

Risk Management Framework



**Brighton & Hove
City Council**

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Introduction

What is risk management?

Risk Management is the co-ordination of activities designed and operated to manage risk and apply internal control within the council.

A risk is the effect of uncertainty on the achievement of our objectives and is usually expressed in terms of causes, potential events, and their consequences:

- A cause is an element which alone or in combination has the potential to give lead to a risk event
- An event is an occurrence or change of a set of circumstances and can be something that is expected which does not happen or something that is not expected which does happen. Events can have multiple causes and consequences and can affect multiple objectives
- the consequences should the event happen – consequences are the outcome of an event affecting objectives, which can be certain or uncertain, can have positive or negative direct or indirect effects on objectives, can be expressed qualitatively or quantitatively, and can escalate through cascading and cumulative effects

The amount of risk the council is exposed to, within a specific scenario or set of circumstances, is described as risk exposure. This is measured in terms of the likelihood and impact (the risk score) should the risk event occur.

Risk management is part of the Performance Management Framework

Best Value Authorities are under a general Duty of Best Value to “make arrangements to secure **continuous improvement** in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.”



The eight elements of the Performance Management Framework allow us to understand the performance of the council as a whole which will give us better context in which we are operating. The elements are inter-related; most services contribute to every element in the framework.

The Performance Management Framework sets out to ensure:

- strong leadership at all levels which is consistent and fair and challenges blame culture
- commitment to the accountability that has been assigned to individuals
- the right information reaching the right people at the right time so that decisions are made and actions are taken
- ongoing evaluation, review and learning to help improve future performance
- the ability to identify and commitment to rectify poor performance at an early stage

Risk management is integral to corporate governance

Brighton & Hove City Council is required to conduct a review of its system of internal control and prepare an Annual Governance Statement (AGS) to report publicly on the extent to which it complies with its own code of governance, which in turn is consistent with the good governance principles, set out below. The process of preparing the governance statement should itself add value to the effectiveness of the governance and internal control framework.

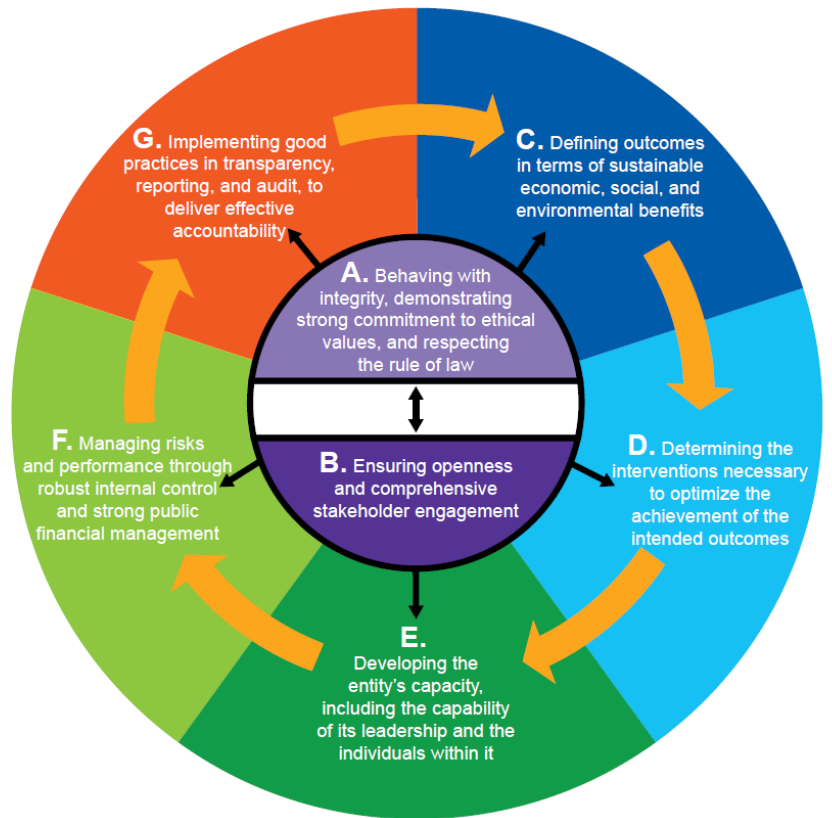
The AGS should provide a meaningful but brief communication regarding the review of governance that has taken place, including the role of the governance structures involved (such as the authority, the audit and other committees). The AGS reviews the progress of actions from the previous year and sets new actions to strengthen governance or address significant governance issues.

What is corporate governance?

- The arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved
- How the council makes sure it does the right things in the right way for the right people
- Establishing and following robust systems and processes
- Demonstrating effective leadership, including accountability and transparency in actions and decisions
- Creating a culture based on openness, inclusivity and honesty
- Keeping our focus on the needs of service users and the public, ensuring public money is safeguarded, accounted for and used efficiently and effectively
- Ongoing continuous improvement to further strengthen the way the council operates

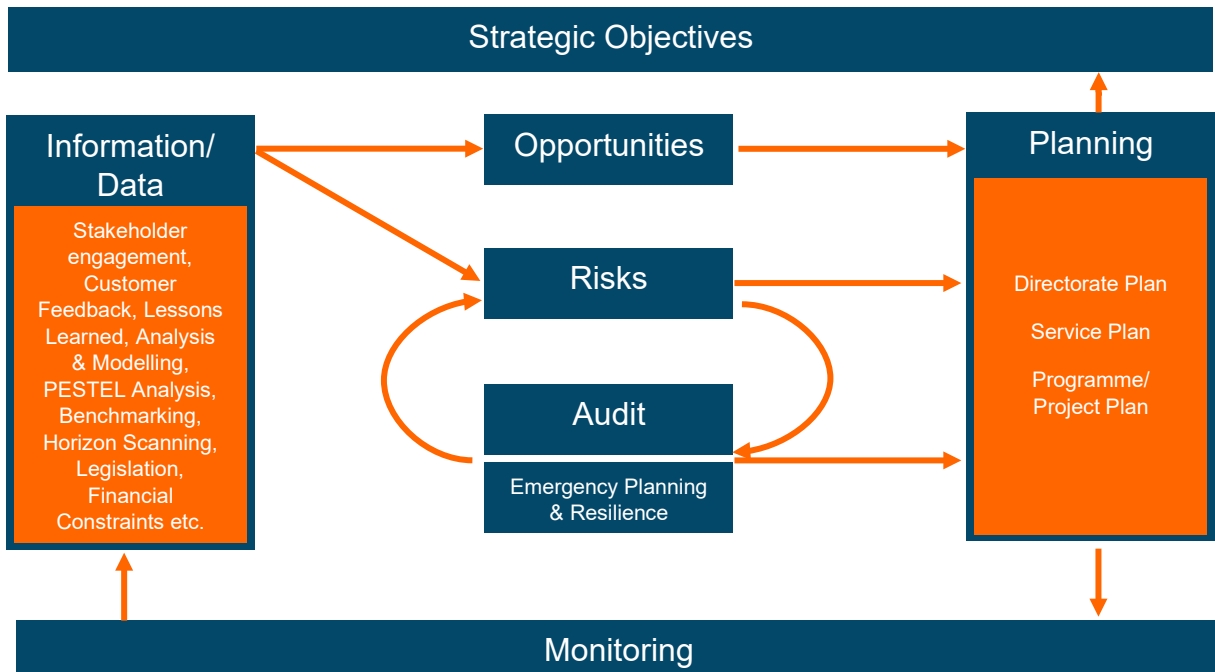
The seven principles of Good Governance, from 'Delivering Good Governance in Local Government Framework 2014' published by CIPFA/IFAC, are:

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- B. Ensuring openness and comprehensive stakeholder engagement
- C. Defining outcomes in terms of sustainable economic, social, and environmental benefits
- D. Determining the interventions necessary to optimise the achievement of the intended outcome
- E. Developing the entity's capacity including the capacity of its leadership and with individuals within it
- F. Managing risks and performance through robust internal control and strong financial management
- G. Implementing good practice in transparency, reporting and audit to deliver effective accountability



Risk management is necessary for achieving our strategic objectives

This diagram shows how risks should be considered to inform our planning and audits to ensure we meet our strategic objectives with good governance.



Risk Management is part of our Behaviour Framework

Our behaviour framework provides us with a common language for how we go about our daily work alongside our PDP objectives that describe what we do; helping us to manage and improve our performance to build a better, more effective organisation with better outcomes for our customers and stakeholders. The following sections are particularly relevant to risk management:

Efficiency

- I scrutinise evidence, data and risks before I make a decision or a recommendation.
- I speak to the right person if there are any problems I can't solve myself.
- I am willing to take considered risks to deliver better results.

Leadership & management

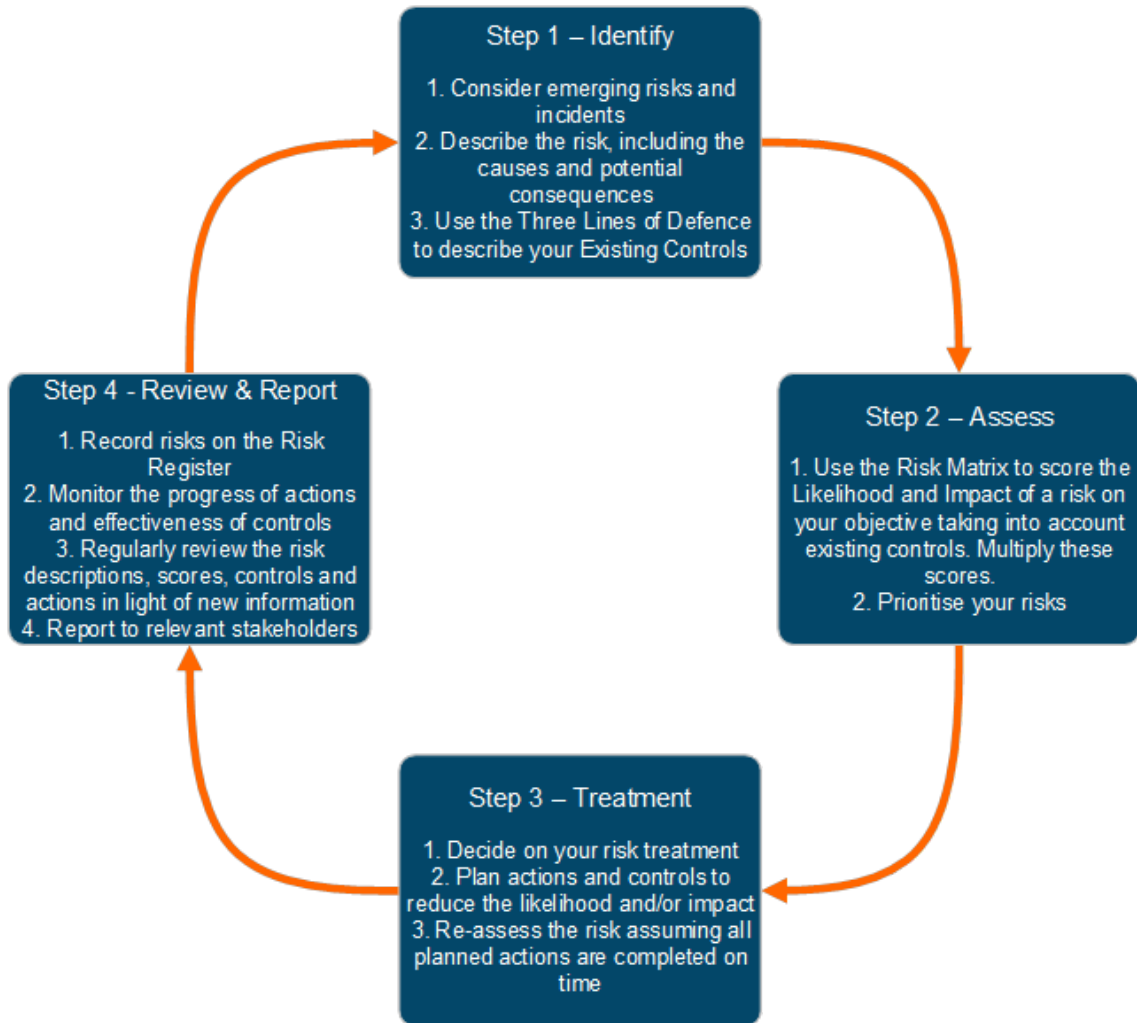
- I take advantage of social, cultural, environmental and technological change to establish the most effective and efficient delivery of our service.
- I look ahead to anticipate change and take time to plan for the future.
- I take accountability to ensure sound governance of our organisation.
- I consider potential risks and opportunities before I make any decisions.



Risk Management Approach

Risk Management Process

The risk management process is used to manage risks.



Risk Levels

When identifying and assessing the risk, it needs to be prioritised and managed at the right level within the council. This could be at a strategic (corporate), directorate, service/team or programme/project level.

The level of a risk is usually defined by the scope and scale the potential consequences may have on the council. Risks can be escalated or de-escalated between levels through reviews or by exception where necessary.

Level & Risk Owner	What makes this type of risk?	Oversight
Strategic Risk (SR)	Affects multiple directorates/ organisations	Audit & Standards Committee
A member of Executive Leadership Team (ELT)	Impacts on achievement of the Corporate Plan	Relevant Committees External & Internal Audit

	Requires cross-directorate response	Executive Leadership Team
<u>Directorate Risk (DR)</u> A member of a Directorate Management Team (DMT)	Affects multiple services/ departments Impacts on achievement of the Directorate Plan Requires directorate level response	Relevant Committees Internal Audit Executive Leadership Team Directorate Management Team
<u>Service/Team Risks</u> Head of Service or Team Leader	Limited to individual team/ service Impacts on achievement of the service's plan and objectives Response can be managed within service	Directorate Management Team Heads of Service
<u>Programme/Project Risks</u> A member of Programme/Project Board	Impacts on achievement of the Programme/Project's objectives Response can be managed within Programme/Project	Corporate Modernisation Delivery Board or ELT Directorate Modernisation Board or DMT Programme/Project Board

Our Corporate Risk Assurance Framework uses the 'three lines of defence model' to assess the effectiveness of how we manage organisational risks. Audit & Standards Committee have oversight of the risk management framework.

Strategic risks are owned by an Executive Leadership Team (ELT) lead. ELT leads are responsible for discussing strategic risks with the relevant committee chairs with a view to mitigating these as appropriate. Any member can approach an ELT lead with risks that they foresee for them to take account of it in their risk review sessions. Strategic risks are reviewed regularly by the ELT.



Directorate and strategic risks are reviewed regularly by Directorate Management Teams (DMTs); risk registers are live documents. Newly identified risks, suggested amendments

to strategic risks and the Directorate Risk Registers are reported to ELT as part of their risk review.

All officers are expected to escalate risks to the relevant DMT lead. Risk management training is available to all officers.

Risk Appetite

Risk Appetite describes the amount of risk the council is willing to be exposed to, in order to achieve its objectives.

Each strategic risk has a risk appetite statement that defines the level of risk exposure the council is prepared to accept for that particular scenario at any given point in time and in the context of our strategic objectives, current priorities, and our power to directly influence any given situation.

The risk appetite statements inform how we approach decisions within each risk area and to ensure the council remains within its preferred level of risk exposure.

Risk appetite enables the council to be more considered when making decisions with potential impacts on objectives, by creating improved awareness of the tolerance for risk exposure.

Risk Owners, in consultation with Risk Action Leads, must consider all contextual information when determining the council’s level of risk appetite for each scenario and reflect this when setting the target score for each risk.

Strategic risks are presented to the relevant service committee at least annually. Service committees take account of the risk appetite when considering whether the target score is appropriate and provide support and challenge to the risk owner. For example, where a service committee believes that the risk appetite should be lower than what the risk owner has proposed they will recommend further mitigating actions to reduce the risk exposure, by reducing the likelihood or impact.

Similarly, where a service committee believes that the risk appetite should be higher than what the risk owner has proposed they can recommend removing some of the mitigating actions.

The below table provides a general description of each appetite level.

Appetite Level	General description (for guidance only)
Averse	We are unwilling to take risks in this area Will always select the lowest risk option Avoidance of risk is key to organisation objective Close to zero tolerance for uncertainty
Minimal	We will take the lowest possible risks in this area Preference for ultra-safe, low risk actions Only when essential, with strong governance in place and limited possibility or impact of failure
Cautious	We will consider taking risks within this area Limited risk taking Willing to consider acting where benefits outweigh the risks

	Prefer to avoid
Open	Willing to take risks in the right conditions Expect a level of uncertainty Will take risks but manage impact
Eager	Will take reasonable risks Accept uncertainty Will choose action with highest return, and innovation, accepting some possibility of failure

Roles & Responsibilities

Role	Responsibilities
Audit & Standards Committee	Provide oversight of the risk management framework and recommend improvements to strengthen risk management across the council
Committee Chairs	Oversight of relevant strategic risks
Executive Leadership Team (ELT)	Accountable for the Strategic Risk Register Review the strategic risk register, ensuring it contains appropriate risks and they are managed effectively Agree recommendations in changes to strategic risks Promote culture of risk management Each Executive Director is responsible for their Directorate Risk Register
Directorate Management Team (DMT)	Management of the directorate risk register, ensuring it contains appropriate risks and they are managed effectively Escalation/de-escalation of risks between service, directorate and strategic levels
Risk Owner	Accountable for the management of assigned risks, ensuring causes, consequences, assessments and risk scores are accurate, and suitable treatment is in place to mitigate the risk. Provide updates on the risk, including any emerging information which may impact the risk
Risk Action Lead	Responsible for delivering the action assigned Provide progress updates Support the risk owner to describe, assess and mitigate the risk
Corporate Performance and Risk Management Lead	Maintain the Strategic Risk Register through regular reviews with DMTs and ELT Support DMTs to review their Directorate Risk Registers Implement and review the risk management framework

Risk Management Process

Step 1 – Identify

Risk identification

Risks should be identified whether or not their causes are under the council's direct control. Even seemingly insignificant risks on their own have the potential, as they interact with other events and conditions, to cause great damage or create significant opportunity.

Identifying risks is the first stage of the risk management process. Risks can be identified by anyone, but they need to be carefully described so that the organisation is fully aware of the causes and potential consequences so that the right controls and actions can be put in place to mitigate the risk.

Risk Description

The **risk title** is a short summary that clearly explains the risk event. The risk title often begins with terms such as:

- Loss of ...
- Uncertainty of ...
- Ineffective Partnership with ...
- Slow Development of ...
- Unable to take up Opportunity to ...
- Threat of ...
- Failure to ...
- Lack of...

Causes are the reasons why the risk event could occur and **consequences** are the potential outcomes if the risk event does occur. It is important to consider equality and sustainability implications, as well as legal and reputational.

Describing risks is best done in groups of stakeholders who are responsible for delivering or impacted by the objectives that the risk may impact. It is important to identify risks when:

- Setting strategic aims
- Setting business objectives
- Writing directorate or service plans
- Project planning
- Appraising options
- Making changes to business set up or service provision
- Reviewing audits
- Learning from incidents

The risk categories below can be useful to help prompt areas where risks could be identified.

Risk Categories Checklist

Professional, Managerial, Partnership	Recruitment/Retention of qualified staff; Capacity; Industrial relations issues; Succession Planning; Ability to implement change; Skill set mix of employees and community or commercial groups where a statutory or civil responsibility may attach to the council; Effective management of partnership working; changes in partnership leadership
Economic, Financial	Financial uncertainty in future resource levels; Impact of national economic position; Failure of major project(s); Missed business and service opportunities; Failure to prioritise, allocate appropriate budgets and monitor; Inefficient/ineffective processing of documents
Data Privacy	Currency of data protection impact assessments; How commissioned services record data processing activities; Need for data information agreements
Social	Meeting the needs of disadvantaged communities; Tracking the changes in population base; Employment opportunities; Health & Well-Being implications on community; Regeneration; Partnership working; Life-long learning; recognising contribution to council's key social and community initiatives
Technological	Impact of individual service systems on corporate ability to prepare for IT disaster recovery and business continuity; Power supply failure; Theft or destruction of equipment; Tampering with hardware or software; Managing recyclable or discarded equipment or media; Data security issues
Customer, Citizen	Ability to manage demand led service pressures; Appropriate consultation; Quality of customer care; Access to services; Views of Service Users and/or viewpoint of patients; Political support, e.g. Members of city council.
Legislative	Meeting statutory duties/ deadlines; Breach of confidentiality/ Data Protection Acts requirements; European Directives on Procurement of Services; Implementation of legislative change
Physical	Managing security of events within buildings; Terrorism; Human Resources issues; Loss of intangible assets (e.g. intellectual property); Health and Safety; Loss of physical assets (e.g. damage to property as a result of fire or theft).
Contractual, Competitive	Over reliance on key suppliers/ contractors; Ineffective contract management; Contractor failure; Lack of existing markets; Targets for performance related funding
Equalities	Workforce Composition – across all of the council and its partnership work; Appropriate recognition of the diversity of Service Users/Customers; Ensuring consistent minimum standards to meet legislative duties (incl. training, sharing policies & best practice); Altering working practices as necessary to meet diverse needs and ensure no discrimination; Ability to demonstrate equalities in action
Political	Impact of Strategic Priorities on business activities; Clarity & cohesion in decision making; Impact of Central Government policy on local policy/local initiative; Uncertain democratic support for change (incl. partnership working & integration)

Environmental, Sustainability	Energy use (efficiency), energy costs, energy supply; Climate Change Adaptation of Services (including extreme or sustained weather events); Waste Management – correct disposal, hazardous waste; Waste reduction and recycling issues; Noise and street scene implications; Pollution control, air pollution, spillages; Water conservation; Transport implications.
Fraud & Corruption	Appropriate segregation of duties; Security of data and other assets; Hospitality/Gifts Policy, Record Keeping and Monitoring; Trends of working/sickness absences (potentially fraudulent); Level of awareness of fraud risk exposure at service level; Whistleblowing; Verification/Validation checks e.g. before staff/contractor appointments/cash transactions.
Practice & Clinical Issues, including Clinical Governance	Practice issues; Patient Safety; Clinical Governance; Clinical Procedures; On-going professional development; Loss of key clinical staff.

Existing Controls

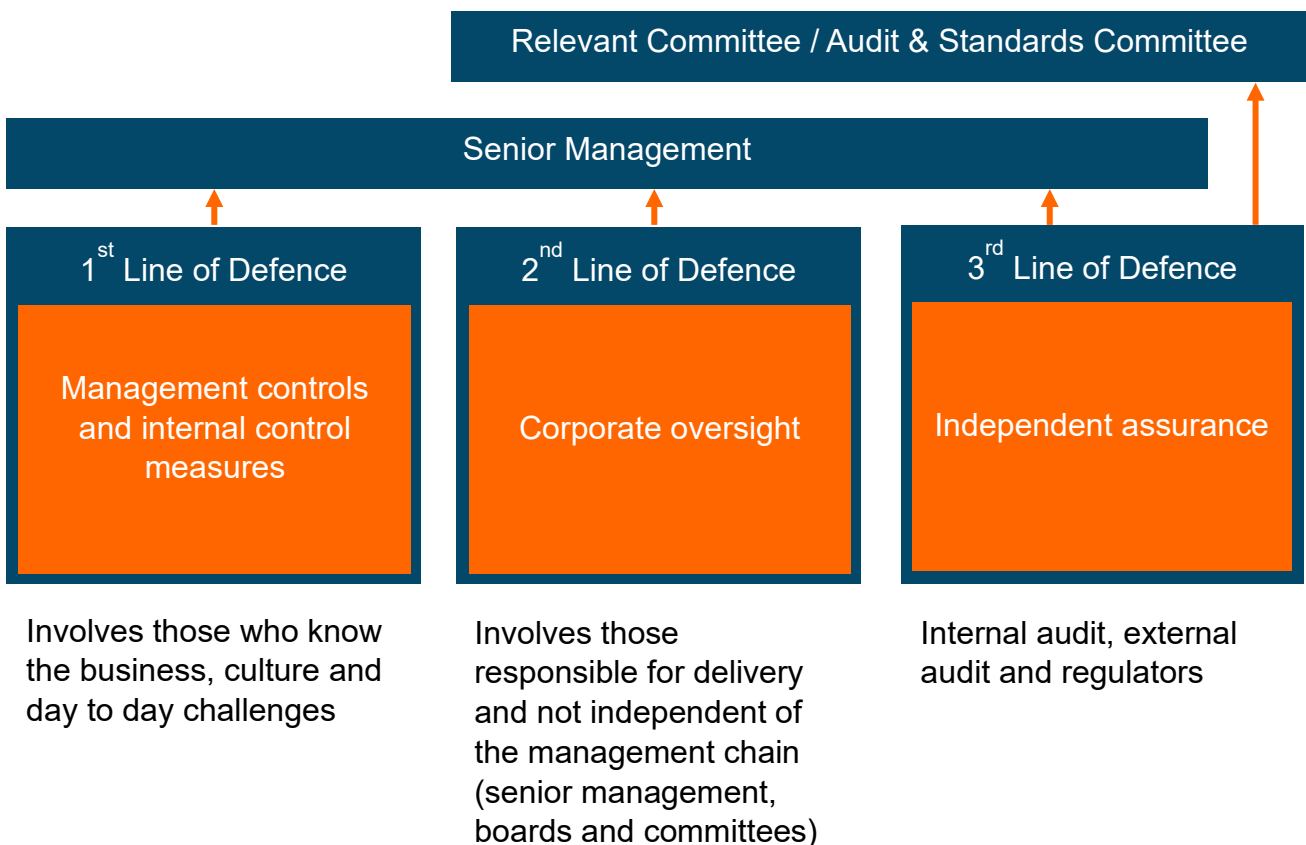
Controls are measures that are embedded to either prevent the risk event from occurring or reduce the impact of the risk if it does occur.

The Three Lines of Defence model has been practiced for a number of years, particularly within financial services, central government and the NHS and our Corporate Risk Assurance Framework (CRAF) uses the 'three lines of defence model' to assess the effectiveness of how we manage organisational risks.

The Three Lines of Defence model outlines three levels of assurance. Using the Three Lines of Defence for Existing Controls for each risk provides an 'assurance map' so that we can clearly see the sources of assurance and existing processes specific to that risk.

The use of the Three Lines of Defence model demonstrates:

- your plan to ensure that proper controls are in place
- that checks are in place for all areas of control
- that you are making best use of the assurance process, i.e. all areas are checked by someone and duplication is avoided.



Step 2 – Risk Assessment

Why do we score risks?

It is necessary to have a consistent form of measurement to understand the significance of a risk in the broader context to support council wide prioritisation of action and decision-making.

The risk assessment process uses this criterion to enable consistency in defining the level of risk exposure, based on the assessment of the likelihood of the risk occurring and the consequences should the event happen.

Risks are assessed by rating the likelihood (L) of the risk occurring, and the potential impact (I) if it should occur on a scale of 1 to 5. These L and I ratings are multiplied to provide the risk score; the higher the risk score I, the greater the level of risk exposure. For example, L4xI4 which denotes a Likelihood score of 4 (Likely) x Impact score of 4 (Major), which gives a total risk score of 16.

A colour coded system is used to distinguish the level of risk exposure. Red risks are the highest (15-25), amber risks are significant (8-14), yellow risks are moderate (4-7), and then green risks are lowest (1-3).

By scoring risks using a consistent method the council can ensure resources are allocated to the risks most likely to affect the achievement of its objectives. Risk heat maps are a useful tool to illustrate multiple risk scores and identify priorities.

Likelihood	Almost certain (5)	5	10	15	20	25
	Likely (4)	4	8	12	16	20
	Possible (3)	3	6	9	12	15
	Unlikely (2)	2	4	6	8	10
	Almost impossible (1)	1	2	3	4	5
		Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
		Impact				

The Strategic Risk Register mostly includes high (red) and significant (amber) risks.

Directorate Risk Registers are likely to include high, significant, moderate (yellow) and low (green) risks.

Current Risk Score

In order to understand the level of risk exposure, an assessment, taking into account the effectiveness of existing controls, time-related factors and the reliability of data and information available, is made to provide a current risk score.

Scoring should be a realistic assessment without optimism bias. The below tables, which provide examples of what the impact may be in relation to specific areas, can support you to assess the risk in a consistent way. When assigning an impact rating to a risk, the rating for the highest, most credible worst-case scenario should be used. If the risk has the potential to impact multiple areas, this should be taken into consideration when determining the overall impact rating for the risk, as the overall impact to the organisation may be higher as a result. For example, if the risk has a moderate impact in 3 separate areas, you may wish to rate the overall impact as major.

It should be noted that the below tables, and definitions, are to provide a framework to support you when scoring risks, they are not intended to provide definitive instruction. All risks should be considered on an individual basis using the best available information.

Likelihood Rating

Risk Score	Likelihood Descriptor	Guidance
1	Almost Impossible	Difficult to see how this could occur. Has happened very rarely before or never Is a highly unlikely climate scenario, even at the extremes of climate projections
2	Unlikely	Do not expect occurrence but it is possible. Less than 10% chance of occurrence May have happened in the past; unlikely to happen in the next three years
3	Possible	May occur occasionally. Only likely to happen once in 3 or more years Has happened in the past; reasonable possibility it will happen as part of climate change scenarios
4	Likely	Will occur persistently but is not an everyday occurrence. Likely to happen at some point within the next 1-2 years Circumstances occasionally encountered within likely climate change scenarios
5	Almost Certain	High probability of situation occurring Regular occurrence, Circumstances frequently encountered, daily/weekly/monthly

Impact Rating

Impact Area	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
Health	minor injury, basic first aid required, 1 person affected, no days absence, no delay	non-permanent harm, short-term injury, resulting in absence of up to 3 days. 1 – 2 persons affected	causing semi-permanent disability, injury, disease, or harm which could interrupt attendance at work for 3-28 days AND/OR affects 3 - 50 people	causing death, permanent disability, serious injury or harm, e.g. loss of function or body part(s), serious disability, single death of any person. 51-200 people affected. Long term absence from work (28-84 days), extended medical attention required, e.g. up to a month in hospital	multiple deaths involving any persons, greater than 200 people affected, more than 84 days absence, more than 30 days extended hospital stay
Impact on city life	insignificant disruption to community services, including transport services and infrastructure	minor localised disruption to community services or infrastructure less than 24 hours	damage that is confined to a specific location, or to a number of locations, but requires additional resources. Localised disruption to infrastructure and community services	significant damage that impacts on and possible breakdown of some local community services. Requires support for local responders with external resources	extensive damage to properties and built environment in affected areas. General & widespread displacement of more than 500 people for prolonged duration. Community unable to function without significant support

Service Delivery	no service disruption, unlikely to cause complaint or instigate litigation	minor service disruption, complaint possible, litigation unlikely	moderate service disruption. High potential for complaints, litigation possible, but not certain	service closure for 1-7 days, complaints expected, litigation expected	service closure for more than 7 days or closure of multiple services, complaints certain, litigation certain
Economic	none/minimal financial burden (less than £100, can be resolved at local service / department level), minor interruption to income generation, no permanent loss	minimal financial burden or disruption to income generation (less than £1,000 but greater than £100). Can be resolved at line manager/ service manager level through usual budgetary measures	moderate financial burden (less than £10,000 but greater than £1,000). Interruption to income generation lasting less than 14 days, majority of income recoverable but at additional cost	major financial burden (less than £100,000 but greater than £10,000). Can include significant extra clean up and recovery costs.	catastrophic financial burden (greater than £100,000). Extensive clean up and recovery costs
Environment	insignificant impact on environment	minor impact on environment with no lasting effects	limited impact on environment with short-term or long-term effects	significant impact on environment with medium to long term effects	serious long-term impact on environment and/or permanent change.
Reputation	organisation(s) reputation remains intact	minimal impact on organisation(s) reputation	moderate impact on organisation(s) reputation	major impact on organisation (s) reputation / National adverse publicity	catastrophic impact on organisation(s) reputation. International adverse publicity

Personal Privacy Infringement	No personal details compromised/ revealed	Isolated individual personal detail compromised/ revealed	All personal details compromised/ revealed	Many individual personal details compromised/ revealed	Personal Data revealed which leads to serious incident and lack of credibility in organisation's ability to manage data, fine
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Project Delivery	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
<i>Project Status</i>	Project on schedule to deliver the planned works on time and to budget	Project on schedule to deliver the planned works on time and to budget	The project has encountered some issues which could affect the delivery of the planned works within agreed time, costs, and resources	The project has encountered some issues which could affect the delivery of the planned works within agreed time, costs, and resources	Delivery of the planned works within agreed time, costs and resources is presently threatened
<i>Timescales</i>	No delays anticipated	The project is delayed by 1 week or under	The project is delayed by 1 week – 2 weeks	The project is delayed by 2 weeks or over	The project is delayed for an indefinite period
<i>Resources</i>	The project is fully resourced	The project is fully resourced	A lack of human resources which could impact overall delivery and require Programme Board attention	Lack of human resource is impacting successful delivery and needs to be addressed immediately	Lack of human resource is impacting successful delivery and needs to be addressed immediately
<i>Issues</i>	All issues under control and no outstanding issues requiring Programme Board attention	All issues under control and no outstanding issues requiring Programme Board attention	Outstanding issues which could impact overall delivery and require Programme Board attention	Outstanding issues which could impact overall delivery and require Programme Board attention	Outstanding issues which will impact the overall delivery require URGENT Programme Board attention
<i>Risks</i>	All risks under control and no outstanding issues requiring	All risks under control and no outstanding issues requiring	Risks that have a medium probability of occurring and will have a medium impact on the programme and require Programme Board attention if	Risks that have high or medium probability and impact if they occur and	Risks that have high or medium probability and impact if they occur require the

	Programme Board attention	Programme Board attention	there is no change or is increasing	require the Programme Board attention	Programme Board attention
<i>Budget</i>	Predicted costs are on track and within the cash limit budget	Predicted costs are on track and within the cash limit budget	Predicted costs are under 10% of budget	Predicted costs are up to 10% over budget	Predicted costs are higher than 10% over budget

Step 3 – Treatment

Risk Treatment

When determining the risk treatment, you should decide if the outcome of the risk assessment, with existing controls, is acceptable and aligned with the risk appetite.

Risk treatment may involve one or more of the following:

Treat the risk by taking further action to change the likelihood, where possible, and/or consequences, including planning contingency activities

Tolerate the risk by informed decision. If the risk level is within the risk appetite and that no extra resources will be applied due to a cost-benefit analysis or elements being outside of our control.

Terminate the risk by deciding not to start or continue with the activity that leads to the risk

Transfer the risk to another party or organisation to deal with mitigations to reduce the council's liability and exposure, for example, through insurance. We would still own the risk. Often this is not possible due to costs or legal duty.

Risk Score	Recommended action
15-25	Immediate action and escalation required. Mitigating actions must be taken
8-14	Review and ensure effective controls. Mitigating actions should be taken
4-7	Monitor in case the risk levels increase
1-3	Monitor periodically

Mitigating Actions

If you have decided that the risk should be treated, then you must identify mitigating actions to reduce the likelihood and/or impact of the risk. When developing mitigating actions, Risk Owners are strongly encouraged to work with all key stakeholders, including external partners to ensure the right actions are identified and get stakeholder buy in into the delivery of these actions. The actions should be SMART (Specific, Measurable, Achievable, Realistic and Timebound) and agreed by the Risk Action Lead, who is the named responsible person for delivering the action. Mitigating actions should have a start and end date and progress should be regularly tracked.

It is important to ensure that mitigating risk actions link to directorate or service plan actions, so that the actions are planned and resourced adequately to be completed within the timeframe indicated.

Target Risk Score

The risk is assessed again to determine a target risk score. The assessment is made using the same criterion as you used for the current risk score but is now based on the assumption that the mitigating risk actions are completed at the stated time and with the desired effect. When determining the target score you should refer to the risk appetite statement for that risk area to ensure the actions are sufficient to bring the council back within its desired level of risk exposure. If the target score remains outside of the council's tolerable level of risk exposure, further action should be considered.

Step 4 – Review and Report

Risk Register

Risk Registers are a tool to help manage risk. The Strategic Risk Register is recorded on the Camms Risk system and the Directorate, Service, Programme and Project Risk Registers use the Excel Risk Register template.

The below table provides an overview of the information captured in risk registers:

Risk Ref	It is easier to monitor, report and manage multiple risks if they have reference numbers. There is no corporate standard so please use a system that works for your area
What is the risk?	Provide a description of the event or issue that may occur which could prevent achievement of your objective
Risk causes	What are the likely causes, or events, that could make the risk happen
Risk Consequence or Impact	What are the potential consequences or impact if the risk were to happen
Existing Controls already in place (BAU)	What existing controls do we already have in place, and functioning, to mitigate this risk?
Initial Likelihood (L)	Considering the causes and existing controls in place, what is the likelihood of the risk happening now?
Initial Impact (I)	Considering the consequences, what would be the impact if the risk were to happen now?
Initial Risk Score (L x I)	This is the current risk score indicating the likelihood and impact before any mitigating actions are taken
Risk Treatment	Select how you are going to treat (manage) the risk. See below descriptions:
Risk Treatment description	Treat: take action to reduce the likelihood, impact or both Transfer: identify actions to transfer the risk Tolerate: Is the risk exposure within a tolerable range? Do you need to review the risk at a future date? Terminate: Identify actions to terminate the risk
Mitigating Actions	If you have decided to treat the risk please provide details of all the actions being taken to reduce likelihood or impact. If you are transferring, tolerating or terminating the risk please provide details. Risk actions should include details of who is responsible for delivering the action.
Action due date	When is the action expected to be completed?

Risk Owner	Who has overall responsibility for managing the risk
Revised Likelihood (L)	Considering the causes & controls, what would be the impact if the risk were to happen after we have delivered all mitigating risk actions.
Revised Impact (I)	Considering the consequences, what would be the impact if the risk were to happen after we have delivered all mitigating risk actions.
Revised Risk Score (L x I)	This is the expected risk score following completion of all mitigating actions or risk treatment
Date Added	When was the risk added to the register
Last reviewed date	When was the risk last reviewed
Status	Select the current risk status. You should not delete risks from register but mark them as closed, terminated or transferred Newly identified Active (ongoing) Closed (no longer a risk) Transferred Terminated

Brighton & Hove City Council

Risk Register Name: _____ 2

Directorate: _____

Risk Register Owner: _____

Last reviewed: _____

A risk is the potential of an uncertain situation or event to impact on the achievement of objectives. Risk management is the process of identifying, assessing and controlling threats to an organisation's or project's objectives. Risks have potential to adversely affect achievement of our objectives. Identifying risks supports an organisation in planning effectively to achieve its objectives.

Guidance for each field is provided in a guidance box
You can insert additional lines and remove columns as required but you will need to unprotect the sheet first.
The sheet is protected for ease of use but you can unprotect it by going to the Review tab and selecting Unprotect Sheet

[Go to guidance](#)



Risk Ref	Risk Theme	What is the risk?	Risk causes	Risk Consequence or impact	Existing Controls already in place (BAU)	With existing controls in place			Proximity (P) Score How soon could it happen?	Recurrence	Risk Indicator
						Initial Likelihood (L)	Initial Impact (I)	Initial Risk Score (L x I)			

Risk Reviews

It is important to regularly review risks, especially if there is new information or changing circumstances that may relate to certain risks.

Strategic risks are reviewed regularly by the Executive Leadership Team (ELT). Directorate and strategic risks are reviewed regularly by Directorate Management Teams (DMTs), but it is important to note that risk registers are live documents. Newly identified risks suggested amendments to strategic risks and the Directorate Risk Registers are reported to ELT as part of their risk review. All officers are expected to escalate risks to the relevant DMT lead. Risk management training is available to all officers and resources can be found on the intranet.

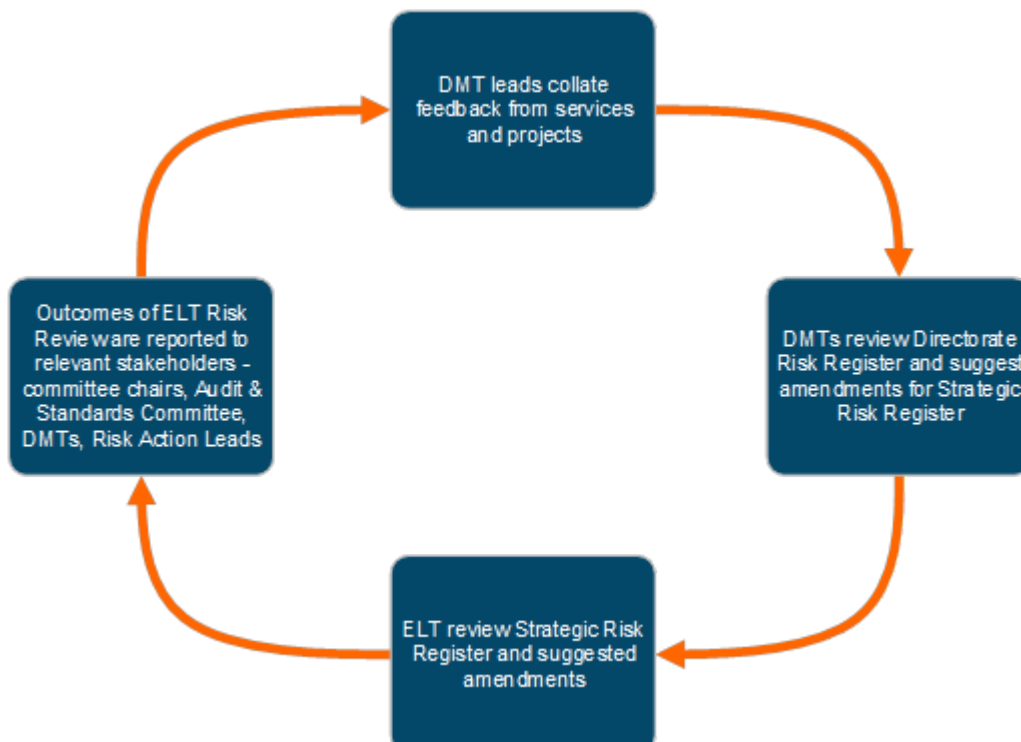
Standing agenda for DMT Risk Review

- Strategic Risk Register – review and recommend amendments to ELT
- Upcoming dates in the Risk Reporting Timetable
- Reminders of the risk management approach
- Directorate Risk Register – review risks and mitigating actions

Standing agenda for ELT Risk Review

- Strategic Risk Register – review and agree recommendations from Risk Owners & DMTs
- Strategic Risk Register – emerging risks and requests from members
- Upcoming dates in the Risk Reporting Timetable
- Focus area of the risk management approach
- Directorate Risk Registers – to note

The diagram below shows the risk review cycle. Risk reviews occur quarterly at DMTs and ELT as a minimum, but it is also recommended for risk owners and services to take deep dives into risks where risk scores are not reducing or where circumstances impacting the risk significantly change.



Risk Reporting

The Risk Reporting Timetable sets out the quarterly reporting dates. Risk reviews are the best time to ensure risks are considered, although risks should be escalated at any time. The timetable informs Risk Action Leads and Risk Owners, the dates by which they should update on the progress of their risk actions or review the description of the risk, as well as the dates of Risk Reviews

The Audit & Standards Committee have oversight of the risk management process. They review the Risk Management Framework annually. Relevant policy committees review related risks annually either as a risk focused report or part of any other relevant report.

The Annual Governance Statement (AGS) is published each year alongside the council's accounts and is largely based on our risk management approach, strategic risks and internal audit.

With all reports, it is important to ensure they are written considering the audience and purpose of the report.