



Renfrewshire Valuation Joint Board

Report to: Renfrewshire Valuation Joint Board
Meeting on: 16th September 2022
Subject: Risk Management Strategy Policy
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1. Introduction

Risk Management is an integral part of the Management Team's policy planning and operational management. The Risk Management Strategy has been reviewed in conjunction with the review of the Corporate Risk Register and sets out policy in respect of business risk and ensures a uniform approach to identifying, analysing, controlling and monitoring risk.

2. Recommendations

- i. The Board note the contents of the report.

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RENFREWSHIRE VALUATION JOINT BOARD



RISK MANAGEMENT STRATEGY IG8

Title	Risk Management Strategy
Author	Depute Assessor & ERO
Approved By	Management Team
Date of Approval	May 2016
Reviewer	Assessor & ERO
Review Date	As required

Review History

Review No.	Details	Release Date
1	Review of Policy	July 2018
2	Review of Policy	July 2022

RISK MANAGEMENT STRATEGY



INTRODUCTION

Risk management is the process of identifying risks, evaluating their potential consequences and determining the most effective methods of controlling them. The aim is to reduce the frequency of risk events occurring (wherever this is possible) and minimise the severity of their consequences if they do occur.

Risk management offers a number of benefits. It is not simply about insurance or health and safety risks. Rather, effective risk management will provide the Valuation Joint Board with a means of improving its strategic, operational and financial management. It can also help to minimise financial losses, service disruption, bad publicity, threats to public health or claims for compensation.

Risk management will be an integral part of policy planning and operational management. Identifying, analysing, controlling and monitoring risk will help elected members and managers make informed decisions about the appropriateness of adopting policy or service delivery options.

Renfrewshire Valuation Joint Board's Risk Management Strategy is the responsibility of the Management Team which is also tasked with preparing, monitoring, maintaining and updating the Board's Corporate Risk Register. The strategy sets out policy in respect of business risk and provides a framework to structure the approach.

POLICY CONTEXT

Renfrewshire Valuation Joint Board is committed to a culture where employees are encouraged to develop new initiatives, improve performance and achieve their goals safely, effectively and efficiently by appropriate application of good risk management practice. In doing so the Board aims to deliver high quality services for all service users, achieve high standards of performance, make the most of opportunity, and provide a safe environment for those it employs, contracts or partners with in discharging its statutory functions.

The Board promotes an environment that is risk 'aware' rather than risk 'averse' and strives to place risk management information at the heart of key policy decisions. This means the Board can take an effective approach to managing risk in a way that both addresses significant challenges and enables innovation.

The risk appetite in certain cases, such as time critical periods associated with electoral registration, will be low. This means that the Board is not willing to accept risks that may affect the delivery of a time critical electoral registration service.

AIMS AND OBJECTIVES OF THE STRATEGY

The aims and objectives of the strategy include:-

- Identification of risks
- Analysis/Evaluation of risks
- Treatment of risks

SCOPE OF THE STRATEGY

All risks associated with

- services
- staff
- assets
- infrastructure
- systems
- stakeholders

will be included in the risk management process. Risk management is a continuous process which will incorporate all strategic and operational risks. Categories of strategic and operational risks are defined in Appendix 1.

PROCESS AND METHODOLOGY

To manage risk effectively, the risks associated with each policy option or service delivery method needs to be systematically identified, analysed, and where possible controlled and monitored. This process is called the risk management cycle.

Good risk management is about seeking to prevent harm or loss, seeking to ensure the right things happen and that risk aware not risk averse decisions are made. The process to identify key risks seeks to focus on the significant challenges and uncertainties that impact on Renfrewshire Valuation Joint Board's ability to deliver its statutory duties and key priorities.

The Board recognises in exceptional circumstances a combination of factors converge to produce a very high risk, for which the Board may have limited control (such as fiscal position, legislative changes and pandemics).

1. Approach

1.1 Risk Identification

For each category in Appendix 1, actual losses and failures which have occurred as well as those which might threaten the Joint Board will be identified and listed in the Corporate Risk Register. Identification of risks is carried out using standard methodologies, 'bottom up' and 'top-down' approaches and involving line managers with detailed knowledge of each function/team and the context in which they operate.

1.2 Risk Analysis/Evaluation

Risks have been analysed and evaluated using the same risk matrix as adopted by Renfrewshire Council (Appendix 2), and involves multiplying the likelihood of occurrence of a risk by its potential impact. This produces an evaluation of risk as either 'low', 'moderate', 'high' or 'very high'. High and very high risks are viewed as significant and will therefore be subject to closer scrutiny by the Management Team.

Once a risk has been determined, mitigations and controls are identified and where appropriate/possible, these controls are implemented to reduce the likelihood and/or the impact of the risk.

1.3 Treatment of Risk

Actions will be taken or planned to minimise the likelihood of the risk occurring or the severity of the consequences should it happen. This may require the identification and implementation of projects or revisions to operating practices. The appropriate action may be to transfer risk to another body,

1.4 Risk Monitoring

The Board operates in a dynamic and challenging environment and a monitoring and review structure needs to be in place to ensure any changes to the Board or its environment that may affect the risk management framework, or other factors affecting the suitability or cost of risk response options, are identified, and addressed. Monitoring arrangements require that there will be:

- Ongoing monitoring of the strategic risks in conjunction with the relevant risk registers specific to the function or task.
- Six monthly reporting to the Management Team and meetings of the Renfrewshire Valuation Joint Board.

2. **Corporate Risk Register**

- The Board's Management Team will be responsible for developing and maintaining a Corporate Risk Register.
- The Governance Working Group will be responsible for monitoring and reviewing the success of risk control actions and procedures.
- The Corporate Risk Register will be reported to the Joint Board at least annually.
- The Assessor and Electoral Registration Officer will have overall responsibility for the Corporate Risk Register.

ROLES AND RESPONSIBILITIES

Parties	Role
Elected Members	Oversee the effective management of risk by officers of the Joint Board.
Assessor and Electoral Registration Officer (ERO)	<p>The Assessor and ERO has overall accountability for the Board's risk management framework, ensuring there are suitable and effective arrangements in place to manage the Board's risks.</p> <p>The Assessor and ERO will also undertake the role of Senior Information Risk Owner (SIRO)</p> <p>Will also consult with lead authority on insurance issues.</p>
Management Team	<p>Input into the development, implementation and review of the Board's risk management framework .</p> <p>To ensure risk is effectively managed across all functions and responsible for raising any risk issues which require to be addressed</p>
Governance Working Group	<p>Organise relevant training and raise awareness of the risk strategy.</p> <p>Monitor and Review success of risk control actions and procedures.</p>
Line Managers	Responsibility to ensure their employees are familiar with the latest risk management strategy, guidance and relevant controls. Ensure employees are encouraged to promptly report any matters of concern
Employees	Risk management should be integrated into the daily activities of every employee. By ensuring that decisions on risk management are taken locally rather than centrally, the Board will encourage local ownership of the process. All employees are therefore encouraged to be involved in identifying current and potential risks where they work
Renfrewshire Council – Corporate Services	<p>Provide assistance, advice and training on budgetary planning and control.</p> <p>Provide assistance and advice on insurance and risk.</p> <p>Assist in the handling of any litigation claims.</p> <p>Negotiate insurance cover.</p>
Internal Health & Safety Working Group	Advise on any health and safety implications of the chosen or preferred arrangements for service delivery.

COMMUNICATING RISK MANAGEMENT

Effective communication of risk management information across all functions and with employees is essential to developing a consistent and effective approach to risk management.

This policy is held on the Board's document management system and the risk registers specific to function or task are circulated to the relevant staff.

Risk management courses on Renfrewshire Council's e-learning platform are required to be completed by all staff and are included in the training refresh cycle, similar to other mandatory courses.

COMMITMENT

Commitment is ongoing and proactive identification of new and/or potential risks alongside a learning culture that seeks to build on good practice and avoid repetition of adverse events.

APPENDIX 1

STRATEGIC RISKS are hazards and risks which need to be taken into account in judgements about the medium to long term goals and objectives of the Valuation Joint Board. These may include:-

Risk Category	Definition
Political	Those associated with failure to deliver either local/central government policy.
Economic	Those affecting the ability of the Joint Board to meet its financial commitments, including budgetary pressures, failure to purchase adequate insurance cover and changes in the economy.
Social	Those relating to the effects of changes in demographic, residential or socio-economic trends on the Joint Board's ability to deliver its service.
Technological	Those associated with the Joint Board's capacity to deal with the pace/scale of technological change, its ability to use technology to address changing demands, or the consequences of failure of technologies on the Joint Board's ability to deliver its services.
Legislative	Those associated with current or potential changes in national law. Those associated with failure to meet statutory duties.
Environmental	Those related to the environmental consequences of delivering the Joint Board's services.
Competitive	Those affecting the competitiveness of the service in terms of cost or quality.
Stakeholders	Those associated with failure to meet the current and changing needs, expectations and aspirations of stakeholders.

OPERATIONAL RISKS are hazards and risks which managers and staff will encounter in the daily course of their work. These may include:-

Risk Category	Definition
Professional	Those associated with the particular nature of each profession.
Financial	Those associated with financial planning and control and the adequacy of insurance cover.
Legal	Those related to possible breaches of legislation.
Physical	Those related to fire, security, accident prevention and health and safety.
Contractual	Those associated with the failure of contractors to deliver services or products to the agreed specification and cost and within agreed timescale.
Technological	Those related to reliance on operational equipment (eg IT systems, etc)
Environmental	Those related to pollution, noise or energy efficiency of ongoing service operation.

RISK MATRIX FOR ADVERSE IMPACT

Risk should be analysed consistently across the Board in terms of significance of its impact and the likelihood of occurrence. The Risk Matrix is therefore the tool that is to be used for this purpose. The impact element of the same matrix may be used for the grading of adverse events, complaints, or claims.

Likelihood

When considering the likelihood of occurrence of a potential risk, the risk assessor's judgement must be based on the prevalence of the event/circumstance and outcome, backed up by experience and data such as relevant incidents/events, complaints and/or claims.

Impact

When considering the consequences of a potential risk, all scenarios must be considered. It may even be appropriate to consider the worst-case scenario, however those undertaking the risk analysis must be able to provide a robust rationale and have evidence to support their selection.

Evaluation

As shown in the matrix below, Impact x Likelihood procedures an evaluation of the significance of risk, described as 'Low', 'Moderate', 'High' or 'Very High'.

How a risk is evaluated will determine how the risk is then treated.

Likelihood	Consequent Impact				
	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Extreme
5 Almost Certain	5	10	15	20	25
4 Likely	4	8	12	16	20
3 Possible	3	6	9	12	15
2 Unlikely	2	4	6	8	10
1 Remote	1	2	3	4	5

Low (1-3), Moderate (4-9), High (10-16), or Very High (17-25)