

**CYNGOR SIR POWYS COUNTY COUNCIL**

**AUDIT COMMITTEE**

**22<sup>nd</sup> April 2015**

**REPORT AUTHOR:** **Caroline Evans, Business Continuity & Risk Management Officer**

**SUBJECT:** **Update Report on Risk Management**

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**REPORT FOR:** **Information**

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**1.0 Summary**

**1.1** An update has been requested by the Audit Committee on Risk Management within the Council, following a report to the previous Committee on 29<sup>th</sup> January 2015.

**1.2** This report outlines the position statement for Risk Management within the Council, and progress made since the last committee.

**2.0 Background**

**2.1** At previous committees it has been reported that the overall Risk Management system was not effective as duties have not previously been fulfilled since the Risk & Resilience Manager left the Council in January 2013.

**2.2** The Risk Register currently captures a large number of risks and this is a reflection of the learning process that the organisation is going through. Initially Services are being very cautious and therefore a significant number of risks are being brought forward to the Corporate Risk Register. As the organisation's approach to risk management and identification matures this will be probably be reflected in a reducing number of risks.

**2.3** A process of engaging with Heads of Service took place to validate and review the risks, to ensure that control measures are identified, and that the information that we currently hold is correct.

**2.4** Engagement was positive and Heads of Service expressed an interest for face to face meetings with Service Management Teams to explore further risks that may not yet be included within the register, and to also help to identify further controls.

**2.5** To simplify the reporting process, a Heat Map method was adopted to provide an overview of all of the Council's risks at a glance on one page, with the level of inherent risk identified (the level of risk before any mitigating controls are applied).

**2.6** Three pilot workshops were held with services to discuss their current risks, and to identify any gaps. These workshops were held in SMTs and engagement was extremely positive with Services identifying that they need to take ownership of their risks.

### **3.0 Progress**

- 3.1 The process of undertaking risk workshops within SMTs has continued, and as a result the Corporate Risk Register is gradually reducing in size. This will allow the register to become more focused on corporate risks which require intervention at a more senior level.
- 3.2 Initial workshops have been undertaken with a number of services. Officers have been assisted to identify their risks and to assess the level of risk this poses to the Service, along with control measures to mitigate the risk and the residual level of risk post-mitigation. Services have been advised to categorise those risks into either Service or Corporate Risks.
- 3.3 The risks have been incorporated into Service Business Plans, and Heads of Service have agreed that going forward they will be monitored within their Quarterly Performance Review Meetings. New risks can also be identified at the earliest opportunity. This will ensure that Service Risk Registers are dynamic and that Services' 'own' their risks and the required mitigation.
- 3.4 At the last Audit Committee it was requested that we look at benchmarking our risk register against that of other authorities. Some initial work has been undertaken, focussing on the other 7 'peer' authorities within Wales. Whilst it is difficult yet to compare our risks due to the large number currently within our risk register, the majority of authorities compared against have between 14 and 16 corporate risks within their registers. The risks all differ, but can be used as a benchmark going forward and will aid a 'gap analysis' of our corporate risks.
- 3.5 Not all of the 'peer' authorities have an embedded risk management process in place, and similar to Powys, some are reviewing current policies, procedures and risk registers to identify a programme to review and update their Corporate Risk Registers.

### **4.0 Further Work**

- 4.1 Engagement with SMTs will continue to roll out, to embed the risk management process throughout the Council, with the aim to achieving a more streamlined Corporate Risk Register.
- 4.2 The Business Continuity & Risk Management Officer is engaging with Programme Office colleagues to ensure that the corporate approach to Risk Management is also embedded within the Programmes within the One Powys Plan, and the projects that support the Programmes.
- 4.3 In the longer term we will update the Risk Management Strategy and the Risk Management Toolkit to further assist services to identify and manage their risks.
- 4.4 The Business Continuity & Risk Management Officer is also involved in work being undertaken to transfer delivery of our services to Town and Community Councils.

### **5.0 Business Continuity Management (BCM)**

- 5.1 Attendance at the Dyfed Powys Local Resilience Forum (DPLRF) continues. The Business Continuity & Risk Management Officer made a presentation to the forum

on the approach which Powys has taken to embed Business Continuity. This was well received and as a result Dyfed Powys Police Force are looking to adopt the same approach.

**5.2** This work has helped to form good working relationships and a peer support network with colleagues within the DPLRF which will allow the sharing of information and approaches taken in other areas of work including Risk Management.

**5.3** Training has been undertaken on the Business Continuity Institute (BCI) Good Practice Guidelines, this will help to ensure that the Business Continuity Programme within the Council is effective and is aligned to the culture and requirements of the organisation.

**5.4** The BCI training was undertaken with colleagues from South Wales and as a result good working relationships have been forged and the Business Continuity & Risk Management Officer has been invited to attend the South Wales Emergency Planning forum, where it is planned to provide a session later this year on promoting BCM awareness, among other activities.

**6.0 Statutory Officers**

**6.1** The Strategic Director, Resources (S151 Officer) has made the following comment:

The Business Continuity & Risk Management Officer post is starting to have a real impact on the work of the council and will play an increasingly important part supplying assurance as well as challenge to directorates.

**6.2** The Solicitor to the Council (Monitoring Officer) has made the following comment:

I welcome the comments of the S151 Officer have nothing to add to the report.

**7.0 Future Status of the Report**

**7.1** Not applicable

<b>Recommendation:</b>	<b>Reason for Recommendation:</b>
<b>That the Audit Committee notes the progress being made and endorses the role that the Business Continuity &amp; Risk Management Officer will also play in corporate processes such as budget setting and Community Delivery to meet Risk Management requirements.</b>	<b>To ensure the adequate management of risk, and safeguard the Council.</b>

<b>Relevant Policy (ies):</b>	
<b>Within Policy:</b>	<b>Y / N</b>
<b>Within Budget:</b>	<b>Y / N</b>

<b>Relevant Local Member(s):</b>	<b>Not Applicable</b>
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<b>Person(s) To Implement Decision:</b>	
<b>Date By When Decision To Be Implemented:</b>	

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