

**CYNGOR SIR POWYS COUNTY COUNCIL**

**AUDIT COMMITTEE**

**3<sup>rd</sup> November 2017**

**REPORT AUTHOR:** Greg Thomas, 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 Committee on 6<sup>th</sup> July 2017.

**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** The Council is in a process of continuously improving and updating its approach to risk management, to help better understand and manage the risks which it is facing, and to increase the likelihood of achieving objectives. Risk management is a core management discipline that supports organisational delivery. The risks that the organisation faces are changing all the time, so the art of good risk management is to combine planning for what we know might happen, with preparation for unknown situations, and to safeguard the organisation and in turn make it more resilient.

**2.2** A process of implementing risk management in service and directorate management teams has been implemented over the last two and a half years, to review and update service and corporate risks, and to ensure that control measures are identified. The risk registers are now reviewed and updated quarterly to ensure that the risk registers are dynamic and remain up-to-date. Risk registers are regularly reported to Portfolio Holders, Management Team and Strategic Overview Board.

**3.0 Progress**

**3.1** The Cabinet continues to view the corporate risk register on a quarterly basis via the Strategic Overview Board, and the Leader is updated on the progress of risk management on a monthly basis, as part of her role as Portfolio Holder for Risk Management. Risk Management is now a recognised component of the decision making process.

**3.2** The Council has been subject to two out of three Themed Reviews, in addition to a risk-based assessment, by Wales Audit Office (WAO) as part of the Corporate Assessment process. Action plans are in hand to respond to the findings within these reviews.

- 3.3** A risk register is currently being developed to align with the emerging People Directorate Plan, to ensure that the risks are current and aligned to the vision, strategic aims and objectives for the Directorate.
- 3.4** The Council was highly commended for its contribution to 'Leadership', for the development and implementation of the Impact Assessment Toolkit, at the recent All Wales Continuous Improvement Community Awards 2017. The event celebrated recognition of the work being carried out by public service continuous improvement practitioners throughout Wales, and celebrated success, as well as providing the opportunity to spread good practice across public services.
- 3.5** Impact Assessment training is now available to officers on a quarterly basis, with a record of their attendance recorded on Trent. Additionally, the training has also been built into the Member Development Programme.
- 3.6** The Council has recently presented its work on the development and rollout of the Impact Assessment toolkit at the 2017 Alarm National Conference in Manchester. The conference is the UK's leading learning and development event for risk professionals and those who deal with the management of risk within organisations who provide services to, or support our communities and citizens.

#### **4.0 Current Position**

- 4.1** The following changes have been made to the Corporate Risk Register in the reporting period for quarter 1, and are reflected in the appended Summary report: -
- i. RPC2 – the residual risk has reduced from High to Medium;
  - ii. LR24 – this risk has been escalated to the Corporate Risk Register.
- The remaining 23 risks on the register remain unchanged for this period.
- 4.2** Full detail of the risks and the mitigation identified to control the risks is included in the attached Heat Map, Risk Summary, and Risk Register.

#### **5.0 Further Work**

- 5.1** Engagement with SMTs and DMTs will continue, to further embed the risk management process throughout the Council. Services will review their risks ongoing on a quarterly basis, and will report this information at the Quarterly Performance Review meetings, as well as to Strategic Overview Board.
- 5.2** The Business Continuity & Risk Management Officer will continue to meet with the Leader on a monthly basis to ensure that the corporate risk register remains up-to-date with the appropriate mitigating controls identified.
- 5.3** Risk Management training is currently being developed and will be delivered to Members, with initial focus on Cabinet and Audit Committee.
- 5.4** The Council is currently being subjected to the third and final thematic review as part of the Corporate Assessment process, which is being undertaken by WAO. The review is being facilitated via workshops, involving Corporate Management Team, Heads of Service and Operational Staff. The following themes will be explored: -
- What participants consider to be the key challenges they face.

- Whether challenges have led to a re-think by managers about their roles. What has been done, what has worked or needs further development? Have there been particular challenges – that have been overcome or remain to be resolved?
- Whether challenges have brought the need for new knowledge and skills. If so, what has been needed, what is in place and has worked, what still needs to be done/developed?

A similar exercise with elected members is proposed to be undertaken later in 2017.

**5.5** As the budget setting process begins again, the process of co-ordinating Impact Assessments (IAs) for each of the savings identified for 2018/19 will also begin. Each of the IAs will be quality assured and agreed by the Cabinet Sub Group, before being made electronically available to the Finance Scrutiny Panel. This will be followed by electronic sign-off by the appropriate Portfolio Holder, approval by Cabinet, and submission to Council as part of the Budget pack.

**5.6** The IA Project Team has reviewed the IA template and made changes according to the latest legislation, as well as user feedback. One of the changes made was to incorporate the Savings Delivery Plan Template, which was introduced at last year's budget. This will remove any unnecessary duplication and reduce workload for the services, as well as ensuring that the required information in respect of each saving is received from services.

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

**6.1** Attendance at the Dyfed Powys Local Resilience Forum (DPLRF) continues. 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.

**6.2** The BCM Group will meet on a bi-annual basis going forward. The Group is a forum which enables BCM Champions to interact and share knowledge, as well as identifying any inter-dependencies.

## **7.0 Statutory Officers**

**7.1** The Strategic Director, Resources (S151 Officer) has made the following comment: "The report supplies Audit Committee with an effective summary of the Risk Management and BCM position throughout the organisation."

**7.2** The Solicitor to the Council (Monitoring Officer) has commented as follows: "The recommendations can be accepted from a legal point of view"

## **8.0 Future Status of the Report**

**8.1** Not applicable

<b>Recommendation:</b>	<b>Reason for Recommendation:</b>
<b>That the Audit Committee notes the</b>	<b>To ensure the adequate management</b>

progress being made by the Business Continuity & Risk Management Officer in increasing awareness of Risk Management and BCM throughout the organisation.	of risk, and safeguard the Council.
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Relevant Policy (ies):	
Within Policy:	Y
Within Budget:	Y

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

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