

Audit Committee –1 December 2009**RISK MANAGEMENT – QUARTERLY REVIEW****Joint Report of the Risk and Health and Safety Advisor and the Strategic Director (Resources)**

Statutory Powers: (Local Government Act 1972 as amended.
Accounting and Audit Regulations 2003)

Financial Implications: Existing budgets

Purpose:

The purpose of this report is to provide an up-date on risk management. There is a direct link to CP6 (Improve core service performance in a cost-effective way) and indirect links to CPs 1 to 5.

RECOMMENDATION

That the Audit Committee considers the progress made on risk management and comments accordingly.

Background

1. This report is the quarterly update to the Committee on Risk Management activity and provides information for the period from September 2009.
2. Its purpose is not only to provide information to members but also to demonstrate one of the methods of member involvement in risk management. It also provides evidence for the Key Lines of Enquiry (KLOE) Use of Resources Assessment.

Partnership Risk Management - Current Situation

3. On 8th October 2009 the Executive agreed that a Partnership Policy and Guidance be adopted, E48/09, and the procedure for assessing significant partnerships be carried out for existing arrangements.
4. Following detailed research involving the Use of Resources of the Audit Commission and systems in use with other local authorities the draft Policy and Guidelines for Partnerships was produced.

5. It provides definitions of partnerships, and guidance on the requirements from the initial proposal for a proposed partnership through to the exit arrangements.
6. A consultation process was previously carried out with officers including Heads of Service and others who are likely to be involved in partnerships and their comments were considered and included where appropriate. As with all guidance there will be occasions when situations arise where interpretation is required and this has been allowed for.
7. The following are included in the guidelines:
 - Checklists for governance arrangements and scrutiny;
 - Risk management guidance;
 - A methodology to enable the Council to identify those partnerships deemed to be “significant”;
 - An annual review process which will be the responsibility of the Head of Improvement ;
 - An annual report to Scrutiny for significant partnerships covering an appraisal of the outputs/achievements/outcomes, a review of the aims and objectives and an evaluation of whether they align with the Council’s objectives and priorities, cross-cutting themes and commitments and an appraisal of the financial commitment/staff input and whether the partnership continues to provide value for money for the Council.
8. It is estimated that there may be approximately 15 partnerships which could be considered significant under the approved guidance.
9. The process of assessing the Council’s partnerships to identify those that can be classed as ‘significant’ is now taking place using the following method:
 - Heads of Service asked to confirm the partnerships that we are involved in and identify the lead officer;
 - Complete assessment and identify significant partnerships; and
 - Report findings of the assessment to the Senior Management Team.

Key Lines of Enquiry for Internal Control (KLOE)

10. A report on CAA is being presented to the Committee by the Audit Commission.

Business Continuity

11. The Business Continuity Plan (BCP) revision is now complete and a test is being undertaken using the resources of our insurers, Zurich Municipal. It is intended that we run a joint test with West Devon Borough Council and the date for this will be available by the time of the Committee meeting.
12. The test will cover a range of matters including call out, cascading initial information and emergency power supply.

13. Risk Assessment

Opportunities/Benefits
<p>A fully embedded and working risk management system will enable the Council to:</p> <ul style="list-style-type: none"> ▪ Meet demands for savings. ▪ Target resources more effectively ▪ Produce better outcomes on corporate objectives ▪ Deliver innovative projects ▪ Produce better outcomes for service users ▪ Protect our reputation ▪ Enable lower risk related costs ▪ Proactively identify both threats and opportunities and enable the council to take appropriate action. ▪ Demonstrate its compliance with the criteria for CPA and its proactive approach to improvement. (Whilst the Council may consider that maintaining an “Excellent” grade might not be the best use of resources, dropping a grade could be detrimental to the Council’s reputation) ▪ Meet increasing demands on our resources more effectively

Issues/Obstacles/Threats	Control measures/mitigation
<ul style="list-style-type: none"> ▪ Failure of managers to identify risks timely ▪ Failure of managers to monitor on-going risks and identify changing circumstances ▪ Failure to identify the risks associated with significant projects and partnerships may prevent the Council achieving its objectives and increase its liabilities. ▪ Failure of all staff to embrace risk management at their individual level ▪ Failure to comply with statutory requirements and good practice may leave the Council open to investigation and possible prosecution ▪ We have suitable and sufficient policies and procedures in place in many areas. We must continue to 	<ul style="list-style-type: none"> ▪ Systems in place using service plans, reviews of Covalent, reports to SMT and Members and the use of risk workshops all enable the identification of risks ▪ The requirement for managers to monitor and review existing risks is to be monitored ▪ Use of risk workshops at an early stage of any project and/or partnership will assist in identifying risks • Training provided to all staff and reminders issued when appropriate • Review of policies, procedures and guidance on an on-going basis coupled with analysis of new and revised legislation reduce significantly the risks in this area • On-going review of policies and procedures with recording of such reviews

ensure that these and monitored for compliance and that reviews are carried out when appropriate.	
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Conclusion

14. The Council's risk management systems are developing satisfactorily but we cannot afford to be complacent. Shared working and changes in the structure of local authorities in Devon will require us to ensure that we have identified significant risks, considered the appropriate control measures and put them in place.

Pete Osborne
Risk and Health and Safety Advisor

Audit Committee
1 December 2009

Mark Seymour
Strategic Director (Resources)

Background documents:

None

Appendix A

Partnership arrangements in which the Council is involved

	Service	Partnership Name
1.	CX	Devon Compact HUB
2.	CX	Devon Improvement Programme
3.	CX	Devon Strategic Partnership Executive
4.	CX	Safer Devon Partnership
5.	CX	South Hams Strategic Partnership
6.	Environment Services	Devon Composting Partnership
7.	Community Regeneration	South Hams Strategic Partnership
8.	Community Regeneration	South Hams Community Partnership Forum
9.	Community Regeneration	Devon Strategic Partnership
10.	Community Regeneration	Devon Economic Partnership
11.	Community Regeneration	Plymouth Sub-Regional Economic Partnership
12.	Community Regeneration	Devon Renaissance Partnership
13.	Community Regeneration	Totnes & District Community Strategy Group
14.	Community Regeneration	Ivybridge Regeneration Group
15.	Community Regeneration	Kingsbridge and Salcombe Area Partnership
16.	Community Regeneration	Dartmouth & District Area Committee
17.	Community Regeneration	Sherford Strategic Steering Group
18.	Community Regeneration	Sherford Community Steering Group
19.	Community Regeneration	Sherford Movement Working Group
20.	Community Regeneration	Sherford Legal Project Team
21.	Community Regeneration	Eastern Corridor Urban Fringe Countryside Strategy
22.	Community Regeneration	Plymouth Joint Study Area Sub Regional Spatial Planning Group
23.	Community Regeneration	Torbay Joint Study Area Sub Regional Spatial Planning Group
24.	Community Regeneration	Devon Strategic Housing Group
25.	Community Regeneration	Supporting People Partnership
	Customer Services	
26.	Community Regeneration	Older Persons Stakeholder Project Group – linked to Older Person’s Partnership Board
	Customer Services	
27.	Community Regeneration	Older Person’s Partnership Board
	Customer Services	
28.	Community Regeneration	Devon Rural Housing Partnership
	Customer Services	
29.	Community Regeneration	Joint Advisory Committee – DNP
	Customer Services	
30.	Community Regeneration	RSL Partnership Group

	Customer Services	
31.	Community Regeneration Customer Services	Teignbridge & South Hams Domestic Violence Forum
32.	Community Regeneration Customer Services	Youth Issues Groups
33.	Community Regeneration Customer Services	Learning Disabilities JIP
34.	Environmental Health	Chief Environmental Health Officer specialist sub-groups
35.	Environmental Health	Care and Repair Advisory Committee
36.	Environmental Health	Health Protection Agency Liaison Group
37.	Environmental Health Community Safety & EP	<ul style="list-style-type: none"> • Safer South Hams Community Safety Partnership (
38.	Environmental Health Community Safety & EP	South and West Devon Basic Command Unit (BCU) Local Resilience Forum
39.	Environmental Health Community Safety & EP	Devon Local Authorities Resilience Group
40.	ICT Business	Devon e-Government Partnership (Formal contracted partnership)
41.	Improvements Team	Devon Improvement Programme
42.	Improvements Team	Devon Improvement Group
43.	Landscape & Leisure	South Devon AONB
44.	Landscape & Leisure	Green Tourism Partnership
45.	Landscape & Leisure	Slapton Line Partnership
46.	Community Regeneration /Finance	Devon Concessionary Bus Travel Partnership
47.	Building Control	Devon Building Control Partnership
48.	Human Resources	Training Partnership