



# Newport City Council Risk Management Policy 2019-22

Version 0.4

## Newport City Council Risk Management Policy (2019-22)

### Introduction

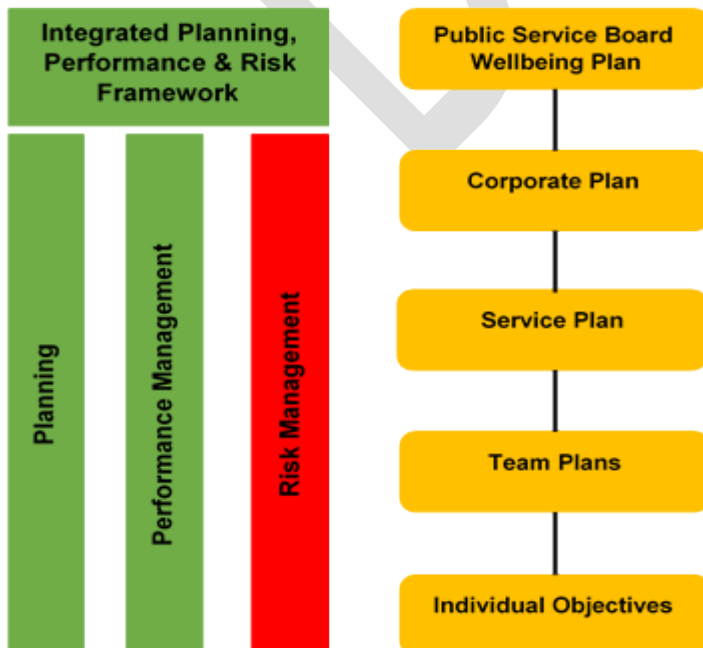
Newport City Council (NCC) is responsible for delivering over 800 different services both statutory and non-statutory to residents, businesses and other service users. The Council faces many complex, wide ranging challenges and threats that could prevent us from delivering these services effectively. The Corporate Plan 2017-22 has set out 4 Wellbeing Objectives and 4 Corporate Themes that will enable the Council to deliver its mission of 'Improving People's Lives'. To deliver these objectives and its services the Council will need to take well managed opportunities and risks in the decisions that are made at all levels of the organisation.

The [Wellbeing of Future Generations \(Wales\) Act 2015](#) requires all public bodies in Wales including NCC to think about the long term impacts of our decisions. The Act is about sustainable development to improve the social, economic, environmental and cultural wellbeing of Wales. To do this Newport Council is required to set and publish Wellbeing Objectives that maximise our contribution to each of the wellbeing goals and taking reasonable steps to meet these objectives. Also, in the decisions that we make we are required to consider the 5 ways of working principles:



### Integrated Planning, Performance and Risk Management Framework

The Integrated Planning, Performance, and Risk Management Framework recognises that in order for us to achieve our objectives we need to have culture that is able to effectively plan, be able to demonstrate clear outcomes that benefits our stakeholders, and also be resilient to the opportunities and risks that we encounter. These 3 pillars of planning, performance and risk are essential and should be interwoven into our decision making at every level of the organisation. The diagram below sets out the key strategic and operational levels in Newport Council.



## **What is Risk Management?**

A risk is simply an expression of uncertainty and is concerned with the probability of an event taking place (likelihood) and its impact that could constitute opportunities for benefit or threats to success. Risk is part of everything that we do and it is important for the Council to embed good risk management in our everyday business and in the decisions we make.

Managing risk processes effectively enables the council to safeguard against potential threats and exploit opportunities to improve services and provide better value for money.

## **Risk Appetite Statement**

Cabinet is responsible for setting and monitoring the organisation's risk appetite. The Council's Risk Appetite Statement reflects the amount and type of risk that it is prepared to seek, accept and tolerate in the pursuit of its long term objectives. The Risk Appetite statement is fully supported by the Council's Senior Leadership Team and Corporate Management Team who will embed it throughout the organisation.

The Council's Cabinet encourages the Council to take 'well-managed' risks, seizing new opportunities and innovative approaches that enable the organisation to achieve its objectives provided that it is within the agreed risk tolerance range. With the opportunities and risks that present themselves the Council will have regard to the Well-being principles of long term, collaboration, prevention, integration and involvement. The Council's approach to and appetite for risk is summarised below:

### **Strategic / Policy**

In the pursuit of its strategic objectives, Cabinet and officers will have to take 'well-managed' risks where there is clear evidence and opportunity to support these. But the organisation also has to protect its core activities and values and where there is risk to the delivery of these services it will take a cautious approach recognising the reputational risk to the Council.

### **Operational / Business Continuity**

Newport City Council has a duty to maintain and deliver its services to all of its residents, businesses and visitors that use it. Cabinet, officers and our partners will take steps to try and prevent future events such as loss of critical IT systems, fires, local / regional and national incidents and other incidents from taking place and to minimise the impact of disruption to our critical and front line services.

### **Financial**

Council services and activities are operating in difficult times where budgets have to be well-managed. Newport City Council has a duty to protect the public purse and will ensure that its controls remain effective in the management and protection of its finances from misappropriation, mismanagement, poor decision making, fraud and bribery.

### **Governance / Legal / Regulatory**

Many of the Council's services and activities are undertaken in accordance with legislative and regulatory requirements. Failure to adhere to legal / regulatory requirements can lead to financial and reputational damage to the Council. The Council has low tolerance towards these risks and will ensure that all activities will adhere to the necessary legal and regulatory requirements.

When it comes to the safeguarding of children and adults that are in our care or we come into contact with, the Council has a very low appetite for the failure in our controls and we will ensure that Council representatives and third parties operating on our behalf adhere to these requirements.

### **Health & Safety**

Cabinet and officers have a low tolerance towards activities that may harm or cause injury (both physical and mental well-being) to our staff, and anyone who uses our services. All Council employees and representatives have a duty to ensure that services and activities have fully considered and taken appropriate measures to comply with the necessary health and safety legislation.

## **Reputational**

To deliver the Council's Corporate Plan and our statutory duties we rely on our reputation to influence and secure the engagement of our constituents, businesses, partners (private, public and not for profit) and other stakeholders. The decisions made by the Council, Cabinet and officers are bound by its Constitution, Corporate Values and where applicable legislation and regulation. We shall retain an overall low tolerance of risk with regard to our reputation where our services could have a severe impact on our stakeholders. However, we are prepared to take opportunities that may be opposed by some of our stakeholders where there is satisfactory and sufficient evidence which demonstrate the long term benefits for the Council and its stakeholders.

## **Programme / Project Delivery**

In the pursuit of our organisational objectives we are committed to seizing the opportunities where innovation and transformational change will provide benefits to both efficiency and effectiveness in the delivery of services and can provide value for money. Through the delivery of programmes and projects the Council will ensure that opportunities and risks are fully considered and evidence to support the decisions made at all levels of the organisation.

## **Risk Management Governance**

Everyone in Newport City Council is responsible for ensuring risks and opportunities are identified and managed at all governance levels. The table below outlines the roles and responsibilities of strategic and operational functions across the Council. Additionally, and where applicable the Council's Constitution also includes information on the different governance boards, Elected Members and officers roles and responsibilities.

<b>Governance Board / Officer role</b>	<b>Description of Role and Responsibilities</b>
Cabinet	<p>The Council's Cabinet (Executive) is responsible for effective implementation of Council policy and for delivering services in line with those policies and the budget. As part of its role Cabinet:</p> <ul style="list-style-type: none"><li>• Approve the Risk Management Policy and procedures including the setting and agreement of the Risk Appetite for the Council;</li><li>• Review the key risks to the organisation and the controls in place to provide assurance to stakeholders that risks are effectively managed;</li><li>• To review the Corporate Risk Register on a quarterly basis ensuring procedures are in place to monitor the management of significant risks;</li><li>• To ensure that all Strategic decisions have fully considered and consulted on the opportunities and risks.</li></ul>
Cabinet Members	<p>Executive functions that have been delegated to individual Cabinet Members in relation to their portfolios are responsible for ensuring risk management is embedded into any policy decision including:</p> <ul style="list-style-type: none"><li>• Monitoring and review of risks and the controls in place associated with the activities contained within their portfolio;</li><li>• Ensuring Cabinet Member decisions have fully considered and consulted on the opportunities and risks.</li><li>• Promoting and ensuring risk management is embedded into the activities contained within their portfolio.</li></ul>
Audit Committee	<p>The Audit Committee is responsible for reviewing and monitoring the effectiveness of risk management, internal control and corporate governance arrangements of the authority. In discharging its duties, the Audit Committee shall:</p> <ul style="list-style-type: none"><li>• Gain assurance that risk management is being properly undertaken at all levels in the organisation;</li><li>• Receive and provide scrutiny of the Council's Risk Management Policy and Risk Appetite Statement;</li><li>• Receive and provide scrutiny over the risk management arrangements contained in quarterly monitoring reports of the Corporate Risk Register.</li></ul>

Scrutiny Committees	<ul style="list-style-type: none"> <li>• Consideration of risks that will impact on the performance and delivery of services in the Council.</li> <li>• Promote the use of risk management to inform effective strategic decision making in the Council.</li> </ul>
Public Services Board	<ul style="list-style-type: none"> <li>• To identify, monitor, report and escalate risks that will impact on the delivery of the Wellbeing Plan and its Wellbeing Objectives.</li> <li>• To develop an integrated approach to risk management and to understand and manage shared risks across the organisations involved with the PSB and the wider region.</li> </ul>
Senior Leadership Team	<ul style="list-style-type: none"> <li>• Regularly review the risk management policy.</li> <li>• Support and advise Cabinet in embedding risk appetite for Newport City Council into the decision making activities.</li> <li>• Monitor key risks across the organisation considering them against the organisation's strategic objectives.</li> <li>• Ensure that top risks have the resources allocated them to be effectively addressed.</li> <li>• In line with the Risk Management Policy and Risk Management Framework report on key risks and controls.</li> <li>• Create an environment in the organisation where risk management is promoted and facilitated.</li> </ul>
Corporate Management Team	<ul style="list-style-type: none"> <li>• For the areas they are responsible for ensure the risk management process and risk reporting procedures are completed as per the Risk Management Policy and Risk Management Framework.</li> <li>• Monitor the key risks in areas they are responsible for.</li> </ul>
Service Management Teams	<ul style="list-style-type: none"> <li>• Effectively manage risk in their area of responsibility.</li> <li>• Ensure that the risk management process and risk reporting procedures are completed following Newport City Council Risk Management Policy.</li> <li>• Complete, track and monitor the progress of the service risk register.</li> <li>• Escalate risks for Senior Leadership Team's consideration and inclusion on the Corporate Risk Register.</li> </ul>
Performance & Research Business Partner	<ul style="list-style-type: none"> <li>• Development of the Risk Management Policy, procedures and guidance.</li> <li>• Promote and support the Council to embed risk management into the activities of the Council.</li> <li>• Support Service Areas in the identification, assessment and reporting of risk in the Council.</li> <li>• Drafting of quarterly corporate risk reports to Cabinet and Audit Committee.</li> </ul>
Risk Owners	<ul style="list-style-type: none"> <li>• Responsible for managing and monitoring a specific risk (each risk in the corporate risk register is assigned a risk owner).</li> <li>• Ensure that appropriate resources and importance are allocated to the risks they own.</li> <li>• Confirm the existence and effectiveness of existing actions and ensure that any further actions are implemented.</li> <li>• Provide assurance that the risks for which they are the risk owner are being effectively managed.</li> <li>• Escalating risks</li> </ul>
Risk Action Owners	<ul style="list-style-type: none"> <li>• Responsible for updating mitigating risk actions every quarter.</li> <li>• Responsible for reporting performance issues to Risk Owners in the delivery of actions that could impact on the risk.</li> </ul>
Internal Audit	<ul style="list-style-type: none"> <li>• Creation of audit plan that is aligned with the top risks.</li> <li>• Challenging and reviewing the effectiveness of the management of risk framework.</li> <li>• Progress review of planned actions.</li> <li>• Validate and test existing controls.</li> </ul>
Civil Contingencies	<ul style="list-style-type: none"> <li>• As part of the Civil Contingencies Act 2004, the role of Gwent Local Resilience Forum to identify, monitor and report risks that could impact on the communities, residents and businesses in across Gwent and more specifically Newport.</li> <li>• To put in place emergency plans, business continuity management arrangements in the event of an emergency and/or disruption to Council services</li> </ul>

	<ul style="list-style-type: none"> <li>• Ensure arrangements are in place inform, advise and guide public, residents, businesses and voluntary organisations about business continuity management.</li> </ul>
Health & Safety team	<ul style="list-style-type: none"> <li>• Ensure the health, safety &amp; wellbeing of employees, volunteers and citizens are protected in accordance with the Council's Health &amp; Safety Policy and supporting procedures.</li> <li>• Ensure Council duties are undertaken in accordance with relevant health &amp; safety legislation, regulation and best practice</li> <li>• Identify, assess, monitor, report and escalate health &amp; safety incidents, accidents across the organisation</li> <li>• To promote, advise and train staff to ensure health &amp; Safety legislation, regulation and best practice are applied across all activities undertaken by the Council.</li> </ul>
All Employees	<ul style="list-style-type: none"> <li>• All employees are to manage day to day risks and opportunities effectively and report any concerns or identified risks to their line managers.</li> <li>• If reporting to a line manager is not appropriate the council has a Whistle Blowing process that is available to all staff via the Intranet.</li> </ul>
Wales Audit Office	<ul style="list-style-type: none"> <li>• To undertake assessments on the performance of Newport City Council in accordance with the Well Being of Future Generations (Wales) Act 2015.</li> </ul>

### **Risk Management Procedures and supporting guidance**

To support the Risk Management Policy we have supporting procedure and guidance documents for officers to use. These can be located on the Council's Performance and Risk Intranet Page.

### **Other Supporting Council Policies**

- Information Risk Management Policy
- Corporate Emergency Management Plan
- Business Continuity Management Policy
- Corporate Health, Safety and Wellbeing Policy

### **Further Information, Advice and Guidance**

Those with access to [MI Hub](#) can view RAG ratings for risk scores along with how they affect each theme as well as who is responsible for them.

Further information can be found on the [Council Performance & Risk Intranet Page](#).

[performance.management@newport.gov.uk](mailto:performance.management@newport.gov.uk)

Tracy McKim – Policy, Partnership and Involvement Manager

Paul Flint – Performance and Research Business Partner