



EssexWorks.

For a better quality of life

RISK MANAGEMENT CONSULTANCY SERVICES

CORPORATE RISK MANAGEMENT STRATEGY 2010/11

maximising opportunities. minimising exposure.



Essex County Council





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ESSEX COUNTY COUNCIL'S RISK MANAGEMENT VISION

Our Vision for Essex is ensuring a strong, self-confident and proud Essex that maximises its opportunities and minimises its exposure.

We aim to underpin that self-confidence and pride through ensuring that Risk Management is inherent in its culture to help successfully deliver its corporate objectives.

Risk Management is now generally acknowledged as a key feature of public sector management. It is integral to the Corporate Governance Framework. Good Corporate governance helps to reduce risk, stimulate performance, improve access to capital, enhance services, improve leadership and demonstrates 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 promises, objectives and service delivery to the community. The Risk Management Strategy will help support and underpin our priorities.

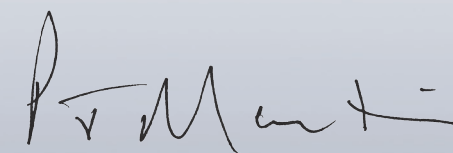
We seek continuous improvement and Risk Management is a framework by which managers can view, manage and respond to risk (both threats and opportunities) in a robust, systematic and documented way. We live in an uncertain world and whether we choose to recognise and manage risks, or ignore them, will dictate the impact they have on our organization.

The benefits we gain in managing risk are improved strategic, operational and financial management. An effective Risk Management framework provides continuity of knowledge and information management processes, improved compliance, most importantly and improved customer service delivery.

This Corporate Risk Management Strategy also sets out Essex County Council's:

- Corporate Health and Safety Policy Statement and arrangements for managing health and safety throughout the organisation in accordance with Health and Safety at Work Act 1974.
- Risk Financing Policy Statement and arrangements for managing Authority's insurance programme, ensuring compliance with the insurance related statutory regulations and requirements.
- Information Governance Policy Statement and arrangements for managing information sharing and information security throughout the organisation in accordance with Data Protection Act 2003 and Freedom of Information Act 2000.
- Business Continuity Policy Statement and arrangements for managing business disruptions through out the organisation in accordance with the Civil Contingencies Act 2004.

This strategy has been reviewed in light of the major changes within Essex County Council and Local Government to ensure the effectiveness of Risk Management arrangements. Details of Governance Framework and reporting arrangements are provided in Appendix 1.



Peter Martin, Leader of Essex County Council

INTRODUCTION

Risk Management is an integral part of the Corporate Governance framework at Essex County Council.

The Risk Management Consultancy Services within Essex County Council has recently restructured to bring together the disciplines of Strategic Risk Management, Health and Safety, Insurance, Operational Risk management, Information Sharing and Information Security and Business Continuity within the Finance Directorate.

The Corporate Risk Management Strategy for 2010/11 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 Strategy will help support the agenda “Essex Works : Customers First” and underpin the Council’s main priorities:

OUR PEOPLE

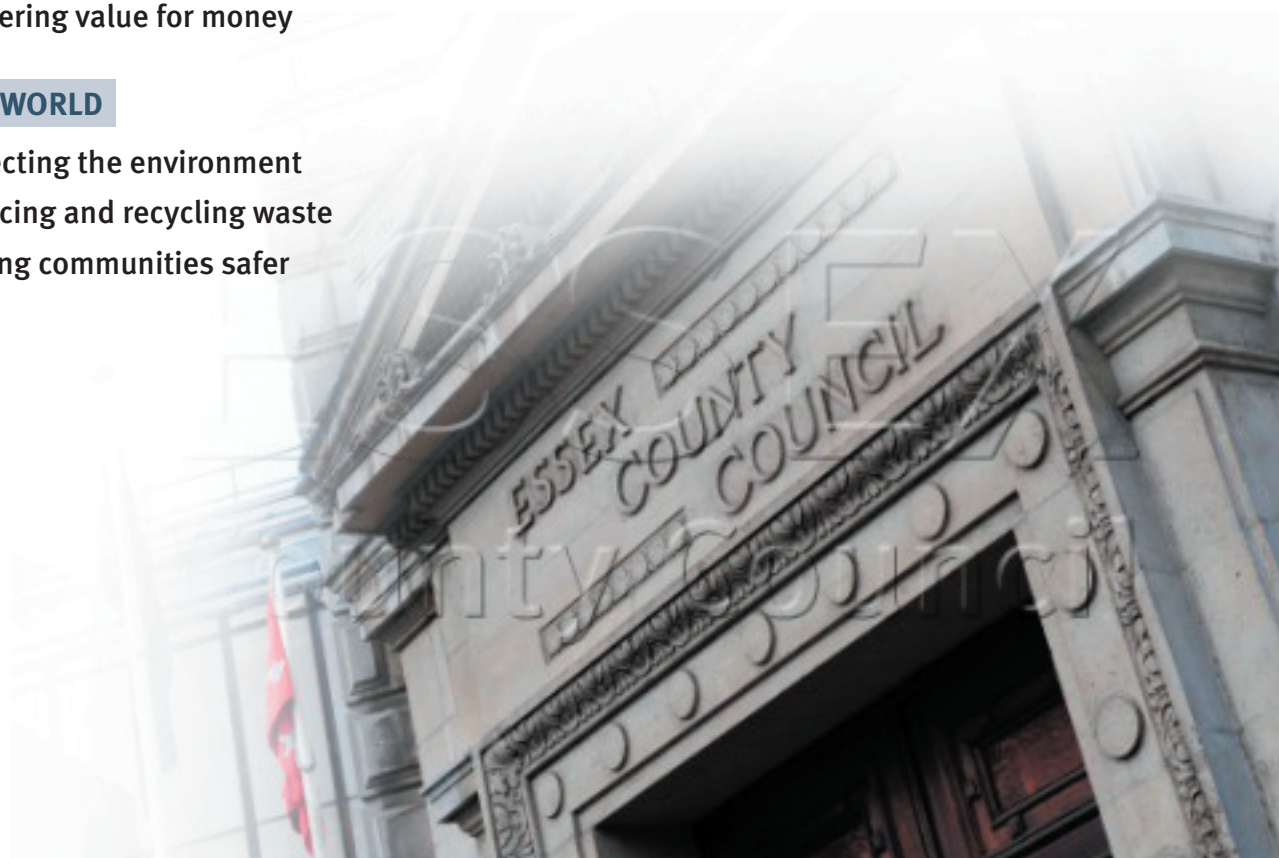
Increasing educational achievement and skills
Promoting health and leisure
Supporting vulnerable people

OUR ECONOMY

Improving transport
Promoting sustainable economic growth
Delivering value for money

OUR WORLD

Protecting the environment
Reducing and recycling waste
Making communities safer



STRATEGIC RISK MANAGEMENT FRAMEWORK

DIAGRAM OF FRAMEWORK



AT THE HEART OF OUR SERVICE IS A FOCUS ON THE FOLLOWING:

CUSTOMER FOCUS

One stop shop for advice and guidance on managing risk

COMMUNICATION

Internet, intranet, web enabled software, guidance documents

COMPETENCE

skilled, qualified and trained professional staff

COMPLIANCE

complying with legislation, standards, regulation and best practice

ASSURANCE

provided by Internal Audit and the Audit Commission

CORPORATE RISK MANAGEMENT POLICY STATEMENT

The Council believes that risk is a feature of all business, and is a particular attribute of the more creative of the Council's strategic developments. Some risks will always exist and can never be eliminated: they therefore need to be appropriately managed.

The Council recognises that it has a responsibility to manage risks and opportunities and support a structured and focused approach to managing them by approval each year of a Corporate Risk Management Strategy.

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 provision of opportunities for shared learning;
- incorporating risk management considerations into Service/Business Planning, Project Management, Partnerships and Procurement Processes;
- monitoring risk management arrangements on a regular basis;
- providing financial incentives to facilitate the proper management of risk.

Signed

Jo Killian
Chief Executive

David Finch
Deputy Leader, Cabinet Member for
Finance and Transformation Programme

CORPORATE HEALTH AND SAFETY POLICY STATEMENT

The Council is committed to achieving and maintaining high standards in health and safety. The Council's Members, Corporate Leadership Team and Cabinet is responsible for health safety and welfare of all our employees and members of the public that use or are affected by our services.

The Council will ensure that health and safety remains a priority and forms an integral part of the council's activities and decision making processes. Our responsibilities will be reviewed regularly and our commitment towards health and safety communicated and demonstrated throughout the organisation.

It is vital that we identify and assess risks and manage these appropriately. The Council is focused on the prevention of injury and ill health of its staff and those who may be affected by the Council's activities, through the continual improvement in its Health and Safety management and performance. This will be achieved through embedding our risk management framework throughout the council.

We recognise that much of our work is in partnerships and working with other stakeholders. Therefore, we would expect these partnerships and other stakeholders to have exemplary standards in health and safety.

To make this a success we need all Members and employees of Essex County Council and partners, to join us in the ownership of this policy so that we can continue to provide quality services to our customers and provide a healthy and safe place to work.

THE COUNCIL'S OBJECTIVES WILL BE ACHIEVED BY:

- providing a robust health and safety management system;
- ensuring roles and responsibilities are understood and communicated throughout the organisation and to stakeholders;
- providing a comprehensive health and safety training programme for Members, employees, and partners;
- reviewing health and safety compliance through monitoring, audits and inspections;
- reducing sickness absence due to accidents and work related ill health;
- monitoring partnerships and stakeholders compliance and best practice;
- consulting with staff, trade unions, the Health and Safety Executive, emergency services and other bodies such as public institutions on health and safety issues.

Signed

Jo Killian
Chief Executive

David Finch
Deputy Leader, Cabinet Member for
Finance and Transformation Programme

RISK FINANCING POLICY STATEMENT

The Council believes that risk financing is a key feature of our business and is a particular attribute of the more creative of the Council's strategic developments. Some risks will always exist and can never be eliminated: they therefore need to be appropriately managed and where possible covered by an insurance policy.

The Council recognises that it has a responsibility to manage its risk financing programme and supports a structured and focused approach to managing it through a combination of self funding and external insurance.

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 financing;
- establishing and monitoring an internal insurance fund with terms of reference and ensuring regular fund evaluations to monitor its performance;
- reinforcing the importance of effective management of risk through training and providing opportunities for shared learning;
- incorporating risk financing considerations into Service/ Business Planning, Project Management, Partnerships and Procurement Processes;
- monitoring claims handling and insurance arrangements on a regular basis;
- providing financial incentives to facilitate and properly manage risks thereby preventing further losses.



Signed

Jo Killian
Chief Executive

David Finch
Deputy Leader, Cabinet Member for
Finance and Transformation Programme

INFORMATION GOVERNANCE POLICY STATEMENT

The Council requires information to be handled in the most effective and efficient way to meet the changing needs of the people who live, learn or work in Essex along with the Council's staff, elected members and partners.

The Council will put in place measures for ensuring that information is managed in a safe and secure environment to comply with legislation and other relevant regulations.

The Council's governance arrangements ensures that an effective framework for managing information exists. This enables business needs to be met within an agile and flexible environment and allows the Council to work closely with its partners, exchanging information legally, safely and securely.

The information governance framework supports the implementation of the Council's policies and strategies for the way it handles information and the provision of advice and guidance offered to staff and elected members. This is done to ensure they understand and meet legislative and regulatory requirements and promote good information management practices.

THE COUNCIL'S OBJECTIVES WILL BE ACHIEVED BY:

- establishing clear roles, responsibilities and reporting lines within the Council for information governance;
- ensuring the information governance framework is used to establish and quality assure its information management framework;
- the Council's policies, strategies and standards being reviewed annually and whenever legislation changes occur to ensure the Council is compliant;
- project and technology governance mechanisms include appropriate checkpoints to ensure compliance with information management framework, including implementation of privacy impact assessments when dealing with information about people;
- reinforcing the importance of effective management of information through training and providing opportunities for shared learning;
- incorporating information governance considerations into Service/Business Planning, Project Management, Partnerships and Procurement Processes.

Signed

Jo Killian
Chief Executive

David Finch
Deputy Leader, Cabinet Member for
Finance and Transformation Programme

BUSINESS CONTINUITY MANAGEMENT POLICY STATEMENT

The Council has a mixture of statutory and non-statutory services to deliver. Each of these services require an appropriate level of resilience to be in place so that they can be delivered to an acceptable level even in the event of a significant disruption to the normal working of the Council.

THE OBJECTIVE OF THE COUNCIL’S BUSINESS CONTINUITY (BC) POLICY IS TO ENSURE:

- the delivery of key services is maintained at an agreed level even in a disruption;
- the safety of staff, contractors and customers whilst on Council premises or business;
- public confidence and the reputation of the Council are maintained during a disruption;
- staff welfare and communications are maintained throughout a disruption;
- regulatory, statutory, insurance and contractual obligations are met;
- key partners and suppliers have BC arrangements;
- stakeholder interests are safeguarded;
- that health and safety risks are assessed during the design of BC arrangements;
- that the impact of business decisions on the resilience of workspace, IT, staff and other contractors is considered.

THE COUNCIL’S OBJECTIVES WILL BE ACHIEVED BY:

- applying the principles of industry standards for Business Continuity Management to produce and maintain a BCM framework;
- developing, implementing and maintaining a robust Business Continuity Management system (BCMS) to protect the delivery of key services;
- developing and maintaining suitable business continuity arrangements to ensure that its key services are recovered within an agreed, acceptable timeframe following a disruption;
- developing, maintaining and exercising suitable business recovery plans for key services;
- Business Continuity plans for all key services are written, exercised and regularly maintained;
- embedding business continuity principles into service planning, project management, partnerships and procurement processes;
- reviewing the business continuity requirements and plans to ensure that they reflect the Council’s current needs.

Signed

Jo Killian
Chief Executive

David Finch
Deputy Leader, Cabinet Member for
Finance and Transformation Programme

RISK MANAGEMENT: ACCOUNTABILITIES ROLES AND RESPONSIBILITIES

This strategy details our responsibilities for risk management for all levels of management and employees.

Role: COUNCIL LEADER AND CABINET MEMBERS

Responsibilities:

Overseeing, agreeing Council’s risk management strategy and ensuring that risk management is delivered on behalf of the Cabinet Members, by the Chief Executive and CLT.

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. This principle is to be borne in mind by all committees and during all contact s with employees and members of the public.

Ensuring that a strategic risk register is established, including details of the actions taken to mitigate the risks identified and that this is regularly monitored.

Approving an annual statement on the risk management processes in place, their effectiveness, and details of any improvements required.

Assign Health and Safety responsibilities to a member of the Cabinet.

Take an active and supporting role to Council Officers and communities of Essex in times of emergency.

Role: AUDIT COMMITTEE AND SCRUTINY COMMITTEES

Responsibilities:

Monitoring, reviewing and scrutinising the performance of the Council’s risk management approach and it’s implementation.

Role: CABINET RISK PANEL

Responsibilities:

Assess the emerging and key risks facing the Council and how they are being managed

Advice the Cabinet and the Council of key risk related issues.

Consider the Council’s framework for managing risk and ensure that it provides an effective channel for the management of all risks.

Role: THE CHIEF EXECUTIVE AND CLT

Responsibilities:

Overall co-ordination of risk management across the Council and CLT risk lead.

Leading and ensuring effective management, monitoring and review of risk management across the Council.



Advising members on effective risk management and ensuring that members receive regular monitoring reports.

Ensuring that the Council fully complies with all Corporate Governance requirements, including the Annual Governance Statement.

Taking an active and supporting role provided by Council Officer to the communities of Essex in times of emergency.

Role: SERVICE DIRECTORS

Responsibilities:

Taking full ownership of all risks within their Directorate and completing responsible for Directorate and Service Risk Registers and allocation of resources to control/minimize risk.

Responsible for the production, testing and maintenance of resilience plans and allocation of resources.

Ensure that Corporate Health and Safety Policy and any guidance/procedures are implemented and managed effectively within their areas of responsibility. Ensuring adequate resources are available to successfully manage health and safety within Directorates.

Ensuring that risk management actions, within their directorate, is implemented in line with the Council's risk management strategy and the minimum standard for business planning process.

Appointing a risk champion (part of risk pool) for the Directorate and authorising him/her to progress effective risk management that adheres to corporate guidelines, across their directorate.

Identifying and managing risks within their Directorate and ensuring that mitigating actions are regularly reported and communicated to applicable Cabinet Member.

Responsible for production, testing and maintenance of Resilience Plans and allocation of resources.

Role: HEADS OF SERVICE

Responsibilities:

Ensuring that risk management within their area of responsibility is implemented in line with the Council's risk management strategy and the minimum standard for business planning process.

Identifying, analysing and profiling of risks arising from their areas of responsibility within the directorate risk register, and prioritising and initiating action on them.

Completing and monitoring risk registers for the service, programmes, projects and partnerships on JCAD Risk.



Balancing an acceptable level of operational risk against programme and project objectives and business opportunity.

Reporting systematically and promptly, to the CLT, any perceived new risks or failures of existing control measures.

Reporting the results of their departmental risk assessment to Directors via the Risk Champion/Risk pool in order to provide assurance on the effectiveness of controls in place to mitigate or reduce risks.

Ensuring all employees are made aware of their responsibilities and duties in respect of health and safety and that they are provided with sufficient information, instruction, training and supervision to enable them to carry out their duties effectively and safely.

To report and investigate accidents and incidents, diseases and dangerous occurrences in accordance with Council procedure and implement recommendations and remedial action following the accident, where appropriate.

To be trained as an active member of the Council Emergency management team in order to effectively respond to an emergency situation or business disruption.

Role: STRATEGIC RISK MANAGER AND RISK MANAGEMENT CONSULTANCY SERVICES

Responsibilities:

Managing the implementation of an integrated framework, strategy and process on behalf of the Council.

Providing the Council with guidance, advice and support on risk management and support the Risk Champion/Risk pool in delivering their role.

Leading, co-ordinating and developing risk management activity across the Council with the support of the Risk Advisors.

Ensuring all staff and Members are adequately trained in risk management and risk assessment techniques.

Collating and managing the Council's Corporate, Service and business risk registers and prepare control assurance statements for consideration at the CLT and Corporate Risk Management Group .

Undertaking an annual review and update of the Risk Management Strategy for approval by CLT.

Ensuring that the Council's approach to risk management fits within the Council's overall policy, strategy and performance ethos.

To ensure compliance with legislation through monitoring systems; Health and Safety at Work Act, British Standards and Civil Contingencies Act 2004.

To be prepared and able to respond to an emergency situation or business disruption on behalf of the Council.

Role: CORPORATE RISK MANAGEMENT GROUP
Responsibilities: <p>Acting as the main contact for their service (directorate) and its management on risk matters, and ensuring that corporate information and requirements are communicated.</p> <p>Providing support on risk management to directors, heads of service and other managers within the service (directorate).</p> <p>Promoting the benefits of risk management across their service (directorate).</p> <p>Identifying their service (directorate's) risk management training needs, and report these to the Strategic Risk Manager.</p> <p>Maintaining on behalf of the service directors and heads a service (directorate) risk register that complies with corporate guidelines.</p> <p>Assess the adequacy of Business Continuity Plans and/or Resilience Plans.</p> <p>Endorse and agree the support of Essex County Council to Essex Local Resilience Forum activities.</p> <p>Assess the adequacy of the Strategic, Directorate, Service, Programme and Project and Partnership risk registers.</p>

Role: MANAGERS
Responsibilities: <p>The manager must demonstrate to staff that he is a role model for risk management by always being on top of the risks for his unit or service and must monitor his/her risk register and the implementation of treatment measures.</p> <p>Managers can guide their staff in risk assessing their priorities at the beginning of the year and ensuring they identify risks that may affect their ability to deliver their objectives at the end of the year. Staff may need to create personal risk registers on excel sheets which they can manage monthly to assess their progress against their performance criteria.</p> <p>Communicating the corporate approach to risk management to staff.</p> <p>Identifying training needs of staff and report these to their Risk Champion.</p> <p>Ensuring that they and their staff are aware of the corporate requirements, seeking clarification from the (Risk Champion/Risk pool), when required.</p> <p>Co-operating with the Risk Advisor in order to facilitate the effective operation of the risk champion's role.</p> <p>To be responsible for production, testing and maintenance of Resilience Plans.</p> <p>To be trained and to be an active member of the Council's emergency management team in order to actively respond to an emergency situation or business disruption.</p>

Role: INTERNAL AUDIT
Responsibilities: <p>Providing assurance on the effectiveness of the risk management, insurance, health and safety, information governance and business continuity arrangements.</p> <p>Ensuring robust risk management techniques in their audit work.</p> <p>Provide assurance on Resilience (Emergency Planning and Business Continuity Management).</p>
Role: STAFF
Responsibilities: <p>To follow the Corporate Health and Safety policy guidance and procedures for managing safety in the workplace.</p> <p>To work in a safe manner not putting yourself or others at risk.</p> <p>Enabling continuous improvement of risk management and risk awareness.</p> <p>Reporting systematically and promptly to their manager any perceived new risks or failures of existing control measures.</p> <p>To support continuous service delivery and any emergency response.</p>



RESPONSIBILITIES OF RISK MANAGEMENT CONSULTANCY SERVICES

The Strategic Risk Manager and Risk Management Consultancy Service will ensure that Essex County Council has the most up to date mechanisms for identified their risks and opportunities and have the necessary resources and mechanisms to manage and/or exploit them.

STRATEGIC AND OPERATIONAL RISK

- Supporting compliance with the Corporate Risk Management Strategy.
- Provision of strategic and operational risk management advice and guidance.
- Support on the preparation and monitoring of risk registers for directorates, services, projects and partnerships using JCAD Risk.
- Support the risk training programme.

RISK FINANCING AND INSURANCE

- Providing advice and guidance with regard to insurance requirements, indemnities, and legal liabilities.
- Claims management and investigation services for claims made by and against the Council.
- Provision of compulsory and optional school related insurances.
- Support the insurance training programme.

HEALTH AND SAFETY

- Act as competent persons as required by the Management of Health and Safety at Work Regulations.
- Provide health and safety advise and support to all levels of the organization.
- Develop health and safety guidance material.
- Support the health and safety training programme.
- Carry out health and safety audits and investigations.
- Evaluate accident/incident reports .
- Liaise with enforcing authorities eg. HSE, Fire Service.

INFORMATION SHARING AND INFORMATION GOVERNANCE

- Providing advice and guidance with regard to information governance and security.
- Monitor compliance with legislation and record and investigate breaches of security.
- Support the information governance training programme.

RESILIENCE

Our aim is to ensure that Essex County Council 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 advise, assistance and support to members, officers and service areas in the event of an emergency and/or business disruption;
- advise and assistance in establishing the Council's critical services and functions;
- production and validation of plans and procedures, including training and awareness;
- 24hr/365 days integrated Local Authority on-call service;
- regular monitoring, review and refresh of resilience plans, procedures and reports.



RISK MANAGEMENT: TRAINING PROGRAMME

Risk Management Consultancy Services will annually set out a risk management training programme which includes health and safety, information sharing & information security, insurance and risk management. 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.

Risk Management Consultancy Services will ensure that training is carried out by competent persons.

Managers will be responsible for ensuring employees within their directorates receive adequate risk management training and that records of training are retained.

Every member of staff commencing employment with Essex County Council should undergo induction training which covers risk, health & safety, insurance, business continuity and information governance. Before this training is undertaken the manager will be ultimately responsible for closely supervising the activities of the new member of staff.

MONITOR AND REVIEW

A governance framework has been established to ensure effective monitoring of risk management within the Council. This has been approved by Corporate Leadership Team. Further details are available on the intranet or from Risk Management Consultancy Services.

FURTHER INFORMATION

For further information relating to managing risk please contact:

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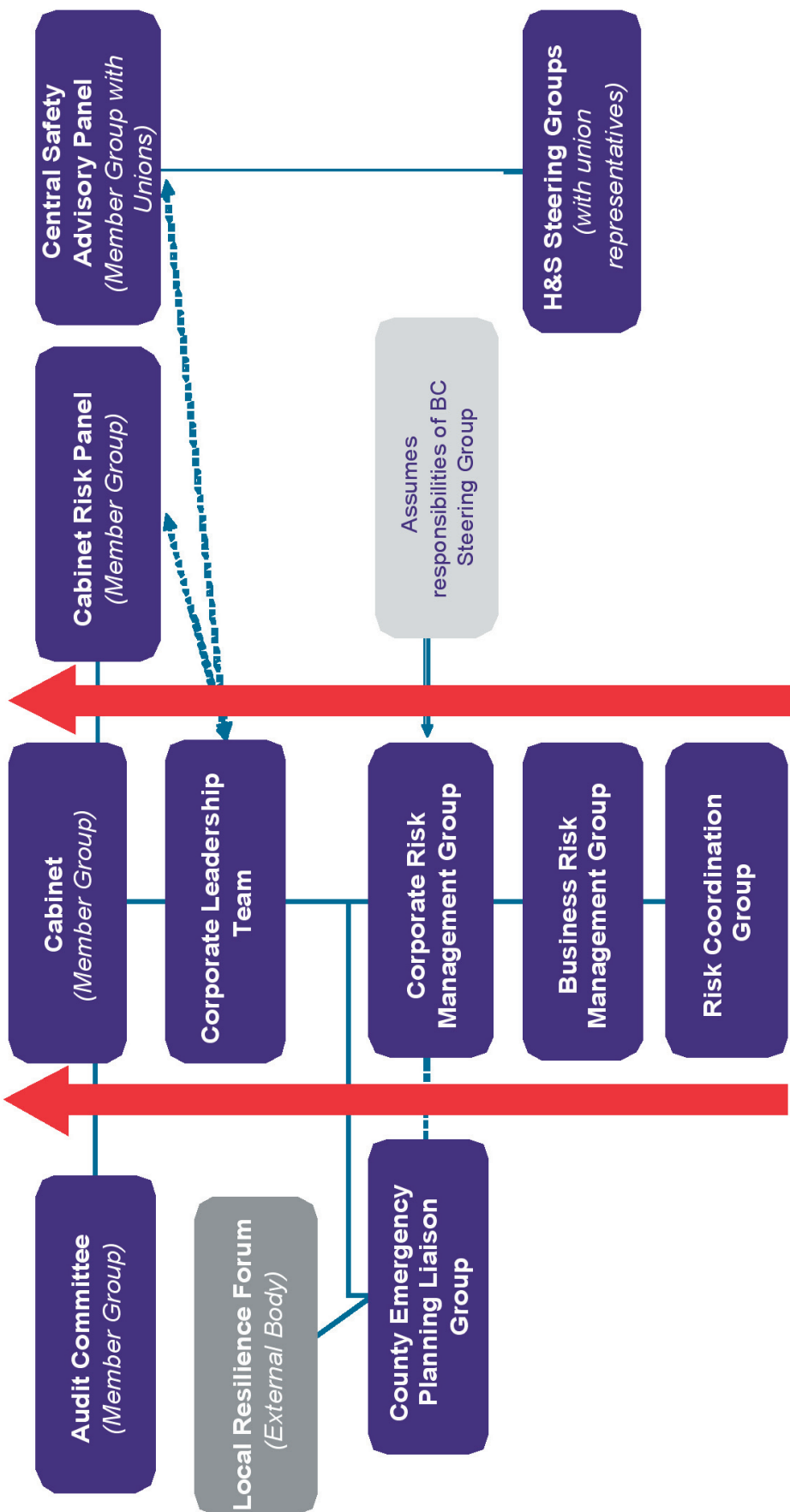
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APPENDICES

APPENDIX 1: Risk Governance Structure

Diagram to be artworked and go here





APPENDICES

APPENDIX 2: Risk Governance Reporting

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GROUP	DESCRIPTION
Cabinet (Reporting Annually)	Corporate Risk Management Strategy and Strategic Risk Register
Audit Committee (Reporting Six Monthly)	Review and Scrutinise implementation of Corporate Risk Management Strategy. Review Strategic Risk Register and Annual Governance Statement following declarations from Directors





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This booklet is issued by

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