Inverclyde council

Report To:	Audit Committee	**Date:**	02.03.09
Report By:	Corporate Director Improvement and Performance	**Report No:**	AC/10/09/PW/APr
Contact Officer:	Andi Priestman	**Contact No:**	01475 712251
Subject:	RISK MANAGEMENT PROGRESS REPORT		

1.0 PURPOSE

1.1 The purpose of this report is to update members on progress made on risk management since the Audit Committee meeting on 6 January 2009. The report aims to support members in discharging their responsibility for reviewing the effectiveness of risk management across the organisation.

1.2 Progress on risk management requires to be monitored because of its importance to the Council's Corporate Governance Framework.

2.0 SUMMARY

2.1 Since the last Audit Committee report, the following key tasks have been undertaken:

- The first quarterly review of risk registers has been undertaken. A summary report is attached at Appendix 1.
- The Corporate Risk Management Group met on 12 January 2009 to discuss pertinent risk matters including service risk registers and business continuity planning and to review progress made against the action plan for embedding risk management across the Council. A risk assessment framework is being finalised which will be presented to Audit Committee in April 2009.
- Facilitated workshops took place during October and November to assist in the preparation of the Council's Incident Management Plan and supporting Service Business Continuity Plans. The formal output is currently being prepared and will be presented to Audit Committee in April 2009.
- The first meeting of the Crisis and Resilience Management team took place on 21 January 2009. Representatives from all Directorates attended. Agreement was reached on the standing agenda, representation and frequency of meetings and a number of actions were created to move the process forward. The Chief Internal Auditor attended the first meeting to present the Business Continuity Management audit report for CRMT discussion. CRMT members will discuss the recommendations within their own Directorates and feedback on proposals at the next CRMT on 4 March 2009.

2.2   Future actions will include:

- Embedding a regular review and update process within Services on their Risk Registers and, in particular, how planned mitigations are being implemented and when they are due to be implemented.
- Reviewing corporate, directorate and service risk registers to determine the overall approach to risk management ensuring strategic and operational risks are correctly aligned and appropriate reporting mechanisms are in place to fully embed the process in the wider strategic planning and performance management framework.

3.0   RECOMMENDATIONS

3.1   It is recommended that Members review and note the progress on risk management in the period since the January 2009 Audit Committee meeting.

Paul Wallace
Corporate Director
Improvement and Performance

4.0 BACKGROUND

4.1 There have been increasing pressures for public sector bodies to adopt formalised approaches to risk management.

4.2 In its Code of Practice, Audit Scotland makes it clear that the audited bodies are responsible for developing systems of internal control, including risk management, and for conducting annual reviews of the effectiveness of the system of internal control.

4.3 Inverclyde Council has developed a risk management strategy which outlines the Council's aims in delivering a consistent, effective framework and approach for managing risks across the organisation at all levels. This will aid the achievement of the corporate goals.

5.0 IMPLICATIONS

5.1 Legal: None
Finance: None
Personnel: None
Equalities: None

6.0 CONSULTATIONS

6.1 Discussions have taken place with relevant Officers in the review and update of risk registers.

7.0 LIST OF BACKGROUND PAPERS

7.1 Annual Risk Management Report 2007/2008. By Andi Priestman. Chief Internal Auditor.

7.2 Corporate, Directorate and Service risk registers. Available from Andi Priestman. Chief Internal Auditor.

7.3 Risk Management Strategy. Approved by Members June 2007.

Aggregate Report from
Review of Service Risk Registers
February 2009

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Introduction

- During March and April 2008, the Council completed a series of risk workshops across services.
- The aim of these workshops was to identify key risks at a Service level in order to:
  - Continue the process of embedding risk management at Inverclyde Council.
  - Identify all the key risks.
  - Promote a common risk language and assessment process.
- Meetings have taken place since the initial workshops with relevant officers to review and update the service risk registers for relevant changes.
- The aim of this report is to aggregate the results of the reviews and:
  - Identify whether there are any risks which pose a corporate threat in their own right
  - Compare the results of this assessment to the Corporate Risk Register in order to assess whether Corporate interventions are required.

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Executive Summary

Risks which pose a corporate threat

- There are 3 risks which pose a corporate threat to the Council. However, these have already been identified by the CMT on the Corporate Risk Register.

  – Business Continuity Management Risk: The risk that we do not have robust Business Continuity Plans in place for all service critical processes, which are routinely tested and proven; The risk arising from the fact that the data centre is incorrectly located, the technology is out of date combined with the fact that there is no back up which could cause major disruption in the event of a fire or flooding.

  – Human Resources Risk: Inability to attract or retain appropriately skilled personnel threatens the services ability to deliver core activities; the risk that there are inappropriate, unrealistic and inflexible deadlines which have been set which don't consider other existing and imposed priorities; Insufficient capacity threatens the department's ability to meet customer demands.

  – Internal Partners: Adequate and timely support/engagement is not provided or available from key internal partners to deliver our own services effectively.

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Next Steps

- Services will continue to regularly review, and update their risk registers and in particular, on how planned mitigations are being implemented and when they are due to be implemented.

- Corporate Risk Register will be reviewed in March 2009.

- Work is continuing to further embed risk management in the overall strategic planning and performance management framework.

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