

RISK MANAGEMENT UPDATE

Report of the Acting Executive Director of Finance, IT & Trading

Please note that the following recommendations are subject to confirmation by the Committee before taking effect.

It is recommended that members note activity in the last quarter across the County Council in respect of risk management arrangements.

Background

1. One of the responsibilities of the Committee is to “monitor the effective development and operation of risk management and corporate governance in the Council”. It does this by receiving regular reports on activity across the Council. This report summarises actions taken since the Committee received its previous update report in December 2008.
2. Since that time, work has continued to be co-ordinated by the Corporate Risk Management Group, which includes representatives from all Directorates, specialists in the areas of Insurance, Health and Safety and Emergency Planning. The group, which meets every two months, is chaired by the Head of Internal Audit, and also receives support from senior audit managers. The group is also actively supported by Councillor Des Hannon, Executive Member for Corporate Performance, as the risk management “Member Champion”.

Risk Registers, management and monitoring

3. The Corporate and Directorate risk registers identify risks which may affect the achievement of the Council’s strategic objectives (key priorities and supporting strategies within the Strategic Plan). The registers identify mitigating controls that should help to reduce the likelihood of the risks actually materialising, arrive at an overall risk score for each risk based on the assessed likelihood and impact of the risk materialising, and management actions are put in place to address the highest risks.
4. Now that all of these risk registers have been maintained within the Council’s Spar.net computer system for some time, the requirements for regular review and update of each risk by the nominated officers, enforced by email reminders when any deadlines are missed, mean that their maintenance and reliability has become more routine. Extensive online guidance and help facilities have also been made available to users of the system.
5. At the last meeting of the committee members considered the latest management report on the Corporate Risk Register. Risks discussed included those associated with the project for the externalisation of residential care homes, and members requested that they be provided at their next meeting with an update on the position concerning these homes. Arrangements are being made for a senior manager from the Adult and Community Services Directorate to attend this meeting.

6. The Corporate Risk Register is “owned” and reviewed periodically by the Corporate Management Board (CMB), with one of the members of the Board identified as the “responsible officer” for each risk. Those risks are being regularly monitored and updated through the Spar.net computer system.
7. At the most recent meeting of the Corporate Risk Management Group, the current Corporate Risk Register was reviewed, in order to make recommendations to CMB on potential additions and updates to this register. Several areas of risk were identified that could usefully be added to the register. These included Health & Safety (including corporate manslaughter), Information Security, Safeguarding Children, Safeguarding Adults, Organisational Change and Local Government Reorganisation.
8. It is not suggested that these are areas of risk that have not already been identified; in all cases considerable activity and processes are already in place to mitigate those risks. In most cases, the risks are already reflected in one or more of the Directorate risk registers, but it is also more appropriate that such significant areas are reflected in the highest level (i.e. In the Corporate Risk Register). A short report will be taken to CMB shortly to progress this.
9. A further recent development has been the preparation of training material and guidance on risk management for schools. This has been developed within the Internal Audit team and, over the coming months, will be delivered to schools across the county. This will assist them further in developing their risk assessments and also facilitate increased compliance with Financial Management Standards in Schools (FMSiS), as required by the Department for Children Schools and Families (DCSF).

Emergency Planning and Business Continuity Plans

10. There has been more progress in the development of business continuity plans (bcp's). The second phase of the programme of bcp's for identified business critical services across all directorates is now virtually complete. The overarching Corporate BCP and an updated County Hall Campus plan were both “signed off” by the Corporate Risk Management Group at its latest meeting.
11. This project is being managed by the County Emergency Planning Officer, with cross-directorate involvement and reporting to the Corporate Risk Management Group. Successful completion of the project is important not only to give the Council a good level of assurance on its ability to continue to provide key services in emergency situations but also to ensure compliance with the requirements of the Civil Contingencies Act 2004.
12. Work has now been completed upgrading and supplementing the capacity of the emergency standby generator at County Hall. This need was identified through testing the original generator's capacity last year, and now an additional generator has been acquired to meet the demands of the cooling system and air conditioning for the computer suite. This represents a significant proportion of the energy requirements of the County Hall campus. A successful test of the two generators together was carried out during March.
13. On a wider scale, the County Emergency Planning Officer is a member of the Local Resilience Forum (LRF), a multi-agency group that coordinates emergency planning and risk assessments for major incidents across the counties of Devon and Cornwall. Work at LRF level and guidance from the Government indicated that a substantial update to the DCC Flu Pandemic Plan was required. To this end a workshop with an external consultant took place in January, attended by representatives from Communications, HR, Health & Safety, Coroners and Registrars, as well as

directorate representatives. A DCC Flu Pandemic Sub Group has now been formed to complete the DCC planning and policies associated with a flu pandemic.

Conclusion

14. Members may take assurance from current activity that is focussed on further developing and improving the Council's risk management arrangements. These represent a key element of the Council's governance framework, as described in the Annual Governance Statement (AGS) and are also significant within the Audit Commission's Comprehensive Performance Assessment (CPA). They should also consider future reports that would assist them to maintain that assurance.

Mary Davis

Electoral Divisions: All
Local Government Act 1972

List of Background Papers
Contact for Enquiries: Peter Job
Tel No: (01392) 382437 Room 167

<u>Background Paper</u>	<u>Date</u>	<u>File Ref</u>
Nil		