

RISK MANAGEMENT ACTION PLAN 2006-07 : STATUS REPORT

The following is a summary of the status of the 2006-07 Risk Management Action Plan that was approved by the Standards and Governance Committee on 18th April 2006:-

	Actions from 2006-07 Action Plan	Status	Comments
1.	Policy and Strategy to be approved by Standards & Governance Committee.	Completed	Approved by the Standards & Governance committee on 18 th April 2006. Updated Risk Management Strategy for 2007-08 approved by the Audit Committee on 28 th March 2007.
2.	Arrange quarterly meeting of the newly constituted Risk Management and Controls Assurance Group ("RMCAG").	Completed	Meetings were held in: - July 06 (2 meetings) - Sept 06 - Nov 06 (2 meetings) - Jan 07 - Mar 07 A range of risk management and controls assurance issues were discussed.
3.	Review and update the Strategic Risk Register in consultation with the Chief Officer Management Team ("COMT").	Completed	Significant improvements were made to the 2006-07 Strategic Risk Register. The register now has more explicit links to the Council's key priorities and objectives. The updated document was developed in consultation with the RMCAG and COMT with the final document being signed off by COMT. Individual members of COMT appear as the 'risk owners'. The 2006-07 Strategic Risk Register was presented to the Audit Committee on 8 th February 2007 for review and for the Committee to satisfy themselves that the document adequately reflects the key strategic risks facing the Council and/or highlight any other significant key risks that may need to be considered.
4.	Review the Operational Risk Registers produced by Divisions and Directorates	Completed	Risk Registers for each of the Directorates were once again produced and approved by the relevant Directorate Management Teams. The individual risk registers were however more closely aligned with, and have more explicit links to, the directorate's key business objectives and priorities. Development of the risk registers was discussed at RMCAG meetings followed by meetings with each of the Directorate Risk Management Champions on a

Appendix 2

			<p>'one to one' basis to discuss and facilitate development of a risk register within their respective directorates taking into account the new directorate and management structures.</p> <p>Whilst there is evidence that the risk registers were reviewed by Directorate Management Teams there are still issues to address in terms of the consistency of approach.</p>
5.	Prepare annual report and interim six monthly report for Standards and Governance Committee and COMT.	Completed	Interim report presented to the Standards and Governance Committee on 25 th September 2006.
6.	Review returns in respect of the Controls Assurance gathering exercise (in support of the "SIC") in particular those relating to risk management arrangements in partnerships.	Completed	<p>The output from the "Controls Assurance Self Assessment Questionnaires" completed by Executive Directors was reviewed and discussed with the "RMCAG".</p> <p>The review supported the assertion that, at time of the review, there was a lack of clarity and consistency in terms of the governance arrangements surrounding partnerships.</p> <p>An appropriate governance framework for partnerships was subsequently developed by Corporate Policy and Performance and is now in place however it is not currently implemented on a consistent basis.</p> <p>The subject of partnerships working arrangements appears as a 'significant control issue' on the 2006-07 Statement on Internal Control and a range of actions have been developed to address the identified weaknesses.</p>
7.	Liaise with Human Resources to review the scope for risk management to be included within the induction training process.	Deferred	<p>Human Resources are reviewing the content of the staff induction training so that, as a minimum, all new staff have at least an awareness of Corporate Standards.</p> <p>In addition, the Internal Control 'Key Line of Enquiry' within the CPA Use of Resources has been amended since the action plan was developed and now refers to "<i>All appropriate staff being given relevant training and guidance to enable them to take responsibility for managing risk within their own working environment</i>". It had previously made reference to all staff.</p>
8.	To identify and consider the use of internal bulletins, newsletters and intranet facilities to promote a wider understanding of risk management.	Completed	<p>Pages on the Internal Audit and Risk Management Intranet site were updated to include the RM Strategy and Policy.</p> <p>Information on the type, format and frequency of internal newsletters and other</p>

			such communications was compiled for use by both Risk Management and Internal Audit to communicate information and advice.
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Other risk management actions undertaken in 2006-07

	Action	Comments / Further Action
1.	A Risk Management training session was held for members in March 2007. The session entitled "Risk Management – a discipline for dealing with uncertainty" was designed to provide an introduction to the concept of risk management and an overview of the arrangements that the Council has developed in order to identify and manage its key business risks.	The pilot session was well received and further Risk Management Member training sessions are to be held in 2007-08.
2.	Following a Project Management Skills Audit, Human Resources developed a range of learning interventions for managers this included a 'Management of Risk in a Project Environment' half day workshop focussed on the identification, analysis and subsequent management of risks in a project environment.	The training was developed in consultation with Risk and Assurance Manager and is consistent with and follows the Council's general approach to risk management as per the Risk Management Strategy.
3.	An associated Project Management Guidance and Template document was also developed to support the training which includes specific guidance on managing risk.	The documentation reflects the Council's general approach to risk management.
4.	An 'Option Appraisal' process was developed by Property Services as a tool designed to link Council objectives to the decision-making process. It provides the capability to consider all of the options relevant to the delivery of a project and links them to estimated "whole life" costs and risks for comparison, analysis and evaluation. It is intended to be used where the total cost of a project exceeds £2m (either capital or revenue multiplied by estimated life or a combination of both).	The process incorporates a 'risk analysis' for analysing and managing the risks associated with each option. The 'risk element' of the process is consistent with and follows the Council's general approach to risk management as per the Risk Management Strategy.
5.	The risk transfer aspects of the potential Strategic Services Partnership were considered specifically in relation to the insurance clauses. The Council's insurance brokers were commissioned to comment and report on draft insurance clauses.	Further advice will be provided as necessary.
6.	A risk management training was held for the 'Environment Directorate Senior Managers Forum' in July 2006 and a number of ad hoc meetings were held with 'Directorate RM Champions' throughout the year.	More structured learning programme to be developed as part of the Management Development Programme for 2007-08.

