BEDFORD BOROUGH COUNCIL **DECISION NO.** 1336

RECORD OF EXECUTIVE DECISION TAKEN BY AN EXECUTIVE MEMBER

This form **MUST** be used to record any decision taken by the Elected Mayor or an individual Executive Member (Portfolio Holder).

The form must be completed and passed to the Service Manager (Committee & Administrative Services) no later than NOON on the second working day after the day on which the decision is taken. No action may be taken to implement the decision(s) recorded on this form until 7 days have passed and the Service Manager (Committee & Administrative Services) has confirmed the decision has not been called in.

1. Description of decision

To acknowledge the risks identified of strategic significance at this time, the assessment of the current level of risk, and the controls in place to mitigate and manage the risks.

2. Date of decision

21 April 2017

3. Reasons for decision

To ensure that the Council has identified the potential strategic risks affecting the Council; the level of each risk and has established control measures to reduce the level of risk.

4. Alternatives considered and rejected

The alternative of not conducting a review of the current level of strategic risk was considered and rejected.

5. How decision is to be funded

The control measures necessary to mitigate risks are funded through existing budgets. No additional resources are required.

6. Conflicts of interest

Name of all Executive members who were consulted AND declared a conflict of interest.	Nature of interest	Did Standards Committee give a dispensation for that conflict of interest? (If yes, give details and date of dispensation)	Did the Chief Executive give a dispensation for that conflict of interest? (If yes, give details and the date of the dispensation).

The Mayor has been consulted on this decision | DSH

Signed M P Heady Date: 21 April 2017 Name of Decision Taker CLLR M HEADLEY

This is a public document. A copy of it must be given to the Service Manager (Committee & Administrative Services) as soon as it is completed.

Date decision published: 25th April 2017

Date decision can be implemented if not called in: 4th May 2017

(Decision to be made exempt from call in.....NO)

For publication

Bedford Borough Council – Finance Portfolio Holder

April 2017

Report by Management Team

Subject: RISK MANAGEMENT ARRANGEMENTS – REVIEW OF STRATEGIC RISKS

1. Executive Summary

This report recommends minor changes to the Council's Strategic Risk Register following a review of the potential strategic risks affecting the Authority in accordance with the Council's Risk Management Strategy.

2. Recommendation

The Finance Portfolio Holder is requested to consider the report and, if satisfied, acknowledge the risks identified of strategic significance at this time, the assessment of the current level of risk, and the controls in place to mitigate and manage the risks.

3. Reason for Recommendation

To ensure that the Council has identified the potential strategic risks affecting the Council; the level of each risk and has established control measures to reduce the level of risk.

4. Key Implications

4.1 Legal Issues

The Accounts and Audit (England) Regulations 2011, Regulation 4(1), requires that "the relevant body is responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body's functions **and which includes arrangements for the management of risk"**.

4.2 Policy Issues

Risk management is a key element of the Council's Corporate Governance arrangements and, as part of these arrangements, the Council has an approved Risk Management Strategy (reproduced at **Appendix A** to the report). It is a requirement of the Risk Management Strategy that the Executive reviews the Strategic Risk Register regularly. The register was last reviewed in August 2015, therefore, it is appropriate to review the register at this time.

The Senior Management Team has endeavoured to identify the risks of strategic significance which the Council currently faces and has assessed them in terms of likelihood and impact/severity in line with the Council's Strategy. The resulting proposed Risk Register is reported at **Appendix B**.

A Corporate Risk Management Group, comprised of senior representatives from all Directorates, meets on a regular basis to review risk management arrangements and emerging risks to the organisation. It also promotes good practice in risk management throughout the organisation.

4.3 Resource Implications

There are no direct additional resource requirements arising from this report.

4.4 Risk Implications

This report is a key component of the Council's Risk Management Strategy. It sets out the risks considered to be of strategic importance to the organisation and also the control measures in place in order to facilitate the effective management of these risks.

4.5 Environmental Implications

There are no direct environmental implications arising from this report.

4.6 Equality Analysis

In preparing this report, due consideration has been given to the Borough Council's statutory Equality Duty to eliminate unlawful discrimination, advance equality of opportunity, and foster good relations as set out in Section 149(1) of the Equality Act 2010.

A relevance test for equality has been completed. The equality test determined that the proposal has no relevance to Bedford Borough Council's statutory equality duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations. An equality analysis is not needed.

In the event that it is considered necessary to change a policy or the provision of a service in order to manage risk then an equality analysis may need to be conducted at that time in accordance with the Council's normal procedures.

5. Details

5.1 The Council has an approved Risk Management Strategy (shown at **Appendix A**) which provides guidance on evaluating the likelihood and potential impact of a risk. The Strategy is formally reviewed by the Executive in November each year. The Strategy recommends that consideration is given to the following factors when evaluating risk:

- Service Disruption
- Financial
- Reputation
- People
- Governance

5.2 The Risk Management Strategy requires the Strategic Risk Register to be reviewed regularly and whenever the strategic risks faced by the Council are considered to have changed significantly. The Strategic Risk Register was last reviewed through an executive decision taken by the Finance Portfolio Holder on 7 August 2015.

5.3 The Strategic Risk Register has been reviewed as required by the Strategy and the proposed revised register, detailed at **Appendix B**, identifies the risks assessed to be of current strategic significance.

5.4 The review has determined that no significant change is required at this time to the range of strategic risks facing the Council as set out in the register. A minor change is proposed to the wording of Risk: SR00005; which is the addition of the words shown in

italics as follows “Failure to *properly procure and/or to* manage a significant partnership, contract or shared service effectively may lead to:

- Poor decision making.
- Reputational damage.
- Unforeseen additional costs.
- Poor performance.
- Unrealised outcomes.

It is considered that the proposed wording better reflects the risk to the Council given that delivery of many services relies upon effective procurement of goods or services.

5.5 No changes are considered to be required to the impact or likelihood of the strategic risks.

5.6 The Council continues to face the prospect of reducing financial resources from central Government and increasing demand for services over the medium term. The challenges associated with maintaining essential services in this climate whilst balancing the budget is recognised in the Strategic Risk Register (Risks SR0001 and SR0002). Since the Register was last reviewed the Council has commenced an ambitious business transformation programme to address the need to find very significant savings over the next three years to achieve a balanced budget. This is a significant project and will affect all areas of the organisation. Significant resources, financial and otherwise, are required in the short-term to progress the transformation in order to achieve longer-term savings, through, for example, the provision of digital services.

5.7 The transformation will be delivered through implementing the Bedford Borough 2020 Business Transformation Programme which incorporates robust governance arrangements to enable overview and direction at a strategic level to better manage the risks that may be encountered as a result of the programme. In recognition of the scope of this project the implementation of the Bedford Borough 2020 Business Transformation Programme has been incorporated as a key control to several of the strategic risks identified in the Strategic Risk Register.

5.8 The risk of loss or theft of data, or the failure or compromise of ICT systems (Risk SR0010) continues to be an area of emerging concern, both for the Council and for the public sector in general. This is a constantly changing area of risk and on-going work is required to ensure security and counter-measures remain adequate to mitigate current risks. Work is continuing to ensure ICT systems and data remain secure through a range of technical, procedural and managerial controls. It is noted that since the register was last reviewed substantial progress has been made in complying with the Public Services Network (PSN) Security

standard through upgrading hardware and software to ensure it is fully supported and maintained by the suppliers. However, the Council has not yet achieved full compliance with the current PSN standard, despite significant progress, and therefore there remains some risk in this area.

5.9 The Strategic Risk Register previously agreed by the Finance Portfolio on 7 August 2015 is shown at **Appendix C** for reference.

6. Summary of Consultations and Outcome

The following Council Units or Officers and/or other organisations have been consulted in preparing this report and the risk register:

Management Team
Corporate Risk Management Group
Insurance and Risk Manager

No adverse comments have been received.

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File Reference: *R.1(e)*

Previous Relevant Minutes: *Minute 47 – 2 November 2016*

Minute 42 – 4 November 2015

Executive Decision 1259 – 7 August 2015

Minute 43 – 5 November 2014

Minute 14: Executive – 25 June 2014

Minute 62: Executive – 6 November 2013

Minute 11: Executive – 19 June 2013

	Minute 50: Executive – 7 November 2012
	Minute 9: Executive – 20 June 2012
	Minute 55: Executive – 9 November 2011
	Minute 8: Executive – 22 June 2011
Background Papers:	*None*
Appendices:	*A – Risk Management Strategy*
	B – Strategic Risk Register – Proposed
	C – Strategic Risk Register – Approved 7 August 2015

BEDFORD BOROUGH COUNCIL

APPENDIX A

Risk Management Strategy

November 2016

BEDFORD BOROUGH COUNCIL

RISK MANAGEMENT STRATEGY

1. POLICY

Bedford Borough Council recognises the need to manage public funds prudently, to provide a safe and productive environment for residents, employees and visitors and recognises the level of risk inherent in its wide range of services, functions and activities.

Effective risk management reduces the frequency and severity of avoidable loss from which financial efficiencies and other benefits are derived. Therefore, in order to embrace sound strategic governance and to assist with the achievement of best value, the Council has adopted the following Risk Management Statement to support its economic, environmental and service objectives.

"*The Council is dedicated to reduce risks to the services it provides for its residents by using good Risk Management practices. It recognises that through Risk Management it will be able to reduce losses and create safer working environments for its employees. Recognising that losses will inevitably occur, the Council will make every effort to identify and minimise loss exposures by implementing loss control measures whenever possible.*

The Council will prepare and will keep under review a Risk Management Strategy. This strategy for the planned protection of all the resources of this Council has the full support of the Chief Executive and Mayor and it is the responsibility of all Officers and Members to provide commitment and co-operation in its full implementation".

2. INTRODUCTION

Risk management is a continuous business discipline that works to reduce and control the risks faced in all aspects of an organisation's daily responsibilities. Bedford Borough Council defines risk as 'an uncertain event or set of events that could have a detrimental effect on the achievement of its objectives'.

The Council acknowledges that some risks will always exist and can never be fully mitigated. The Mayor, elected Members, and all employees must understand the nature of risk and consider risks whilst making decision or carrying out their duties. Furthermore, the Council recognises that there are two distinct types of risks:

- Failure to manage direct threats (damaging events) which could result in objectives not being achieved;
- Failure to embrace opportunities (constructive events) which could offer an improved way of achieving objectives.

3. OVERALL PURPOSE

To provide a strategic framework to assist the Mayor, Members of the Council and Council Officers in identifying risks to the organisation and embedding planned, cohesive and co-ordinated decision-making and management processes to minimise those risks.

To ensure that risk management forms an integral part of the role of all Directors, Assistant Directors and Heads of Service, and that the Executive take full account of officer advice in respect of the "Risk Implications" when making decisions which bind the Council.

4. BENEFITS

Managing risk is the essence of a mature business approach and effective risk management can bring the following benefits:

- Safeguarding the Councils' strategic aims and objectives;
- Supporting strategic and operational decision making and business planning;
- Providing insight and understanding into the Council's operating functions and its environments, both internally and externally;
- Enabling the targeting and improved usage of resources;
- Assisting and improving management processes, across services, at all levels through improved decision making;
- Supporting the Council in protecting it's reputation;

- Assisting with the identification and control of those events that may have an impact on the Council and its customers.

5. RISK APPETITE

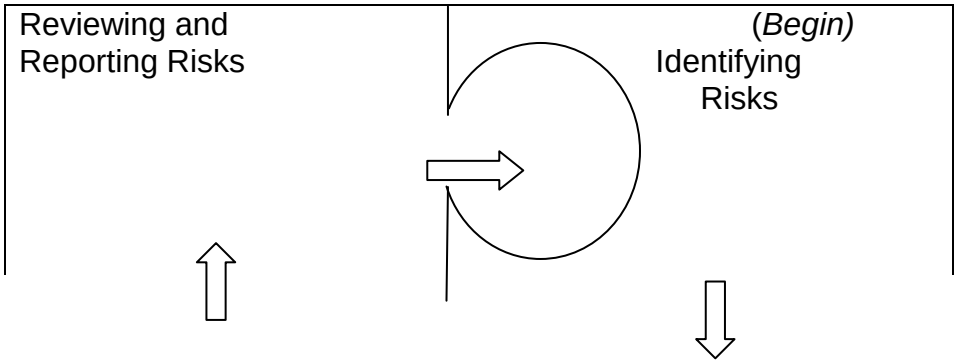
Bedford Borough Council understands risk appetite to mean the amount of risk the Council is prepared to tolerate or be exposed to at any one time. The Council is a statutory body with a fiduciary responsibility to manage and safeguard public funds to the benefit of the Borough's residents, businesses and other organisations. Residents in particular rely on the Council to provide a wide range of essential services, often provided to support the most vulnerable members of the community. The Council has a strong leadership role in the local community and considers it important that the Council's activities promote the very best practice in public administration. Therefore, when taking any decision the Council will always give full consideration to the risk implications that arise from the decision.

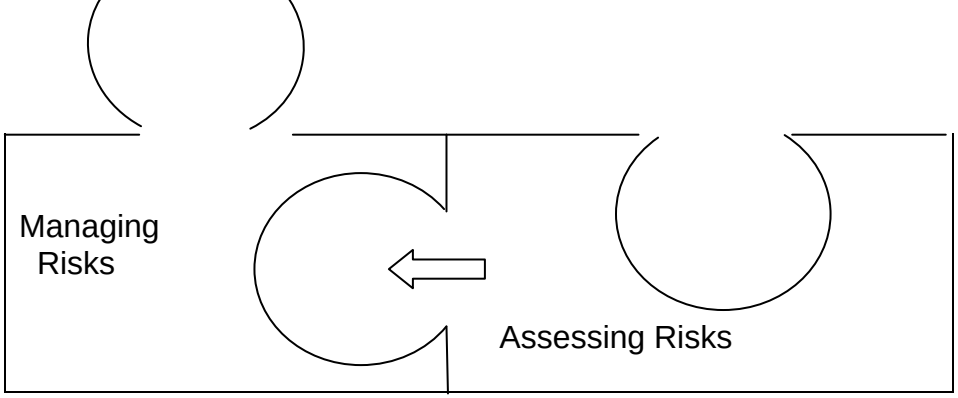
For these reasons it is considered that the organisation should be averse to risk and should normally seek to avoid significant or even moderate risk taking. It is, however, recognised that there may be rare occasions when a higher level of risk taking is necessary, but that a decision to accept such a level of risk should only be taken with full and careful consideration given to all the risks that may arise and their implications.

In consideration of these factors the organisation's risk appetite is determined to be low.

6. HOW THE PROCESS IS TACKLED

6.1 The following table identifies how the process is tackled:





For the purpose of this strategy risks can be categorised as follows:

- **Strategic or cross cutting**
  This category comprises those risks that affect a significant proportion of the organisation, or that if realised would have a significant impact on the organisation, or risks than cannot be managed within a specific service area or project.

- **Specific to a service or function**
  This category comprises those risks that relate to a specific service or function, are not likely to have a significant effect on the organisation as a whole and can be effectively managed within the service or function.

- **Specific to a project**
  This category comprises those risks that relate to a specific project and are, therefore, of a limited duration and can be managed as part of the project management arrangements.

- **Partnership Risks**
  This category comprises those risks arising as a result of the Council participating in partnerships. Risk may be to the partnership or directly to the Council.

6.2 Identifying Risks

The range of risks to be considered should be identified and divided into strategic or operational risks. In the identification process it is necessary to determine:

- What can happen?
- How can it happen?

6.3 Assessing Risks

In respect of all risks identified it is necessary to assess the likely consequences of the risk materialising, estimated seriousness and effect on the Council. Both the *probability* and *impact* of each risk needs to be evaluated so that risk management action can be prioritised for the most serious risks. Risk should, therefore, be evaluated as follows:

Probability	(Score)	Impact	(Score)
• Very Likely	(4)	• Very High	(4)
• Likely	(3)	• High	(3)
• Unlikely	(2)	• Low	(2)
• Very Unlikely	(1)	• Very Low	(1)

Guidance on assessing the probability and impact of risks is provided at Appendix 1.

The overall score is determined using the matrix below to plot the assessed probability and impact. The matrix is scored from 1 (the lowest risk) up to 16 (the highest risk) on a diagonal basis. This approach reflects an appropriate score based on both probability *and* impact.

Any risk scoring 11 or higher (i.e. those falling in the red shaded area of the matrix) are of a serious nature and, therefore, must be considered for inclusion in the Strategic Risk Register. However, the Strategic Risk Register may also incorporate other risks where appropriate.

Probability	**4**	7	11	14	16
	3	4	8	12	15
	2	2	5	9	13
	1	1	3	6	10
		1	**2**	**3**	**4**
	Impact				

6.4 Managing Risks

All risks identified, assessed and scored will be recorded on a computerised and networked risk register to assist with their management.

Once recorded, risks can be dealt with depending on the assessed score and typically the management options are to tolerate, treat, transfer or terminate the risk (i.e. the 4Ts):

- It may be possible to tolerate low scoring risks but these should still be monitored and subject to regular review;
- It may be possible to treat medium or high scoring risks by means of enhancing or introducing effective risk control measures that could reduce the risk to an acceptable level;
- Some risks may be addressed by way of transfer to an external insurance company. However, it is generally considered that, only, up to 20% of the risks faced by any Council can be dealt with in this way;
- If a risk is considered to be too high, even after the application of risk control measures then it may be necessary to terminate that particular activity.

6.5 Reviewing and Reporting Risks

Risks need to be reviewed at least annually and more often where the need arises, as outlined in Appendix 2. Also the outcome of action to address risks identified and assessed needs to be reviewed at least annually.

Additionally, when the Executive (or an individual Portfolio Holder) consider(s) any matter requiring an Executive Decision, the risk implications must be considered and taken into account in making the decision.

The risks of undertaking any project should be evaluated before the project is undertaken and the risk assessment should form part of the process to assess the viability of the project. *Guidance is provided at Table 3 in Appendix 1 for assessing the likely risk profile of a project which should be undertaken as part of the process of initiating a project. The risk profile should determine the governance arrangements required to manage the project with projects deemed to be higher risk subject to more robust governance processes (separate guidance regarding project governance is provided on as part of the Council's Business Change Methodology). Once a project is initiated* risks should then be reviewed regularly throughout, as part of the routine project management process.

Participation in partnerships may result in risks that are beyond the normal range of risk experienced by the Council. The ability of the Council to manage such risks may be weakened where it does not exercise direct control over services delivered through partnerships. A separate risk register should be maintained for strategic partnerships, which considers the effectiveness of the partnership in managing risks in addition to the role of the Council.

These aspects will need to be part of an ongoing process of reporting on risk management to the appropriate levels of management identified under the Responsibilities Section of this strategy.

Directors, Assistant Directors and Heads of Service also have responsibility for maintaining an awareness of new risks arising, at any time, from their own service areas as well as those arising from the wider activities of the Council. Where an officer becomes aware of the potential for a new risk this should be incorporated into the risk management process as appropriate after considering the probability and impact of the risk.

7. RISK MANAGEMENT RESPONSIBILITIES

7.1 Executive Responsibilities:

- To review the Risk Management Strategy annually.
- To consider an annual report from Management Team in respect of the Risk Management Strategy and the Strategic Risks facing the Council highlighting any necessary control measures to mitigate those risks;
- An Executive Portfolio Holder is charged with being responsible for risk management at a strategic level;
- To ensure that, as part of the decision making protocol, risk implications are fully considered for all proposals before any decision is taken;
- Each Portfolio Holder is responsible for considering the risks relating to the delivery of Service Plans, in their area of responsibility, before finalising or approving those Plans;
- To consider and fully take into account risks relating to proposed partnerships before any decisions are made which bind the Council;
- To consider the risks relating to individual service and function revenue budgets before finalising recommendations as part of the annual budget process;
- To consider the resource implications of mitigating any risks which cannot be dealt with by other means as part of the budgetary process;

- To consider the risks relating to the proposed capital investment programme or individual capital schemes before finalising recommendations as part of the annual budget process;
- To consider the risks relating to the resourcing of the total capital and revenue budget proposals before finalising recommendations as part of the annual budget process;
- To approve annual external insurance portfolio arrangements and associated premiums;
- To monitor the adequacy of self insurance arrangements and the Council's Insurance and Risk Management Reserve;
- To maintain appropriate contingency provisions to enable the Council to deal with those risks which manifest themselves from time to time (e.g. health and safety issues, emergency planning issues).

7.2 Officer Responsibilities:

To undertake the responsibilities set out under the Council's Financial Procedure Rules and the Risk Management Strategy as follows:

- **Assistant Chief Executive/Assistant Directors/Heads of Service** being responsible for:
  - Undertaking risk assessments for all service / function areas in line with the guidance in the strategy;
  - Putting in place appropriate management processes to control and mitigate risks;
  - Referring serious risks for inclusion on the Strategic Risk Register and contributing to the management of Strategic Risks;
  - Maintaining an awareness of Strategic Risks and their potential impact on specific services or functions. To ensure that service or function specific mitigation is put in place, where appropriate, to supplement strategic risk management arrangements.
  - Ensuring any high risk issues are identified and addressed as part of the annual review of service plans/budgets submitted to the Executive/Portfolio Holder for decision.
  - Putting procedures in place for notifying the Director of Finance & Corporate Services of any new insurable risks as well as any new or potential insurance claims.

- Conducting business continuity assessments and preparing business continuity plans for each service or function.

- In accordance with the approved decision making protocol each **Director/Assistant Chief Executive/Assistant Director/Head of Service** is responsible for outlining the risk implications in respect of all reports issued to the Executive (or Portfolio Holders) before any decisions are made.

- **Management Team** ensures risk management is part of the ongoing process of the Council and that the Executive is advised annually of strategic risks facing the Council and how significant risks should be controlled or mitigated. Management Team will ensure that any "cross cutting" risks are evaluated following reports from Corporate Risk Management Team, Directors, Assistant Chief Executive, Assistant Directors, or Heads of Service and that a Corporate Business Continuity Plan is prepared using information from individual service's business continuity plans. Any issues requiring additional resource or variation in policy will be referred to the Executive for consideration.

- **The Corporate Risk Management Group** is responsible for conducting regular reviews of the Strategic Risk Register and reporting any concerns arising from the review to Management Team. They are tasked with identifying and exploring any emerging risks, which may impact on the Council. They also hold responsibility for promoting good practice in risk management across the organisation.

- **The Assistant Chief Executive & Chief Finance Officer** annually reviews the Risk Management Strategy and reports the outcome to the Executive. The Assistant Chief Executive & Chief Finance Officer will also ensure that the Strategy is being implemented by raising any reported issues at Management Team meetings.

  Before final decisions on budget recommendations are made to Council the Assistant Chief Executive and Chief Finance Officer will make the Executive aware of the risks associated with:

  - Proposed service/function budgets;
  - Proposed capital programme budgets;
  - Total capital/revenue budget proposals.

- **The Head of Internal Audit** is responsible for ensuring that risk management arrangements are reviewed annually as part of the annual audit plan, and that risks identified in operational risk registers are taken into account as part of the audit assurance process.

- **The Insurance and Risk Manager** is responsible for:
  - Maintaining the Council's computerised risk registers system;
  - Monitoring the process of reviewing risk and risk management process across the organisation;
  - Maintaining appropriate external insurance cover and reporting to Executive an annual review of arrangements and associated revised premiums;
  - Managing the Council's self insurance arrangements including the Insurance Reserve;
  - Monitoring insurance claim trends and assessing the cost effectiveness of insurance arrangements and the performance of the Council's external insurers;
  - Maintaining a professional knowledge of effective risk management and promoting good practice across the organisation;
  - Ensuring the Council participates in a professional public sector risk management organisation;
  - Facilitating risk management training for Officers and Members involved in the risk management process.
- **Staff in Departments/Service Groups/Units** are responsible for participating in the annual review of risks and business continuity arrangements relating to their services or functions when requested by Assistant Directors or Heads of Service.

7.3 Business Continuity Assessments

This is a separate process, but is intrinsically linked to risk assessments. The Council maintains a Corporate Business Continuity Plan to ensure that it will be able to deliver vital services in the event of a major disaster or incident which renders normal arrangements inoperable.

Each service should prepare a business continuity plan as part of the annual service planning processes which reflects the risk assessments and links to the Corporate Business Continuity Plan. This should include an evaluation of the critical actions and timescales deemed necessary for that service or function to be put back into operation, assessed according to the nature of the service or function and its relative importance to the community which the Council serves. This whole process is facilitated and coordinated by the Council Corporate Safety and Resilience Service.

It is anticipated that most operational risk registers will record loss of business continuity as a risk. Where this is recorded as a risk the business continuity plan will form the control measures put in place to mitigate the risk.

7.4 Health and Safety Assessments

The Council has statutory duties in respect of health and safety and in order to comply with these duties has put in place a system of Health and safety Risk Assessments to be conducted of the Council's activities. Health and Safety management is a fundamental part of the Council's work, for which detailed assessments and processes are maintained. Guidance on these matters is provided separately from this document. .

This Health and Safety risk assessment process is distinct from the overall operational or strategic risk assessment process but is intrinsically linked to risk management. The degree to which Health and Safety risk present a risk to business operations will vary depending on the type of business activity and in compiling operational risk registers officers should give appropriate consideration to the level of health and safety risk.
It is essential that each service understands the critical role that Health and Safety risk assessments play in protecting the Council as a whole and that the assessments are carried out in accordance with the Council's Health & Safety Policy. Where assessments identify significant risks, the impact of which could affect the attainment of organisational objectives, these need to be recorded and communicated, following the procedure as described in this document.

8. CONSULTATION AND COMMUNICATION

To encourage ownership throughout the Council it is necessary to involve all employees during the risk management process. Assistant Directors and Heads of Service will implement this by:

- Making all employees aware of the importance of risk management and their role in promoting better risk management;
- Consulting all employees during the risk identification, assessment and action plan stage in respect of service/function specific risks where the views of staff working in that service or function will be invaluable to that process;
- Consulting all employees during the preparation of Business Continuity Plans.

9. MAINTAINING PROFESSIONAL EXPERTISE

Officers and Members involved in the risk management process are responsible for ensuring that their knowledge and skills in assessing and managing risks remain current. Regular training will be facilitated by the Insurance & Risk Manager.

The Council will maintain membership of an appropriate professional body that promotes expertise in risk management. Staff employed in a capacity involving significant amounts of risk management or insurance work will be supported with undertaking professional training.

10. REVIEW

The Risk Management Strategy will be reviewed annually.

11. GLOSSARY OF TERMS

A glossary of the risk management terms used throughout this policy and in the Council's Risk Registers is provided in Appendix 3. This glossary also provides a cross reference of these terms to the terms used in British Standard BS 31100 – Risk Management Code of Practice (2008).

Appendix 1

GUIDANCE FOR ASSESSING THE IMPACT AND PROBABILITY OF RISKS

The following guidelines are provided to offer managers guidance in assessing the seriousness of a risk. The guidelines cover both the impact and probability of risks and are intended to promote consistency across the organisation in the assessment of risk. The guidelines are intended to ensure that particularly serious risks are consistently identified wherever they occur in the organisation.

It is stressed that it may still be appropriate to take mitigating actions even where a risk is considered to be unlikely or of low impact. However, it is important that the use of resources in mitigating risk is proportionate to the seriousness of the risk identified through the risk assessment process. For example the likelihood of losing experienced staff due to a lottery win is very low, but mitigating actions such as keeping written procedures can be put in place at minimal cost.

Examples are provided for different categories of risk and it is recommended that the overall risk assessment score should be based on the highest scoring category.

Table 1 - Guidelines for Assessing the Impact of Risk
Table 2 - Guidelines for Assessing the Probability of Risk Occurring

TABLE 1 - GUIDELINES FOR ASSESSING THE IMPACT OF RISK

Category	**4** **Very High**	**3** **High**	**2** **Low**	**1** **Very Low**
Service Disruption	Total failure of service, or Impact at strategic level, on Strategy objectives or annual priorities	Serious disruption to service, or Impact on many other processes	Disruption to service, or Some impact on other objectives	Some minor impact on service, or No impact outside single objective

Continued

Category	4 Very High	3 High	2 Low	1 Very Low
Financial	Permanent financial loss, or shortfall in budgeted income, or overspend of budgeted expenditure of more than £500,000	Permanent financial loss, or shortfall in budgeted income, or overspend of budgeted expenditure of more than £100,000	Permanent financial loss, or shortfall in budgeted income, or overspend of budgeted expenditure of more than £25,000	Permanent financial loss of, or shortfall in budgeted income, or overspend of budgeted expenditure of less than £25,000
Reputation	Adverse publicity in national media for a sustained period	Adverse publicity in national media for a short period or sustained adverse publicity in local media	Adverse publicity at local level Dissatisfaction amongst service users	Limited local adverse publicly Adverse publicity or dissatisfaction with the organisation
People	Fatality of one or more persons to whom the Council has a duty of care	Serious injury or permanent disablement of one or more persons to whom the Council has a duty of care	Major injury or serious illness to an individual (impairment lasting more than 1 month)	Minor injuries or illness to one of more persons (impairment lasting more than 1 month)
Governance	Serious or widespread failure in organisational governance resulting in, for example, external intervention by Central Government or other agencies or failure of a strategic partnership.	Failure of organisational governance resulting in, for example, a frequent breach of standards of conduct or failure to consult communities.	Failure to meet expected standards of conduct and personal behaviour resulting in, for example, an internal investigation.	Localised failure to maintain internal controls or isolated failure to meet the expected standards of conduct and personal behaviour resulting in, for example, internal disciplinary action.

TABLE 2 - GUIDELINES FOR ASSESSING THE PROBABILTY OF A RISK OCCURRING

4 **Very Likely**	3 **Likely**	2 **Unlikely**	1 **Very unlikely**
Is almost certain to happen in the next 2 years.	Is more likely to happen than not happen in the next 2 years	Is less likely to happen than not happen in the next 2 years	Will almost certainly not happen in the next 2 years.

TABLE 3 - GUIDELINES FOR ASSESSING THE RISK PROFILE OF PROPOSED PROJECTS

Category	***4 Very High***	***3 High***	***2 Low***	***1 Very Low***
Contribution to Key Priorities as defined within the Corporate Plan	*Direct contribution to more than one strategic priority*	*Direct contribution to strategic priority*	*Contributes to other work linked to a strategic priority*	*No links to strategic priorities*
Potential impact on Council's reputation if project fails	*Adverse publicity in national media for a sustained period*	*Adverse publicity in national media for a short period or sustained adverse publicity in local media*	*Adverse publicity at local level* *Dissatisfaction amongst service users*	*Limited local adverse publicly* *Adverse publicity or dissatisfaction with the organisation*
Impact on organisation / staffing	*May result in transfer of staff or outsourcing*	*Significant restructure of process and work areas*	*May require some new business processes and/or retraining*	*No significant impact*
Statutory or Regulatory Context (e.g. major legislative requirement / policy initiative or external audit)	*Essential to successful achievement of statutory or regulatory requirements*	*Direct links to statutory or regulatory requirements*	*Indirect links to statutory or regulatory requirements*	*No link to statutory or regulatory requirements*
Stakeholders / Partnerships	*Internal cross-cutting / External Partners* *(impacts 2 or more services across more than one Directorate)*	*Internal cross-cutting* *(impacts 2 or more services across more than one Directorate)*	*Internal / External with minimal partners contained to one Directorate*	*Internal and within single service area*

Project cost (capital or revenue)	*Greater than £500,000 or EU Procurement procedure applies*	*£101,000 - £500,000*	*£25,001 - £100,000*	*Less than £25,000*
Contract complexity	*Complex competitive tender (Competitive Dialogue / multi-provider arrangement)*	*New / Open competitive tender. Non EU*	*Provision of contract via existing framework*	*May involve a service level agreement, but no formal contract*
Timescale	*> 12 months*	*9 - 12 months*	*6 - 9 months*	*< 6 months*

Risk Reporting Structure

Appendix 3

GLOSSARY OF RISK MANAGEMENT TERMS

The following terms and associated definitions are based on the "British Standard BS 31100 – Risk Management Code of Practice (2008)" and are used throughout this Strategy and the risk management process. The terms shown in italics indicates any intended departure from the standard wording.

Consequence	Outcome of an incident that will have an effect on the Councils objectives.
Target Risk ***(Controlled Risk)***	Desired risk exposure level taking account of the effectiveness of the additional mitigation.
Residual Risk ***(Current Risk)***	Current risk with existing controls after risk treatment.
Emerging Risk	Risks that have not yet occurred but are at an early state of becoming known and / or expected to grow in significance.
Issue	Something that can be adequately controlled through routine operational activity.
Control ***(Control Measure)***	Policies, procedures, practices and organisational structures designed to provide assurance that a risk is managed.
Likelihood ***(Probability)***	Chance of something happening.
Operational Risk	Risk of loss or gain, resulting from inadequate or failed internal processes, people and systems or from external events.
Project Risk Profile	*The potential levels of risk that might arise from undertaking a project.*
Risk	Effect of uncertainty.
Risk Description	Detailed description of the risk outlining possible causes and impact.
Risk Mitigation	Measures taken to reduce an undesired consequence.
Risk Owner	Person best placed to manage the risk and ensure risk exposure levels are minimised.
Risk Register	Record of information about identified risks.
Risk Tolerance	The Council's readiness to bear the risk after risk treatments in order to achieve its objective.
Strategic Risk	Risk concerned with where the Council wants to go, how it plans to get there, and how it can ensure it meets its obligations.
Gross Risk ***(Uncontrolled Risk)***	Exposure arising from a specific risk before any action has been taken.

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Organisation/Department/Function/Project: **STRATEGIC RISKS**

Manager: **Management Group** Date: **18 April, 2017**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	Target Date (Priority)	Assessment of Current Risk (Assume CURRENT controls in place)		
	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
SR0001 - People Failure to maintain a skilled and motivated work force during a period of sustained change and reducing financial resources may lead to: -Reliance on temporary staff. -Management stretch. -Under capacity. -High sickness levels. -Poor performance.	High 3	Likely 3	High 12	• **The implementation of the Bedford Borough 2020 Transformation Programme** The Transformation Programme includes: • Allocation of sufficient resources financial and other to complete the transformation • Sound Governance arrangements allowing for overview at strategic level • Appointment of external business partners to identify opportunities and drive change • Comprehensive risk management arrangement for all work streams within the programme • Communication and engagement with all stakeholders • Leveraging of technological opportunities *In Progress* (20% complete) • **Ensure there are effective processes for staff engagement and feedback.**	Philip Simpkins Barbara Morris		High 3	Unlikely 2	Medium 9

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure the Performance Development & Review (PDR) process is fully implemented across the Council.**	Barbara Morris				
				• **Ensure that training needs identified within the PDR process are implemented whenever possible.**	Barbara Morris				
				• **Ensure that agency staff requirements and spend are regularly reported to the Chief Executive.**	Barbara Morris				
				• **Ensure that sickness levels are monitored across the Council and regularly reported to the Chief Executive.**	Barbara Morris				
				• **Ensure effective internal communication (e.g. "One Team Briefing" and the "Connect" newsletter).**	Philip Simpkins				
				• **Ensure that a work life balance ethos is promoted.**	All Directors				

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure key performance indicators are reported on a quarterly basis to the Chief Executive and the Mayor.**	All Directors				
SR0002 - Financial Failure to manage reducing financial resources (both Revenue & Capital) effectively, may lead to: -Additional budget pressures. -Inability to identify savings. -Reputational damage. -Government intervention or sanction.	Very High 4	Very Likely 4	High 16	• **Ensure there is meaningful public consultation as part of the process of agreeing savings proposals** • **The implementation of the Bedford Borough 2020 Business Transformation Programme** *In Progress* (20% complete) • **Ensure the recommendations from the Modernisation Programme are monitored and any shortfalls identified.** • **Ensure the Medium Term Financial Strategy (MTFS) is reviewed at least annually.** • **Ensure emerging financial pressures are factored into the MTFS.**	Philip Simpkins Philip Simpkins Andy Watkins Andy Watkins Andy Watkins		Very High 4	Unlikely 2	High 13

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure directorate budgets are monitored through monthly monitoring meetings and quarterly Portfolio Holder meetings.** • **Ensure further potential savings and pressures are identified through the budgeting process.** • **Ensure the Treasury Management Strategy is robust and effective in safeguarding investments and maximising financial return.** • **Ensure the Capital Programme is regularly reviewed and updated.**	Andy Watkins Andy Watkins Andy Watkins Andy Watkins				
SR0003 - Service Disruption Failure to respond adequately if there is a major incident (e.g. loss of ICT, fire or flood) may lead to: -Disruption to services. -Reputational damage. -Additional costs. -Loss of revenue.	Very High 4	Unlikely 2	High 13	• **Ensure Business Continuity Plans (BCPs) are in place for all services across the Council (particularly ICT & Property Services)** • **Ensure BCPs are subject to regular review, audit and testing.**	Stewart Briggs Stewart Briggs		High 3	Unlikely 2	Medium 9

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Organisation/Department/Function/Project: **STRATEGIC RISKS**

Manager: **Management Group** Date: **18 April, 2017**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	Target Date (Priority)	Assessment of Current Risk (Assume CURRENT controls in place)		
	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure there is a robust ICT Disaster Recovery Plan in place and this is linked to the overall BCP.** • **Ensure the ICT Strategy is regularly reviewed including provision for backup.** • **Ensure testing of the ICT infrastructure is carried out on a regular basis.**	Andy Watkins Andy Watkins Andy Watkins				
SR0004 - People Failure to take reasonable steps to protect from death, serious injury, infection or abuse, a person to whom the Council has a duty of care may lead to: -Reputational damage. -Civil litigation. -Prosecution under corporate manslaughter legislation. -Investigation by the HSE. -Fines.	Very High 4	Very Likely 4	High 16	• **Ensure appropriate safeguarding arrangements are in place to protect vulnerable children.** • **Ensure appropriate safeguarding arrangements are in place to protect vulnerable adults.** • **Ensure there is a robust Health & Safety (H&S) management system in place.**	Kevin Crompton Kevin Crompton Stewart Briggs		Very High 4	Very Unlikely 1	Medium 10

Bedford Borough Council - Proposed Strategic Risk Register - April 2017

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure H&S compliance is reviewed through monitoring, audits and inspections.** • **Ensure there is a comprehensive H&S training programme for members and employees** • **Ensure H&S risk assessments identified on job descriptions are completed and reviewed annually (incl. DBS checks)** • **Ensure plans are in place to prevent and control infection, to include threats ranging from minor outbreaks to emergencies** • **Ensure there is effective quality assurance of key adult care services including those provided by external suppliers.**	Stewart Briggs Stewart Briggs All Directors Muriel Scott Kevin Crompton				
SR0005 - Service Disruption Failure to properly procure and/or to manage a significant partnership, contract or shared service effectively may lead to: -Poor decision making.	High 3	Likely 3	High 12	• **Implementation of the Bedford Borough 2020 Business Transformation Programme** *In Progress* (20% complete)	Philip Simpkins		High 3	Unlikely 2	Medium 9

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Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	Target Date (Priority)	Assessment of Current Risk (Assume CURRENT controls in place)		
	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
-Reputational damage. -Unforseen additional costs. -Poor performance. -Unrealised outcomes.				• **Ensure that all significant partnerships are identified and implement a formal register of those partnerships.** *In Progress* (50% complete) • **Ensure all relevant managers receive partnership and shared service training.** • **Ensure robust management arrangements are in place.** • **Ensure risk registers are in place for all key partnerships and shared services.** • **Ensure effective contract procedure rules are in place and are adhered to in procuring and managing contracts.**	Philip Simpkins Barbara Morris Philip Simpkins Philip Simpkins Philip Simpkins	31/05/2017 (Normal)			
SR0006 - Service Disruption Failure to manage a major project effectively may lead to: -Poor decision making. -Reputational damage. -Unforeseen additional costs. -Unrealised outcomes.	Very High 4	Very Likely 4	High 16	• **Ensure that progress of all major projects is monitored regularly by Management Group.**	Philip Simpkins		High 3	Unlikely 2	Medium 9

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Implementatkon of the Bedford Borough 2020 Business Transformation Programme** *In Progress* (20% complete) • **Ensure all major project stakeholders and objectives are identified.** • **Ensure there is adequate training for all project managers.** • **Ensure project governance and management is effective.** • **Ensure there is a risk register in place for all major projects.**	Philip Simpkins Philip Simpkins Barbara Morris Philip Simpkins All Directors				
SR0007 - Governance Failure to prepare effectively for new legislation or regulations may lead to: -Reputational damage. -Civil litigation. -Fines. -Inadequate resources. -Poor performance. -Inadequate service delivery.	Very High 4	Likely 3	High 15	• **Ensure briefing and training sessions are organised for relevant staff.**	All Directors		Very High 4	Very Unlikely 1	Medium 10

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Organisation/Department/Function/Project: **STRATEGIC RISKS**

Manager: **Management Group** Date: **18 April, 2017**

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Respond, where appropriate, to Government consultation on proposed changes to the law or regulation** There is an opportunity to influence Government policy and consequently legislation through responding to consullations.	All Directors				
				• **Ensure there are robust systems in place for monitoring new legislation.**	All Directors				
				• **Ensure briefing and training sessions are organised for relevant members.**	Barbara Morris				
				• **Ensure the organisation and relevant staff are members of appropriate professional institutions and other advisory bodies.**	All Directors				
				• **Ensure the continuing professional development of employees is encouraged.**	Barbara Morris				

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
SR0008 - Environmental Failure to deliver services in a sustainable way and reduce the Council's impact on the environment may lead to: -Reputational damage. -Fines. -Increased landfill costs. -Loss of grants. -Damage to the environment.	High 3	Likely 3	High 12	• **Ensure a Climate Change Strategy is developed and embedded across the Council.** • **Ensure a Carbon Management Plan is in place for the Council.** • **Ensure awareness of climate change issues are publicised within the Council and the wider community.** • **Ensure the Council's energy consumption is regularly reported to senior management.** • **Ensure sufficient recycling facilities are available in the community.** • **Ensure refuse collections support recycling within the community.**	Stewart Briggs Stewart Briggs Stewart Briggs Stewart Briggs Stewart Briggs Stewart Briggs		High 3	Unlikely 2	Medium 9
SR0009 - Financial Failure to effectively plan for and implement major changes to local government may lead to: -Loss of revenue.	Very High 4	Very Likely 4	High 16	• **Ensure appropriate working groups are established to identify emerging issues and plan for their effect.**	Philip Simpkins		High 3	Unlikely 2	Medium 9

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Manager: **Management Group** Date: **18 April, 2017**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	Target Date (Priority)	Assessment of Current Risk (Assume CURRENT controls in place)		
	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
-Additional budget pressures. -Reputational damage. -Inadequate resources. -Increased demand for services. -Service disruption or failure				• **Ensure a public consultation process and equality analysis are undertaken to inform key policy decisions.** • **Ensure the potential financial impacts are reflected in the MTFS at the earliest opportunity.** • **Ensure that financial reserves are adequate to minimise any short term impact of reduction in revenue.**	Philip Simpkins Andy Watkins Andy Watkins				
SR0010 - Service Disruption Failure to prevent the loss or theft of electronic data or corruption of an ICT system, may lead to: - Reputational damage. - Service disruption or failure. - Censure and or fines by the Information Commissioner. - Loss of revenue. - Additional budget pressures.	Very High 4	Likely 3	High 15	• **Ensure compliance with the Computer User Security Policy.** • **Ensure there is a current ICT Disaster Recovery and Business Continuity Plan in place.** • **Ensure that network security access testing is undertaken at least annually by an external tester.**	Andy Watkins Andy Watkins Andy Watkins		High 3	Unlikely 2	Medium 9

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Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	Target Date (Priority)	Assessment of Current Risk (Assume CURRENT controls in place)		
	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure compliance with the Goverment's Public Services Network standard.** *In Progress* (95% complete)	Andy Watkins				
				• **Ensure compliance with the Payment Card Industry Data Security Standard.** *In Progress* (95% complete)	Andy Watkins				
				• **Ensure there are effective physical and electronic access controls in place.**	Andy Watkins				
				• **Ensure all staff with access to personal data complete compulsorary training.**	Barbara Morris				

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Organisation/Department/Function/Project: **STRATEGIC RISKS**

Manager: **Management Group** Date: **7 August, 2015**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	Target Date (Priority)	Assessment of Current Risk (Assume CURRENT controls in place)		
	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
SR0001 - People Failure to maintain a skilled and motivated work force during a period of sustained change and reducing financial resources may lead to: -Reliance on temporary staff. -Management stretch. -Under capacity. -High sickness levels. -Poor performance.	High 3	Likely 3	High 12	• **Ensure there are effective processes for staff engagement and feedback.** • **Ensure the Performance Development & Review (PDR) process is fully implemented across the Council.** • **Ensure that training needs identified within the PDR process are implemented whenever possible.** • **Ensure that agency staff requirements and spend are regularly reported to the Chief Executive.** • **Ensure that sickness levels are monitored across the Council and regularly reported to the Chief Executive.** • **Ensure effective internal communication (e.g. "One Team Briefing" and the "Connect" newsletter).**	Barbara Morris Barbara Morris Barbara Morris Barbara Morris Barbara Morris Philip Simpkins		High 3	Unlikely 2	Medium 9

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure that a work life balance ethos is promoted.** • **Ensure key performance indicators are reported on a quarterly basis to the Chief Executive and the Mayor.**	All Directors All Directors				
SR0002 - Financial Failure to manage reducing financial resources (both Revenue & Capital) effectively, may lead to: -Additional budget pressures. -Inability to identify savings. -Reputational damage. -Government intervention or sanction.	Very High 4	Very Likely 4	High 16	• **Ensure there is meaningful public consultation as part of the process of agreeing savings proposals** • **Ensure the recommendations from the Modernisation Programme are monitored and any shortfalls identified.** • **Ensure the Medium Term Financial Strategy (MTFS) is reviewed at least annually.** • **Ensure emerging financial pressures are factored into the MTFS.**	Philip Simpkins Andy Watkins Andy Watkins Andy Watkins		Very High 4	Unlikely 2	High 13

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure directorate budgets are monitored through monthly monitoring meetings and quarterly Portfolio Holder meetings.**	Andy Watkins				
				• **Ensure further potential savings and pressures are identified through the budgeting process.**	Andy Watkins				
				• **Ensure the Treasury Management Strategy is robust and effective in safeguarding investments and maximising financial return.**	Andy Watkins				
				• **Ensure the Capital Programme is regularly reviewed and updated.**	Andy Watkins				
SR0003 - Service Disruption Failure to respond adequately if there is a major incident (e.g. loss of ICT, fire or flood) may lead to: -Disruption to services. -Reputational damage. -Additional costs. -Loss of revenue.	Very High 4	Unlikely 2	High 13	• **Ensure Business Continuity Plans (BCPs) are in place for all services across the Council (particularly ICT & Property Services)**	Stewart Briggs		High 3	Unlikely 2	Medium 9
				• **Ensure BCPs are subject to regular review, audit and testing.**	Stewart Briggs				

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure there is a robust ICT Disaster Recovery Plan in place and this is linked to the overall BCP.** • **Ensure the ICT Strategy is regularly reviewed including provision for backup.** • **Ensure testing of the ICT infrastructure is carried out on a regular basis.**	Andy Watkins Andy Watkins Andy Watkins				
SR0004 - People Failure to take reasonable steps to protect from death, serious injury, infection or abuse, a person to whom the Council has a duty of care may lead to: -Reputational damage. -Civil litigation. -Prosecution under corporate manslaughter legislation. -Investigation by the HSE. -Fines.	Very High 4	Very Likely 4	High 16	• **Ensure appropriate safeguarding arrangements are in place to protect vulnerable children.** • **Ensure appropriate safeguarding arrangements are in place to protect vulnerable adults.** • **Ensure there is a robust Health & Safety (H&S) management system in place.**	Kevin Crompton Kevin Crompton Stewart Briggs		Very High 4	Very Unlikely 1	Medium 10

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure H&S compliance is reviewed through monitoring, audits and inspections.** • **Ensure there is a comprehensive H&S training programme for members and employees** • **Ensure H&S risk assessments identified on job descriptions are completed and reviewed annually (incl. DBS checks)** • **Ensure plans are in place to prevent and control infection, to include threats ranging from minor outbreaks to emergencies** • **Ensure there is effective quality assurance of key adult care services including those provided by external suppliers.**	Stewart Briggs Stewart Briggs All Directors Muriel Scott Kevin Crompton				
SR0005 - Service Disruption Failure to manage a significant partnership, contract or shared service effectively may lead to: -Poor decision making. -Reputational damage.	High 3	Likely 3	High 12	• **Ensure that all significant partnerships are identified.**	Philip Simpkins		High 3	Unlikely 2	Medium 9

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
-Unforseen additional costs. -Poor performance. -Unrealised outcomes.				• **Ensure all relevant managers receive partnership and shared service training.** • **Ensure robust management arrangements are in place.** • **Ensure risk registers are in place for all key partnerships and shared services.** • **Ensure effective contract procedure rules are in place and are adhered to in procuring and managing contracts.**	Barbara Morris Philip Simpkins Philip Simpkins Philip Simpkins				
SR0006 - Service Disruption Failure to manage a major project effectively may lead to: -Poor decision making. -Reputational damage. -Unforeseen additional costs. -Unrealised outcomes.	Very High 4	Very Likely 4	High 16	• **Ensure that progress of all major projects is monitored regularly by Management Group.** • **Ensure all major project stakeholders and objectives are identified.** • **Ensure there is adequate training for all project managers.**	Philip Simpkins Philip Simpkins Barbara Morris		High 3	Unlikely 2	Medium 9

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure project governance and management is effective.** • **Ensure there is a risk register in place for all major projects.**	Philip Simpkins All Directors				
SR0007 - Governance Failure to prepare effectively for new legislation or regulations may lead to: -Reputational damage. -Civil litigation. -Fines. -Inadequate resources. -Poor performance. -Inadequate service delivery.	Very High 4	Likely 3	High 15	• **Ensure briefing and training sessions are organised for relevant staff.** • **Ensure there are robust systems in place for monitoring new legislation.** • **Ensure briefing and training sessions are organised for relevant members.** • **Ensure the organisation and relevant staff are members of appropriate professional institutions and other advisory bodies.** • **Ensure the continuing professional development of employees is encouraged.**	All Directors All Directors Barbara Morris All Directors Barbara Morris		Very High 4	Very Unlikely 1	Medium 10

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Organisation/Department/Function/Project: **STRATEGIC RISKS**

Manager: **Management Group** Date: **7 August, 2015**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	Target Date (Priority)	Assessment of Current Risk (Assume CURRENT controls in place)		
	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
SR0008 - Environmental Failure to deliver services in a sustainable way and reduce the Council's impact on the environment may lead to: -Reputational damage. -Fines. -Increased landfill costs. -Loss of grants. -Damage to the environment.	High 3	Likely 3	High 12	• **Ensure a Climate Change Strategy is developed and embedded across the Council.** • **Ensure a Carbon Management Plan is in place for the Council.** • **Ensure awareness of climate change issues are publicised within the Council and the wider community.** • **Ensure the Council's energy consumption is regularly reported to senior management.** • **Ensure sufficient recycling facilities are available in the community.** • **Ensure refuse collections support recycling within the community.**	Stewart Briggs Stewart Briggs Stewart Briggs Stewart Briggs Stewart Briggs Stewart Briggs		High 3	Unlikely 2	Medium 9
SR0009 - Financial Failure to effectively plan for and implement major changes to local government may lead to: -Loss of revenue.	Very High 4	Very Likely 4	High 16	• **Ensure appropriate working groups are established to identify emerging issues and plan for their effect.**	Philip Simpkins		High 3	Unlikely 2	Medium 9

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	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
-Additional budget pressures. -Reputational damage. -Inadequate resources. -Increased demand for services. -Service disruption or failure				• **Ensure a public consultation process and equality analysis are undertaken to inform key policy decisions.** • **Ensure the potential financial impacts are reflected in the MTFS at the earliest opportunity.** • **Ensure that financial reserves are adequate to minimise any short term impact of reduction in revenue.**	Philip Simpkins Andy Watkins Andy Watkins				
SR0010 - Service Disruption Failure to prevent the loss or theft of electronic data or corruption of an ICT system, may lead to: - Reputational damage. - Service disruption or failure. - Censure and or fines by the Information Commissioner. - Loss of revenue. - Additional budget pressures.	Very High 4	Likely 3	High 15	• **Ensure compliance with the Computer User Security Policy.** All users of the Council ICT are required to comply with the Computer User Security Policy to minimise the risk of unathorised access to ICT systems.	Andy Watkins		High 3	Unlikely 2	Medium 9

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Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	Target Date (Priority)	Assessment of Current Risk (Assume CURRENT controls in place)		
	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure there is a current ICT Disaster Recovery and Business Continuity Plan in place.** There is an agreed Disaster Recovery and Business Continuity Plan for the ICT service, which is subject to annual audit and testing, to ensure that services and data can be restored in the event of a loss of business continuity.	Andy Watkins				
				• **Ensure that network security access testing is undertaken at least annually by an external tester.** Annual network penetration testing is carried out by an external company to identify any potential vulnerabilites to malicious action so that preventative measures can be put in place.	Andy Watkins				
				• **Ensure compliance with the Goverment's Public Services Network standard.** The Council complies with the standard so that data can be safely shared with public sector organisations via an assured network.	Andy Watkins				

Bedford Borough Council - Strategic Risk Register August 2015

Organisation/Department/Function/Project: **STRATEGIC RISKS**

Manager: **Management Group** Date: **7 August, 2015**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	Target Date (Priority)	Assessment of Current Risk (Assume CURRENT controls in place)		
	Impact	Probability	Risk Rating				Impact	Probability	Risk Rating
				• **Ensure compliance with the Payment Card Industry Data Security Standard.** Payment transactions comply with the majoriity of the PCIDSS requirements and work is in progress to ensure full compliance. *In Progress* (95% complete)	Andy Watkins	31/12/2015 (Normal)			
				• **Ensure there are effective physical and electronic access controls in place.** Access to data and equipment is restricted through a range of physical and electronic security arrangements.	Andy Watkins				
				• **Ensure all staff with access to personal data complete compulsorary training.** All staff are required to undertake training on the requirements of the Data Protection Act.	Barbara Morris				