

READING BOROUGH COUNCIL

REPORT BY EXECUTIVE DIRECTOR OF RESOURCES

TO:	POLICY COMMITTEE		
DATE:	21 SEPTEMBER 2022		
TITLE:	RISK MANAGEMENT POLICY AND PROCEDURE		
LEAD COUNCILLOR:	COUNCILLOR LIZ TERRY	PORTFOLIO:	CORPORATE SERVICES AND RESOURCES
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report presents the updated Risk Management Policy and Procedure document to the Committee. The document has been updated to reflect best practice and to incorporate a formal Risk Management Procedure including clear instructions on how to utilise the SharePoint site to record and update risks.
- 1.2 The aim of the Policy is to identify, analyse and appropriately manage potential threats and opportunities posed by risk.
- 1.3 Appendix 1 - Risk Management Policy and Procedure

2. RECOMMENDED ACTION

- 2.1 To review and agree the updated Risk Management Policy and Procedure attached at Appendix 1.

3. POLICY CONTEXT

- 3.1 The Risk Management Policy was last reviewed in December 2020.
- 3.2 The Risk Management Policy and Procedure document has been updated to bring it in line with best practice and to incorporate a formal Risk Management Procedure including clear instructions on how to utilise SharePoint to record and update risks.

4. THE PROPOSAL

4.1 RBC will be operating a more comprehensive risk management system, which will provide more robust governance and hence increased reassurance to the Council and its insurers.

This will be achieved by:

- Clarifying Policy commitments and roles and responsibilities,
- Defining a clear operating procedure,
- Increasing the frequency of Risk Register reviews and reporting, and working closely with our insurers and risk consultants to embed the new system

4.2 The updated Policy and Procedure set out in Appendix 1 now incorporates:

- A one-page Policy Statement
- Key definitions to improve understanding of terms and processes
- The Council's risk management process including factors to consider
- Details of the reporting framework
- The need to identify the risk appetite per risk and to plan in risk management proactively rather than reactively. This is a change in process that will involve regular horizon scanning.
- Expanded details of the monitoring process
- Updated roles and responsibilities for elected members, staff, and those with specific duties.
- Enhanced commitment to the Policy and Procedure Review.

4.3 The updated Policy has:

- Removed the operational risk, resilience, financial management, insurance, audit, and assurance statements as these specified control measures which should be incorporated within Risk Registers rather than the Policy.
- Removed reference to the online course, as the module is no longer purchased.

4.4 The Policy has been reviewed by the Corporate Management Team, the Council's Chief Internal Auditor, Risk Management Partners and the Council's casualty Insurers.

4.5 The Directors, Deputy and Assistant Directors received Risk Management training in June 2022, where this draft Policy and Procedure was presented and explained.

4.6 The revised Risk Management Policy and Procedure was endorsed by the Audit & Governance Committee on the 19th July 2022 for onward submission to Policy Committee.

4.7 The Corporate and Directorate Management Teams have subsequently been asked to review their existing risks, determine if they are still relevant and fit for purpose and determine whether there are new risks that need incorporating into their respective Risk Registers.

4.8 The SharePoint site, which holds the Strategic, Directorate and Project Risk Registers will be updated to reflect the requirements of the updated policy & procedure.

4.9 Risk management training is being sourced for elected members.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 Regular review of the Policy, and Strategic Risk Register, is an integral part of effective risk management arrangements and corporate governance. Identifying risk appetite enables the Council to clarify the extent of risk mitigation required in order to achieve its strategic aims. Each risk is linked to a Corporate Plan theme.

6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS

6.1 There are no specific environmental and climate implications arising from the decision.

7. COMMUNITY ENGAGEMENT AND INFORMATION

7.1 The consultation duty is not applicable to the Risk Management policy & procedure.

7.2 Internal consultation has taken place with the Corporate Management Team, and the Council's insurer and consultants and their feedback is reflected in the revised policy & procedure at appendix one.

8. EQUALITY IMPACT ASSESSMENT

8.1 An Equality Impact Assessment (EIA) is not relevant to this report.

9. LEGAL IMPLICATIONS

9.1 There are no specific legal implications arising from the recommendations in this report

10. FINANCIAL IMPLICATIONS

10.1 There are no specific financial implications arising from the recommendations in this report, but effective mitigation of risks helps safeguard the Council's financial position.

11. BACKGROUND PAPERS

11.1 Risk Management Policy, 2020