
Report To:	Audit Committee	Date:	27 August 2013
Report By:	Corporate Director Environment, Regeneration & Resources	Report No:	AC/63/13/AF/APr
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Subject:	Risk Management Progress Report		

1.0 PURPOSE

- 1.1 The purpose of this report is to update Members on progress made with regard to risk management since the Audit Committee on 23 April 2013. 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:
 - A joint presentation with NHS risk management was given to CHCP management in June to discuss the best way forward for CHCP in relation to risk management. It has been agreed that risk workshops will be jointly facilitated for CHCP services and risk registers will now be in place by end of September 2013.
 - The Risk Management e-learning package has been reviewed and updated and will be launched after summer recess.
 - An action plan has been prepared in line with Audit Scotland's BV Toolkit on Risk Management which provides best practice guidance for Councils in relation to risk management processes and practices. This action plan sets out the work that will be undertaken for the remainder of 2013-14 and is attached as an appendix to this report.
- 2.2 Work is ongoing to implement the action plan to align the Council's procedures with best practice guidance on risk management processes and practices.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that Members agree to note the progress on risk management in the period since the Audit Committee meeting in April 2013.

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Corporate Director Environment, Regeneration & Resources

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 The Council has developed a Risk Management Strategy which will deliver a consistent, effective framework and approach for managing risks across the organisation at all levels and support the achievement of the corporate outcomes.

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 2012/2013. 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 March 2010.

Risk Management Initiative	Required Action	Expected Date
<p><u>Raising the Profile of Risk Management</u></p> <p>Increase the extent to which Risk Management is actively supported and promoted, encompassing:</p> <ul style="list-style-type: none"> - Ensure the risk management strategy gives a clear lead and practical guidance to staff (BVT Ref. 1.1) - Ensure senior managers and members give a visible lead in promoting the importance of risk management (BVT Ref. 1.2) - Encourage the use of risk management to help identify opportunities as well as risks (BVT Ref. 1.4). 	<p>Update of strategy to take into consideration:</p> <ul style="list-style-type: none"> - Changes to the organisational structure - Developments in Joint Civil Contingencies Service - Using risk management to identify opportunities 	<p>October 2013</p>
<p><u>Embedding Risk Management</u></p> <p>Increase the extent to which Risk Management is embedded in the organisation's business processes (BVT Ref. 1.3).</p>	<p>Re-establish Operational Risk Management Group group:</p> <ul style="list-style-type: none"> - Identify members - Create Terms of Reference - Outline reporting methods - Set agenda for group 	<p>March 2014</p>
<p><u>Provide Training</u></p> <p>Provide staff with the appropriate training to ensure they are equipped to support the risk management process (BVT Ref. 2.2).</p>	<p>E learning module/Intranet page</p> <ul style="list-style-type: none"> - Development and launch of e learning module - Development and launch of 'ICON' intranet page 	<p>October 2013</p>
<p><u>Manage Residual Risks</u></p> <p>Ensure there are adequate contingency arrangements to address residual risks (BVT ref 2.5).</p>	<p>Establish links with JCCS and monitor progress with relevant plans liaising on emerging residual risks as they emerge.</p>	<p>October 2013</p>
<p><u>Monitoring Risks and Mitigation Actions</u></p> <p>Ensure Risks and the actions taken to mitigate them monitored throughout the year (BVT Ref. 3.1) and that Risk Management is adequately reported to stakeholders (BVT Ref. 3.3).</p>	<p>Update Service registers and prepare aggregated report for CMT and Audit Committee.</p>	<p>January 2014</p>
<p><u>Working With Our Partners to Manage Risk</u></p> <p>Ensure there is there adequate monitoring of partnership risks (BVT Ref 3.2).</p>	<p>Develop service risk registers for CHCP.</p>	<p>October 2013</p>