

Report to: Audit Committee
Date of meeting: 30 June 2009
Report of: Audit Manager
Title: Annual Review of Risk Management

1.0 **SUMMARY**

This report provides an overview of Risk Management issues over the past year. It also includes the current version of the Corporate Risk Register.

2.0 **RECOMMENDATIONS**

- 2.1 The Committee notes the content of the report.
- 2.2 The current Corporate Risk Register is approved.

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Report approved by: Bernard Clarke, Head of Strategic Finance.

3.0 **DETAILED PROPOSAL**

3.1 The Risk Management Group met five times during the year. Issues considered included:

- Business continuity planning – updates and testing
- Health and Safety
- Risk Registers - updates
- Town Hall evacuation procedures
- Partnership working
- Information Security Policy
- Flu pandemic
- Data Quality.

3.2 Following the departure of the Risk and Insurance Manager in March 2007 there was a period in which the post remained empty although efforts were being made to cover the risk management responsibilities of the post. It was felt that a full time replacement could not be justified (there was a part time insurance officer in post – shared with Three Rivers) and discussions were held with officers at Hertsmere with a view to sharing a Risk Manager post with them. In November 2008 a joint interim manager was appointed pending a permanent appointment being made. A new, permanent Risk Manager was appointed in May 2009. She works two days per week for Watford and three for Hertsmere.

3.3 Having an interim Risk Manager in post in 2008/09 resulted in a more positive approach to risk management across the council because that person had several years of risk management experience and was able to concentrate fully on this activity. Progress made in improving risk management arrangements is outlined in the following paragraphs.

3.4 One of the principal actions taken by the Risk Manager was to begin the process of further embedding risk management practices across the council and key to this was the need to raise awareness of these for staff at all levels. To help in this a guidance note was drawn up and posted on the staff Intranet. In addition, an article to promote risk management awareness was published in the staff monthly newsletter (Wat's Up) which is distributed to all staff with their payslips. Two "lunch and learn" training sessions were held for new managers/those managers who had missed earlier training sessions. These were well attended.

3.5 Another initiative was to start reviewing and updating Service based risk registers in conjunction with Heads of Services, getting them to consider risks specific to their individual services in addition to more generic risks such as failure of IT facilities. Work has also begun on ensuring that there is a greater alignment of risks to objectives at corporate, service, project and partnership levels. This needs to be carried forward into this financial year.

3.6 Work was also undertaken to review individual Service business continuity plans where a re-examination and re-prioritisation of each Service's critical functions was undertaken. Most Services have been covered but the Corporate plan still needs to be updated.

- 3.7 A document giving guidance on risk management in partnership working was drawn up for incorporation into the Partnership Framework which was being prepared by the Partnerships and Performance Section. This framework recently received Leadership Team approval.
- 3.8 Towards the end of the year considerable effort was spent looking at the council's response to a possible flu pandemic. An emergency response plan has been drawn up with the assistance of an Emergency Planning Officer from Herts County. Service plans now need to be revisited to ensure that all of the issues raised in the emergency response plan are incorporated into them. HR have prepared a separate policy dealing with staff related issues should a pandemic occur.
- 3.9 The Corporate Risk Register has been updated and it now includes risks such the impact of the recession, obtaining a low score in the Comprehensive Area Assessment and the consequences of poor data quality. The latest version is attached to this report for Committee approval.
- 3.10 Lengthy discussions took place during the year to finalise the insurance claim arising from the water damage caused by a burst pipe in the Town Hall in October 2006. It is hoped that the claim will soon be settled in full.
- 3.11 A consultant was employed to produce an Information Security Policy for the council and this was approved during the year. Its implementation will be led by a small working group made up of members of the Risk management Group.
- 3.12 The only incident of note which occurred during the year was the heavy snowfall of early February which badly affected transport arrangements. With the exception of the refuse service, provision of all services remained good.

4.0 **IMPLICATIONS**

4.1 **Financial**

- 4.1.1 The Director of Finance comments that there are no direct financial implications in this report. Risk mitigation measures will normally be implemented within existing budgets or by seeking specific approval through the annual budget process.

4.2 **Legal Issues** (Monitoring Officer)

- 4.2.1 The Head of Legal and Property Services comments that there are no legal issues arising from the report.

4.3 **Potential Risks**

- 4.3.1 There are no risks arising from this report.

Appendices

A Corporate Risk Register

Background Papers

The following background papers were used in the preparation of this report. If you wish to inspect or take copies of the background papers, please contact the officer named on the front page of the report.

Risk Management Group Minutes

Risk manager's files

File Reference

None.