



Leicester
City Council

WARDS AFFECTED
All

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS
Audit and Risk Committee

21st March 2018

Risk Management and Business Continuity Strategy and Policies 2018

Report of the Director of Finance

1. Purpose of Report

- 1.1. To present to the Audit and Risk Committee (A&RC) the revised Risk Management and Business Continuity Policy Statement and Strategies (Appendix 1 and 2), which provide an effective framework for the Council to manage and respond to key risks facing its services to help achieve the delivery of its Business Plan.
- 1.2. The documents have been significantly reviewed this year, leading to changes in the structure, content and general format.

2. Recommendations (or OPTIONS)

- 2.1. A&RC is recommended to consider and approve, on behalf of Council, the updated:
 - Corporate Risk Management Policy Statement and Strategy at Appendix 1. This sets out the Council's attitude to risk, the approach to be adopted to manage the challenges and opportunities facing officers; and
 - Corporate Business Continuity Management Policy Statement and Strategy at Appendix 2. This sets out the Council's business continuity practices.

3. Report

Risk Management Strategy and Policy 2018

- 3.1 The Council's original Risk Management Strategy and Policy was approved by Cabinet in 2009, with subsequent updates approved each subsequent year (since 2012 by the Executive). The Risk Management Strategy sets how the Council tackles the risks it faces. It plays a vital part in the overall governance framework of

the Council and is particularly important in the current environment given the need to deliver our services in an effective and efficient way.

- 3.2 To date, improvements have been made in strengthening risk management arrangements within the Council's diverse business units. A thorough review of the Policy and Strategy has taken place which reflects any developments made in the industry and to support the procedures/processes. The revised strategy will continue to help embed risk management throughout the Council.
- 3.3 Effective risk management is essential for organisations and their partners to achieve strategic objectives and improve outcomes for local people. Good risk management looks at, and manages, both positive and negative aspects of risk. This process allows the Council to methodically address risks stemming from its activities with the aim of achieving sustained benefit within each activity and across the portfolio of all its activities. The Council's risk management process should (and if the policy is complied with, does) allow 'positive risk taking'.
- 3.4 Every project/programme should have a risk assessment/log. Risk Management Services (RMS) provides risk management training (Appendix 3 of the strategy provides details and dates). Following the strategy review by the Corporate Management Team (CMT) in October 2014, this training became mandatory for staff expected to complete a risk assessment. RMS is continuing to work with business areas and a training programme has been established for 2018 approved by CMT in December 2017.
- 3.5 In 2016, an independent external review of the Risk Management Strategy and Policy concluded 'that it is adequate and the policy statement clearly articulated the purpose of risk management and is supported by senior management'.

Business Continuity Policy and Strategy 2018

- 3.6 The Council has established robust business continuity practices which are reviewed and maintained continuously throughout the year by service areas. Progress continues to be made to improve and strengthen business continuity management arrangements, particularly addressing the continuous change the organisation experiences.
- 3.7 RMS is currently targeting the following key business continuity activities:-
 - Continuing development of Business Continuity Management (BCM) at the Council to better align with current accepted best practice standards (ISO22301) and requirements of the Civil Contingencies Act (2004) – including a revised pro-forma plan issued for staff and schools to use;
 - Ensuring that up to date, tested plans exist for all areas. Primary focus remains on critical activities, followed by review of the remainder of the Council's activities, those deemed 'non-critical' which will continue to be reviewed and dealt with by divisions;

- Challenge the definition and interpretation of critical;
- Manage the number of services deemed to be critical;
- Continued delivery of a specific business continuity training programme for senior managers, management and their staff;
- Review, maintain and update the Business Continuity Plan (BCP) template periodically and ensure its implementation council wide; and
- Assisting schools with developing and testing of their BCPs.

The revised Business Continuity Policy and Strategy will assist on the delivery of the above mentioned points.

4. Key Deliverables

4.1 The key deliverables in both Policies and Strategies include:

4.1.1 Risk:

- Ensuring the Risk Management Framework in the Council reflects the organisational structure, and that risks affecting the delivery of the Council's priorities and its objectives are properly identified, assessed, managed, monitored and reported;
- Continuance of the process whereby Divisional Directors (and now their Heads of Service) have individual risk registers feeding through to the Council's Operational Risk Register, which is reviewed by CMT, led by the Chief Operating Officer, supported by the Manager, Risk Management;
- Improving Divisional engagement with risk management processes to further embed a culture within the Council where risk is anticipated and managed proactively and is part of the daily process and there is recognition of the benefits that can be achieved, operationally and strategically, with effective and embedded risk management;
- Continuing to support the operational service areas in the development and improvement of their individual risk registers by identifying and delivering training support and guidance. Directors and Managers continuing to identify staff requiring risk management training as business areas that 'own' and should manage their risks.

4.1.2 Business Continuity:

- **Resilience** - Proactively improves resilience when faced with the disruption to the Council's ability to achieve its key objectives;

- **Reputation** - Helps protect and enhance the Council's reputation;
- **Business improvement** - Gives a clear understanding of the entire organisation which can identify opportunities for improvement;
- **Compliance** - Demonstrates that applicable laws and regulations are being observed;
- **Cost Savings** - Creates opportunities to reduce the cost of business continuity management and may reduce insurance premiums;
- **Delivery** - Provides a rehearsed method of restoring the Council's ability to supply critical services to an agreed level and timeframe following a disruption;
- **Management** - Delivers a proven capability for managing disruptions.

4.1.3 The BCM programme needs to be managed in a continuous cycle of improvement if it is to be effective. Therefore, formal and regular exercise, maintenance, audit and self-assessment of the BCM **culture** are essential. This would be more achievable and effective if the appropriate staff within each division attend the BCM awareness training session delivered by RMS. This needs properly formalising and managing and remains a key activity within 2018.

4.1.4 The revised Business Continuity Policy and Strategy will assist on the delivery of the above mentioned points and in paragraph 3.7

5. FINANCIAL IMPLICATIONS

5.1. Financial Implications

Robust risk management reduces the likelihood and costs of incidents, and helps to minimise insurance claims and costs. Rigorous BCP arrangements are essential to ensure the Council can be confident of recovering effectively from a major incident and with as little additional or abortive expense as possible.

Colin Sharpe, Head of Finance – 37 4081

5.2 Legal Implications

5.2.1 Rigorous BCM arrangements are essential to ensure the Council can be confident of ensuring it has proper cover for its legal liabilities.

Kamal Adatia, City Barrister – 37 1401

6. Other Implications

OTHER IMPLICATIONS	YES/ NO	Paragraph/References Within Supporting information
Risk Management	Yes	All of the paper.
Legal	No	
Climate Change	No	
Equal Opportunities	No	
Policy	Yes	All of the paper.
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities Impact	No	

7. Report Authors

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