

RISK MANAGEMENT AND BUSINESS CONTINUITY ANNUAL REPORT

Executive Summary

Risk Management and Business Continuity Management are the two main disciplines through which the Council identifies, manages, and mitigates its business and operational risks. An annual report is submitted to the Executive to outline any activities or issues that have occurred.

Good progress in relation to Risk Management has been made since the last annual report, the key highlights being:

- Corporate Strategic Risks have been reviewed and updated twice by CLT, and the risks that have been identified have been logged with owners allocated.
- A draft assessment of risk appetite has been undertaken and a Risk Appetite Statement is being developed. Risk Appetite is defined as a target level of loss exposure that the organisation views as acceptable.
- Service Plans have been developed for each of the 5 Directorates in the Council, with key risks highlighted for each area. Work is now underway with each Director to enhance the mapping and scoring of directorate risks through the development of detailed risk registers.

Corporate strategic risks, along with an updated Risk Management Policy incorporating the risk appetite statement, will be submitted to the Overview and Scrutiny committee in September and to the Executive in October.

All annual updates required for Business Continuity have been completed in-line with agreed monitoring requirements. The key outputs being an updated Business Impact Analysis, and the review of Action Cards for the Council's most critical services.

The Business Continuity Strategy and associated documents are scheduled to be reviewed and updated in the Autumn of 2022. This review will ensure that the strategy remains fit for purpose and enable continuous improvement to be applied.

Recommendations

The Executive is requested to:

RESOLVE That

the report be noted and that Risk Management arrangements will continue to be reviewed and updated in-line with agreed monitoring arrangements.

Reasons for Decision

Reason: The continuous development of Risk Management and Business Continuity is essential to ensure effective management and planning within the Council.

Risk Management and Business Continuity Annual Report

The Executive has the authority to determine the recommendation(s) set out above.

Background Papers: None.

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Risk Management and Business Continuity Annual Report

1.0 Introduction

- 1.1 The purpose of this report is to provide Members with an update on Risk and Business Continuity Management arrangements that are in place within the Council. The status of both of these functions is reported on an annual basis. Risk Management and Business Continuity provides the framework through which the Council identifies, manages, and mitigates its business and operational risks.
- 1.2 Risk Management is the process through which the organisation methodically identifies and manages the threats and opportunities that might exist within a Council activity. Business Continuity sets out to enhance the strategic and tactical capability of the organisation to plan for incidents and business disruptions, in order to continue business operations at an acceptable pre-defined level.
- 1.3 Risk Management and Business Continuity Planning are not one-off activities. They are part of a continuous process that runs throughout the Council's activities, taking into account all aspects such as projects as well as day-to-day work that is undertaken. Both disciplines must be integrated into the culture of the Council with an effective strategy and be led from the top.
- 1.4 The continuous improvement of risk and business continuity arrangements will also feed into the ongoing work of aligning strategic planning and performance management functions across the Council. All of these functions working together will provide an integrated and cohesive framework for prioritising the delivery of effective services.
- 1.5 The functional responsibility for corporate Risk Management and Business Continuity rests with the Corporate Leadership Team (CLT). The Business Improvement Team is accountable for overall delivery and review. All senior managers are responsible, with guidance and support from Business Improvement, for ensuring appropriate risk and business continuity arrangements are deployed in their functions, services, and areas of responsibility.

2.0 Risk Management

- 2.1 Risk can be defined as the combination of the probability of an event and its consequences. In any organisation there is the potential for events and consequences that can result in opportunities for benefits or threats to success. Since the last annual report, progress has been made in the following areas:
 - The Risk Management Policy was updated and submitted to the Executive in September 2021 for adoption. The updated policy covers the period 2021 to 2025.
 - Corporate Strategic Risks have been reviewed and updated twice by CLT, and the risks that have been identified have been logged with owners allocated.
 - A draft assessment of risk appetite has been undertaken and a Risk Appetite Statement is being developed. Risk Appetite is defined as a target level of loss exposure that the organisation views as acceptable.
 - Service Plans have been developed for each of the 5 Directorates in the Council, with key risks highlighted for each area. Work is now underway with each Director to enhance the mapping and scoring of directorate risks through the development of detailed risk registers.
 - Work is underway to identify suitable risk management training for Councillors and Senior Officers. This is to ensure that all key stakeholders have a good understanding of the revised Risk Management Policy, and the principles of how to identify/manage risk.

Risk Management and Business Continuity Annual Report

- 2.2 Corporate strategic risks, along with an updated Risk Management Policy incorporating the risk appetite statement, will be submitted to the Overview and Scrutiny committee in September and to the Executive in October.

3.0 Business Continuity

- 3.1 Various documents and procedures make up the Council's Business Continuity Plans. These are listed here:

Business Continuity Strategy: This document details the purpose of Business Continuity Management, the Council's overall approach to Business Continuity (including documentation, organisational structure, testing and training), and the relationship between Business Continuity, Emergency Planning and Disaster Recovery.

Business Continuity Incident Plan: The Business Continuity Incident Plan details the steps that should be taken when faced with a Business Continuity disruption. This plan lists the process that will be taken to ensure that critical functions remain up and running, or are brought back into action, in the event of a threat to normal service.

Business Impact Analysis (BIA): Analysis is undertaken annually to identify the Council's most critical functions that need to continue to run in the event of a Business Continuity disruption. The BIA assesses what the impact would be if a function was not available in a particular time period and in a particular circumstance.

Action Cards: An Action Card is completed for any Council function that is assessed as having a 'disaster' level of impact if it was unavailable. This document details the things that would stop the service running (e.g., lack of staff, loss of the Civic Offices), any mitigation action that has been taken to reduce the impact of the issue, and actions that would be taken to restore the service to an acceptable minimum standard. The Action Card also lists the people that would be responsible, the equipment and information they would require, and the overall actions that they would take to respond to a Business Continuity disruption.

Alternative Premises Plan: The Alternative Premises Plan details the process for setting up the Upper Gallery at the Leisure Centre as the Council's main base of operations should the Civic Offices be unavailable for any reason.

- 3.2 All annual updates required for Business Continuity have been completed in-line with agreed monitoring requirements. The key outputs being an updated Business Impact Analysis, and the review of Action Cards for the Council's most critical services.
- 3.3 The Business Continuity Strategy and associated documents are scheduled to be reviewed and updated in the Autumn of 2022. This review will ensure that the strategy remains fit for purpose and enable continuous improvement to be applied.

4.0 Conclusions

- 4.1 The thorough application of Risk Management and Business Continuity Management remains essential for the Council. Good progress has been made in strengthening the corporate approach to risk management. Work is also ongoing to further align risk and business continuity principles with emergency planning and disaster recovery, to ensure that the Council can achieve a robust and joined-up approach in all of these areas for the future.

5.0 Corporate Strategy

- 5.1 Risk management and business continuity are themes that need to be considered across all Council services. These disciplines underpin the effective delivery of the functions that the Council provides, which in turn supports the objectives listed in the Corporate Strategy.

6.0 Implications

Finance and Risk

- 6.1 No additional implications arise specifically from the report but any proposals to further improve or enhance resilience may have cost implications and these would be identified in any such proposal.
- 6.2 There are no risk implications, other than those outlined in this report.

Equalities and Human Resources

- 6.3 None arising from this report.

Legal

- 6.4 None arising from this report.

7.0 Engagement and Consultation

- 7.1 None arising from this report.

REPORT ENDS