



Appendix A Risk Management Support

devon**audit**partnership

Introduction

DAP is well placed to support and facilitate development and improvement in the DCC risk management framework and the effectiveness of the risk management process. This support will assist members, senior management and staff in identifying risks, recognising and recording the "true" risk, mitigation thereof and promote effective monitoring and reporting of those risks.

DAP support will help management to:

- Identify, recognise and understand the risks
- Identify understand and monitor mitigating controls
- Consider the effectiveness of risk mitigation and possible further management action
- Monitor, re-evaluate and report on risks

Further Key objectives will include:

- Support the improvement of a comprehensive risk management framework;
- Improve the use of risk management to an "embedded" status (ALARM rating)
- Support the reporting and understanding of identified risks
- Improve the decision making process through use of risk management
- Support / facilitate the training of members, senior management and staff
- Improve the efficiency and effectiveness of risk management support through the collaboration of resources, systems and knowledge with key partners.
- Promote consistency and effectiveness through the Corporate Risk Management Grp

Progress to an "embedded" status across the organisation will be an evolving process that will require ongoing development over time and at appropriate levels within the organisation. The development of an action plan to improve risk management will be the first priority based on an assessment of the current position, engagement with members and senior management and the support and training / development needs.

In planning the input required in the coming and future years, the attached work plan has been prepared.

Robert Hutchins
Devon Audit Partnership
Aug 2017

DCC – Support for the further development of Risk Management arrangements.

Key task	Measure of Success	Timeline
<p>Identification and development of an improvement strategy</p> <p><u>What is required?</u> Determination of key stakeholders (LG9, LG15, Wider Service Heads, Risk Man group, Audit Cttee, Scrutiny etc.) Identify current understanding and knowledge (stocktake)</p> <p>What do key staff need? How will better risk management help them and their service? (include reports , dashboards, other outputs). How does it help achieve objectives?</p> <p>What do members need? What is the role of Audit and Scrutiny ? how do we minimise duplication and maximise benefit?</p>	<p>Clear definition of key posts / stakeholders involved in the RM process. Understanding of current expertise / knowledge.</p> <p>Clearer understanding of why senior management "need" risk management – not just because "it is expected of them". Objectives are achieved.</p> <p>Members "feel" involved and aware of the risks and how these are being treated.</p>	<p>End Sept 2017</p> <p>End of Oct 2017</p> <p>Suggest a survey to gauge current views, with a refresh after 9 months to measure improvement. By March 2018</p>
<p>Review of Risk Management framework and process – comparison to other organisations, best practice, how we can link to other partners; understanding our appetite and how this may vary from service to service</p> <p><u>What is required?</u> Best practice – risk management leaders (banking sector to armed forces) – who uses risk man and why. What public sectors use RM well (e.g. Health, Police, Fire, Ambulance etc.)?</p> <p>Use in local government – are there sector leaders – what does their experience tell us? Who will benefit from knowing our risks ? (Health, police etc.) How can this be shared? More importantly how do we measure that we are managing risks with partners?</p> <p>What is "appetite" ? Can we set this for the County?</p>	<p>Identification of field leaders – increase knowledge and understanding</p> <p>Linking wider public sector risks. Partners helping us achieve objectives and manage risks.</p> <p>Knowledge of appetite and how it affects objectives.</p>	<p>End of Nov 2017</p> <p>End Nov 2017</p> <p>End Dec 2017</p>

Key task	Measure of Success	Timeline
<p>Development of process of integration of Risk Management into</p> <ul style="list-style-type: none"> • strategic goals • operational business • decision making 		<p>This will need to be "ongoing" and will start from Sept 2017. The full impact of this may not be seen until strategic plans are updated, reflecting the improved approach</p>
<p>Rolling programme of facilitation workshops</p> <p><u>What is required?</u> Set up of a training programme</p> <p>Delivery of informative / interactive workshops Set up "legacy" training</p> <p>Train new staff / new risk owners – who can then train their staff</p>	<p>Deliver training workshops to, say, 75% of "managers"</p> <p>Training can be rolled "off the shelf" at any time for future use. Help those trained to train their staff – feature in team meetings / development days etc.</p>	<p>Start in Dec 2017 through Jan 2018</p>
<p>Working with service heads and their direct reports – helping to explain RM; explain what a risk is and how to best describe; ensure controls are the right controls.</p> <p><u>What is required?</u> Ensure that service heads know the link between objectives and risk. Can describe a risk (i.e. not the converse of the objective) Can determine what risks can be controlled and therefore design effective controls</p> <p>Design reporting to aid in identifying controls overheating / in danger of failure</p>	<p><u>Measure of success?</u> Not making this "an industry".</p> <p>Keeping it relatively simple, but in enough detail to have added value.</p> <p>Embedding performance so that "warning lights" can be identified</p>	

Key task	Measure of Success	Timeline
<p>Supporting Corporate Governance Reporting</p> <ul style="list-style-type: none"> Audit Committee – attendance and writing and presenting reports <p><u>What is required?</u> Understanding what the Audit Cttee need. How often, what level of detail. Annual Assurance? Ongoing assurance.</p> <p>Prepare and present reports anticipating questions / area that further info may be required on.</p>	<p><u>Measure of success?</u> Audit committee "understand" their role and add to the RM process. Are "assured" that the RM process works well. Are empowered to ask "sensible and challenging" questions.</p>	
<ul style="list-style-type: none"> Members – input into scrutiny cttees <p><u>What is required?</u> Help the Cttee determine what they need. How risks affect achievement of objective. Cannot eliminate all risks.</p> <p>Consider how often reports are req'd and what level of detail.</p> <p>Prepare and present reports anticipating questions / area that further info may be required on.</p>	<p><u>Measure of success?</u> Scrutiny committees "understand" their role and add to the RM process. Reports have RM "embedded" and "pre-empt" how risk to objectives. Reports help members "see" the risks to objectives.</p>	
<ul style="list-style-type: none"> CLT & Senior Management – putting risk management back on the agenda <p><u>What is required?</u> CLT consider risks when making decisions. Not as a "blocker" but as an enabler – enabling them "to drive fast as there are good brakes" CLT understand why risks will affect objectives and the impact that has on service delivery.</p> <p>CLT challenge and support each other</p>	<p><u>Measure of success?</u> Balance between knowing risks and taking risks – CLT understand that they must take risks, but are "informed" about what these are</p> <p>Ultimate aim will be to capture "opportunities" as well as risks</p>	

Key task	Measure of Success	Timeline
<ul style="list-style-type: none"> Corporate Risk Management Grp – help to re-energise the group; get best practice embedded; help new group members understand their role; make the group a "challenge and support" vehicle <p><u>What is required?</u> As above</p>	<p><u>Measure of success?</u> Group fully understands its role. Group is seen as "adding value" Group takes wider ownership in embedding and promoting RM arrangements. The "culture" of RM is established within DCC.</p>	
TOTAL	135 days	