient handling of claims made against the Council's insurance policies relies heavily on the co-operation of service managers and their staff, through prompt reporting and investigation of incidents, completion of claim forms, and the supply of information needed in order to determine liability and quantum. The Civil Procedure Rules have set demanding criteria and timetables within which managers have to operate.

All services shall take all reasonable precautions to prevent or mitigate losses or liability arising in connection with the insured risks and comply with all statutory obligations and regulations imposed by any authority.

The Council's objectives will be achieved by:

- Providing specialist insurance and risk management advice to all council services.
- Working with the Council's insurer, to handle all claims made against the council's insurance programme.
- Provision of advice on risk retention or risk transfer to the insurance market.
- Provide service managers across the Council with pro-active advice:
 - To inform their decision making
 - To enable activities to proceed in a safe manner, with proper financial protection (insurance arrangements) in place
 - To reduce the frequency and severity of losses
 - To protect the reputation of the Council
 - To enable compliance with the Civil Procedure Rules



Audit & Assurance

Audit & Assurance Policy Statement

Reading Borough Council is concerned with the management of risks impacting on the achievement of corporate and service objectives. Effective risk management will also enhance service delivery, safeguard employees, protect assets, preserve and maintain effective stewardship of public funds and promote a favourable corporate image.

There is a strong link between Internal Audit and risk management. Internal Audit has to provide assurance to the Council's Audit & Governance Committee on the internal control systems that are controlling the risks to the Council achieving its objectives.

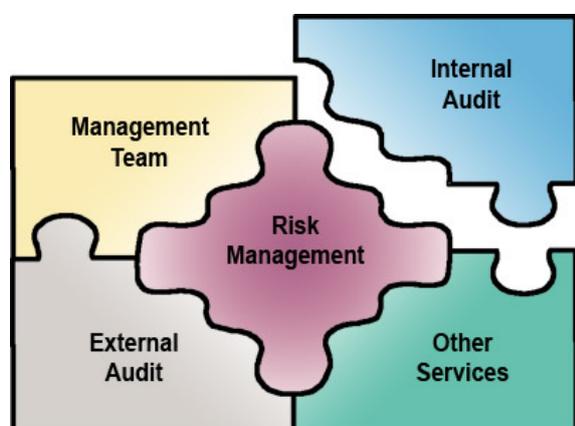
Internal Audit is well placed to provide the authority with assurance, advice, independent assessment and scrutiny over its use, management of resources, performance and risk management arrangements.

Internal Audit's role is to provide independent assurance to management that there are sufficient controls operating effectively to manage the organisation's risks.

The Council's objectives will be achieved by: -

The role of the Internal Audit service at Reading with respect to risk management will be to provide independent assurance that:

- The risk management processes that management has put in place within the organisation (covering all risk management processes at corporate, directorate, service, business process level, etc) are operating as intended.
- That these risk management processes are of sound design
- That a sound framework of controls is in place to sufficiently mitigate those risks to an acceptable level.
- Develop risk based internal auditing.
- Audit the risk management process and its application.
- Challenge established risk management processes, risk identification and evaluation, and provide assurance to officers and Members on the effectiveness of controls.



Risk Management roles and responsibilities

This policy details our responsibilities for risk management, including resilience, health and safety and financial management for all levels of management and employees.

Leader of the Council

To ensure the work of Cabinet and Full Council is conducted in accordance with Council policy and procedures for management of risk and with due regard for any statutory provisions set out in legislation.

Managing Director

The Managing Director takes overall responsibility for the Council's risk management performance and in particular is required to ensure that:

- Decision-making is in line with Council policy and procedures for management of risk and any statutory provisions set out in legislation;
- Adequate resources are made available for the management of risk;
- Management of risk performance is continually reviewed;
- Suitable action plans for improving health and safety are developed and implemented;
- There is an understanding of the risks facing the Council and the Borough.
- There is an active and supporting role provided by Council Officers to the communities of Reading in times of emergency

Cabinet

- Approve and review the Council's risk management policy
- Require officers to develop and implement an effective framework for risk management
- Have an understanding of the risks facing the Council and the Borough of Reading

Members

- Take reasonable steps to consider the risks involved in the decisions taken by them
- Have an understanding of the risks facing the Council and the Borough.
- Take an active and supporting role to Council Officers and communities of Reading in times of emergency
- Ensure that all the decisions they make are in line with Council policy and procedures for health and safety and any statutory provisions set out in legislation.

Audit & Governance Committee

- Agree and endorse the Corporate Risk Management Policy
- Review and scrutinise the implementation and effectiveness of the Corporate Risk Management Policy
- Monitor the Council's Strategic Risk Register
- Receive an annual review of the Council's approach to Corporate Governance, including risk management, from Internal Audit.

Corporate Management Team

- Approve the corporate Risk Management Policy and related policies and procedures
- Promote and oversee the implementation of the Corporate Risk Management Policy
- Take a lead in identifying and analysing significant corporate and crosscutting risks and opportunities facing the authority in the achievement of its key objectives; determine RBC's approach to risk and set priorities for action.
- Support and promote risk management throughout the Council.
- Ensure that (where appropriate) "key decision" reports include a section to demonstrate that arrangements are in place to manage any risks.
- Identify and manage the Strategic Risk Register on a regular basis
- Have an understanding of the risks facing the Council and the Borough of Reading

Directors

- Ensure that the risk management process is an explicit part of all major projects, partnerships and change management initiatives within their Directorates.
- Responsible for production, testing and maintenance of business continuity plans and allocation of resources
- To be trained and be an active member of the Council's Emergency Management Team (EMT) in order to effectively respond to an emergency situation or business disruption
- Ensure that Risk Management roles and responsibilities and performance management targets are included within appropriate job descriptions

- Ensure the Corporate Health and Safety Policy and any guidance/procedures are implemented and managed effectively within their areas of responsibility
- To have an understanding of the risks facing the Council and the Borough
- To implement the Corporate Health and Safety Policy and procedures

Strategic Risk Management Group

- Identify any trends, which require cross-directorate action and make appropriate recommendations to CMT.
- Co-ordinate Risk Management activities across the Council
- Share good practice on all aspects of Risk Management
- Feed into strategy development and review
- Assess the Strategic, Directorate & Service Risk Registers
- Assess Resilience Plans

Heads of Service/Managers

Will take primary responsibility for identifying and managing significant strategic and operational risks arising from their service activities. They will ensure that their teams carry out risk assessments where appropriate as a routine part of service planning and management activities.

- Promote Risk Management and ensure that the strategy is implemented effectively across services
- Ensure that all employees are aware of the risk assessments appropriate to their activity
- To report and investigate accidents and incident, diseases and dangerous occurrences in accordance with RBC

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procedure and implement recommendations and remedial action following the accident, where appropriate

- Review Service risk registers quarterly
- Responsibility for production, testing and maintenance of Business Continuity Plans
- Provide support and resources in order to effectively respond to an emergency situation or business disruption
- To ensure that all employees are made aware of their responsibilities and duties in respect of health, safety and welfare and that they are provided with sufficient information, instruction, training and supervision to enable them to carry out their duties effectively and safely

All Staff

- To report potential hazards to line managers
- To follow the Corporate Health and Safety Policy and procedures for managing health and safety
- To support continuous service delivery and any emergency response
- To work in a safe manner not putting yourself or others at risk

Schools

All schools should be aware of the Corporate Health and Safety Policy and have a local school policy in place.

Schools should be aware of the in the Schools Emergency response Plan (Rainbow Plan) and have local arrangements in place.

Partners and Contractors

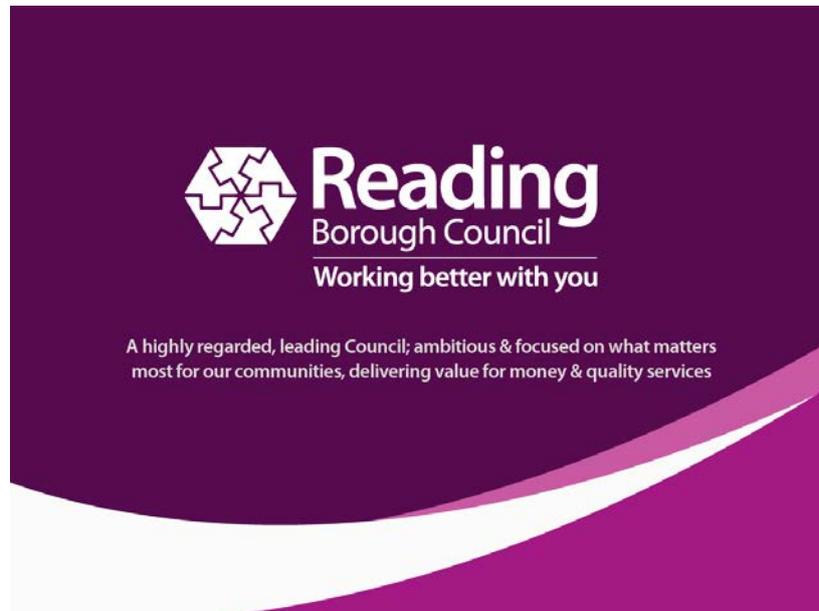
The Council expects third parties upon which it relies (including contractors, partners, associates and commissioned independents) to:

- Work safely, comply with all relevant health and safety legislation and have in place appropriate sources of health and safety advice. Provide and evidence all Business Continuity procedures that relate to services provided and additional support that has been agreed
- Comply with the Risk Management polices and procedures and demonstrate exemplary standards in health and safety.
- Establish training requirements with regard to strategy implementation

Directorate Risk Champions

Directorate Risk Champions will represent their Directorate on the strategic Risk Management Group and are responsible for maintaining the Directorate's risk register and action plan. This will involve ensuring that the risk register is reviewed frequently, are kept up to date with new and emerging risks and receive progress reports from action owners on risk mitigation.

Directorate risk champions are responsible for ensuring that risk registers are reported to the SRMG quarterly for review.



Internal Audit

- Provide assurance on the implementation of the Corporate Risk Management Policy
- Provide assurance on the robustness of the Council's management of risks
- Provide assurance on Resilience (Emergency Planning and Business Continuity)

Corporate (Emergency Planning) & Risk Management Officer

- Support the process for the development of the Corporate Risk Management Policy
- Promote, support and oversee its implementation
- Monitor and review the effectiveness of Corporate Risk Management Policy
- Identify and communicate Risk Management issues to services, project managers, contractors and partner organisations.
- Assist services in Risk Management activity through training and/or direct support
- To ensure compliance with legislation through monitoring systems, Health & Safety, Risk Management and the Civil Contingencies Act 2004
- Preparation of risk registers for services, projects and partnerships

Insurance

The Principal Accountant (Insurance) will provide advice on operational risk, risk retention and transfer, by placing transferred risk with a reputable insurer.

- Provision of operational risk management advice and guidance
- Working with the Council's insurer, provide claims management and investigation services for claims made by and against the Council under its insurance policies.
- Providing advice and guidance with regard to insurance requirements, indemnities and legal liabilities
- Managing the day to day use of the internal insurance fund for payment of self-insured losses
- Provision of a buy back insurance service for schools

Health & Safety

The Corporate Health and Safety Manager and officers will act as the Council's competent persons as required by the Management of Health and Safety at Work regulations.

- The Manager and team will provide expert health and safety advice and support to all levels within the organisation
- Develop Health and Safety Policy and procedures
- Support the Health and Safety training programme
- Carry out Health and Safety audits and inspections of Council establishments
- Evaluate accident/incident near miss reports and carry out accident investigations of serious accidents
- Liaise with enforcing authorities

Resilience

The Emergency Planning Team will aim to ensure that RBC is prepared and able to respond to an emergency situation or business disruption, in compliance with the Civil

Contingencies Act 2004 through the provision of:

- Expert advice, assistance and support to Members, Officers and Service Areas in the event of an emergency and/or business disruption
- Advice and assistance in establishing the Council's Critical Services and functions
- Provide expert professional advice and guidance
- Expert advice and support on preparedness and response to all Council services and teams
- Production and validation of plans and procedures, including training and awareness
- 24hr/365 Days integrated Local Authority on-call service
- Facilitation of Resilience implementation, awareness, training and exercising
- Regular monitoring, review and refresh of Resilience plans, procedures and reports

Risk Management training programme

The Strategic Risk Management Group will annually set out a risk management training programme which will include business continuity.

The programme will contain a mixture of both formal and informal training sessions. The programme will remain flexible and be able to adapt to changing risks within the business.

Managers will be responsible for ensuring employees within their department receive adequate Risk Management training and that records of training are retained.

Further employee training will be subject to their role and responsibility's for Risk Management issues.

The Council's Learning and Development and Health & Safety Teams provide the Health & Safety training programme. The L&D and H&S teams offer a number of scheduled courses, training can also be delivered within teams. All new starters should automatically be invited to H&S Level 1 course.

The team offers risk related training on Health & safety, Fire Risk and the control of substances hazardous to Health.

Emergency planning training is derived directly from the latest national guidance publications; 'Emergency Preparedness' and 'Emergency Response and Recovery' and other relevant guidance. Training is commissioned via the Emergency Planning College and collectively by subject area experts within the Thames Valley Local Resilience Forum. Local in house specific training on operational awareness is available



Monitoring and Review

A framework will be put in place to ensure effective monitoring of the risk management within the council.

Risk Management Support and Advice

The following risk management functions are within the Directorate of Corporate Resources

- Risk management
- Insurance
- Resilience: Including Business Continuity and Emergency Planning.

[Risk Management Guidance can be found on IRIS under Corporate Resources/Risk Management.](#)

For further information about this document please contact Paul Harrington, Head of Audit and Risk Management. Brett Dyson, Emergency

Planning & Risk Officer. Derek Crisp, Principal Accountant (Insurance). Robin Pringle, Health & Safety Manager.

Managing the Risk and Realising the Opportunity

Risk Management is Good Management

