Birmingham City Council

Risk Management Toolkit 2017

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1. Foreword

As the Acting Chief Executive, I have been nominated by Cabinet to embed, monitor and report upon Corporate Governance across the Council, including leading on the Council's risk management arrangements.

The Council's financial position, both revenue and capital, is extremely challenging and will continue to require robust management and, at times, difficult decisions over resource priorities. It is important that the maximum amount of resources can be channelled into achieving the Leaders vision for Birmingham.

We must not lose sight of the fact that risk is inextricably linked to opportunities and innovation. The Council cannot be risk averse and it needs to take full advantage of opportunities for improving services. Therefore, it needs to be pro-active and prepared in the way that it manages risk.

Risk Management has been recognised as a key element in the management of the Council. By managers having a better understanding of the importance of, and fully implementing, risk management it will make a huge contribution to improving overall corporate governance within the Council. Better identification of risks and their management will mean that better use of resources is achieved. If we all use the resources available to us more efficiently and effectively then the service to our customers can only improve.

This toolkit has been developed to allow managers to identify risks which would prevent them from achieving their objectives (including failing to take advantage of opportunities) and to provide information and guidance on how these risks can be managed.

Angela Probert
Acting Chief Executive
Birmingham City Council

2. Introduction

Risk management is about making the most of opportunities (making the right decisions) and about achieving objectives once those decisions are made. This is achieved through transferring, controlling and living with risks.

It must be stressed that risk management is about being risk aware and making the most of opportunities rather than avoiding risk altogether. In order to meet our objectives it is appreciated that some risks must be taken. It is important, however, that these risks are actively controlled. One of the biggest risks that could face Birmingham City Council (BCC) would be to do nothing at all.

Risk management is the process by which risks are identified, evaluated and controlled. It is part of the code of corporate governance which considers how well the authority carries out its duties and responsibilities against six key components:

- Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision in the local area
- Members and officers working together to achieve a common purpose with clearly defined functions and roles
- Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- Developing the capacity and capability of members and officers to be effective
- Engaging with local people and other stakeholders to ensure robust public accountability

Risk management is not a new process; it is a formalisation of processes that are already in place. Risk management is integral to a well-managed council; it is something that managers undertake every day. It is so intrinsic to their jobs that often they do not realise they are doing it. It is crucial that the aims and objectives of directorates or the Council as a whole can be clearly linked with the risks involved. Risk management should be embedded within the business planning process.

The process has been made as simple as possible, and jargon has been kept to a minimum. There may be some terms that you are not be familiar with; therefore a list of the more common terms has been included at 13. Key Definitions for your guidance. Appendix G also contains some cross cutting risks and generic risks to prompt discussions and be a start point for you to use.

This toolkit is a working document for managers to use in maintaining the documentation required to support their Risk Register. Although managers will be tasked with holding and updating risk registers, risk management is the responsibility of all Council employees.

3. Council's Risk Management Policy Statement & Strategy

Our Risk Management Policy, Strategy and Methodology support the Council's Corporate Planning Framework. The Council has a clear vision for Birmingham

Birmingham: a city of growth, where every child, citizen and place matters.

- A great city to grow up in
- A great city to live in
- A great city to succeed in
- A great city to grow old in

The Council's role is to lead with others to improve people's lives and ensure citizens have services they deserve.

Robust risk management will help to support delivery of this vision.

The Risk Management Strategy sets out:

- The Council's risk management objectives and how these will be achieved.
- The milestones to be met in embedding risk management.

The strategy is subject to annual review to ensure that it remains up-to-date and continues to reflect the Council's approach to risk management.

Our approach to risk management, which provides a vision of what we are aiming for, is summarised below:

Risk management is not simply a compliance issue, but rather a way of viewing our operations with a significant impact on long-term viability. It is critical to success and is a focal point for senior management and Members. It helps us to demonstrate openness, integrity and accountability in all of our dealings.

It is vital that we develop the use of risk management in our dealings with third parties such as through partnerships, contracts, and other new service delivery models such as Social Enterprises, Trusts and Wholly Owned Companies. While these areas contain significant risks for the Council, they also have the potential to provide significant benefits if well managed. The use of risk management to mitigate risks while also exploring opportunities is key to ensuring that these working arrangements contribute positively to service delivery.

The long term aim is for risk management to be carried out at all levels of the organisation with each level feeding up to the next level to ensure that operational risks are not missed, and that strategic risks can be fed down to operational areas, as appropriate, to contribute to their mitigation.

The Risk Management Methodology is included at Section 8 within this Toolkit, and this together with the full Risk Management Policy Statement and Strategy are available on the PSPG database.

4. The Audit Committee

The Audit Committee was established as a formal Committee of the Council on 7th February 2006. Their Terms of Reference is attached as Appendix D.

The purpose of the Audit Committee is to support the Council's Corporate Governance responsibilities and to provide independent assurance to the Council in relation to internal control, risk management and governance.

The Audit Committee has a strong focus on risk and internal control as well as on good financial management. The Audit Committee receives a variety of documents for review, including updates to the Corporate Risk Register.

The Audit Committee is comprised of eight members drawn from across the political parties in accordance with the rules of proportionality. The Chair is from the leading party and does not have any other Cabinet or Scrutiny responsibilities. Three Members are required to be in attendance for the Committee to be quorate.

The Audit Committee meetings are held in public, although there are occasionally private reports received where the public are excluded.

5. Corporate Leadership Team

The Corporate Leadership Team is attended by Strategic Directors and Directors from across the Council.

6. Risk Representatives / Contacts

Risk representatives have been nominated by each directorate to assist in embedding risk management within the Council. The objectives of risk representatives include:

- implementing a practical and workable approach to risk management within the directorate, using the existing processes of performance management and business planning;
- embedding risk management into the day to day running of the directorate; and
- producing and maintaining an up to date directorate risk register and responses to corporate risks.

7. Context to Risk Management

The perceived benefits of good risk management

Formally incorporating risk management into day-to-day management increases the focus on what needs to be done (and not done) to meet objectives. This results in:

- More satisfied stakeholders
- Better management of change programmes
- Support for innovation
- Fewer complaints
- Greater control of insurance costs
- Potential quality improvements in service delivery
- Support for the Equality Analysis process
- The provision of evidence to support Assurance Statements
- Enhanced ability to justify actions taken
- Protection and enhancement of the reputation of the Council
- Reduced risk of mistakes
- Demonstration of commitment (to risk management as an example to others)
- Conformance with Council policies (across all areas of risk)
- Improved management performance (good risk management is good management)
- Consistent approach avoiding damaging or embarrassing gaffes
- Compliance with legislation
- Securing funding (funding bodies including the government are increasingly interested in the effective management of risk)
- Improved contingency arrangements as set out in business continuity plans
- A reduction in the risk of fraud and corruption

8. The Risk Management Methodology

The risk management methodology has five key stages:

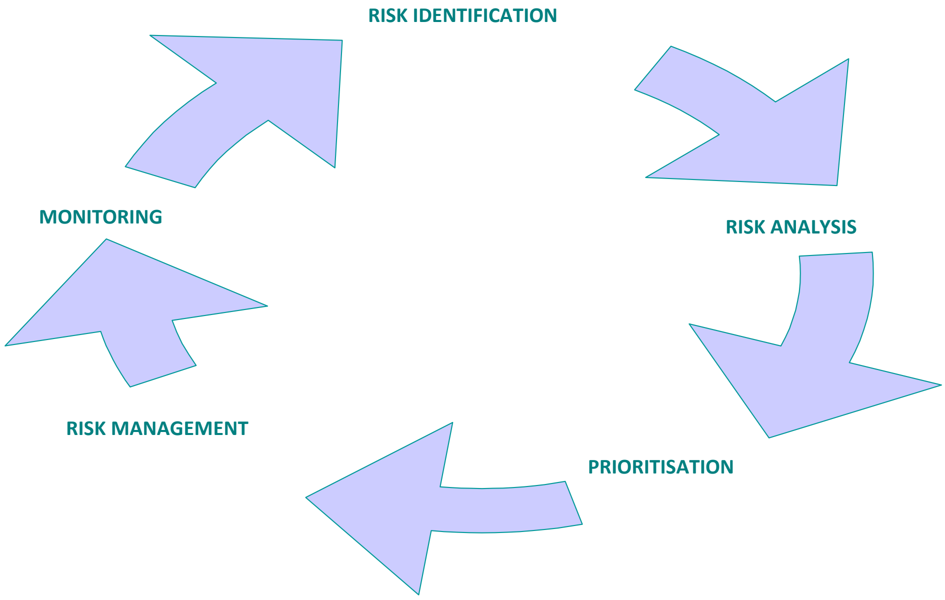
1. **Risk / Opportunity Identification**

2. **Risk / Opportunity Analysis**

3. **Risk / Opportunity Prioritisation**

4. **Management of Risks / Opportunities**

5. **Monitoring of Progress and Reviewing Risk Registers**



8.1 Risk / Opportunity Identification

The starting point for the identification of risks and opportunities should be to examine the directorate, service or project's objectives and required outcomes as specified in the current business plan or the project plan. It is important that managers do the risk identification and examine all identified risks and link them to the appropriate service or project objectives and outcomes. If a risk cannot be clearly linked to an objective or outcome then serious consideration should be given as to whether this risk needs to be borne by the service at all. The identification of risks may, however, highlight key objectives of the directorate, which should be included within the business plan. The Council has guidelines on what should be included in business plans; the corporate business planning guidance is held on People Solutions under the Manager Self Service tab.

Identification is the first step in the process of risk management. It is appreciated that managers may have well developed processes in place for the identification of risk. This section is merely to ensure that all areas of risk have been considered within individual services.

It is important that all members of staff are involved in the risk management process. Managers should ensure that there is a process in place for employees to actively report any risks as and when they arise, and also for them to report when the extent of the risk changes.

Some risks will be identified on an on-going basis but will be rectified almost immediately and will therefore not form part of the formal risk register e.g. a missing sign on an emergency exit should not be included, but should be rectified as soon as possible. If, however, it was noted that emergency exit signs were being stolen on a regular basis, this fact should be recorded.

There are many ways of identifying risk:

- Experience
- Service reviews carried out by internal and external audit and other inspectorate bodies i.e. Ofsted
- Risk assessments
- Equality Analysis
- Directorate / divisional meetings / workshops
- Internal control processes
- Day to day operations
- Local / National or Technical media
- Alterations to legislation
- Performance indicators
- Management information
- Insurance claims / losses information

The list below is provided as a guide and is not designed to be all encompassing, but is intended to give you a starting point to identify risks. A workshop approach is often effective when undertaking the risk identification stage. This stage should be repeated regularly to ensure that new risks arising are identified and brought into the risk profile as appropriate.

Types / Categories of risk:

Reputational risks - Arising from all risk types / categories which are considered to have an impact on how the Council is viewed by both internal and external stakeholders.

Political risks - Arising from the political situation.

Examples of issues to look out for in local government:
- Political make-up (majority party, hung council, key opposition parties)
- Decision-making structure (elected mayor with cabinet, cabinet with leader, council and council manager, traditional committee structure)
- Leadership issues (lack of strong leadership, concentration of power into the hands of a few, imbalance of power)
- Election cycles (power shifts, undue influence on electioneering)
- Central Government initiatives impacting on Local Government

Economic risks - Arising from the national, local and organisation specific economic situation.

Examples of issues to look out for in local government:
- Key employment sectors (e.g. over reliance on key industries / employers)
- Changing macroeconomic condition (e.g. changes in economic growth, interest rates, inflation etc)
- Poverty and deprivation indicators
- Property prices (e.g. low prices affect capital receipts, slow-down in building reduces Council Tax income growth)

Social risks - Arising from the national and local demographics and social trends.

Examples of issues to look out for in local government:
- Demographic profile changes e.g. the growth in numbers of young children needing schools, 16 &17 year olds in fulltime education and the growing elderly population
- Equality Analysis regarding age, disability, gender, gender reassignment, race, religion or belief, and sexual orientation.
- Leisure and cultural provision
- Crime statistics / trends
- Children at risk

Customer / Citizen risks - Arising from the need to effectively deliver services which meet the needs and expectations of customers and citizens.

Examples of issues to look out for in local government:
- Is service delivery effective? Do residents, taxpayers, businesses and partners receive the services they require when they need them? Are expectations being managed?
- Extent and nature of consultation with / involvement of community, e.g. community groups, local businesses, focus groups, citizens' panels, etc.
- Equalities issues should be identified in relation to your service / function

Technological risks - Arising from technological change and the organisational technological situation.

Examples of issues to look out for in local government:

- Capacity to deal with technological changes and e-government targets
- Current use of and reliance on technology
- Current or proposed technology partners
- Security and standards, e.g. on back-up and recovery, business continuity plans, response to hacking or other malicious attacks

Legal risks - Arising from possible breaches of legislation.

Examples of issues to look out for in local government:

- Legal challenges and claims including under The Public Contracts Regulations 2015, Equalities legislation and the Equal Pay Act
- Loss of personal or sensitive data
- Acting outside delegated powers

Legislative / Regulatory risks - Arising from current and potential changes and the organisation's regulatory environment.

Examples of issues to look for in local government:

- Preparedness for new, and compliance with existing, legislation and regulations - including European law / regulations, e.g. Equalities legislation, Human Rights Act, Department of Enterprise, Trade and Investment (DETI) guidelines, H&S regulations
- Exposure to regulators - e.g. auditors / inspectors
- Localism Act and the various rights this gives local people such as Community Asset Transfers
- The Public Services (Social Value) Act 2012
- Welfare Reform Act 2012 and the Local Government Finance Act of 2012, covering the introduction of Universal Credit, the Benefits cap, Social Sector Size Criteria restrictions to Housing Benefit and changes to Council Tax rebate schemes

Environmental risks - Arising from inherent issues concerned with the physical environment.

Examples of issues to look out for in local government:

- Nature of environment (urban, rural, mixed)
- Waste disposal and recycling issues
- Pollution issues, e.g. contaminated land, fly tipping, carbon tax
- Traffic problems / congestion
- Extreme weather conditions, e.g. flooding, storms, tornadoes, etc.

Competitive risks - Arising from the organisation's competitive spirit and the competitiveness of services.

Examples of issues to look out for in local government:

- Success in securing funding
- Opportunities for income generation
- Competition for service users, e.g. leisure, car parks
- Position in league tables
- Relationships with neighbours and partners, e.g. competitive or collaborative
- Performance indicators and inspection results

Partnership / Contractual risks - Arising from the nature of the partnerships and contracts. This looks at the particular risks which are faced when delivering services in conjunction with potential partners, e.g. differing local needs or contractual terms and conditions.

As part of the process of planning Birmingham's future the Council is looking at paying for services differently. Linked with this is the need to manage contracts well.

'Delivering services together' is another way the Council is focusing more on 'whole people' and 'whole places'. This is where planning, commissioning and delivering services is done in an integrated and coordinated way. Joining up services such as social care, health, housing, learning and family support makes it easier to plan what is needed and see what works best.

Examples of potential partners include private sector firms, other local authorities, the Police, the Fire Service, NHS Primary Care Trusts and hospitals, universities, central government agencies or other public sector institutions. There are new methods of service delivery being used or that could be used in the future such as Trusts, Wholly Owned Companies such as Acivico, Social Enterprises and Cooperatives to help the Council to deliver its vision and aims.

The types of risks that can arise are around service delivery, investment of time, money and expertise, meeting organisational objectives, fair procurement, risk of fraud and reputational risk. It is necessary to ensure that corporate governance arrangements are robust; particularly in terms of ensuring effective performance management and that liability and accountability frameworks are explicitly agreed in advance.

Examples of issues to look out for in local government:

- Key strategic partners - from public, private and Third Sectors, and District Strategic Partnerships
- Joint ventures
- Outsourced services - particularly if the service outsourced is a statutory one so the risk of non-delivery remains with the Council

Managerial / Professional risks - Arising from the need to be managerially and professionally competent.

Examples of issues to look out for in local government:
- Professional / managerial standing of key officers
- Stability of officer structure - particularly at the top
- Key staff changes and personalities
- Turnover, absence, stress levels
- Workforce planning
- Equalities issues, the completion of Equality Analysis and the putting in place of action plans to mitigate where changes are needed
- Managing major changes

Financial risks - Arising from the budgetary, financial planning and control framework.

Examples of issues to look out for in local government:
- Financial situation such as areas of significant over or under spending
- Flexibility to allocate budgets to address areas where control weakness is identified
- Level of reserves and budgetary control
- Monitoring and reporting systems
- Fraud / mal-administration and corruption
- The incidence of past insurance claims are analysed and used to inform future mitigations e.g. areas where controls need improving

Physical risks - Arising from physical hazards associated with people, buildings, vehicles, plant and equipment.

Examples of issues to look out for in local government:
- Nature and state of asset base e.g. Listed buildings and other property owned, dilapidation of leased property
- Commitment to health, safety and well-being of staff, partners and the community
- Potential physical hazards such as monitoring the condition of trees on public land or highways, and slips and trips on pavements
- Accessibility of public buildings under Equalities Legislation such as the Disability Discrimination Act requirements

8.2 Risk Analysis

This is the process of reviewing the risks identified so that similar risks can be grouped and classified according to the likelihood of them occurring and the impact they would have.

Measures of likelihood:

Description	Example Detail Description
High	Almost certain, is expected to occur in most circumstances. Greater than 80% chance.
Significant	Likely, will probably occur in most circumstances. 50% - 80% chance.
Medium	Possible, might occur at some time. 20% - 50% chance.
Low	Unlikely, but could occur at some time. Less than 20% chance.

Measures of impact:

Description	Example Detail Description
High	Critical impact on the achievement of objectives and overall performance. Critical opportunity to innovate/improve performance missed/wasted. Huge impact on costs and/or reputation. Very difficult to recover from and possibly requiring a long term recovery period.
Significant	Major impact on costs and objectives. Substantial opportunity to innovate/improve performance missed/wasted. Serious impact on output and/or quality and reputation. Medium to long term effect and expensive to recover from.
Medium	Waste of time and resources. Good opportunity to innovate/improve performance missed/wasted. Moderate impact on operational efficiency, output and quality. Medium term effect which may be expensive to recover from.
Low	Minor loss, delay, inconvenience or interruption. Opportunity to innovate/make minor improvements to performance missed/wasted. Short to medium term effect.

The descriptions are applied as follows:

- Firstly the likelihood and impact of the risks identified will need to be considered as if no controls exist - this will give the inherent risk.
- Secondly the likelihood and impact of the risks will then need to be considered based on an evaluation of the effectiveness of existing controls to give the residual risk now.
- Then there will need to be consideration of what the target risk is. This is the level of risk that you are aiming to manage the risk down to, over time.

The table below gives examples of how the impact score could be determined for a sample of risk types / categories:

Risk Type / Category	**Low**	**Medium**	**Significant**	**High**
Reputational	Single adverse article in local media or specific professional journal that is not recirculated (eg: through social media). BCC one of a number of agencies referred to.	A number of adverse articles in regional social media mentioning BCC. Some circulation via social media. Single request for senior officer / Member to be interviewed on local TV or radio. Adverse reaction by Birmingham residents in social media / online forums. Short term reduction in public confidence.	Series of adverse front page / news headlines in regional or national media. Wider recirculation via social media. Sustained adverse reaction by Birmingham residents in social media. Repeated requests for senior officer / Member to be interviewed on local TV or radio. Long term reduction in public confidence.	Sustained adverse publicity in regional media and / or national media coverage. Extensive / prolonged recirculation via social media channels. Repeated requests for Leader / Chief executive to be interviewed on national TV or radio. Possible resignation of senior officers and or elected members. Total loss of public confidence.
Legislative / Regulatory	Minor breach of statutory legislation / regulation.	Single breach in statutory duty. Challenging external recommendations / improvement notice.	Several breaches in statutory duty. Enforcement action and improvement notices. Critical report.	Multiple breaches in statutory duty. Prosecution. Complete systems / service change required. Severely critical report.
Environmental, Custom / Citizen	Superficial damage to local infrastructure (eg: minor road) but little disruption caused.	Medium damage to local infrastructure (eg: minor road) causing some disruption.	Key elements of local infrastructure (eg: school, major road) damaged causing major disruption.	Extensive damage to critical elements of local infrastructure (eg: school, hospital, trunk road) causing prolonged disruption.

Risk Type / Category	Low	Medium	Significant	High
Managerial / Professional	Short term low staffing level that temporarily reduces service quality. No impact on staff morale.	Medium term low staffing level / insufficient experienced staff to deliver quality service. Some minor staff dissatisfaction.	Late delivery of key objective / service due to lack of experienced staff. Low staff morale.	Non-delivery of key objective / service due to lack of experienced staff. Very low staff morale.
Health & Safety	Short lived / minor injury or illness that may require first aid or medication. Small number of work days lost.	Moderate injury / ill effects requiring hospitalisation. Risk of prosecution from enforcement agencies.	Single fatality and / or long term illness or multiple serious injuries.	Multiple fatalities and / or multiple incidences of permanent disability or ill health.

8.3 Risk Prioritisation

Once the inherent risks have been classified they need to be mapped onto the matrix as shown in this example. The colours are a “traffic light” system that denotes the risk appetite of the Council. The mapping will need to be repeated to record the residual risk too as this will show how controls in place have influenced the level of risks. E.g. the inherent risk could place a risk within the red zone as a severe risk, but because controls in place are evaluated as being effective and consistently applied the residual risk could fall within the yellow (material risk) or green (tolerable risk) zone. The mapping can then be repeated to record the target risk to provide a view of how much further it is aimed to reduce the level of risk to.

LIKELIHOOD

High				
Significant				
Medium				
Low				
	Low	Medium	Significant	High

IMPACT

Key:

Severe	Immediate control improvement to be made to enable business goals to be met and service delivery maintained / improved
Material	Close monitoring to be carried out and cost effective control improvements sought to ensure service delivery is maintained
Tolerable	Regular review, low cost control improvements sought if possible

8.4 Management of Risks

This aspect of the process involves:

- setting the risk appetite, this requires a decision to be made on the degree to which risks are acceptable. This can vary from risk aversion through to risk taking, and will depend upon the nature of the service. The result of this is to set the level at which risks can be tolerated and therefore accepted. The Council's risk appetite is shown on the risk matrix by the identification of which risks are severe (red zone), material (yellow zone) and tolerable (green zone);
- assessing whether to accept (tolerate), control (treat), modify, transfer or eliminate (terminate) the risk, or how to respond to the opportunity, based on the availability of resources;
- documenting the reasons for the decision taken;
- implementing the decision;
- assigning ownership to manage the risks / opportunity to specific officers; and
- the completion of an action plan, at management's discretion, detailing existing controls, an assessment of their effectiveness and recording where the evidence that the controls are operating can be found. The action plan also has space to record what further controls are needed, along with who is responsible for these and to record the target risk when appropriate.

Controls are the tools that managers use to manage their services. They are the methods used by managers to assure them that they are achieving their business aims, meeting service objectives and delivering the outcomes required, and that the service is being provided in the most efficient and effective way. The cost and robustness of existing or additional controls is a key consideration at this point and needs to be balanced against the potential consequences (reputational, financial or otherwise) if the event occurred. The cost of implementing and operating a control should not normally exceed the maximum potential benefit.

Using Control Risk Self-Assessment, to provide direct management assurance that managers and staff at all levels are actively evaluating and improving the control framework, to support risk management processes is a way for managers to demonstrate their awareness of risk and that they are embedding controls and actions to manage risk and to take advantage of opportunities within their day to day role. A guide with regard to Control Risk Self-Assessment (CRSA) is posted on the Birmingham Audit page on InLine: Management Guide to CRSA

Effective risk management is a vital component within the Directorate, and Business Unit Assurance Statements that are completed each year.

Approaches to managing risks:

Accepting / Tolerating risks means that you intend to manage the risk within your existing management routines. Risks should only be accepted where officers believe that the residual risk is tolerable to the service area, i.e. where they fall within the green zone of the matrix.

Controlling / Treating risk means that you identify additional action(s) to be taken that will reduce the likelihood and / or impact if the event occurred. Controls can be:

- preventative, such as physically restricting access to hazardous chemicals, insisting on two signatories, ensuring segregation of duties exist within a system, implementing authorisation limits, or restricting levels of access on IT systems. These controls will help reduce risk levels from the outset. Equality Analysis is also an example of a preventative control as they help to highlight the potential risk of discrimination.

- detective, such as quality checks, alarms, exception reports, accident reports, financial reports such as budget monitoring reports and insurance claims. These will show when something has gone wrong - perhaps a trigger event that can then alert you that the risk event is becoming more likely to occur.

- directive, such as procedure manuals, guidance notes, instructions, training. These advise on how to carry out processes safely but if they are not adhered to they will not prevent risk events occurring.

Modifying risks means that you change the activity or the way in which it is carried out because adding control mechanisms would not help to reduce likelihood and / or impact.

Transferring risk means using an insurer or other third party to cover the cost or losses should a risk materialise. However, care needs to be taken to accurately specify the risks to be covered. Making arrangements with others such as joint working, partnerships or contracting out to provide services could also be used to transfer risks. However, other risks can arise from these arrangements and the responsibility of providing the service could remain with the Council. When transferring risks to other parties, ensure that risk registers spell out where liability and accountability lie between parties.

Eliminating / Terminating risk means ceasing to carry out the activity because modifying it or controlling it would not reduce the risk to an acceptable level.

It may be however that the risk identified is outside your immediate control. In this case the action you need to take is to ensure that you have a business continuity plan in place in case the risk does occur, so that you can deal effectively with the consequences. See section 10 below for information on business continuity management.

8.5 Monitoring of Progress and Reviewing Risk Registers

This is a key stage of the process. It is necessary to monitor the action plans developed at stage 4 above and to regularly report on the progress being made in managing risks, or taking advantage of opportunities, so that the achievement of the Council's aims and service objectives is maximised and losses are minimised.

In addition there needs to be an assessment of the effectiveness of risk management actions put in place to reduce the likelihood / impact of adverse risk events occurring. Alternative action will need to be taken if the initial action has proved ineffective.

Direct management assurance that controls are in place and are continuing to work effectively to mitigate risk is a key part of the review process. One way of providing management assurance is to use Control Risk Self-Assessment.

Reviewing risk registers to ensure they remain up-to-date and relevant should also be done.

- Previously identified risks will change over time; some may become less of a hazard, for example once all the affected staff have been trained. Others may become more likely if a key milestone is approaching, such as the end of a funding stream.

- It may become necessary to escalate a risk up a level if the situation has changed or the initial assessment has proven to be inaccurate. Conversely it may be possible to delegate a risk.

- New risks identified or opportunities arising will need to be added.

- It may be appropriate to delete risks. However, when risks are deleted from a register there should be a record of the reasons for this decision, and what has happened to the risk e.g. it has been removed at a Directorate level but has been passed to a Business Unit to manage.

Monitoring progress and reviewing the risk registers should take place on at least a quarterly basis, and more frequently if there are many changes or the project is progressing rapidly.

Documenting the review of the risk register and action plans is also necessary, but need not be onerous. The fact that the review has been carried out should be recorded along with a note of any changes made and this should be fed up to the next level of management for information. This also provides the mechanism for escalating risks or highlighting changes that more senior management needs to be aware of.

Although the exact process used will differ between management teams, the following is an example of how officers may wish to approach the review:

1. Go through the risks listed in the register to consider whether each risk is:
   a. Still valid.
   b. If the situation has changed in the interim period regarding the mitigating actions / controls you have in place or if it stays the same.
   c. Record descriptions of any further mitigating actions that are being carried out now.
   d. Move any actions from the “further agreed control measures” column if they have been implemented and update this column as necessary.
   e. Use the likelihood and impact definitions to determine the amended residual risk if appropriate.
   f. Escalate the risk, if in the light of the review it is more serious than was first thought and requires more senior management action.
   g. Delegate the risk e.g. to service level, if in the light of the review it is relevant to that particular service and can be managed at a local level.
   h. Decide if any risks should be deleted, and if so minute the reason for the decision.

2. Identify if any new risks have arisen, for example:
   a. From an adverse event occurring.
   b. By something new happening, e.g. a new partner organisation to work with, a new project starting, new / different way of delivering services.
   c. As a result of ongoing management review, e.g. unexpected demand for a service, etc.
   d. From changes in legislation.

3. Use the likelihood and impact definitions to determine the inherent and residual risk associated to any new risks, and capture the mitigating actions / controls currently in place.

8.6 Risk Register & Action Plans Formats to be used

All key risks identified should be entered onto a risk register in the standard format. Action plan should be completed at management’s discretion, as detailed earlier in this document. Templates for risk registers and action plans can be found at Appendices A and B.

9. Business Planning & Budget Setting

One of the keys to successfully embedding risk management is ensuring that it is explicitly linked to business planning. In a properly embedded process, remedial action should take place to mitigate those risks which managers believe are insufficiently controlled, i.e. where the residual risk exceeds the target risk. The link to business planning is a development of the discussion in section 8.4; managing under-controlled risks can require changes to the way services are delivered or structured, and this may require the allocation of additional resources.

Effective management of risks can only be achieved through the effective management of resources. Where control weaknesses are identified which create an unacceptable exposure to risk, resources should be allocated to 'plugging the gap'. This can take a variety of forms, depending upon the nature of the risk, the existing controls, and magnitude of the exposure.

Those controls currently in place may require strengthening, or new ones may need introducing. For example, it could be that an ICT solution is required to improve efficiency or enable additional monitoring; or possibly the feasibility of the service being provided by a partner instead of directly by the Council. These examples have a cost, some of which may be financial, some of which may have an opportunity cost. As a result, it is important that managers retain flexibility in their service and financial planning to enable developing risks to be managed. Of course the converse may also apply; the risk process could identify risks which are over-controlled. Savings may be achieved by reducing the control environment, saving money and / or enabling the re-direction of staff to other areas to improve service delivery.

The risk register and action plan should be used to record these responses. The agreed actions can be logged on both documents, with more detail added on the action plan. This could also include a discussion of where the resources to fund the strengthening will come from. The result will be a concise analysis of the nature of the risk exposure, the response to the problem and the financing of the solution. Where budget variances occur as a result of the additional expenditure, the risk management documents can provide a concise and robust explanation to support this.

As noted in the risk management methodology (see the introductory paragraphs to section 8), it is important to use the knowledge we have acquired to inform and shape our future actions. Business plans should be updated with the results of risk assessments which have been previously undertaken. Risk management should not be viewed in isolation, but should be used as an important tool in informing the business planning process. What we learn now should help us identify what we will do in the future, how we will achieve it, and the problems we may encounter. This will ensure that the risks and mitigations already identified are considered and included in subsequent plans. The benefit will be that business plans are as relevant and accurate as possible, and contribute effectively to the achievement of objectives and the delivery of the outcomes required.

10. Business Continuity Management

Business continuity management is the process of planning to maintain the services provided by the Council in the event of an interruption to the 'normal operation' of the Council. Business continuity is a bridge between the response to an incident and the full recovery from it.

Within any risk register there will be many risks that could have a major impact on the services' ability to provide the required outcomes. It is, however, not always possible to mitigate these risks, therefore it is important that the service examines these risks in detail in advance, and develops a plan (i.e. a Business Continuity Plan), which can be used to enable service delivery to continue should a problem arise. An example of this could be where you are unable to access your base due to a disaster such as a fire or a flood, or it is cordoned off due to a police incident or terrorist action.

The Council has insurance to cover the cost associated with a building such as a school being damaged by fire. The service (i.e. teaching children) will still need to continue in some form until the property has been rebuilt. A plan needs to be developed so that each service can be provided until such time as normal operations can continue.

The business continuity plan needs to be developed in advance of an incident, because often with a little forethought many of the more serious consequences of an incident can be mitigated. This plan will be generic in so far as the basic information that it contains can be used to cover many different risk eventualities. As a service provider, continuity of service is vital for our customers and clients.

11. Annual Report & Annual Governance Statement

There is an Annual Report & Annual Governance Statement (which includes a statement on internal control) signed off by the Leader of the Council, the Chief Executive, and the Strategic Director Finance & Legal. These are published by July following the financial year end. The Annual Governance Statement is included within the Council's Financial Accounts.

Directors are specifically asked about risk management within the assurance statements they complete which provide supporting evidence for the Annual Governance Statement. Using risk management will also assist Directors in completing other aspects of their directorate assurance statements.

Although the arrangements for preparing the directorate assurance statements are well established, it is imperative that the process continues to be driven down the organisation.

It is important that we encourage and where necessary demand the wider use of statements across directorates, to assist in demonstrating compliance and accountability.

12. Useful Contact Points / Information

Birmingham Audit - Sarah Dunlavey, Assistant Director, Audit & Risk Management

Human resources information is available from People Solutions accessed via the Voyager portal.

Insurance - Dave Evans, Finance Manager

Intelligent Client Function - Nigel Kletz, Assistant Director Procurement

Legal & Democratic Service - Interim Acting City Solicitor

There is an E-learning package available for managers to use:

Focus on Risk Management … e-learning for Managers

'Focus on Risk Management' is an e-learning package which has been developed specifically to help managers become more aware of risk management. The e-learning will help you to:

- Be aware of potential key risks
- Understand how risk can be effectively managed
- Appreciate the role that everyone can play in managing and minimising risk
- Understand the Council's procedures for managing risk
- Use risk management to be proactive and take advantage of opportunities

Why e-learning?

Face to face training takes up a lot of time and takes you away from your workplace. The e-learning offers a good alternative to gain knowledge and minimise disruption. For those who already have a good understanding of risk management the e-learning will help refresh your knowledge.

Once you have undertaken the e-learning we want you to cascade the package to those in your team who manage or have day to day responsibility for decision making and could help in identifying risks and opportunities.

What does the e-learning involve?

The e-learning takes about 30 - 45 minutes to complete and consists of series of chapters and multiple choice questions including a test at the end to confirm your understanding. If you need to exit the e-learning part way through you have the option to resume where you left off. At the end of the package, after clicking the 'Submit' button, you will see your results which can be printed off and retained as evidence for your 'My Appraisal' review.

How to access the e-learning package

Type the web address below into the address bar on Internet Explorer:

http://focus.meritec.co.uk/login

Then complete the login details.

If you would like further information on the e-learning package please contact Birmingham Audit by email or on 3 - 3869.

13. Key Definitions

Assurance
A positive declaration, given by a Director, that the risks within his / her service area are being managed effectively.

Consequences
The outcome of an event expressed qualitatively and quantitatively, being a loss, injury, disadvantage or gain. There may be a range of possible outcomes associated with an event.

Cost
Of activities, direct and indirect, involving any negative impact, including money, time, labour, disruption, goodwill, and political and intangible losses.

Event
An incident or situation, which occurs in a particular place, during a particular interval in time.

Frequency
A measure of the rate of occurrence of an event in a given time. See also Likelihood.

Hazard
A source of potential harm or a situation with a potential to cause loss.

Impact
The probable effect on the Council if the risk occurs or the opportunity is not taken.

Inherent risk
The likelihood and impact of the risk if no action is taken or existing actions cease.

Likelihood
Used as a quantitative description of probability.

Loss
Any negative consequences, financial or otherwise.

Management Assurance / Control Risk Self-Assessment (CRSA)
The opinion given by managers, based on evidence they have obtained from reviewing and improving the controls in place, regarding the adequacy of the management of risks and the achievement of service objectives within their area of responsibility.

Monitor
To check, supervise, observe critically, or record the progress of an activity, action or system on a regular basis in order to identify change.

Objective
A fundamental service delivery aim of a section.

Organisation i.e. Council or Partner
A company, firm, enterprise or association, or other legal entity or part thereof, whether incorporated or not, public or private, that has its own function(s) and administration.

Residual risk
The remaining level of risk after effective mitigating action has been taken to manage the likelihood and or impact of the risk.

Risk
An event / series of events happening or action(s) taken that will prevent the Council from achieving its planned objectives, in part or in full. A risk can also be the failure to take advantage of opportunities to optimise the Council achieving its planned objectives.

Risk acceptance
An informed decision is taken to accept the impact and the likelihood of a particular risk.

Risk analysis
A systematic use of available information to determine how often specified events may occur and the magnitude of their consequences.

Risk appetite
The amount of risk that the Council is prepared to accept, tolerate or be exposed to - see the red, yellow and green zones on the risk matrix.

Risk assessment
The overall process of risk analysis and risk evaluation.

Risk avoidance
An informed decision not to become involved in a risk situation.

Risk control
That part of risk management that involves the implementation of policies, standards, procedures and physical changes to eliminate or minimise negative risk.

Risk evaluation
The process used to determine risk management priorities by comparing the level of risk against predetermined standards, target risk levels or other criteria.

Risk financing
The methods applied to fund risk treatment and the financial consequences of risk.

Terminate
Terminating a risk means ceasing to carry out the activity.

Tolerate
Tolerating a risk means managing the risk within existing management routines.

Transfer
Transferring a risk means using an insurer or third party to cover the cost or losses should a risk materialise.

Treat
Treating a risk means that you identify additional action(s) to be taken that will reduce the likelihood and / or impact if the event occurred.

Virement
Movement of funds between budget codes within the financial year.

Appendix A

Risk Register

Directorate/Division/Project: …………………………………………… Date produced: ………………………

Risk / opportunity information			Counter Measures		
No.	Description of Risk / Opportunity and Risk / Opportunity owner	Inherent Risk (Likelihood/ Impact)	Description of current controls / mitigation in place and date when controls were last reviewed and reported upon	Residual Risk (Likelihood/ Impact)	Further controls proposed, and date for implementation
	Risk / Opportunity owner:		Date:		Date:
	Risk / Opportunity owner:		Date:		Date:
	Risk / Opportunity owner:		Date:		Date:
	Risk / Opportunity owner:		Date:		Date:

Key:

Severe	Immediate control improvement to be made to enable business goals to be met and service delivery maintained/improved
Material	Close monitoring to be carried out and cost effective control improvements sought to ensure service delivery is maintained
Tolerable	Regular review, low cost control improvements sought if possible

Appendix B

<u>Action Plan</u>

<table>
<tr><td>Objective influenced by the risk / opportunity</td><td></td><td>Inherent Risk
Likelihood/Impact</td><td colspan="2"></td></tr>
<tr><td rowspan="2">Risk / opportunity description</td><td rowspan="2"></td><td>Residual Risk
Likelihood/Impact</td><td colspan="2"></td></tr>
<tr><td>Residual risk accepted?</td><td>Yes</td><td>No</td></tr>
<tr><td rowspan="2">Consequences
(e.g. effects on service provision, people, money, reputation etc)</td><td rowspan="2"></td><td rowspan="2">If residual risk not accepted what approach has been agreed?</td><td>Transfer risk</td><td>Eliminate risk</td></tr>
<tr><td>Control risk</td><td>Modify risk</td></tr>
<tr><td>Risk Owner and Reference No.</td><td></td><td>Target risk
Likelihood/Impact</td><td colspan="2"></td></tr>
</table>

<table>
<tr><td>Description of current actions being taken to mitigate the risk, including the responsible officer and date when the controls were last reviewed to assess their effectiveness</td><td>Further agreed control measures to be applied, including responsible officer and deadline for completion</td></tr>
<tr><td></td><td></td></tr>
</table>

Appendix C

Roles & Responsibilities & Reporting Lines

The roles and responsibilities of individuals and groups to implement the strategy are as follows:

- **Cabinet Members** - work with Directors, Assistant Directors and Heads of Service to provide information regarding the management of corporate risks / opportunities. Cabinet Members are also involved with risk management within service provision in the directorates as per their portfolio.

- **Members** - involved via Regulatory Committees, the Overview and Scrutiny process and through District Committees. Also involved in other roles such as their membership of project boards.

- **Audit Committee** - to support the Council's Corporate Governance responsibilities and to provide independent assurance to the Council in relation to internal control, risk management and governance.

- **Corporate Leadership Team (CLT)** - scans for new risks to the Council and the City of Birmingham. Gives a view of the medium to long term risks to the city, including assumptions in respect of government policy, financing, business transformation and partnership working. The team also ensures that the people, policies and resources of the Council are utilised efficiently and effectively so that the priorities / strategic outcomes of the Council are delivered. CLT has the draft Corporate Risk Register update reported to it the month before it goes to the Audit Committee. CLT challenge the update information provided by directors, and recommend re-wording or deletion of risks as appropriate.

- **Chief Executive** - leads on the wider corporate governance agenda of which risk management is a part. Receives assurance statements on internal control from Directors and is one of the signatories to the Annual Governance Statement (AGS).

- **Assistant Chief Executive, Strategic Directors, Directors, Assistant Directors and Heads of Service** - integral to the risk management process, providing leadership for the process. Responsible for feeding key risks into the corporate risk register via their directorate register or CLT. The risks to be identified include those arising from corporate initiatives, business change, major projects, cross-cutting issues, the external environment - including legislative changes, partnership working and from assessing the wider implications of their directorate's service provision. There is a particular duty for the Assistant Chief Executive, Strategic Directors, Directors, Assistant Directors and Heads of Service to reduce the impact of high risks that are likely to occur. They also need to make arrangements for embedding risk management throughout their directorate, which will assist them in providing assurance to the Chief Executive each year.

- **Directorate and Service Management Teams** - carry out service risk assessment as part of business planning and internal / external reviews e.g. External Audit inspections and reviews, Equalities and Human Rights Commission inspections, Commission for Social Care Inspection, Ofsted, the results of Equality Analysis, Health & Safety Inspectorate etc, and taking account of corporate key risks. Have responsibility to put in place actions to take advantage of opportunities / reduce risks. Monitor and review the effectiveness of the actions.

- **Risk Representatives** - nominated by each directorate to assist in embedding risk management. The objectives of risk representatives include implementing a practical and workable approach to risk management within their directorate, embedding risk management into the day to day running of their directorate, the production and maintenance of an up-to-date directorate risk register and co-ordinating responses to corporate risks. They are also a point of contact to provide risk registers and risk management information from the Directorate to Birmingham Audit and receive information from Birmingham Audit with regard to risk management within their directorate.

- **Birmingham Audit** - Assistant Director, Audit and Risk Management facilitates and advises on the corporate risk management process. Develops, in conjunction with colleagues, practical approaches for implementing risk management. Birmingham Audit's internal audit teams may review and report on the directorate and corporate risk management processes and the wider corporate governance agenda. Issues guidance and information.

- **All staff** - have a responsibility for identifying opportunities as well as hazards / risks in performing their day to day duties and taking appropriate action to take advantage of opportunities or limit the likelihood and impact of risks. This includes making their manager aware of opportunities or hazards / risks identified.

For this Strategy to be effective there must be commitment throughout the Council. The Members, Chief Executive, Assistant Chief Executive, Strategic Directors, Directors, Assistant Directors and Heads of Service will be able to demonstrate their commitment to risk management by identifying, profiling and prioritising corporate and cross-cutting risks.

This involvement from the top will set the style and tone for a cascade down the organisation. This top-down cascade will then meet the day to day operational control of risk by all involved in service delivery from the bottom-up. The diagrams in Appendices E and F demonstrate how risks are identified and managed within the Council.

Appendix D

Terms of Reference for the Audit Committee

AUDIT COMMITTEE

The purpose of the Audit Committee is to support the Council's Corporate Governance responsibilities and to provide independent assurance to the Council in relation to internal control, risk management and governance.

Functions

(a) To review the City Council's Annual Accounts and AGS. This will include advising on significant changes throughout the year to financial regulations and policies.

(b) To monitor progress in addressing control or governance issues identified in the AGS.

(c) To review and provide the executive with assurance on the embedding and maintenance of an effective system of corporate governance including the risk management framework and the associated control environment.

(d) Responsibilities as set out in the terms of reference in relation to external audit including reviewing the planned programme of work, noting fees and terms of engagement of the external auditor, considering and advising the executive on responses to audit management letters, reports and investigations and reviewing whether agreed external audit or inspection recommendations have been implemented as timetabled.

(e) To review and make recommendations to the executive regarding the effectiveness of internal audit to include ensuring the internal audit function is adequately resourced, to review its strategy, receive, challenge and approve its annual plan and monitor its delivery and to review significant audit findings and monitor progress by managers in implementing agreed recommendations.

(f) To consider and make recommendations to the executive on the Council's arrangements for deterring, preventing, detecting and investigating fraud.

(g) To consider reports from the Ombudsman and monitor management response in relation to these.

(h) To consider, approve or make recommendations in respect of any other matters at the request of the Council.

Hierarchy of Risk Identification & Risk Management

Appendix E

Corporate Leadership Team (CLT)

- Sets strategic outcomes and provides leadership regarding risk management.
- Identifies corporate risks in relation to the delivery of the Leader's Key Priorities, scans horizon for new risks to the Council /City of Birmingham, and for new opportunities and decides on the top 20 - 25 corporate risks.
- Gives a view of the medium to long term risks and opportunities, including assumptions re Government policy, financing, business change and partnership working.
- Advises the Audit Committee on progress / impact of actions to mitigate the top 20 - 25 corporate risks, and nominations of new / amended risks, or the deletion of corporate risks.

Directors and Directorate Management Teams

- Identify directorate risks arising within their directorate in relation to the delivery of the Leader's Key Priorities.
- Take ownership for managing these risks and monitoring progress / impact of actions.
- Reports on corporate risks and nominates possible new corporate risks to CLT.
- Receives quarterly reports from Assistant Directors and Heads of Service regarding management /

Directorate Risk Registers

Corporate Risk Register

Audit Committee

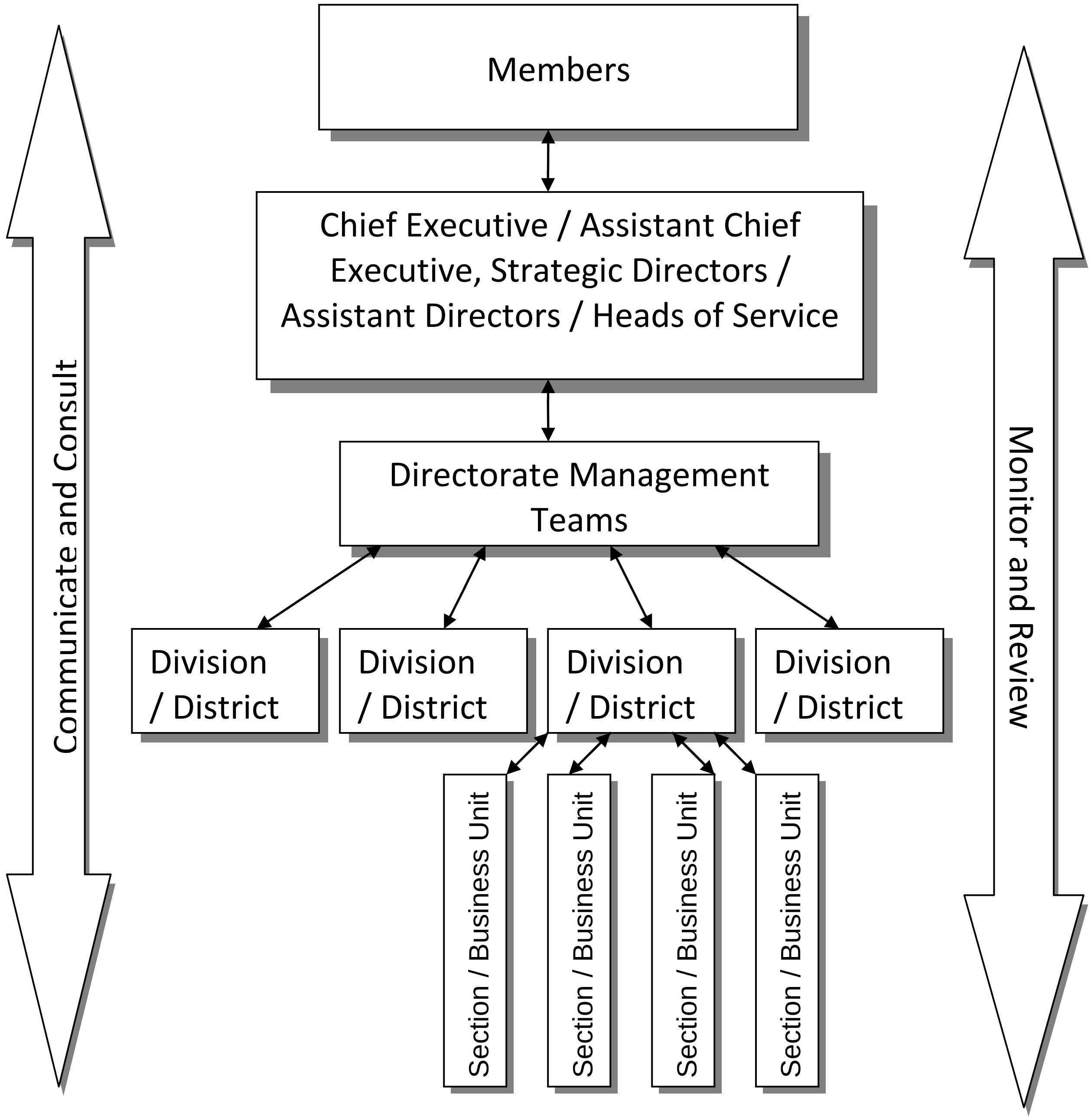
* Promote & embed risk management.
* Receives reports from CLT re top 20 - 25 corporate risks and oversees effectiveness of actions taken to mitigate risks.
* Reviews the AGS.

Contributes to Statement on Internal Control / AGS

This process is subject to Scrutiny, External Audit & Internal Audit

Appendix F

Managing Risk in Birmingham City Council



Appendix G

Cross-Cutting and Generic Risks in Directorate / Divisional Risk Registers

Risk registers should be generated via objectives in business plans. The corporate business planning guidance is held on People Solutions under the Manager Self Service tab. This specifically prompts managers into including areas such as equalities, budgeting, and workforce planning etc in their Directorate / Divisional business plans.

The risk registers will need to include service specific risks, projects that are within the Directorate, any geographic risks arising from the location of service provision and will also need to include the Directorate / Divisional assessments of cross-cutting & generic risks. The Directorate and Divisional Risk Representatives need to make sure that these cross cutting and generic risks are included in their Directorate / Divisional registers, or that it is noted that specific areas have been evaluated and are not a problem within the Directorate.

Examples, to prompt discussion, of these cross-cutting / generic risks and areas to be considered are:

1. Failure to comply with Equalities legislation / areas. E.g. the Equality Act 2010, Race Relations Amendment Act, Disability Discrimination Act, supporting 'achieving' in the equalities framework and aiming for 'excellent' rating.
   Questions:
   - Has the Directorate / Division followed guidance and carried out robust Equality Analysis against each Directorate / Divisional policy, procedure and function?
   - Do managers have an understanding of / receive training on Equalities issues? Are staff aware of equality issues?
   - Is there a process in place to ensure that all new policies and procedures and changes to existing policies and procedures comply with the standard Equality Analysis template and toolkit, including the sign off process?
   - Does the Directorate take an active responsibility for reporting Performance Indicators and collating evidence for key areas e.g. hate crime reporting?

2. Failure to comply with Health & Safety legislation e.g. stress policy, repetitive strain injuries, lone workers risk assessments, physical safety of staff, contractors and visitors whilst in Council premises. Safety on building sites etc.
   Questions:
   - Can the Directorate / Division produce an up-to-date H&S Policy for the Directorate / Division?
   - Can the Directorate / Division produce up-to-date risk assessments covering its routine and specialist activities?
   - Has prompt action been taken to remedy problems identified?
   - Can the Directorate / Divisions prove that staff members have received H&S training appropriate to their role?
   - Have Duty Holders been identified and trained in their role?

3. Impact of service redesign.
   Questions:
   - Has the Directorate / Division identified what the optimum benefits are / what service improvements are required / the savings to be generated?
   - What arrangements are in place to ensure / prove that the service delivered by a partner / third party has maintained or improved service delivery?
   - Is progress with service redesign reported regularly to Directorate / Divisional Management Teams?
   - Where restructures are in progress is appropriate consultation taking place?

4. Poor governance arrangements when working with partners / contractual arrangements with 3rd parties E.g. Service Birmingham, NHS, Police, Third Sector.
   Questions:
   - Have the expected benefits of working with partners been clearly stated at the outset?
   - How will you know if the partnership is on track with delivering the outputs required?
   - Are the partnership arrangements regularly reviewed?
   - Who is responsible if something goes wrong e.g. a member of staff or a visitor is hurt, someone makes a discrimination claim, funds are stolen?

5. Lack of an up to date business continuity plan to ensure that critical services are protected from business disruptions.
   Questions:
   - Are key staff trained and aware of their roles and responsibilities during business disruptions?
   - Does the business continuity plan consider all generic risks that could affect service delivery (e.g. those that affecting staff, equipment, etc)
   - Does the business continuity plan consider interdependencies and supply chains?
   - Is the business continuity plan reviewed, tested and validated on a regular basis to ensure it is current?

6. Failing to meet Accountable body responsibilities / grant regimes when making grants to the third sector.
   Questions:
   - Does the Directorate / Division know how many grants are made, to whom and for what purpose?
   - How does the Directorate / Division know if the money is being spent for the correct purpose?
   - Are there defined outputs?
   - Is it clear how these outputs contribute to meeting the Council's Strategic Outcomes?
   - Has the Directorate / Division implemented monitoring?

7. Poor financial monitoring / controls e.g. money laundering, fraud, theft, failure to collect income due promptly, over-spending, non-reconciliation of control accounts.

Questions:

- Is there a system for exception reporting of unusual activity e.g. transactions falling outside set parameters?
- Do budget holders receive / have easy access to budget reports?
- Are the levels of income / expenditure compared to activity?
- Are managers asked to confirm that the staff in post agrees with the posts charged to their budget?
- Are holding accounts cleared each month?
- Are control accounts reconciled each month?
- Are levels of access to systems restricted depending on job?
- Are 'right to work' checks carried out and copies of documentation retained and are references sought when staff are recruited, and certificates seen to validate qualifications / expertise claimed?
- Are Disclosure & Barring (D&B) checks carried out where appropriate?
- Are staff aware of where to find financial policies and procedures on the PSPG database?

8. Poor knowledge retention, failure to transfer knowledge from secondments / specialist training attended.

   Questions:

   - Does the Directorate / Division have succession planning in place to ensure that knowledge is not lost on retirement, voluntary redundancy or when staff leave?
   - Are the benefits of training and secondments disseminated appropriately?

9. Failure to handle data appropriately - this covers contractors and temporary staff as well as permanent staff.

   Questions:

   - Are staff aware of where to find the Information Security Management policies on the PSPG database?
   - Have all staff completed the mandatory e-learning packages at least once every two years?
   - Are staff aware of the different categories of information and how it should be handled?
   - Are documents appropriately stored and retained?
   - Are staff aware of the requirement to set appropriate passwords, keep them secure and change them at required intervals or if they suspect they have been compromised?
   - Are all PCs, Laptops, Ipads, and other information processing equipment password protected / encrypted?
   - Is information processing equipment disposed of appropriately so that sensitive or confidential information is not disclosed?
   - Are there clear definitions of roles and responsibilities for staff handling sensitive or confidential information and are baseline security checks carried out where appropriate?
   - Have staff been appropriately trained to handle data appropriately e.g. accurate input into Voyager for performance monitoring, into EPM for sickness absence reporting, etc?
   - Are staff aware of the potential risks in releasing inaccurate data?

- Are there appropriate checks to ensure data is accurate / quality is maintained prior to publication or release?