

# Report

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Report to:	<b>Risk and Audit Scrutiny Forum</b>
Date of Meeting:	<b>3 November 2011</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Risk Management Workplan 2011/12</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ highlight progress and actions being taken to further embed the practice of sound risk management within the Council

## 2. Recommendation(s)

2.1. The Forum is asked to approve the following recommendation(s):-

- (1) that the Risk Management Workplan 2011/2012 is endorsed
- (2) that the scope of the Risk Sponsors Group is noted

## 3. Background

- 3.1. For the past two years, the Council has developed an annual Risk Management Workplan. Actions in the workplan generally arise from two main sources; suggestions from the cross Resource Risk Sponsors Group and gaps identified from assessment of risk management compliance with best practice standards.
- 3.2. Progress in delivering the actions in the workplan is reported as a corporate performance measure and actions are tracked using the Council's risk monitoring system, Figtree.

## 4. Corporate Risk Workplan for 2011/2012

- 4.1. The Forum will recall that the agenda of meeting of 19 May 2011 included the Risk Management Year End Report 2010/2011, which noted good progress with the 2010/11 Workplan and that 79% of the actions were completed or near completion.
- 4.2. The final detail of the 2011/2012 workplan was delayed to enable consideration to be taken of the recent Internal Audit of Risk Management Arrangements. The audit included an assessment of the Council's existing arrangements in comparison to available best practice guidelines and the level of compliance was found to be 81%. The strategic approach to managing risk and the structure of risk management processes scored particularly well.
- 4.3. Although this is a good score, a number of further improvement actions were identified and the opportunity has been taken to include them in the proposed workplan attached at Appendix 1. A few actions which remained open from last year have also been brought forward to 2011/2012. The Forum is asked to note content, responsibilities and dates and to endorse the plan.

## **5. Employee Implications**

- 5.1. Each Resource has a Risk Sponsor who is responsible for developing, challenging and supporting risk management activity at Resource and corporate levels. The Risk Sponsors Group met on 15 September 2011 and agreed the content of the proposed workplan.
- 5.2. The group has also recently reviewed its remit which is attached at Appendix 2. The Forum is asked to note the scope of the work of this group in helping to further embed the management of risk throughout the Council.

## **6. Financial Implications**

- 6.1. There are no material financial implications associated with delivery of the workplan.

## **7. Other Implications**

- 7.1. The Council's risk management arrangements are noted each year in the Annual Report to members prepared by the Council's external auditors. The existence of a workplan which is regularly monitored should be viewed as a positive mitigation of good risk management practice. In their 2010/2011 Follow Up Report, PricewaterhouseCoopers noted as complete the action for the Council to 'promote consistent risk management activity throughout the organisation, whereby the recording of mitigating controls and actions are applied regularly and uniformly.'
- 7.2. The final version of the workplan was approved by the Risk Sponsors Group in September 2011 which enabled account to be taken of the results of the Internal Audit report on Risk Management Arrangements. Work relating to a number of actions was already being progressed. In order to mitigate the risk of the plan being approved part-way during the year, some actions, where appropriate, will be carried forward into 2012/2013.

## **8. Equality Impact Assessment and Consultation Arrangements**

- 8.1. There is no requirement to equality impact assess the contents of the workplan. Risk Sponsors for each Resource, as well as other named officers, were consulted during preparation of the plan.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

17 October 2011

### **Link(s) to Council Values/Improvement Themes/Objectives**

- ◆ Improvement Theme: Governance and Accountability

### **Previous References**

- ◆ Year end risk management report 2010/11

### **List of Background Papers**

- ◆ None

### **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

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## Risk Management Workplan 2011/12

Type of activity	No.	Action	Responsibility	Date	Progress and comment
Awareness raising and training	1	B/Fwd action but with slight change: Raise awareness of the need to manage risk in non IT projects by presenting to the CIAB	Audit and Risk Manager	31/08/2011	Complete: presentation to CIAB August 2011
Awareness raising and training	2	Prepare and issue Members' newsletter	Risk Management Officer	30/11/2011	
Awareness raising and training	3	Awareness session/update report for CMT on the risk management cycle, methodology and recommended decision process	Improvement and Risk Manager; Risk Management Officer	31/03/2012	
Awareness raising and training	4	Send out link to LOL risk module and report to Sponsors on uptake	Risk Management Officer	31/10/2011	Complete: link sent to employees identified as most needing training
Awareness raising and training	5	Arrange formal risk management training for Council's lead risk manager and arrange membership of recognised institute for management of risk	Improvement and Risk Manager	31/03/2012	IRM and other courses identified
Embedding	6	B/Fwd action but with slight change: Check risk management arrangements in a selection of higher risk partnerships and formally offer support	Risk Management Adviser; Risk Sponsors	29/02/2012	
Embedding	7	B/fwd action but with slight change: Report upside risk in insurance marketing presentation, if going for full tender	Risk Management Adviser; Risk Sponsors	31/12/2011	
Embedding	8	Throughout the year, review the quality of risk information going to Resource committees and provide feedback to authors	Risk Sponsors	31/03/2012	
Embedding	9	Include second article on Risk Management in Works magazine	Risk Management Officer; Risk Sponsors	31/03/2012	Series of articles prepared and discussed with CCPR
Monitoring	10	Prepare half yearly and full year compliance schedules and validate that evidence supports compliance score	Improvement and Risk Manager; Risk Management Officer; Risk Sponsors	30/11/2011	

Type of activity	No.	Action	Responsibility	Date	Progress and comment
Monitoring	11	Set up process for monitoring delivery of actions from GB consultants on: Administration of medication, Asset Mgt, Insured Hotspots and footway inspections	Risk Management Officer	31/10/2011	Complete: all actions now entered to Figtree and categorised within system. Will be tracked as risk control actions.
Monitoring	12	Include an internal audit assignment in the 2012/13 internal audit plan to assess the adequacy of a sample of the top risk controls	Internal Audit Manager	31/12/2011	On list of audit ideas for next year's plan
Operational Management	13	Identify common risks across all Resources and agree common controls and actions, identifying where specific initiatives may need to be put in place	Risk Management Officer; Risk Sponsors	29/02/2012	
Operational Management	14	Review Educational excursions procedures	Education Support Services Officer; Health and Safety Manager	31/12/2011	Work in progress
Operational Management	15	B/Fwd action with slight change: Sample of high value existing contracts to be reviewed to highlight areas of risk retained by the Council	Procurement Manager	31/03/2012	
Operational Management	16	B/Fwd action: Establish a method for transparently evaluating risk when entering contracts. Ensure risk assessment carried out	Procurement Manager	31/03/2012	Work in progress within Sourcing Methodology
Operational Management	17	B/Fwd action: (i) Build into standard invitation to tender the need to formally identify shared risks and arrangements for sharing management of risks. (ii) Add the requirement for contractors/subcontractors to adhere to SLC Risk Management practices	Procurement Manager	31/03/2012	Work in progress (ii) within Sourcing Methodology
Operational Management	18	Prepare and contribute to updated consolidated project management checklist for use in change and improvement projects to ensure management of risk is adequately covered	Finance Adviser (Performance); and Risk Management Adviser	31/01/2012	
Policy and procedure	19	Update the Risk Management Strategy, redefining the specific links to Connect and with input from internal and external consultees	Improvement and Risk Manager	29/02/2012	

Type of activity	No.	Action	Responsibility	Date	Progress and comment
Policy and procedure	20	Via sponsors group, update and formalise in methodology, the ruling for linking Resource risks to the corporate planning process	Improvement and Risk Manager	31/01/2012	
Policy and procedure	21	B/fwd action: Update Risk Management Handbook and issue	Risk Management Adviser	31/03/2012	Index agreed and now work in progress
Policy and Procedure	22	Arrange employee bulletin on new strategy and role in managing risk	Risk Management Adviser; Risk Sponsors	31/03/2012	
Strategic Management	23	Prepare a proposal for evaluating risk within the new Council plan	Risk and Audit Manager - and - Improvement and Risk Manager	31/10/2011	Complete: proposal prepared based on draft outline Council Plan
Strategic Management	24	Identify and evaluate the risk associated with the proposals in the 2012/13 update of the draft Council Plan	Improvement and Risk Manager; Risk Sponsors	31/03/2012	
Strategic Management	25	Bfwd action: Check that Mid Term review of Connect actions have been risk assessed and that results have been recorded in registers.	Risk Sponsors	31/10/2011	Instruction issued to Sponsors at July 2011 meeting
Strategic Management	26	Re-design process for, and deliver update, of top risk register	Improvement and Risk Manager; Risk Management Officer	29/02/2012	
Strategic Management	27	Secure agreement of Risk Sponsors' Group remit RASF	Improvement and Risk Manager	31/12/2011	Complete: see Appendix 2 of this report
Transparent reporting	28	Present Executive Committee report on control of top risks	Risk and Audit Manager	31/10/2011	Complete: reported to Executive Committee 5/10/2011
Transparent reporting	29	B/fwd action: Include top risk register in FOI publication scheme	Risk Management Officer; Administration Adviser	31/12/2011	Will be actioned at next corporate update of scheme.
Transparent reporting	30	Housekeep Figtree records. Realign key risk to risk description ensure consistent with information to Committee.	Risk Sponsors	31/12/2011	
Transparent reporting	31	Check that risk information reported to Resource Committee is accurately reflected in Figtree	Risk Sponsors	30/11/2011	

**Risk Sponsors Group Remit**

**Objective for group**

Develop, challenge and support risk management activity at Resource and corporate levels.

**Scope of group work**

1. Advising, and providing support to, Corporate Management Team and lead officers on management of cross cutting risks and risk management processes
2. Identifying, analysing and discussing emerging risks resulting in provision of advice on opportunities and mitigation
3. Leading new risk management initiatives
4. Communicating the need to manage risk and share good practice
5. Reviewing risk management training materials and developing opportunities for dissemination of best risk management practice in Resources
6. Reviewing the corporate risk register and risk control plan, co-ordinating the results for risk reporting and monitoring
7. Facilitating the update of Resource risk registers and risk control plans
8. Promoting the management of risk at appropriate forums
9. Participating in self evaluation of risk management process and progress
10. Progressing delivery of Resource risk control actions and control actions for top risks led by own Resource