Shropshire Council

Opportunity Risk Management Strategy

2024

The possibility of doing something out of the ordinary, which has a welcome result.

Foreword

The Council's Members and Executive Management Team support and endorse the work of the Risk & Business Continuity Team in embedding an Opportunity Risk Management culture across all levels of the Council's operations. The importance of integrating Opportunity Risk Management techniques in decision making and business planning processes is recognised and acknowledged, as is the need to raise general awareness and understanding of risk.

This strategy sets out how the Council intends to do this and the process for moving forward. The Leader of the Council, Council Members, Senior Management Team, and I, are fully committed to this strategy and see it as part of our responsibility to deliver excellent public services.

Signed

Andy Begley, Chief Executive, Shropshire Council

Date: 17 July 2024

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Opportunity Risk Management Vision

Opportunity Risk Management is an important part of how Shropshire Council achieves its organisational principles. Shropshire Council pro-actively manages risks and this allows us to not only meet the needs of our community today, but also be prepared to meet the challenges of tomorrow.

Opportunity Risk Management is a process where the benefits are tangible. The key is to ensure that the management of risks is not a process that is dealt with in isolation but is embedded in every piece of work the Council does.

Major projects and re-design identify the key opportunities and the associated risks are identified and assessed which results in projects and redesign more likely to succeed as the risks are identified and controlled at an early stage. All customers and Members will benefit through having the confidence that projects opportunities and their associated risks, have been considered properly.

Shropshire Council Vision

'Shropshire – healthy, safe, great for business and living for all'.

Shropshire Council Priorities

- Healthy People
- Healthy Economy
- Healthy Environment
- Healthy Organisation

Successful Opportunity Risk Management is about ensuring that we have the correct level of control in place to provide sufficient protection from risks, without stifling our opportunities for development. As an organisation, with a range of different stakeholders with differing needs and expectations, this can be a challenge. We must ensure that the decisions the Council takes reflect a consideration of the potential impact for all our customers.

Opportunity Risk Management needs to be embedded in the heart of the Council. For this to be done successfully we need to ensure there is leadership, involvement, learning, accountability and communication and it needs to be structured and developed in a way that fits the culture of the changing organisation. This strategy sets out how we intend to achieve this.

What is Opportunity Risk Management?

The process to identify and consider taking full advantage of opportunities that will deliver clear benefits to the organisation, our customers and community.

Opportunity Risk can be explained as:

- Beneficial outcomes of vision, arising from better decision making.
- Innovative rather than reactive.
- Providing long term benefits from managing short term risk.
- Focusing on achieving value.
- Pro-active decision making from a risk basis.
- Adding significant and measurable/ quantifiable advantages.

How well we handle opportunity risk involves the techniques that we use to identify and adopt potential new activities, new ways of doing things or undertaking key projects that, once implemented, will enhance our performance and efficiency and the quality of the service our customers receive.

How we manage our risks to achieving the opportunities we have identified will be fundamentally the same as the way we manage our risks to all our objectives and are highlighted in the Appendices to this Strategy.

In recent years all sectors of the economy have focused on the management of risk as the key to making organisations successful. It enables organisations to deliver their objectives and organisational principles whilst protecting the interests of their customers and Shropshire Council is dedicated to providing its customers with the best possible service.

Managing Opportunity Risk

- Managing opportunity risk involves creating a fertile climate for innovation.
- Awareness of the constraints doesn't stop people coming up with ideas and putting them forward.
- The process of identifying threats or drawbacks should also include finding and considering additional opportunities.

Equalities and Opportunity

Failure to pay 'due regard' to the equality duty could result in litigation and damage the reputation of Shropshire Council. Equality and Social Inclusion Impact Assessments (ESIIA) help public authorities meet the requirements of the equality duties and identify active steps they can take to promote equality.

This includes looking for opportunities to promote equality as well as negative or adverse impacts that can be removed or mitigated, where possible. If any negative or adverse impacts amount to unlawful discrimination, they must be removed. Guidance is available for Members and Officers to ensure a standard approach is adopted across the authority. The embedded ESIIA process ensures Shropshire Council undertakes proper involvement and consultation with our service users and the most vulnerable/marginalised groups.

Opportunity Risk Management Framework and Core Principles

1. Understanding the Council and its critical priorities

Develop a focused understanding of the Council's key priorities, outcomes, principles, associated activities and required resources.
Target Outcome – Executive Management Team and key risk stakeholders to agree the critical objectives, opportunities, initiatives, and operations.

2. Horizon scanning, opportunity risk identification

Define a comprehensive view of the portfolio of opportunity risk associated with the critical priorities, outcomes, principles, activities and resources.
Target Outcome – Broad understanding between Senior Boards and risk stakeholders of the key risk challenges for the Council.

3. Review and agree the Council's risk appetite

Create a shared understanding of the risk appetite across the Council's functions in delivering its priorities and outcomes.
Target Outcome – Document and prioritise an overall assessment of the range of opportunities for key projects and undertakings and related risks and identify the level of risk which is judged to be tolerable, affordable and justifiable to the Council.

4. Design a resilient approach

Implement the opportunity risk programme focussing on critical exposures and disruptive challenges across the Council's functions and re-design undertakings.
Target Outcome – Resilience for the Council to meet planned and unplanned challenges and a clear understanding of how the opportunity risk programme reduces the total cost of risk.

5. Implement response and recovery measures

Ensure rapid recovery and resumption of services to ensure delivery of our objectives through robust business continuity management.
Target Outcome – Minimise the period of disruption and uninsured losses, both financial and non-financial.

6. Exercise resilience governance and review

Prevent gaps in resilience planning through consistent reviews of the Council's business continuity management programme, operations and the associated opportunity risk programme.
Target Outcome – Alignment between the rapidly changing Council environment, key priorities, critical outcomes and the opportunity risk programme.

Approach to Opportunity Risk Management

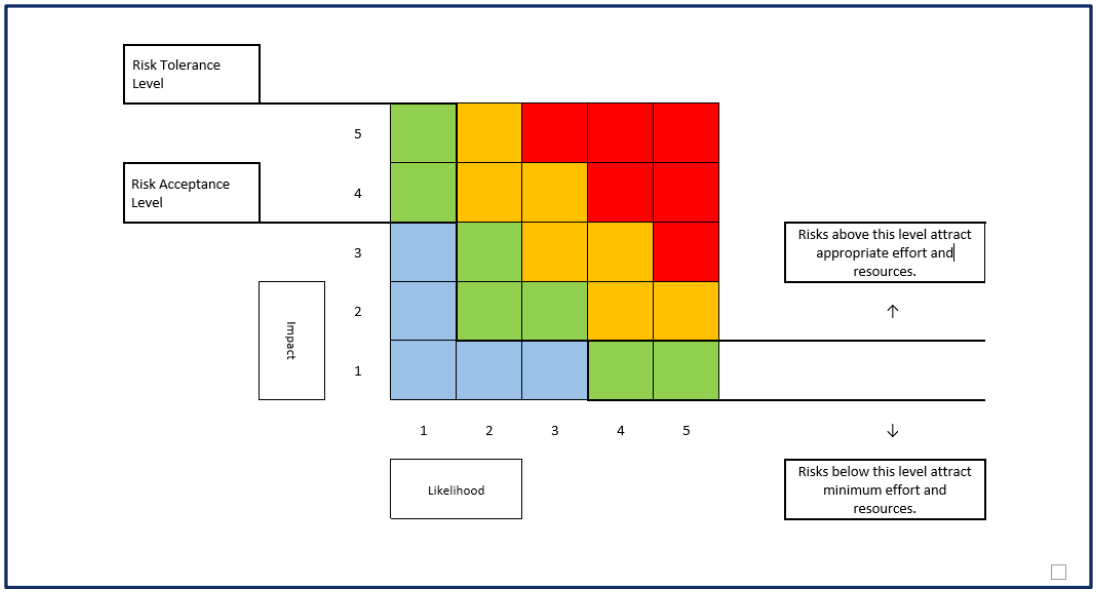
For Opportunity Risk Management to be effective, a suitable approach must be decided upon. An important factor in this approach must be the *appetite* for risk that the organisation shows. We want to manage risk to add value and achieve high performance.

Our appetite for risk at Shropshire Council is one that embraces opportunity risk, without a culture of blame. By actively creating greater opportunities and being positive about risk, we are increasing our chances of success.

We are not able to eliminate all risk but reduce risk to a level that the Council is prepared to tolerate. This will vary depending on the Council's current 'Risk Appetite' and is defined by us setting our 'Risk Tolerance Level'. The level essentially acts as a trigger, with risks above this level attracting appropriate effort and resources in an effort to reduce it to below this level.

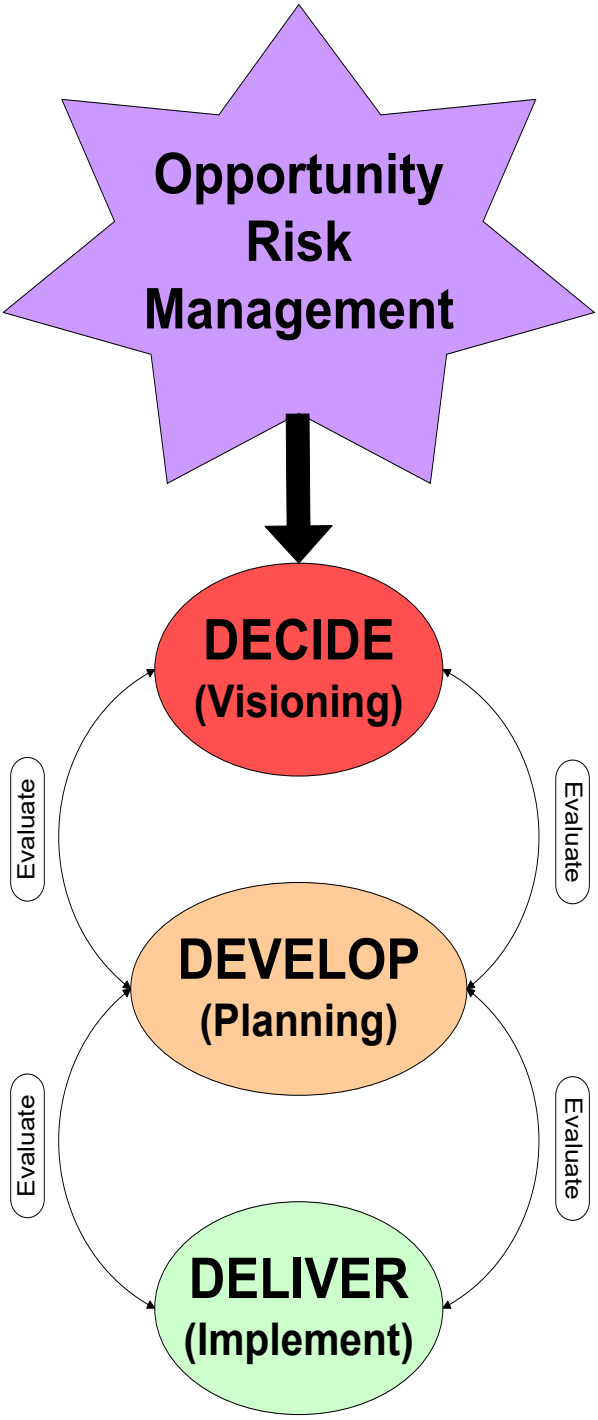
In addition to this upper level, it is also appropriate to set a lower-level trigger called the 'Risk Acceptance Level'. Any risks assessed as being below this level should attract minimal effort and resources. This helps ensure that resources are not wasted trying to reduce risks unnecessarily.

The Council will review these levels on a regular basis. Risk owners must then use these levels to ensure their day-to-day risk management activities are consistent with these strategic levels. The Council's risk Tolerance and Acceptance levels are shown in our matrix below.



Decide, Develop, Deliver

The following diagram shows an outline of the stages involved in the Opportunity Risk Management process especially in relation to Project Risk Management.



Decide

When…

- Setting strategic aims.

Setting business objectives.

How…

- Detailed planning required at senior levels to capture the opportunity.
- Senior management attention and responsibility needed.

Develop

When…

- Early stages of project planning and key stages.
- Options appraisals.

How…

- Senior management attention and responsibility needed.
- Managed through specific monitoring and response.

Deliver

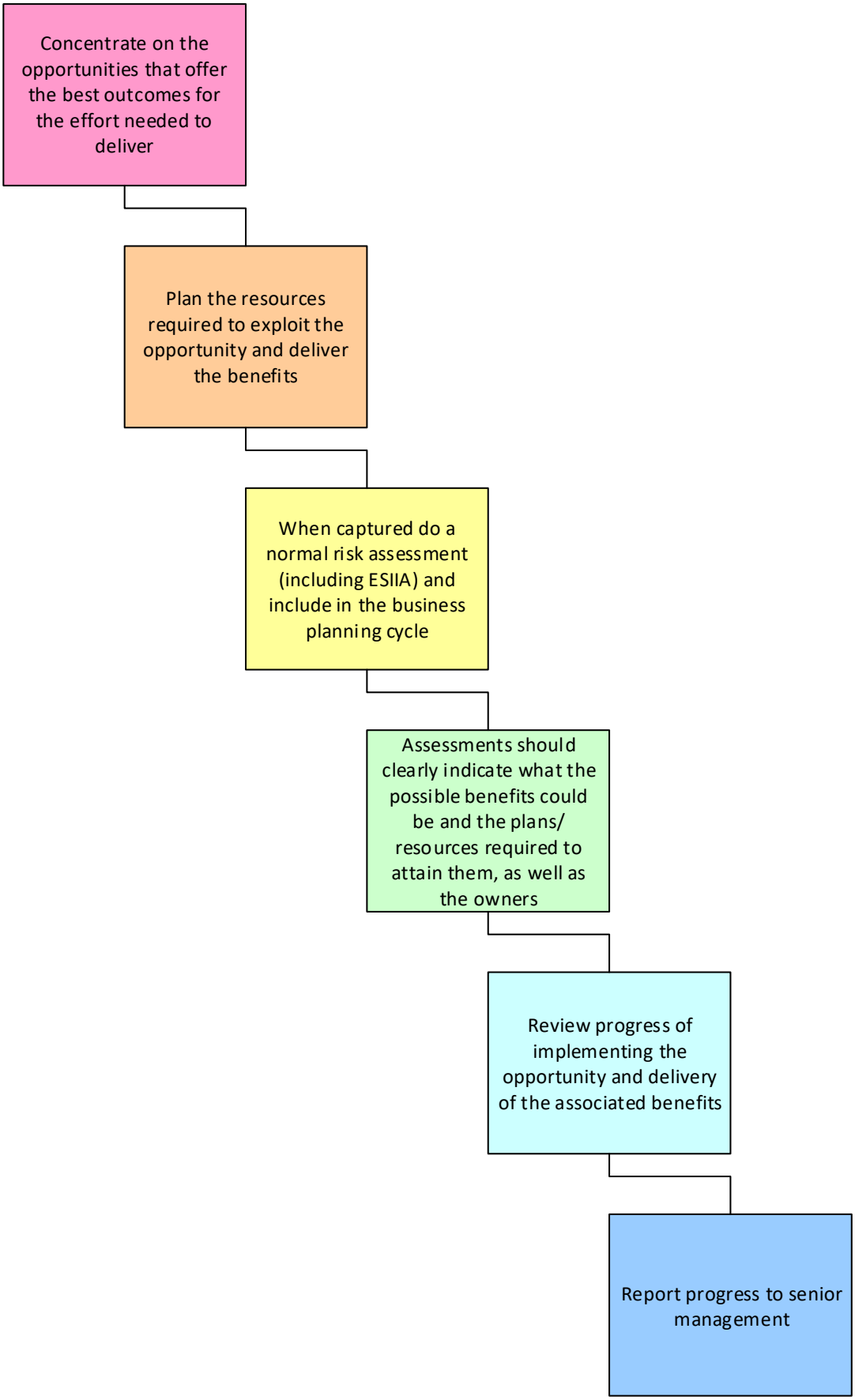
When…

- Service improvement planning.
- Project/ programme planning.

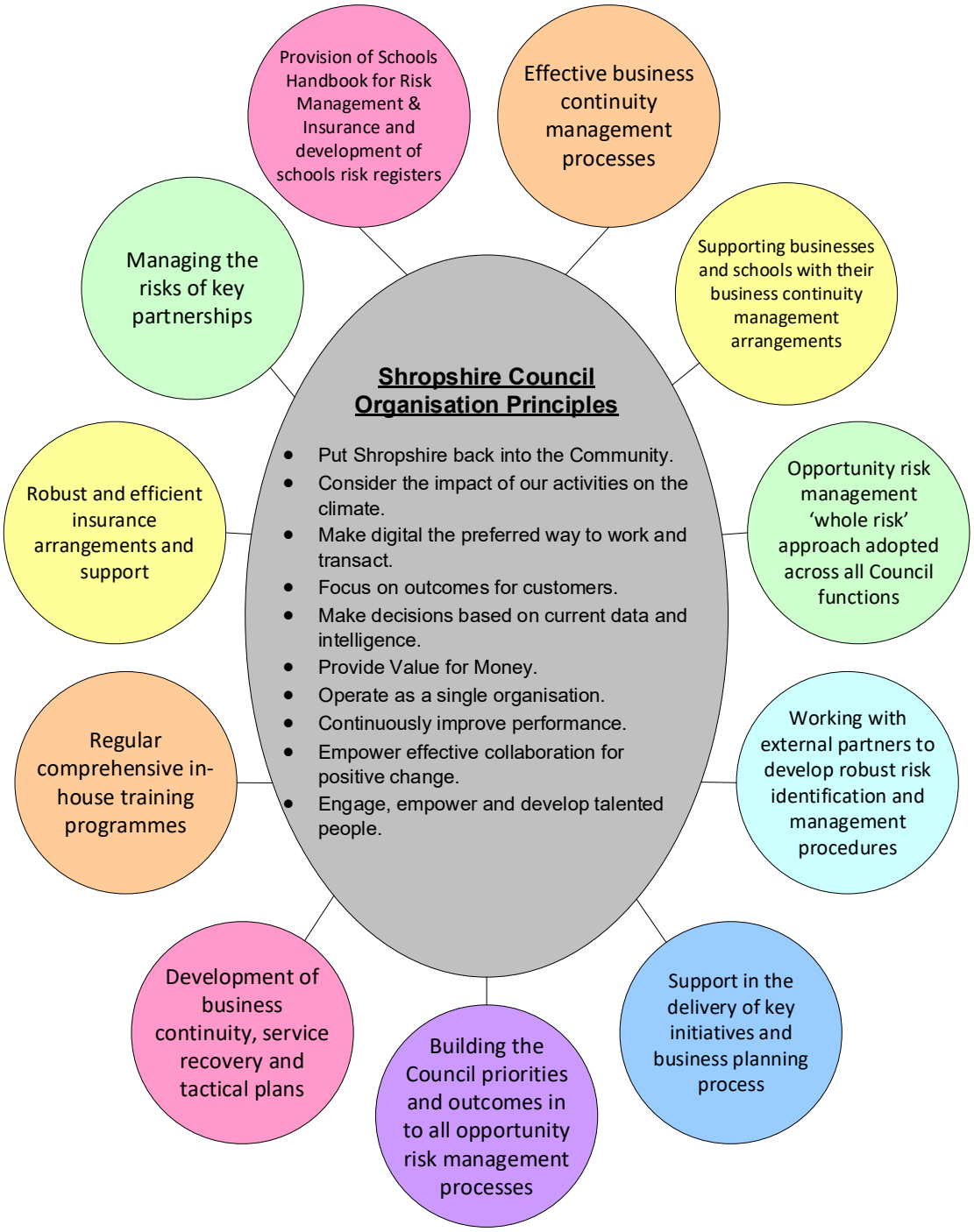
How…

- Managed through specific monitoring and response.
- Managed through routine procedures.

Maximising Opportunities



Opportunity Risk Management Functions Supporting our Organisational Principles



The Review, Recording and Reporting of Opportunities and Risks

Strategic Risks

All strategic risks are reviewed and reported upon quarterly to the Executive Management Team and Informal Cabinet following discussion and review with key officers and strategic risks owners and any challenge from the Risk & Business Continuity Team. Included in this quarterly report, in the form of a strategic risk briefing note, are any exceptions, and explanations for all changes in risk exposure from the previous period. Any increases in risk exposure and exceptions will have been analysed for its impact on other strategic risk areas where interdependencies exist. Also included, are any emerging risks which must be brought to the attention of the Executive Management Team and into the risk management cycle immediately to ensure our managed exposure to risk is not compromised.

On an annual basis a thorough review of strategic risks is undertaken with Executive Directors to ensure that the strategic risks are still relevant, are redefined where necessary and a year-end target score applied to each. All strategic risks are maintained within the risk environment in SharePoint.

Assurance Mapping

As part of the quarterly review, assurance mapping is undertaken. The assurance mapping considers the three lines of defence; First Line: Management, Second Line: Internal Governance (Performance, Legal, Risk, Finance), Third Line: External Assurance and Internal Audit.

Operational Risks

All operational risks are reviewed and reported upon on a bi-annual basis. All risk owners review and update their risks within departmental risk registers also held within the risk environment within SharePoint. An analysis of these is then undertaken by the Risk & Business Continuity Team and a detailed report is provided firstly to Heads of Service, followed by a combined report to each Executive Director. Following this, an overarching operational risk dashboard is then provided to the Executive Management Team. Target scores, for medium and high risks, are applied during the first operational risk review of the financial year. This is also undertaken for very low or low risks that may move above our tolerance levels during this financial year.

The reports detail changes to risk exposure, any areas of concern and any new and emerging risks. These reports also identify areas where a risk review has not been undertaken.

Project Risks

Project risks are managed through project boards and reviews will take place on a regularity appropriate for the scale and pace of the project. Risk is a standing agenda item at project board meetings and risks will be reviewed at each board meeting. In some cases, project boards take place monthly and in others bi-monthly or quarterly. A risk update is provided on current risk

exposure at board meetings and where necessary risks are escalated to relevant Directors.

All project risks are now also held within the SharePoint system to enable all officers to access the latest version of the risk register and for reporting to be always available on current risk exposure. The project risk register includes the total cost of risk and the residual cost of risk once appropriate scoring has been applied giving an indication of the financial implications of the risk exposure.

Recording

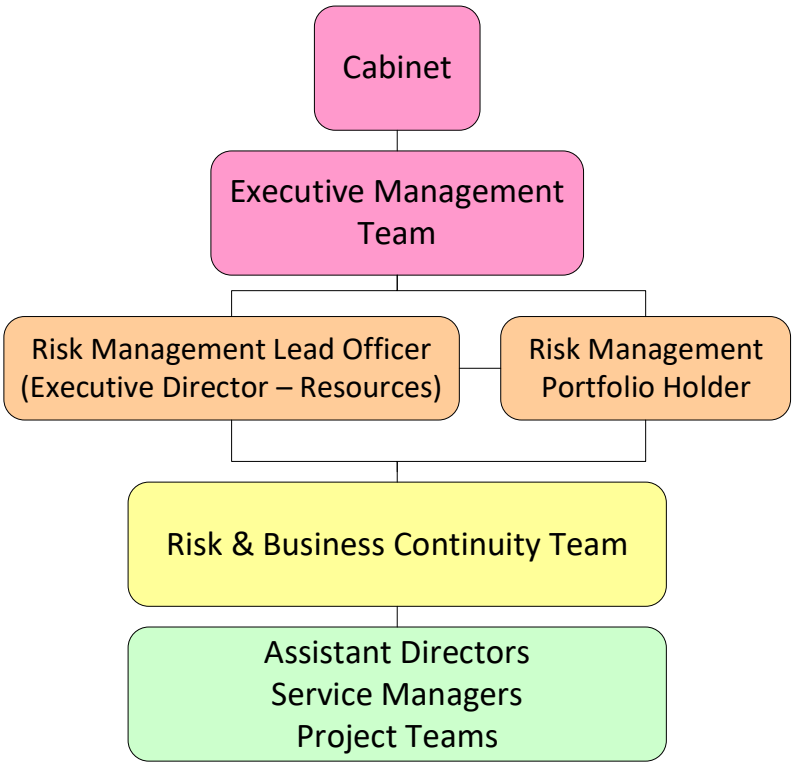
All risks are comprehensively recorded and managed to ensure we are able to assess the Council's exposure to risk and address it effectively.

All Committee reports have a Risk Assessment and Opportunities Appraisal section within the body of the report which provides details of opportunity risk management considerations in relation to the subject of the report. This enables Members to have the full facts in relation to the subject matter of the report which informs effective decision making. This section of the report is signed off by the Risk Manager prior to reports being presented.
Members of the Risk & Business Continuity Team attend Audit Committee meetings during the year to clarify or validate the current risk exposure of the Council to ensure the obligations of the Annual Governance Statement are met.

Corporate and Risk Management Governance

Risk Management is one element of effective corporate governance. As we work towards delivering our core priorities and outcomes we have to do so within a clear framework.

Opportunity Risk Management Governance Structure



The Need for Change

Enhanced sharing of risk intelligence and a collaborative approach to opportunity risk management enables the Council to have improved clarity of sight and ultimately control over its risk profile.

To achieve this clarity and control, the governance arrangements must reflect this co-ordinated approach to Opportunity Risk Management. They need to facilitate the dissemination of opportunity risk intelligence throughout the Council.

Also, by streamlining the reporting function, we will ensure that only adverse trends or events are highlighted, at the appropriate levels of management, in a timely manner which ensures that action can be taken quickly to reduce the Council's exposure to risk.

Risk & Business Continuity Team

The Risk & Business Continuity Team are very proactive and dynamic in their approach and are dedicated to developing opportunities, managing risks, promoting innovative practices, and supporting the business planning process. The team are the pivotal driving force behind Opportunity Risk Management at Shropshire Council. The key tasks of the Risk & Business Continuity Team are:

- to assess the emerging and key risks facing the Council;
- to support and challenge the implementation of key business planning processes and associated risks;
- to advise Senior Management of key risk related issues;
- to ensure that proactive and holistic risk management arrangements are in place which provide an effective channel for the management of ALL risks;
- to identify training opportunities to communicate risk control measures and best practice to staff across the Council and key partners;
- to develop procedures necessary to reduce risk exposure;
- to work with partner agencies to identify and mitigate the risks arising from joint and partnership working;
- to undertake risk management benchmarking (on an adhoc basis) to ensure they are operating at a high level to support the Council's functions;
- to undertake horizon scanning processes to ensure that consideration can be given to emerging threats and trends.

Members of the Risk & Business Continuity Team are voting members of ALARM, the public sector risk management organisation. They also represent the Council at other forums. The Shropshire Council Opportunity Risk Management Strategy has been presented at two of ALARM's annual Learning & Development Forums and is considered best practice amongst risk professionals.

The Risk & Business Continuity Team work collaboratively with other councils and partners and undertake horizon scanning which identifies new and emerging opportunities and risks that could affect the Council.

The Risk & Business Continuity Team will ensure information and knowledge can be easily shared and provide the Council with greater efficiency and value. They will provide analysis of data which successfully helps managers identify risk trends and provides the opportunity for the team to develop initiatives to support the Opportunity Risk Management process.

The Team support all key projects to manage their opportunities and associated risks.

Opportunity Risk Management Leads

The Lead Officer is the Executive Director of Resources who has overall responsibility for championing the Opportunity Risk Management process within the Council. The key role and responsibilities for the Lead Officer are:

- to be pro-active in supporting, promoting, and challenging effective opportunity risk management activities across the Council.
- to give reassurance that Opportunity Risk Management processes are being undertaken effectively, as required by the Accounts & Audit Regulations 2015, 2018 and reported in the Annual Governance Statement.
- to meet regularly with the Risk & Business Continuity Team.
- to represent Risk Management at Executive Management Team level and report back to the team.
- to provide assurance to the Executive Management Team that the risk appetite of the Council is accurate and is not being compromised.

Executive Management Team

- The Executive Management Team has overall responsibility for Opportunity Risk Management across the Council. The key role and responsibilities for the Executive Management Team is to ensure that the risk appetite for the Council is identified and reviewed regularly.
- to identify opportunities for development through the Business Planning process.
- to fully support managers through the challenge of delivering these opportunities.
- to endorse the Opportunity Risk Management processes across all functions of the Council (strategic, operational and project related risks).
- to respond appropriately and in a timely manner to exceptions in reports to ensure accountability and risk management processes are not compromised.

Cabinet

Cabinet has a role to play in overseeing the management of risk in corporate activity. They will approve this strategy and major decisions affecting the Council's risk exposure and monitor the management of significant risks. They will also satisfy themselves that the less significant risks are being actively managed, with the appropriate controls in place and working effectively.

Audit Committee

The Audit Committee will receive the annual review of Risk Management carried out by Internal Audit for review and comment. Their responsibility is to ensure that there is a robust and efficient Opportunity Risk Management process in operation across the Council. The Audit Committee also receive the Annual Risk Management Report outlining the undertakings during the previous year and a bi-annual Strategic Risk Report.

All Managers

Managers have ownership of some of the high-level risks and personally address these, thus setting the tone for Opportunity Risk Management in their areas of responsibility. Managers also have a general responsibility to ensure that operational risks are being allocated to appropriate risk owners and will be managed accordingly. Where their staff have specific risk management responsibilities, they will ensure that this is reflected in their work objectives and job descriptions.

Training

For the benefits of Opportunity Risk Management to be realised, it is necessary for the process to be embedded in the culture and operations of the Council. To facilitate this, the Risk & Business Continuity Team have a programme of training to ensure that all necessary staff, and external partners, have an appropriate depth of training for their level of involvement within the process.

There are LEAP into Learning Risk Management and Business Continuity Management Modules available to all staff.

All training programmes are specifically tailored to meet the objectives of each specific area. All training is provided free of charge to Council Officers and Members and is wholly developed and facilitated by the Risk & Business Continuity Team. Training is also offered to outside organisations for a fee. To support and further embed the Opportunity Risk Management processes, a suite of our own publications are available on the Risk Management intranet pages.

Business Continuity Management

As a Council and undertaking our role as a Category One Responder under the Civil Contingencies Act (2004), there is a requirement to have a robust Business Continuity Management Programme and procedures in place and to also warn and inform the public.

To enable us to meet our responsibilities, we have developed plans which prioritise and identifies key functions that would need to be resumed following a major incident.

Our business continuity management plans consist of the following:

- BCM Policy
- BCM Strategic Response Plan
- Tactical Plans
- Service Recovery Plans

The plans are regularly reviewed and updated to reflect changes in staffing, structure, and service requirements. Desktop and 'Live' exercises take place on a regular basis. The exercises help to identify any areas of weakness and the plans are then amended accordingly. Training and awareness for all staff involved in the business continuity management programme is an important aspect of this work.

We have also developed an Emergency Response & Business Recovery Plan template for schools. Training has been provided to schools together with desktop exercises to test the robustness of their arrangements.

Business continuity is not a project with a beginning and ending date, it is a program to be managed indefinitely."

Business Continuity Management

Appendix A

Opportunity Risk Management Methodology

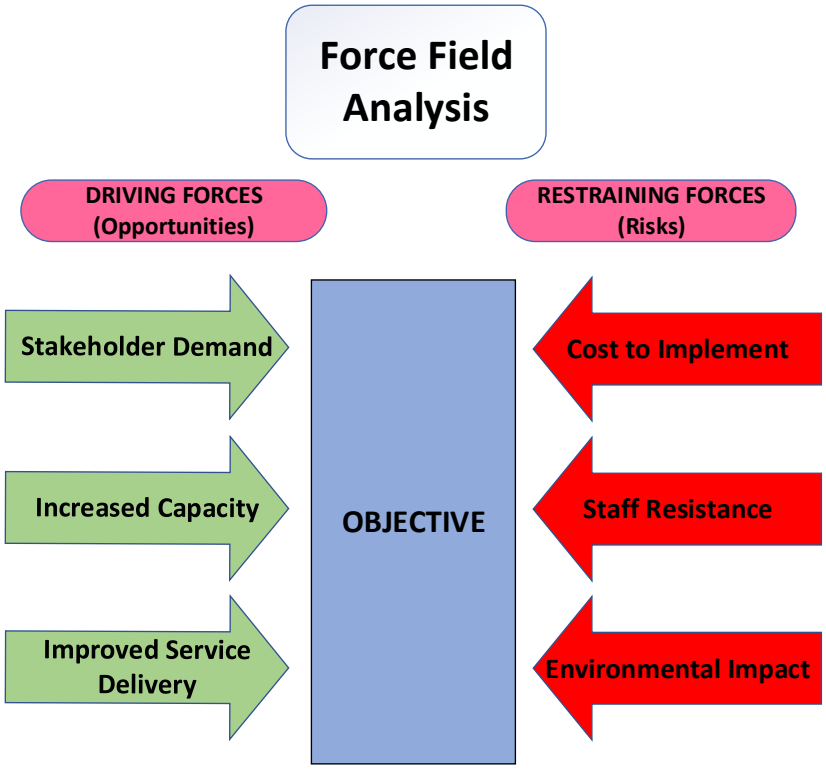
There will be uncertainties that can affect the successful implementation of the opportunity and an important element will be to define "**what success looks like**".
In order to identify and establish the uncertainties, different methodologies can be adopted. One such starting point methodology is the SWOT Analysis.

SWOT Analysis

Strengths **Weaknesses**	Relate to the Organisation "Who are we?"
Opportunities **Threats**	Relate to the specific objective being considered "What are we doing?"

Force Field Analysis

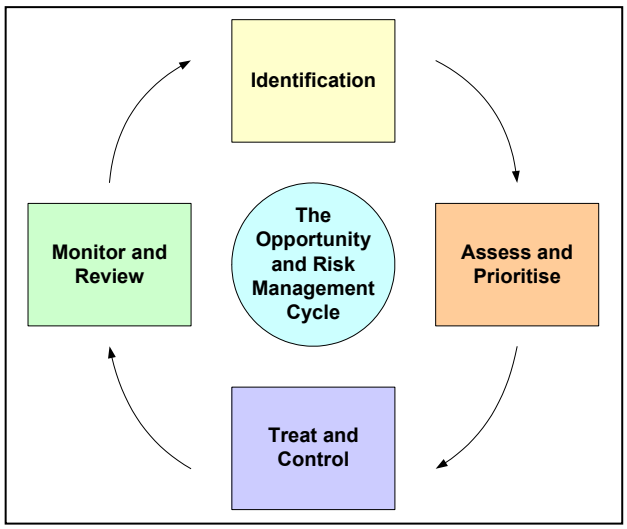
Once we have established who we are and what we are doing, we move on to identifying the 'opportunities' and associated 'risks'. This can be undertaken through a Force Field Analysis.



Through identification of our risks we then adopt our standard risk management methodology to manage and control these to ensure successful delivery of the opportunity.

The Risk Management Cycle

At Shropshire Council we utilise the Opportunity Risk Management Cycle:



This helps to show how managing our risks needs to be a continuous process in order to be successful. It demonstrates that it is good practice to regularly repeat the process not only on new, but also pre-existing risks.

Risk Identification

At Shropshire Council we recognise that when identifying our opportunity risks we need to focus on the key outcomes for the Council going forward. In addition, every activity the Council engages in contributes to achieving an objective, and so any risks that might affect the successful completion of an activity must be taken seriously. We simply define risk as something that may have an impact on the achievement of our objectives.

The successful delivery of our objectives often depends on our partners and contractors implementing our policies. We therefore look beyond the boundaries of the Council to identify risks to our objectives from these sources and recognise that robust opportunity risk management requires good stakeholder involvement.

The Risk & Business Continuity Team continue to work collaboratively with Alarm, other councils, and partners to undertake horizon scanning to identify new and emerging risks that could affect the Council.

Appendix B

Appendix B

Assessing Opportunities and Risks

To assess opportunities effectively, we identify the likelihood of the opportunity being achieved and the impact on our objectives of successful delivery. These are both rated on a scale of one to five and the two scores are multiplied together to provide the overall opportunity rating. We aim to maximise our opportunity scores.

To assess risks adequately again we identify the likelihood of the risk occurring and the impact on our objectives if it should. Again, both are rated on a scale of one to five and the two scores are multiplied together to provide an overall risk rating. In the case of risks however, we aim to minimise scores by implementing controls.

Likelihood x Impact = Opportunity and Risk Ratings

The risk impact and likelihood that are assigned should be based on an assessment of the current level of exposure which will be dependent on the adequacy of the existing level of controls in place.

As we are trying to predict and describe future events, we recognise that there is a degree of uncertainty in our assessments – they involve judgement as well as measurement and, the precise value will not be known exactly in advance.

Opportunity Management - We aim to maximise scores

Likelihood	Score	Opportunity Likelihood Definitions
Certain	5	Opportunity has been realised and will continue to be exploited.
Almost Certain	4	Opportunity is likely to be realised within this financial year.
Likely	3	Opportunity may be realised within the next three financial years.
Possible	2	Opportunity may be realised within the next three to five financial years.
Rare	1	Opportunity may be realised in exceptional circumstances.

Impact	Score	Opportunity Impact Definitions
Exceptional	5	Exceptional improvement to service (s) (e.g. quality, level, speed, cost, etc). Exceptional delivery of strategic objectives or priorities. National or international partnership initiative or arrangement. Extensive positive coverage in national press. Major improvement to local, national or international environment. Income and/or savings in excess of £500,000 Exceptional savings of resource (e.g. time, labour).
Major	4	Major improvement to service (s) (e.g. quality, level, speed, cost, etc). Major delivery of strategic objectives or priorities. National or regional partnership initiative or arrangement. Positive coverage in national press. Major improvement to local environment. Income and/or savings of between £100,000 and £500,000. Major savings of resource (e.g. time, labour).
Significant	3	Significant improvement to service (s) (e.g. quality, level, speed, cost, etc). Significant delivery of strategic objectives or priorities. Regional partnership initiative or arrangement. Significant positive coverage in local press. Significant improvement to local environment. Income and/or savings of between £50,000 and £100,000. Significant savings of resource (e.g. time, labour).
Moderate	2	Moderate improvement to service (s) (e.g. quality, level, speed, cost, etc). Moderate delivery of strategic objectives or priorities. County wide level partnership initiative or arrangement. Positive coverage in local press. Moderate improvement to local environment. Income and/or savings of between £10,000 and £50,000 Moderate savings of resource (e.g. time, labour).
Minor	1	Minor improvement to service. Minor delivery of strategic objectives or priorities. Local level partnership initiative or arrangement. Minimal positive coverage in local press. Minor improvement to local environment. Income and/or savings of below £10,000 Minor savings of resource (e.g. time, labour).

Risk Management - We aim to minimise scores

Likelihood	Score	Risk Likelihood Definition
Rare	1	It is unlikely that the event will occur
Possible	2	It is likely that this event will occur but not within the next year
Likely	3	There is a fair chance (50:50) that this event will occur within the next year
Almost Certain	4	The event will almost certainly occur within the next six months
Certain	5	The event has occurred or will almost certainly occur within the next three months

Impact	Score	Risk Impact Definition
Negligible	1	Day to day operational problems Budgetary issues that can be resolved within Service
Minor	2	Manageable disruption to services Noticeable internal impact, but the Service would remain on course to achieve priorities Budgetary issues that can be resolved within Service Management Team Localised reputational damage Isolated complaints Minor Injury to employees or those in the Council's care
Significant	3	Significant loss, delay or interruption to services Disruption to one critical Council Service for more than 48hrs Non-delivery of corporate and service plan objectives Significant stakeholder concern Attracting short term media attention and potential for litigation/ prosecution from legislative or regulatory bodies Long term regional damage to reputation Budgetary issues that can be resolved at Directorate level. Serious Injury to employees or those in the Council's care Significant complaints
Major	4	Widespread medium to long term impact on operational efficiency, performance and reputation. Major disruption to Council's critical services for more than 48hrs (e.g. major ICT failure) Breach of legal or contractual obligation attracting medium-term attention of legislative or regulatory bodies. Adverse coverage in National Press/Front page news locally Budgetary issues that can only be resolved by Section 151 Officer / Chief Executive / Members Serious Injury to employees or those in the Council's care

Impact	Score	Risk Impact Definition
Critical	5	Potential to threaten the existence of a service/s Death of employees or those in the Council's care Inability to function effectively, Council-wide Service delivery has to be taken over by Central Government Front page news story in National Press Serious breach of legal or contractual obligation resulting in National impact with rapid intervention of legislative or regulatory bodies. Extensive adverse media interest. Budgetary intervention at national level

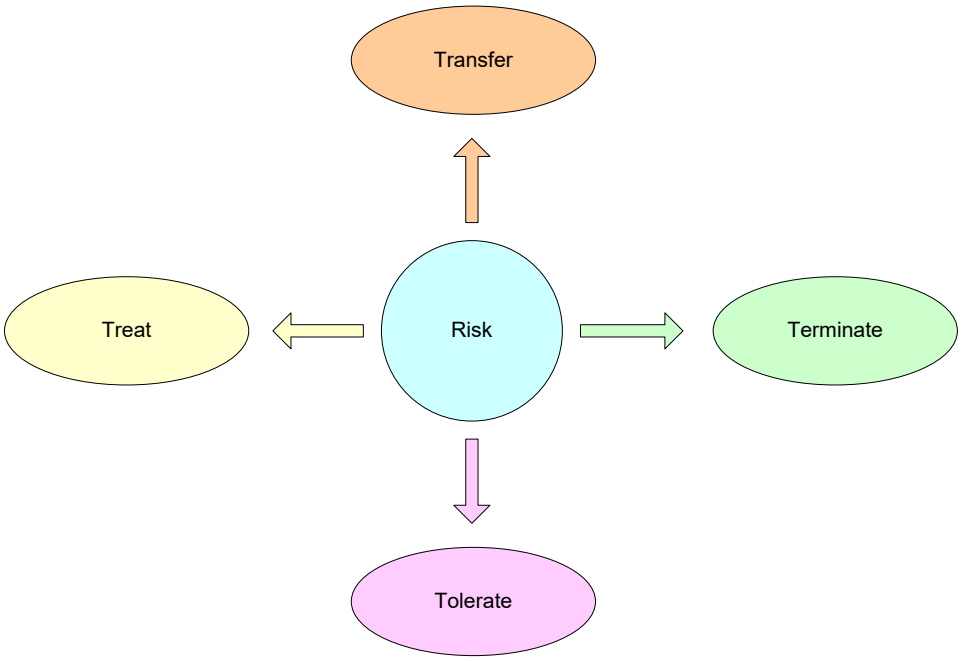
RISK IMPACT								OPP IMPACT						
	5	L	M	H	H	H		H	H	H	M	L	5	
	4	L	M	M	H	H		H	H	M	M	L	4	
	3	VL	L	M	M	H		H	M	M	L	VL	3	
	2	VL	L	L	M	M		M	M	L	L	VL	2	
	1	VL	VL	VL	L	L		L	L	VL	VL	VL	1	
		1	2	3	4	5		5	4	3	2	1		
RISK LIKELIHOOD								OPPORTUNITY LIKELIHOOD						

When considering the impact definitions, it must be borne in mind that not every definition will be appropriate. There therefore needs to be a realistic assessment of the definitions that are most appropriate so that a decision on the correct impact choice can be made. The risks and opportunities are then plotted on a matrix which allows us to prioritise both our risks and opportunities.

Appendix C

Addressing Risks

Once a risk has been identified and assessed, necessary control measures must be considered. We need to look at what is currently in place and consider what additional actions are required to limit exposure. This needs to be balanced between the costs of additional controls and the potential impact if the risk was realised. There are four courses of action which could be taken:



Tolerate the risk: it is sometimes acceptable to do nothing once a risk has been analysed, as the cost of taking action may be disproportionate to the potential benefit gained. Sometimes the risk needs to be tolerated as actions cannot be implemented as it is out of the Council's control. For example, legislative changes, external decisions etc. In this instance, the management action required is to monitor the risk to ensure that its likelihood or impact does not change.

Treat the risk: by far the greater number of risks will be in this category. The purpose of treatment is not necessarily to terminate the risk but to implement control mechanisms and mitigation to manage the risk to an acceptable level.

Terminate the risk: if an activity is deemed too high a risk, then the Council can decide to stop undertaking that activity. However, it is more appropriate to reconsider the activity with a view to undertaking it in a different way to ensure control mechanisms can be implemented.

Transfer the risk: this might be done by transferring the financial consequences to an insurer or by transferring legal liability in a contract to another body which transfers some, but not all, of our risks (this can introduce a new set of risks to be managed);

Risk Transfer – Insurance Arrangements

The Council currently takes cover with external insurers for the following categories of insurable risk:

- Casualty;
- Property;
- Motor;
- Fidelity Guarantee;
- Engineering.

The Insurance Team process and monitor all the claims being submitted to the Council. This enables the team to identify trends, take action and reduce potential future claims. The strategic risk profile of the Council is considered during the renewals process and the insurability of each identified risk is assessed.

Appendix D

Partnership and Contracts Opportunity Risk Management

The Council recognises the important roles and contribution its partners make to the achievement of its priorities and outcomes.

As we evolve and implement new efficient ways of delivering our services, our expectations and reliance upon our partners will be extensive. We need to embrace the opportunities to develop partnership arrangements and initiatives and work collaboratively and effectively with all our partners.

Opportunity Risk Management plays a vital role in ensuring that these partnerships are successful and that they do not expose the Council to unnecessary risks.

How robust our partners and contractor's business continuity arrangements are, is also key to ensuring that our arrangements with them, and expectations of them, are not compromised. Therefore, attention has to be paid to the business continuity arrangements that are in place and how these are reviewed and tested. This further reduces the Council's vulnerability within the partnership or contractual arrangements.

Managers need to identify their key contracts/ partners and risk assess these arrangements in relation to the reputational, financial or service delivery impact if these arrangements should fail. Where there is reliance on consultants to help deliver new ways of working, managers must ensure that these arrangements are also risk assessed in a similar vein. It is key that their business continuity arrangements are checked to ensure these are robust to protect the interest of the authority.

Appendix E

Appendix E

The Risk & Business Continuity Team

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