

Corporate Risk Management Update

Audit Committee

Date: 4th November 2014

Author: Corporate Risk Manager

Wards: All

Locality Affected: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 To present Audit Committee with a summary report on Risk Management activity within Swindon Borough Council, with the latest Corporate Risk Register.
- 1.2 Audit Committee provides independent assurance to the Council on the effectiveness of the Council's Risk Management, Internal Control and its overall assurance framework. This report summarises the areas which the Committee may wish to consider in gathering this assurance and provides a basis for discussion.

2. Recommendations

The Committee is recommended to:

- 2.1 Discuss and gain assurance on the corporate risk management approach and processes and risks captured in the Corporate Risk Register.

3. Detail – Risk Management

3.1 Corporate Risk Register

The Corporate Risk Register is updated and agreed quarterly with Corporate Board Members. It reflects current and emerging strategic risks from across the organisation. Mitigating actions are actively monitored for implementation and effectiveness as part of this process.

Formal risk documentation is in place at, Corporate, Pillar and Transformation Programme/project levels and risks are escalated up through the organisation. Significant delivery partner/contractor risk registers are also in place and monitored.

Two new risks have come on the Corporate Risk Register recently, the Management of the Waterside Depot and the Medium to Long Term Sustainability of Swindon. Both these risks were escalated through the organisation.

The Corporate Risk Register is provided at Appendix 1 and includes the respective triggers, current controls and mitigating actions for each risk entry.

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3.2 Development of Risk Management

Over the last 6 to 12 months Swindon Borough Council has self-assessed its level of risk management maturity as improving from Level 2 - 'Happening' to Level 3 - 'Working' against the 5 levels of the ALARM National Performance Model Assessment Framework. This achieved the developmental performance target set by Board in 2013.

Following on from this self-assessment, we participated in a national CIPFA benchmarking exercise using the same Model, the results of which confirmed that our current level of risk management maturity is Level 3 - 'Working'

A summary of activity during the last twelve months and how it has helped Swindon Borough Council move forward through this improvement is outlined below.

- There has been significant focus ensuring risk registers / risk documentation and review processes are in place for the Council's strategically significant areas, particularly Pillars and partnerships. This work is still ongoing but it has led to better and more focused risk conversations within those areas that have fully engaged. It has also provided a strongly evidence "golden thread" for the corporate risks.
- There has been a strong emphasis on the importance of risk management at Corporate Board, sponsored by the Chief Executive. This has led to significant improvement in Board engagement with risk management both with the Corporate Risk Register and with risk management in their areas of responsibility.
- There has been Quality Assurance work carried out on the Corporate Risk Register. This has led to a much sharper articulation of the corporate risks and their root causes which should in turn lead to better mitigation. This work is being replicated at Pillar level where the evidence base behind risk management activity is much improved.
- Work has been visibly undertaken in Service Delivery and Commissioning Leadership Teams to revitalise risk management processes to ensure they are useful. This has led to better risk conversations, actively managing identified high risks. As part of the upcoming business planning processes there will be more focus on the identification of risks and the Corporate Risk Manager will be working with all areas to ensure this is efficient and effective.

3.3 Risk Management Strategy

Corporate Board Risk Management Spotlight Sessions take place quarterly both to discuss corporate risks and to discuss and apply best practice and guidance to implement the Risk Management Strategy. The Strategy itself is to be reviewed over the next two months to ensure it continues to reflect the changing

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environment in which the Council is operating, agreed organisational priorities and strategies and the change in organisational structures.

4. Detail - Insurance

4.1 A summary of insurance claims since April 2011 is set out below.

	April 2011 to March 2012		April 2012 to March 2013		April 2013 to March 2014	
	Claims	Cost £'s	Claims	Cost £'s	Claims	Cost £'s
Employers Liability	8	£ 58,497	10	£ 25,398	6	£ 45,933
Motor	1	£ 1,955	4	£ 3,921	42	£ 36,250
Property	38	£ 95,649	15	£ 61,757	17	£ 54,871
Public Liability	151	£ 748,057	149	£ 461,635	242	£ 601,290
Total	198	£ 904,158	178	£ 552,711	307	£ 738,345

Note - The above claims figures are the latest available as at 30th September 2014. The next period figures will be compiled in November 2014.

- 4.2 Numbers for both public liability and motor claims have increased in the last financial year. The increase in motor claims was anticipated due to the reintegration of Swindon Commercial Services. The Insurance Manager is currently undertaking some work relating to motor incidents with a view to reducing the number of claims.
- 4.3 The increase in public liability claims is mostly due to claims relating to either tyre damage from potholes on roads, or slips and trips on the pavement. There were a few locations over the winter period where the same pothole caused damage to several vehicles. Furthermore, it has been identified that some injury claims on the highways have been settled, as repairs were not completed within the specified timescale. As above, the Insurance Manager is liaising with the appropriate highways contacts to further manage this risk.

5. Detail - Business Continuity Management

- 5.1 The impact of an influenza outbreak on the vulnerable people the Council cares for and the provision of service has been recognised. A seasonal flu vaccination programme was authorised and carried out in autumn 2011 and this programme helped to reduce staff sickness in the Council by 371.5 days in the period September 2011 to end August 2012. The effect of this has been to increase service resilience against a flu outbreak, and reduce the risk to vulnerable service users. The seasonal flu vaccination programme has been carried out every year since. The programme this year commences in October and will continue to at least mid-November. The Head of Civil Protection Unit together with Corporate

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Health and Safety provide essential support to the delivery of the vaccination programme.

- 5.2 Business continuity enabled areas to manage the scheduled power down of the Server Room over the weekend of 23rd and 24th November 2013. This was the second shutdown of a project that enabled the server room wiring, electrical supply generator and uninterrupted power supply to be replaced or serviced. During the shutdowns the Council invoked business continuity measures to ensure that it could continue to provide key services.
- 5.3 Cross-border work and benchmarking has been and continues to be carried out with other authorities that include, Oxfordshire, Wiltshire, Bristol, Devon and Cornwall.
- 5.3 Under the Civil Contingencies Act 2004, the Council's duty as a Category One Responder to promote business continuity and provide advice to business and voluntary sectors has been carried out. As the hotel sector is an important facet of the Swindon economy, regular meetings have been held with members of the Hoteliers Association and the Chamber of Commerce during which business continuity and emergency planning advice has been given.
- 5.4 A new "Swindon Safer and Resilient Hotels Programme" was developed and implemented in conjunction with the Holiday Inn Express Swindon Centre to train their staff to be able to handle the various risks faced by the Hotel. This training was supported by colleagues from the Police and the Fire and Rescue Service. The Holiday Inn Express Swindon Centre won the Intercontinental Hotels Group Europe "Award for Innovation in Training 2013" for this training programme.

6 Detail - Civil Protection

- 6.1 Re-organisation and Current Status - As a result of re-organisation within the Council the Civil Protection Unit has now moved to Public Health under Commissioning. This has been a seamless transition and given the health nature of most emergencies makes practical sense. A report has recently been submitted to and agreed by Corporate Board with recommendations to make the Council more resilient out- of - hours at a tactical level. This will involve Tier 2 level officers being on an on call rota and receiving enhanced training to enable them to do this.
- 6.2 Pathfinder Project - The Swindon Project aims to develop a community - led approach to flood resilience through education. The Council (as the Lead Authority) submitted a successful bid for Defra funding in excess of £278,000 in 2013. This is being used to fund a two year pilot project in the East Locality of Swindon where "Resilience through Education" is the strap line. The Defra project criteria required the work to be carried out in an area with a high

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deprivation index as well as susceptibility to flooding and the East Locality East was the area in the Borough of Swindon that best matched this criteria. The project has now been running successfully for eighteen months of the two years.

As a key benefit of the work package, “Communities Awareness and Understanding of Flooding”, recognition has increased considerably. An educational DVD and an e-learning package are close to being finalised. It is intended that these educational tools will be distributed to residents in the project area. Research and preparation for a flood fair in February 2015 is well under way. The event will showcase the project to the public, schools, and flood risk management partners as well as providing general flood prevention advice.

Three ‘flood action groups’ have been established in the East Locality together with a very successful Junior Flood Champions Group which has been set up at the Dorcan Academy.

- 6.3 Incidents – The current public health emergency of international significance, namely Ebola, is very much in the forefront of emergency planning. Strategic planning meetings and exercises are currently taking place with partner agencies.

The Civil Protection Unit has been involved in many incidents throughout the past year from flooding over the winter months to the more recent fire at the Averies site in Marshgate. Whilst debriefs and reports are being prepared into the handling of the latter it is inappropriate at this time to go into too much detail other than to say that the Civil Protection Unit were involved throughout at every level of command and control.

- 6.4 Training/Exercising – The past year has been a busy one in respect of training and exercising. The Unit was involved in the planning and delivery of a multi-agency exercise, “Exercise Bustard” held in the Civic Offices. This was a follow up exercise to “Ex Red Kite” which was held in the previous year. Key members at strategic, tactical, operational and business continuity levels took part in this exercise which was held on the 3rd February. “Exercise Bustard” was designed to test the Council’s response and recovery from a reservoir failure at Coate Water together with the site specific plans.

Other key personnel within the Council have been trained in Integrated Emergency Management at both the tactical and operational levels and joint multi-agency strategic/tactical training is scheduled for later this year.

Further extensive training will be rolled out in 2015 to enhance the Council’s resilience in dealing with emergencies. The Unit is looking at cost effective ways of delivering training through the Local Resilience Forum and other regional initiatives as well as in house training. An example of the latter will be the delivery

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of training by the Emergency Planning College in respect of the running of an emergency operation centre.

- 6.5 Winter Resilience - The Unit in conjunction with the Business Continuity Manager and health partners is looking at providing winter resilience which will include mitigating the effects of the following:

- severe weather outbreaks
- industrial action
- flu
- staff shortages.

7. Alternative Options

- 7.1 Not applicable, the report outlines key risk management activity carried out to deliver the objectives of the Risk Management Strategy.

8. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 8.1 The risk management budget supports funding for delivering the risk management strategy. General risk management related costs to be absorbed by existing budgets.

Legal and Human Rights Implications

- 8.2 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 delivery of its core services.
- 8.3 The Civil Contingencies Act 2004 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 One Swindon, Strategic Objectives, Plans and Policies

- 8.4 The Risk Management Strategy and the Corporate Risk Register are management processes that support the successful delivery of the One Swindon outcomes and the Strategic Objectives, Plans and Policies.

Diversity Impact Assessment

- 8.5 A Diversity Impact Assessment has not been completed for this report, as it is a summary of actions taken. Where applicable, Diversity Impact Assessments have been undertaken which cover the following component actions of the report and these are held in the responsible service areas.

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Risk Management

- 8.6 A Risk Assessment has not been completed for this report as it is a summary of risk management activity overall. The Corporate Risk Register is the corporate assessment of key risks facing the Council at this time.

9. Consultees

- 9.1 The Board Director Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.
- 9.2 The Chief Executive, Head of Internal Audit, Insurance Manager, Business Continuity Manager and Head of Civil Contingencies were also consulted in respect of this report.

10. Background Papers

- 10.1 None

11. Appendices

- 11.1 Appendix 1 – Corporate Risk Register October 2014 (*To follow*)