

# Risk Management Status Update

Audit Committee

Date: 26<sup>th</sup> January 2010

---

**Author:** Head of Performance and Risk

**Wards Affected:** All

## **Purpose**

- To present Audit Committee with a summary report on Risk Management activity within Swindon Borough Council

## **Recommendation**

- It is recommended that the contents of this report be noted
- It is recommended that Audit Committee discuss the Corporate Risk Register

## **1. Reasons**

- 1.1 Audit Committee provides independent assurance to the Council on the effectiveness of the Council's Risk Management, Internal Control and its overall assurance framework.

## **2. Detail**

### **2.1 Risk Management Strategy**

- 2.1.1 The risk management training programme has continued with particular focus on project management and on improving the corporate capacity to challenge and quality assure risk information.
- 2.1.2 Two more Lunch and Learn training sessions for project personnel have been held with another scheduled for next week. 31 officers have now attended this training and the feedback has been extremely positive. A number of officers have requested further one to one coaching and support having received the training to really embed their learning in their working practices. A coaching session has also been run for Project Management staff to help deepen the team's risk management knowledge and to enable them to better challenge and quality assure project and programme risk registers. The team have also been trained to run/support future risk management lunch and learn sessions to increase capacity.
- 2.1.3 Risk management officer training has been held to improve attendees understanding and knowledge and to enable them to carry out some quality assurance on the risk registers around the organisation. All five members of the Performance and Risk team, two internal audit officers,

# Risk Management Status Update

**Audit Committee**

**Date: 26<sup>th</sup> January 2010**

---

two officers from the project management office and a member of the partnership team attended this training.

- 2.1.4 The Head of Internal Audit and the Head of Performance and Risk agreed a process whereby all significant or of concern audits are now sent through to the Performance and Risk Team to enable follow up on any risk management issues.
- 2.1.5 The Risk Management Intranet pages have been updated to ensure that clear and consistent information is available to all officers and members. The pages have been consolidated, rewritten and the guidance and references updated.
- 2.1.6 The corporate risk management resource has been reviewed and the Performance and Planning team restructured to become the Performance and Risk team, with all officers fulfilling multi-discipline posts. This will bring performance management, risk management and business planning more closely together the results of which can already be evidenced by the business planning process for 2010-11.
- 2.1.7 As outlined previously, training has been carried out to up skill members of the Performance and Risk team to enable them to carry out quality assurance of the risk process and specialist mentoring and coaching is being made available to them on an ongoing basis. The role of performance champions is currently under consideration by the Performance and Risk Team with a view to increasing the risk management capacity of these posts.
- 2.1.8 We recently participated in the ALARM (Association of Local Authority Risk Managers) Triennial benchmarking survey 2009, the results of which were published in December and are currently being analysed.

## **2.2 Risk Registers**

- 2.2.1 The standard corporate format for risk registers has been expanded to be available in an excel workbook with integral guidance notes. This supports the delivery of the risk management strategy by providing officers with a more practical, easy to use document containing all the information they need to carry out a risk exercise and complete a risk register.
- 2.2.2 The Corporate Risk Register has continued to be regularly updated both formally through the Performance Framework and on other occasions as circumstances have changed and the need arisen.
- 2.2.3 A full refresh and discussion of the Corporate Risk Register is carried out at each Quarterly Business Review at Corporate Board, the most recent of which took place at the beginning of November 2009. The current

# Risk Management Status Update

Audit Committee

Date: 26<sup>th</sup> January 2010

Corporate Risk Register is therefore dated October 2009 and is attached at Appendix 1. It is in the process of being updated for the next Quarterly Business Review, taking place in February 2010.

- 2.2.4 From February 2010 Operations Board will be reviewing the Corporate Risk Register quarterly prior to Corporate Board to further strengthen this process. There is still an emphasis on mitigating actions as part of these discussions with Corporate Board challenging when actions do not appear to be as robust as necessary.

## 2.3 Insurance

- 2.3.1 The insurance policy fell due for renewal on 1<sup>st</sup> January 2010 and terms were received and accepted from the insurers within the current agreement. The total premium reduced, as Swindon Commercial Services are now responsible for their own insurance arrangements as an arms length organisation.
- 2.3.2 Overall the number of claims continues to reduce in comparison to previous years. A 5-year claims summary is shown below.

Year	Number of Claims	Cost of Claims
2005	739	£2,078,114
2006	418	£1,389,861
2007	379	£1,627,524
2008	369	£1,262,675
2009	287	£744,328

- 2.3.3 We are able to defend many claims however, there are instances when we have to pay some claims due to issues with adherence to procedures, and record keeping in some departments. When this is identified these are investigated, the relevant teams are informed and risk management assistance offered and the situation will continue to be monitored.
- 2.3.4 It is anticipated that the overall number of claims will reduce in the next year as over the last five years, over half of the claims made against the Council relate to SCS so it is likely that the move to ALMO will have a positive impact on the Council's own claims experience.

## 2.4 Business Continuity Management

- 2.4.1 The H1N1 Pandemic Influenza triggered the activation of the Business Continuity Team with meetings initially being held weekly and then later decreasing to fortnightly. Weekly updates were given to Corporate Board and to the Leaders Advisory Group. Whilst the disease has not gone

# Risk Management Status Update

Audit Committee

Date: 26<sup>th</sup> January 2010

---

away, the decline in the numbers of infections in Britain has allowed us to place the meeting and update schedule on hold. However the plans and procedures for dealing with the disease are still in place and activity is being focussed on the vaccination programme.

- 2.4.2 The Council's response to the Pandemic had to be dynamic and reflect the rapidly changing situation and national planning assumptions. Initially the Government had planned for mass vaccination of the entire population. This was amended in order to target the vaccination of those groups who were proving to be particularly vulnerable to the virus and its effects such as the very young and those with certain medical conditions. Planning for the vaccination programme and the business impacts was carried out with Swindon PCT and the programme commenced in October 2009. In addition the Council has been given responsibility and allocated funding by the Government for managing the vaccination of frontline social care staff who meet certain criteria. This programme is ongoing at present and will continue at least until the end of January.
- 2.4.3 As a result of the severe weather in January 2010, the Business Continuity Plans were invoked. Liaison with business areas across the Council and our service delivery partners took place. Services to the vulnerable were prioritised and support given to areas such as Adult Social Care to ensure that key staff could get to work and to their clients. The Communications Team provided a vital link to staff and the residents of Swindon with regular and up-to-date information on schools and council services being placed on the website.
- 2.4.4 The PCT have agreed that a joint Business Continuity Policy and Strategy with Swindon Borough Council be developed in line with the British Standard for Business Continuity BS25999. The drafts will be circulated for consultation by 31<sup>st</sup> March 2010.
- 2.4.5 The training and exercising schedule will continue throughout 2010. In addition to internal exercises SBC and Swindon NHS (Primary Care Trust) are participating in a Gold Standard exercise facilitated by the Cabinet Office in February. The exercise will address issues raised by a chemical, biological, radiological and nuclear release.

## 2.5 Civil Contingencies

- 2.5.1 The onset of the Swine Flu Pandemic led Swindon Borough Council to invoke its Pandemic Influenza Plans and Procedures. The national planning assumptions and worst-case scenario at that time were used as the basis for planning the Council's response.
- 2.5.2 The work involved close co-operation and partnership working with the Swindon NHS (Primary Care Trust), the Council's partners and the

## Risk Management Status Update

Audit Committee

Date: 26<sup>th</sup> January 2010

agencies involved in the Local Resilience Forum. The Civil Protection Unit together with the Business Continuity Manager worked to ensure that the procedures put in place reflected both the national directives as well as taking account of local needs.

- 2.5.3 During the severe weather in January 2010 the Council's Extreme Weather Guide was invoked. The Civil Protection Unit liaised and worked closely with its LRF partners, the Council's partners and the Business Continuity Manager throughout this time.
- 2.5.4 The planning, preparation and response meant that the Council were able to maintain critical services at all times. National directives requiring ultimately a 50% reduction in salt usage were complied with and during this time the Council also provided mutual aid to Wiltshire Council in the form of salt supplies.
- 2.5.5 Parish Councils were asked to support the effort by keeping an eye on vulnerable residents and neighbours. An internal 4x4 vehicle response protocol was set up and this linked into that set up by the Local Resilience Forum. The LRF's protocol has been put forward as a national good practice model.
- 2.5.6 On the 29th October 2009 there was a request for an update of the local implementation of the Pitt Review Recommendations and this was duly submitted. The Draft Flood and Water Bill is still going through Parliament and the final implications and funding arrangements are awaited.
- 2.5.7 In conjunction with the Environment Agency, the Civil Protection Unit is supporting an initiative whereby a Graduate Student is working with the Council in looking at the management of surface water flooding.
- 2.5.8 In line with the training and exercising schedule this Unit has facilitated training for Local Authority Incident Officers, Inter Faith Group members and has been involved with multi-agency exercises concerning the Flu Pandemic. A presentation was given in November 2009 to the Audit Committee when a recommendation was made that training for Members should be carried out. This will be arranged after the elections this year.

### Alternative Options

- Not Applicable

#### **Risk Management**

##### *Financial and Procurement Implications*

The Risk Management Budget will support funding for delivering the Risk Management Strategy. General Risk Management related costs to be absorbed

# Risk Management Status Update

**Audit Committee**

**Date: 26<sup>th</sup> January 2010**

by existing budgets.

## *Legal / Human Rights Implications*

As part of the Accounts and Audit Regulations 2006 it is a statutory requirement that the Council maintains a robust, adequate and effective system of Risk Management in the management of its risks in delivery of its core services.

The Civil Contingencies Act 2005 imposes duties on the council to meet its responsibilities as a Category 1 Responder, which as a public sector organisation has a key role to play in the response to and management of an emergency.

## *Links to Corporate Plans and Policies (in particular to Swindon 2010 Promises)*

The Risk Management Strategy, the Corporate Risk Register, Risk Management and Performance monitoring are management processes that help underpin the successful delivery of the Corporate Plan, Annual Delivery Plan, Policies and Swindon 2010 Promises.

## **Consultees**

- The Director of Finance (Section 151 Officer) and the Director of Law and Democratic Services (Monitoring Officer) are consulted on all reports.
- Head of Internal Audit
- Insurance Manager
- Business Continuity Manager
- Head of Civil Contingencies

## **Background Papers and Appendices**

- Appendix 1 – Corporate Risk Register October 2009