Annual Risk Management Report 2007/8

RECOMMENDATION

1.1 To note the report.

SUPPORTING INFORMATION

2.1 Over the last year the Council has continued to improve and embed its risk management arrangements significantly. This report provides details on the key risk management developments in 2007/08 and outlines further initiatives to be undertaken in 2008/9.

Key developments in 2007/8

2.2 Prior to July 2007, the resourcing of the Risk Management function was provided from existing internal audit resources. To continuing to develop the risk management processes increased resources were required. This was achieved by transferring the Council's Insurance Team into the Audit & Risk Management Section. Increased efficiency from adopting modern electronic processes in the Insurance Team meant that resources could be used to support the risk management function.

2.3 During the summer 2007, a series of risk management awareness training sessions were run, targeted at key staff. In total 12 sessions took place and were fully subscribed. The sessions were aimed at raising awareness of the Council's Risk management strategy and approach to risk management.

2.4 The review of both the Risk Management Strategy and the methodology in place, led to the publication of a handbook on risk to provide a detailed guide for staff on the risk management approach adopted by the Council. This document can be found on both Derbynet and the Council's website.

2.5 The Council's Corporate Plan is used to record the main strategic risks and the individual departmental business plans record individual service risks. A central risk register of all these risks has been established by the Risk and Insurance team. The Head of Audit and Risk Management and the Insurance and Risk Team are working closely with the Planning and Performance Manager to review the use of the Corporate Plan and individual business plans to record the risks.

2.6   A performance ladder has been developed to assist in carrying out a self assessment of our current risk management processes in readiness for the Comprehensive Area Assessment.

2.7   The Head of Audit and Risk Management has been looking at the advantages of procuring dedicated Risk Management software to support the embedding of risk management into the culture and operations of the Council.

2.8   There are a number of developments that were being worked on at the year end and are still on-going. These are:
● drafting a guide to partnership risks
● producing a generic risk list to inform future strategic risk registers
● compiling a list of risk competencies for all Council staff
● drafting a checklist of good practice in conjunction with H&S to help increase our mitigation rates on EL claims
● creating a comprehensive risk library to assist in development of good practice, research and reporting.

The progress with these developments will be reported at the December meeting of the Committee.

Key Risk Management Issues for 2008/9

2.9   The following Risk Management initiatives have been identified for the current financial year:
● finalise the procurement of a dedicated Risk Management software
● work towards the successful embedding of RM within Council culture particularly with focus on partnerships and project management
● examine how the Council covers risk implications in reports where key decisions are required.
● ensure that risks around Fraud & Corruption are properly assessed within risk registers.
● develop a training programme for relevant Members and staff on risks.
● review the Risk management strategy and methodology.
● visit departments to review the processes used to compile individual risk registers.
● develop a process for measuring the maturity and strength of the Council's operational risk management procedures.
● review the processes for the maintenance and monitoring of the Council's business continuity plan
● examine how risk issues are communicated to members and staff.

2.10   The outcomes of these initiatives will be reported back to this Committee.

For more information contact:	Richard Boneham, Head of Audit and Risk Management, 01332 255688 richard.boneham@derby.gov.uk
Background papers:	Risk Management Strategy
List of appendices:	Appendix 1 – Implications

IMPLICATIONS

Financial

1. There will be costs involved in some of the developments. These will be met from the Risk Management reserve.

Legal

2. None directly arising

Personnel

3. None directly arising

Equalities impact

4. None directly arising.

Corporate objectives and priorities for change

5. None directly arising.