



DERBY CITY COUNCIL

**AUDIT AND ACCOUNTS
COMMITTEE
4 DECEMBER 2008**

Report of the Head of Audit and
Risk Management

ITEM 13

Risk Management Update

RECOMMENDATION

- 1.1 To note the report.

SUPPORTING INFORMATION

- 2.1 At the meeting on 24 September 2008, members received the Annual Risk Management Report for 2007/8. This report provides an update on the work outlined in the annual report.
- 2.2 There were a number of developments identified in the Annual Report that were being worked on at the year end and are still on-going. These are:
- Drafting a guide to partnership risks - A guide and a checklist have been drafted and the action plan has been reviewed and revised.
 - Producing a generic risk list to inform future strategic risk registers - A suggested list of around a dozen 'substantial' risks has been created and will be reviewed by the Council's Strategic Risk Group before being approved by Chief Officer Group.
 - Compiling a list of risk competencies for all Council staff - A list has been drafted and will be discussed at the next meeting of the Strategic Risk Group.
 - Drafting a checklist of good practice in conjunction with Health and Safety to help increase the Council's mitigation rates on Employers Liability claims - A checklist has been written and has been sent to the Corporate Human Resources Adviser - Occupational Health, Safety and Welfare for review.
 - Creating a comprehensive risk library to assist in the development of good practice, research and reporting – This is an ongoing process, but the Risk Management Team has made considerable progress with this.
- 2.3 The Annual Report also outlined the Key Risk Management Issues for 2008/9. These are:

- Finalise the procurement of a dedicated Risk Management software - There are two decisions still to be made on this issue:
 1. Deciding whether to implement an externally hosted solution.
 2. What potential risk data could be taken from the recently developed risk monitoring system for project management (MOSS), and how this would integrate with a dedicated risk management system.
- Work towards the successful embedding of risk management within Council culture particularly with focus on partnerships and project management – this is an ongoing process and the Risk Management Strategy underpins this.
- Examine how the Council covers risk implications in reports where key decisions are required – this is being considered by the Strategic Risk Group.
- Ensure that risks around Fraud & Corruption are properly assessed within risk registers – currently this is not adequately assessed, although fraud is one of the generic risks put forward in the list to inform the strategic Risk Register.
- Develop a training programme for relevant Members and staff on risks – the scope of the training has been drawn up and discussions are taking place with Zurich Municipal on how this can best be delivered. Funding will be from the risk management
- Review the Risk management strategy and methodology – this is a key task. A new strategy has been drafted and the methodology is being reviewed.
- Visit departments to review the processes used to compile individual risk registers – the current list of individual departmental risks held by the Risk Management Team has been passed to each departmental “risk champion” for them to review and update. Once the replies have been received, a meeting will be held with each department to discuss how they are assessing their risks and assist in compilation of new departmental risk registers.
- Develop a process for measuring the maturity and strength of the Council’s operational risk management procedures - a performance ladder that links both the “Use of Resources” KLoEs and examples of good practice to demonstrate the Council’s risk maturity has been developed. This now needs to be rolled out to departments.
- Review the processes for the maintenance and monitoring of the Council’s business continuity plan – no progress has been made on this.
- Examine how risk issues are communicated to members and staff – we are currently reviewing best practice in this area.

2.4 Other Risk Management work that has been undertaken in the past 3 months is:

- Review the risk methodology and the risks themselves on the New Ways of Working Project. A number of suggestions for revisions needed to the methodology used in assessing the risks have been made, together with a complete review of the risks within the project risk log to give a more accurate picture.
- Reviewed and suggested improvements to the risk methodology and the risks within the Fairer Charging Project.
- Drafted an action plan for the Strategic Risk Group
- Commenced drafting the layout for a Risk Management page on the Council's intranet.

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Background papers:

List of appendices: Appendix 1 – Implications

IMPLICATIONS

Financial

1. None directly arising

Legal

2. None directly arising

Personnel

3. None directly arising

Equalities impact

4. None directly arising.

Corporate objectives and priorities for change

5. The functions of the Committee have been established to support delivery of corporate objectives by enhancing scrutiny of various aspects of the Council's controls and governance arrangements.