FALKIRK COUNCIL

Subject:	**CORPORATE RISK MANAGEMENT UPDATE**
Meeting:	**AUDIT COMMITTEE**
Date:	**23 September 2013**
Author:	**DIRECTOR OF DEVELOPMENT SERVICES**

1. INTRODUCTION

1.1 The purpose of this report is to update Members on progress in relation to the risk management work-plan which was presented to Committee in Feb 2013.

2 PROGRESS

2.1 Good progress has been made in developing the risk management framework (Appendix 1), and in implementing the annual work-plan (Appendix 2), both of which were approved by Committee in March 2013. The progress includes:-

2.2 A review of Corporate Working Groups has been completed, subject to any further comments from CRMG Members. The most up to date version has clarified reporting structures for People Protection, which is addressed by various working group. The Working Groups are categorised by the 7 Corporate Risk Register themes.

2.3 Delivery of Risk Management Training and Guidance, including:

- Training for Service Unit Managers in June 2013, as part of wider SUM training. The feedback from this has been very positive.

- Training for Elected Members and the Audit Committee, in Sept 2013.

- Guidance to support the above training, which will be rolled out in Q4 2013.

- Online training for Officers and Employees, which will be rolled out in 2013.

2.4 Review of Service Risk Registers (SRRs)

- A review of SRRs for 2013 has been undertaken by the Corporate Risk Manager to identify the Council's main corporate risks, and to prioritise them.

- The list has been cross referred with a list of risk areas identified by Internal Audit during their discussions with Service DMT's as part of 2013/14 Internal Audit Planning, and with Risk Registers from some other Councils e.g. Renfrewshire.

- Workshops will take place with Service DMTs (or their nominated risk co-ordinator) in Sept 2013 to review and agree the SRR's.

- Once SRR's are in place, discussions will take place at CRMG to review, challenge & prioritise risks at a Corporate level.

2.5   Guidance has been developed for Partnership and Procurement risks, and is currently being considered by Community Planning and Procurement teams.

3   NEXT STEPS

3.1   Training will be delivered to Members and the Audit Committee in Sept 2013.

3.2   Service Risk Reports will be developed following SRR reviews, and these will form part of risk reporting to CRMG, the Audit Committee, CMT & the Executive as appropriate.

4.   RECOMMENDATIONS

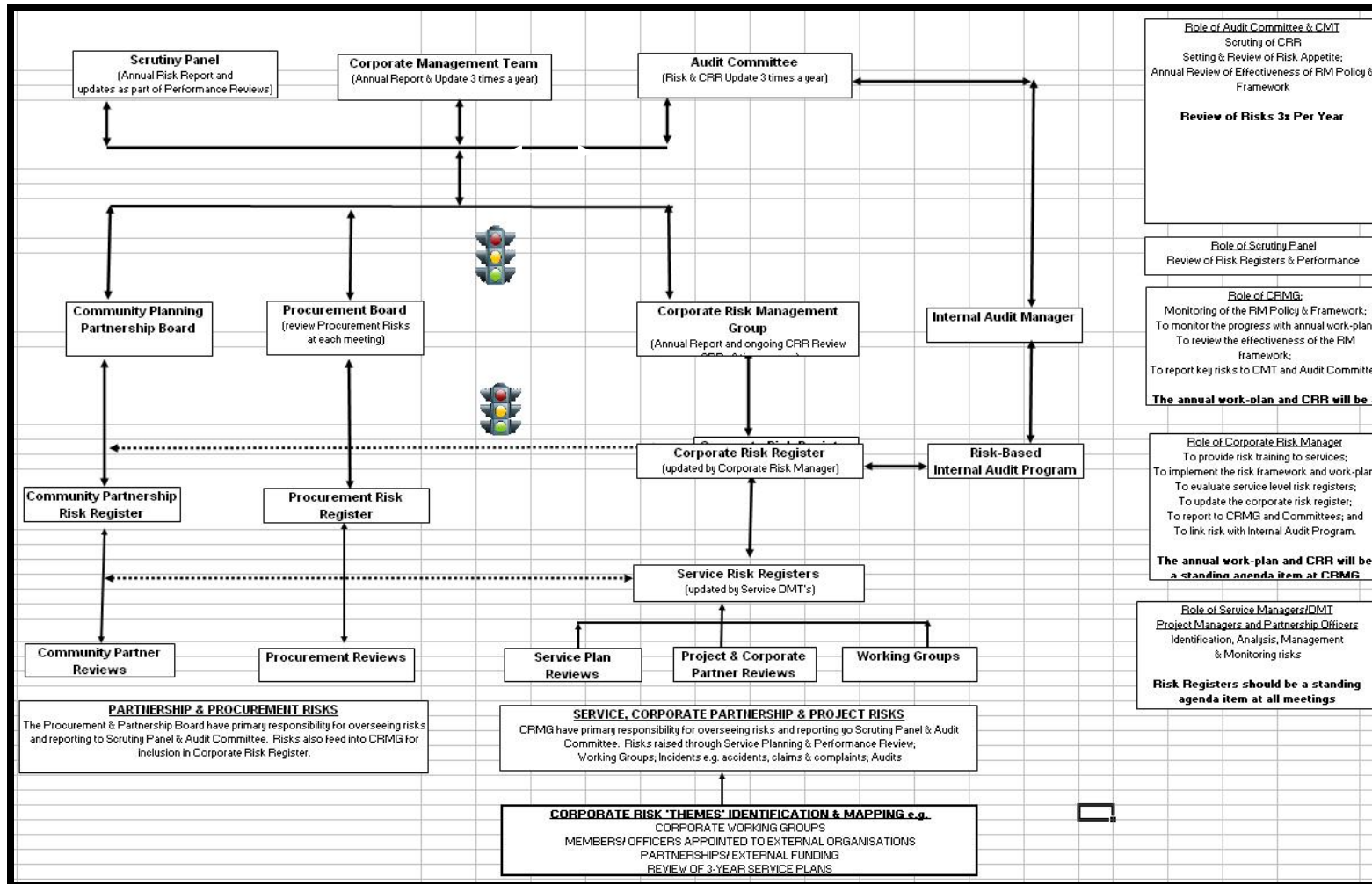**4.1   Members are invited to note that:**

4.1.1   Good progress has been made in implementing the 2013 Risk Management Work-Plan;

4.1.5   Next steps will include training, guidance and risk registers.

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Director of Development Services

Date: 10 September 2013

Appendix 1: RISK MANAGEMENT FRAMEWORK

Scrutiny Panel
(Annual Risk Report and updates as part of Performance Reviews)

Corporate Management Team
(Annual Report & Update 3 times a year)

Audit Committee
(Risk & CRR Update 3 times a year)

Community Planning Partnership Board

Procurement Board
(review Procurement Risks at each meeting)

Corporate Risk Management Group
(Annual Report and ongoing CRR Review CRR 3 times a year)

Internal Audit Manager

Community Partnership Risk Register

Procurement Risk Register

Corporate Risk Register
(updated by Corporate Risk Manager)

Risk-Based Internal Audit Program

Service Risk Registers
(updated by Service DMT's)

Community Partner Reviews

Procurement Reviews

Service Plan Reviews

Project & Corporate Partner Reviews

Working Groups

PARTNERSHIP & PROCUREMENT RISKS
The Procurement & Partnership Board have primary responsibility for overseeing risks and reporting to Scrutiny Panel & Audit Committee. Risks also feed into CRMG for inclusion in Corporate Risk Register.

SERVICE, CORPORATE PARTNERSHIP & PROJECT RISKS
CRMG have primary responsibility for overseeing risks and reporting go Scrutiny Panel & Audit Committee. Risks raised through Service Planning & Performance Review; Working Groups; Incidents e.g. accidents, claims & complaints; Audits

CORPORATE RISK 'THEMES' IDENTIFICATION & MAPPING e.g.
CORPORATE WORKING GROUPS
MEMBERS/ OFFICERS APPOINTED TO EXTERNAL ORGANISATIONS
PARTNERSHIPS/ EXTERNAL FUNDING
REVIEW OF 3-YEAR SERVICE PLANS

Role of Audit Committee & CMT
Scrutiny of CRR
Setting & Review of Risk Appetite;
Annual Review of Effectiveness of RM Policy & Framework

Review of Risks 3x Per Year

Role of Scrutiny Panel
Review of Risk Registers & Performance

Role of CRMG:
Monitoring of the RM Policy & Framework;
To monitor the progress with annual work-plan;
To review the effectiveness of the RM framework;
To report key risks to CMT and Audit Committee

The annual work-plan and CRR will be a

Role of Corporate Risk Manager
To provide risk training to services;
To implement the risk framework and work-plan;
To evaluate service level risk registers;
To update the corporate risk register;
To report to CRMG and Committees; and
To link risk with Internal Audit Program.

The annual work-plan and CRR will be a standing agenda item at CRMG

Role of Service Managers/DMT
Project Managers and Partnership Officers
Identification, Analysis, Management & Monitoring risks

Risk Registers should be a standing agenda item at all meetings

The intention is that each Service will submit their Service Risk Register (SRR) to CRMG the month prior to reporting to the Scrutiny Panel. The time-table may change on the time-table for the scrutiny panel is known. Each SRR update should include activities and risks associated with all of the Working Groups which the Service leads and/or where the WG activity materially impacts the services risks.

Appendix 2: RISK MANAGEMENT WORK-PLAN FOR 2013

	Audit Committee Update	2013 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2014 Jan	Feb	Mar	Apr	May	Jun	Status @ Aug 2013
Develop Policy & Framework	Apr-13	G	G	G						O	O									Policy to be submitted to CMT and Members in Sept/ Oct 2013.
Review & Map Relationships & Risk Reporting Structures (e.g. Working Groups, External Bodies, Partnerships)	Sep-13				G	G	G	G	G											Complete. Final Version of Working Groups presented to CRMG in Aug 2013 and to Audit Cttee Sept 2013.
Training & Risk Register Reviews					O	O	O	O	O											Ongoing - Complete Dec 2013
SMU Training						G														
DMT Sessions							G													
Guidance for SUM's								G												Drafted. Present to CRMG Sept 2013 & Roll-Out as part of Service & Divisional Risk Register Reviews.
Online Risk Management Training Tool										O										Drafted. To be uploaded into Training Software by HR.
Member Training																				
Audit Committee Training										O										Scheduled - Sept 2013. Gallagher Bassett & RG/HC
CRM Revise of Corporate & Service Risk Registers and drafting of new SRR's									G											2013 Service Plans & Risk Registers reviewed, and risks uploaded into Corporate Risk Register format. In process of reviewing with each Service.
Workshops with DMTs to review & agree Service Risk Registers										O	O									DMT meetings planned for Sept / Oct. Outcomes expected by Nov.
Divisional Risk Register Workshops												R	R	R	R					Will be completed
Embed within Business Review Processes																				
Business Continuity												R	R							Supporting services with Business Impact Analysis as part of DMT Risk Reviews. Will support EP Team in Review & Testing of Plans.
Service Planning														R	R					
Risk & Performance Reporting (to CRMG & Scrutiny Panel)												?								Await Scrutiny Panel Timetable. 6-Monthly Service Risk Report Template drafted & being shared with services as part of DMT Workshops.
Embed within Decision Making & Review Processes e.g.	Sep-13																			
Risk Considerations included within all Committee Reports												?								This is being considered by Governance Officers as part of review of Committee Structures.
Assets (e.g. trees, alarms)					O	O	O	O												Trees: C&N Services (Estates) and Community Trust (Parks and Open Spaces) have an established risk assessment and maintenance process for tree risks. Development Services are to develop and implement a process for managing trees in their area of responsibility (eg highways) by the end of March 2013. Security: Further review of alarms with Facilities identified that we do have alarms in all High & Medium Risk Rated premises and these are linked to the 27-Hour Contact Centre and Police - this will now be monitored through Premises Managers arrangements.
Procurement										O										Procurement Risk Guidance drafted & shared with Procurement Manager. To be incorporated into wider procurement guidance for Service Managers. Procurement Board will receive updates on suppliers & procurement risks. Models drafted for assessing risks at both the Supplier & Category level.
Partnerships											R	R								Partnership Risk Guidance drafted & shared with Community Partnership Manager. To be incorporated into wider partnership review guidance for Service Managers. Partnership Board will receive updates on risks.
Sustainability & Climate Change											O	O								
Review Effectiveness of RM Framework	Mar-14													R	R	R				
Self Assessment by CRMG (using ALARM/ CIPFA Maturity Model)													R	R	R					Self Assessment Drafted - Plan to present to CRMG Jan, then to Audit Committee in March 2013 (along with 2014/15 RM Work Programme).
Audit Scotland (LAN)													R	R	R					Audit Scotland aware of RM Workplan and are monitoring progress.
Internal Audit & Marsh Audit													R	R	R					Undertake after CRMG self assessment.
Develop Systems: Covalent	Mar-14													R	R	O	O	O		This item has been brought forward - was previously scheduled for Q2 2014 but has been brought forward to Q1 so that the system is ready for Service Planning. Plan to introduce on a trial basis with at least 2 services, to allow system & report functionality to be tailored to needs.
Ongiong Training & Communications	Mar-14													R	R					This is a new item, inserted following draft CRMG Assessment.
Quarterly RM Bulletin for SUMs & CRMG															R					This is a new item, inserted following draft CRMG Assessment.
Develop Training Matrix (eg Refresher & Induction Training)															R					This is a new item, inserted following draft CRMG Assessment.
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	