



Leicester
City Council

WARDS AFFECTED:

Cabinet

30 November 2009

Corporate Risk Management Strategy 2009-2010

Report of the Chief Financial Officer

1. Purpose of Report

To seek the agreement and support of Strategic Management Board and Cabinet for the revised Risk Management Strategy and Risk Management Policy Statement as contained in this report.

2. Summary

- 2.1. The Council's existing risk management strategy was last updated early in 2008. Since then significant progress has been made improving and strengthening risk management arrangements. The strategy has now been reviewed and reflects those improvements, sets out the procedures that are now being implemented to support further improvements in risk management across the Council and seeks to extend our approach to work with partners. Risk Management is being driven by increasing demands for better governance (BS31100:2008 Risk Management Code of Practice) and the Comprehensive Area Assessment which states that an organisation's internal control systems should be built upon recognition of:-
 - The risks faced by the organisation; and,
 - The organisation's appetite/capacity to accept and manage risks.
- 2.2. Effective Risk Management is essential for an organisation and its partners to achieve strategic objectives and improve outcomes for local people. Good Risk Management looks at and manages both positive and negative aspects of risk. It is not about being risk averse, but is the process whereby the Council methodically addresses the risks attaching to its activities with the aim of achieving sustained benefit within each activity and across the portfolio of all activities.
- 2.3. The Council currently manages and controls risk in a variety of ways. The challenge over the past few years has been to integrate risk management into our culture, our everyday business operations and those of our contractors and partners. A risk matrix should now be included in the standard format for all business cases and for significant proposals to Cabinet and the Board and has been included in the Council's training for report writing. With the adoption of Prince 2 as a standard for project management, every project must now have a risk log; the Corporate Risk Manager provides risk assessment training; and, recently, a project assurance team has been established to audit project compliance. Both Internal Audit and Risk Management are, currently, part of that team.

2.4. Notwithstanding this, there is still further progress to be made. The review of last year's strategy (Section 3 below) indicates many 'new' processes which need to be revisited to confirm that they are now properly integrated. Additionally, there are several areas of the current risk management processes that need revitalising and reinvigorating to allow the Council to demonstrate an acceptable level of compliance.

- 2.5. As a consequence, an action plan has been proposed. This is targeted at the following:-
- Establishing and integrating a risk infrastructure that reflects the new Council governance structure;
 - Establishing and delivering a specific risk based decision making training programme for Members, Senior Managers and management;
 - Recreation/revitalisation of existing operational risk processes/mechanisms within operational services;
 - Developing and strengthening the approach to Partnership working; and
 - Establishing a risk based review process to test the maturity and integration of the Risk Strategy. This will be an agreed programme of Internal Audit financial and Risk Management process audit reviews that will provide assurance on the effectiveness of processes and procedures.

3. Review of Last Year's Strategy

3.1 The key deliverables for the last 12 months included:-

- Corporate Policies
Following the success of the E-handbook on the intranet to guide individuals to the pertinent corporate policies and guidelines, last year's strategy envisaged rationalisation of the remaining policies and guidelines within each Department to bring all policies into one cohesive framework.
This remains work in progress.
- Risk Assessments in all Board papers
Despite the requirement for all relevant papers to CDB and Cabinet to contain an appropriate risk assessment, this needed implementing fully. It was proposed in 2007/2008 that any reports in 2008/2009 without risk assessments tabled at the Board are challenged by a risk champion at Board level.
The Chief Finance Officer carries out this task.
- Risk Analysis in Service Plans and Project Plans
It was proposed that Risk Management Section provide an assurance statement on risk for all Department Service Plans and Major Projects.
A paper was approved by SMB setting out proposed arrangements for monitoring risk across each aspect of the new governance arrangements, These are still to be fully integrated and are set out in the current strategy. Service Improvement and Efficiency Plans for 2009/10 did not include a specific analysis of risks although some chose to include this as an appendix to their plan. Work needs to be undertaken to fully integrate the proposals which would negate the need for service plans to include a specific risk analysis as this would be monitored via the Operational Board.
In relation to medium/large projects and programmes within the Council it will be the responsibility of the new Corporate Portfolio Management Office (CPMO) (which is to be fully operational from autumn 2009) to monitor risks across medium/large projects and programmes and to report to the relevant Board, in particular the Priority Boards. The new project management standards (currently being piloted) include the requirement for projects to maintain a risk log to a common corporate format and this will also be required in the programme management

standards which are currently being developed. Use of the standards is checked via assurance reviews conducted on projects and programmes across the Council.

The Organisational Development and Improvement (ODI) Board is already monitoring risks across the ODI Plan and specific programmes as part of its regular monthly progress reporting.

- Risk Registers & Risk Improvement linked to Performance Management

The relationship between performance and the management of risk was to be further strengthened by the loading of Corporate and Department Risks into Performance+.

The SMB has mandated the use of Performance+ as the corporate performance management system. The implementation of this is part of the performance management improvement project. At this current time risks are not fully loaded into Performance+ - this needs to be developed as part of the improvement project.

- Business Continuity Plan Testing

Once all recovery plans for all business-critical activities were completed by the Departments, the quality of data was to be tested by the Department Recovery Teams to ensure that the processes and initial action points were comprehensive. The Business Continuity Management Team were also to undertake an annual scenario desk-top enactment.

Recovery Teams and the Corporate Business Continuity Management Team are well established and members of all teams are trained. Whilst the desk top enactment did not occur, these are now planned in and there have been 12 incidents (four of which triggered the full BCP plan) in the past 12 months which Internal Audit considered an adequate replacement for this exercise.

- Insurance Tender

Last year's contract expired on 30th September 2008 and required re-tendering.

Completed on time and renewed with a saving of £750k p.a. over the three years of the contract.

- Incident Reporting & new Injury Civil Procedure Rules

Risk Management Section and central H&S Unit were to align the existing reporting of recorded incidents and claims on the claims handling database.

The ICP rules were subsequently shelved by Government. Risk Management Section has investigated the many strands of incident reporting within the Council and are seeking to co-ordinate and manage these in the coming year.

- Risk Audits

Internal Audit were to liaise with Risk Management to undertake process risk audits where significant weaknesses had been identified.

In view of Internal Audit's annual plan having been agreed and already being in place, Risk Management undertook a series of process risk audits relating to high financial risk and are continuing with a programme of reviews, alongside Internal Audit's plan. These reviews have brought about fundamental changes to the way that the areas looked at now do things.

- Loss Reduction Fund Initiatives

This is an annual fund set aside from the claims provision to reduce the impact, re-occurrence or the probability of loss, damage, injury, or claims for which the Council would be responsible.

This scheme is working successfully and will continue. There are clear, published terms and conditions of the scheme which are properly used. All monies placed within the fund have been allocated appropriately to support the business in reducing loss under the strict criteria in place. Feedback from successful applicants has indicated that the initiatives that have been funded have proved successful in preventing further losses e.g:-

- ***Parks Services – provision of goal racking units have prevented vandalism and theft of goal posts along with reduction in trip hazards.***
- ***Ashfield Special School - provision of hoists in the bath/shower areas has reduced risk of manual handling injuries for the staff and enriched the quality of life for the residents.***
- ***Forest Lodge Education Centre – installation of CCTV system has reduced incidents of anti-social behaviour and numerous broken windows.***

4. Preview of This Year's Strategy

4.1 The key deliverables in this years Strategy include:-

- Adapting the Risk Management Framework at LCC to reflect the New organisational structure, and ensure strategic risks to the delivery of 'One Leicester' are properly identified and managed;
- Establish a process whereby Strategic Risks are identified by the appropriate Priority Board (and Operational Board where appropriate) and then reported to the Strategic Management Board;
- Create a process whereby operational service areas all have individual risk registers which feed through to an Operational Risk Register which will be reviewed by the Operational Board, led by the Chief Operating Officer and supported by Divisional Directors and the Corporate Risk Manager;
- Support the operational service areas in the development and improvement of their individual risk registers by identifying and delivering training support and guidance;
- Corporate Risk Manager will support the ODI team in the management of their Programme (and ultimately project) risks; and
- Directors and Managers should identify staff requiring risk management training through the staff appraisals and via the job specification processes for any new, or existing, staff that are unclear about the risk management methodology to be followed.

5. Recommendations

Cabinet is recommended to:-

- Approve the Corporate Risk Management Policy Statement at Appendix I. This sets out our attitude to risk and the approach to the challenges and opportunities facing us.
- Approve the Risk Management Strategy. Appendix II–Risk Management Strategy.
- Approve the Action Plan detailing the actions arising from this paper necessary to integrate an acceptable Risk culture within the Council. Appendix III–Risk Management Strategy – Action Plan.

6. Headline Financial, Risk and Legal Implications of the Risk Management Strategy

6.1 The cost of risk falls into two categories:

6.1.1 The direct cost of paying premiums to insurance companies, meeting insured claims, encouraging low cost risk improvement initiatives, supporting essential risk control measures, and associated administration of the risk management function. For 2009/10 this is estimated to be about £6m.

6.1.2 The indirect cost of service disruption associated with incidents, which amounts to many times the direct cost.

6.2 Whilst our insurance arrangements protect the Council from catastrophic loss in any given year without additional charge in that year, any overall deterioration in the Council's loss experience will have an impact on premiums for future years. It is never possible to eliminate the cost of loss, however, low incident rates can be maintained, and by proper attention to risk control and the prevention of incidents, the financial impact can be managed.

6.3 With the Council adopting a 'Risk Awareness' approach rather than 'Risk Averse', it is in a better position to identify opportunities that may benefit the council (including financially) where associated risks are managed rather than eliminated or avoided altogether.

6.4 By building in risk awareness into the root of all business cases and proposals to Cabinet and the Board, driving risk management from both a top down and bottom up approach, and maintaining and periodically reviewing the relevant risk registers (Operational and Strategic) the Council is also putting itself in a better position to highlight unacceptable risks (individually or collectively) and take appropriate action where necessary to minimise the risk of potential losses (including financial).

6.5 A potential financial implication of losses that could be incurred in areas of partnership working (where the partner may not have effective risk management procedures for example) is also being addressed in this strategy which should help reduce the risk of such losses.

7. Report Author/Officer to contact:

Tony Edeson, Corporate Risk Manager

Mark Noble, Chief Finance Officer

Key Decision	No
Reason	N/A
Appeared in Forward Plan	N/A
Executive or Council Decision	Executive (Cabinet)

Appendix I - The Council's Risk Management Policy Statement 2009-2010

Our approach to the management of risk

Risk management is all about managing the Council's threats and opportunities. By managing the Council's threats effectively we will be in a stronger position to deliver the Council's objectives. It is acknowledged that risk is a feature of all business activity and is a particular attribute of the more creative of its strategic developments. The Council accepts the need to take proportionate risk to achieve its strategic obligations, but expects that these are appropriately identified and managed. By managing these opportunities in a structured process the Council will be in a better position to provide improved services and better value for money.

The Council will undertake to:-

1. Identify, manage and act on opportunities as well as risks to enable the Council to achieve its objectives and integrate risk management into the culture and day to day working of the Council.
2. Manage risks in accordance with best practices and comply with statutory requirements.
3. Ensure that a systematic approach to risk management is adopted as part of Service Planning and Performance Management.
4. Anticipate and respond to changing social, environmental and legislative requirements.
5. Keep up to date and develop processes for the management of risk.
6. Have in place a defined outline of individual roles and responsibilities.
7. Raise awareness of the need for risk management to those involved in developing the Council's policies and delivering services.
8. Demonstrate the benefits of effective Risk Management by
 - Cohesive leadership and improved management controls;
 - Improved resource management – people, time, and assets;
 - Improved efficiency and effectiveness in service and project delivery;
 - Better protection of employees, residents and others from harm;
 - Reduction in likelihood/impact of losses; and lower insurance premiums;
 - Improved reputation for the Council.
9. Ensure risk identification and plans to manage risk will be an integral part of service plans.
10. Recognise that it is not always possible, nor desirable, to eliminate risk entirely, and so will have a comprehensive insurance programme that protects the Council from significant financial loss following damage or loss of its assets.

Sheila Lock

Cllr. Ross Wilmott

Appendix II – Risk Management Strategy

INTRODUCTION

1. This Risk Management Strategy is a high level document that seeks to promote identification, assessment and response to key risks that may adversely impact the achievement of the Council's aims and objectives. This strategy builds on and replaces the previous Risk Management Strategy.

AIMS & OBJECTIVES

2. The aims & objectives of Leicester City Council's Risk Management Strategy are:-
 - To assist the Council and its partners to adopt a "fit for purpose" methodology towards identification, evaluation and control of risks and to help ensure those risks are reduced to an acceptable level;
 - To ensure that transparent and robust systems are in place to track and report upon existing and emerging risks which potentially could cause damage to the Council;
 - To help further integrate risk management into the culture and day to day working of the Council and ensure a cross divisional/operational approach is applied;
 - To provide reliable information on which to base the annual strategic and operational risk assurance statements.

ROLES & RESPONSIBILITIES

3. Given the diversity of services and the wide range of potential risks, it is essential that responsibility for identifying and taking action to address potential risks is clear. No one person or group should perform risk management. Commitment and involvement of staff at every level is needed to effectively carry out risk management. Although different staff/Members will have specific duties to perform to assist, in this process.

RISK APPETITE

4. When discussing risk management it is easy to give the impression that all risks must be reduced or eliminated. However, risk is a part of every day life and may also be a source of success, if managed properly. Risk appetite is the amount of risk an organisation is prepared to accept, tolerate or be exposed to at any point in time. Risk appetite needs to be considered at all levels of the organisation – from strategic decisions to operational delivery.
5. Local Government is historically risk averse. The aim of most local authorities is that key strategic and operational risks are well controlled, minimising the likelihood of an occurrence. However, it is recognised that there are costs involved in being too risk averse and avoiding risk, both in terms of bureaucracy costs and opportunity costs.
6. Leicester City Council's approach is to be risk aware rather than risk averse, and to manage risk rather than seek to eliminate risk altogether. As set out in its Risk Management Policy Statement, it is acknowledged that risk is a feature of all business activity and is a particular attribute of the more creative of its strategic developments. Directors and Members are not opposed to risk, however they are committed to taking risk in full awareness of the potential implications of those risks and in the knowledge that a robust plan is to be implemented to manage them.

7. Having a risk management framework does not mean that mistakes and losses will not occur. Effective risk management means that unacceptable risks are highlighted, allowing appropriate action to be taken minimising the risk of potential loss. The principle is simple, but this relies upon a number of individuals acting in unity, applying the same methodology to reach a soundly based conclusion. However, it is recognised that risk management is judgemental, and is not infallible.

RISK FINANCING

8. Risk Financing is a process to determine the optimal balance between retaining and transferring risk within an organisation. It also addresses the financial management of retained risk and may best be defined as money consumed in losses, funded either from internal reserves or from the purchase of insurance.
9. Leicester City Council's strategy for Risk Financing is to maintain an insurance fund and only externally insure for catastrophe cover etc. The Council's strategy is to review the balance between external/internal cover on an annual basis in the light of market conditions and claims experience.

RISK MANAGEMENT PROCESS

10. There are four main steps in the risk management process. These stages are covered in greater detail in the Risk Management Toolkit which will be available on the Intranet:-
 - Identify - Management identify risks through discussion as a group, or discussion with their staff. The Risk Management team are available to support this process either by attending the risk identification sessions or delivering risk identification and mitigation training to managers and their business teams in advance of these sessions;
 - Analyse - Management assess the likelihood of such risks occurring and the impact on the Council. Once again, the Risk Management team will be available to support management and their business teams in this process;
 - Manage - Management determine the best way to manage the risk e.g. terminate, treat, transfer or tolerate (see 13 below and the Risk Management Toolkit for more detail);
 - Review - Management ensure identified risks are regularly reviewed. This will normally be managed by means of a Risk Register (see sections 14 – 21 below for more detail).
11. The Strategic and Operational objectives of the Council provide the starting point for the management of risk. Managers should not think about risk in the abstract, but consider events that might effect the Council's achievement of its objectives. Strategic risks linked to the Strategic Objectives and Operational risks linked to Service plans need (as a minimum) to be identified and monitored. This is to be done by the effective use of Risk Registers.
12. Risk Management is driven both top down and bottom up, to ensure risks are appropriately considered. To do this, all managers need to encourage participation in the process, through regular discussions/review with staff. The Risk Management process seeks to work with and support the business and **not** add a layer of bureaucracy.

MANAGE THE RISKS

13. Management should determine how identified risks are to be dealt with – commonly known as the four T's:-
- “Terminate” or avoid the activity or circumstance that gives rise to the risk e.g. stop doing something or find a different way of doing it;
 - “Treat” the risk e.g. take actions to reduce the likelihood that the risk event will materialise or controlling the consequences if it does;
 - “Transfer” the risk e.g. pass the risk to another party through insurance or by contracting it out. This reduces the impact if a risk event occurs. Note that business and reputation risks cannot be transferred;
 - “Tolerate” the risk. By taking an informed decision to retain risks, monitor situation and bear losses out of normal operating costs. Typically this method will be used when the cost of treating the risk is more than the cost of the risk occurring.

REVIEWING THE RISKS

14. It is important that those risks that have been identified as needing action are subject to periodic review, to assess whether the risk of an event or occurrence still remains acceptable. If not, appropriate action(s) should be determined and noted. The frequency of reviews to be decided by management, depending on the type and value of the risks identified (see also 21 below).

RISK EXPOSURE AND TRACKING

15. After evaluating the measures already in existence to mitigate and control risk, there may still be some remaining exposure to risk. It is important to stress that such exposure is not necessarily wrong, what is important is that the Council knows what its key business risks are, what controls are in place and what the potential impact of any remaining risk exposure is. It is also important that the Council are able to demonstrate that risk management actions in the operational and service areas are implemented.
16. Operational risks should continue to be logged and monitored using the existing operational services risk registers (until the risk module on Performance+ is available). It is the responsibility of each Divisional Director to ensure that operational risks are recorded and monitored via a risk register. The Risk Management team have a pro-forma risk register and it is recommended that, for consistency in reporting, these are used by all business areas. These registers and the risks identified are to be aligned to the new operating structure. Each Divisional Director should review the risk registers of their direct reports (it is suggested that this review should be carried out at least monthly, probably by having Risk Management as the main agenda item at an SMT) prior to identifying which of these risks are considered significant enough to be reported to the Operational Board by means of a Divisional risk register.
17. These most significant divisional risks identified by the operational services areas will feed into the proposed Operational Risk Register which will be managed by the Operational Board (the group of divisional directors chaired by the Chief Operating Officer). The Operational Board will be accountable for ensuring that all operational risks are identified against service delivery objectives; that plans are implemented to control those exposures; and that key risks are included within individual service plans.

18. The Operational Risk Register will also be populated with significant risks arising from both the Financial Risk Register and the Assurance and Democratic Services Risk Register. Currently there is a Financial Risk Register which the Chief Finance Officer will expand to cover the re-organised Financial Managers Group (comprising representatives from Adults and Housing; CYPS; Regeneration and Culture; Accountancy; Internal Audit; Procurement; Revenues and Benefits). The Assurance and Democratic Services Group (comprising representatives from Legal Services; Information Governance; Democratic Services and Risk Management) needs to be established under the stewardship of the Director of Assurance and Democratic Services, once appointed, and in the interim period, under the stewardship of the Director of Legal Services.
19. For Strategic risks each of the Priority Boards will need to create, manage and monitor a Priority Board Risk Register for the risks which affect achievement of their strategic programmes. Responsibility for this rests with each strategic Director. The most significant of these identified risks, along with any operational risks identified by the Operational Board that may threaten the Council's overall strategic aims, will form the Council's Strategic Risk Register which will be reviewed by the Strategic Management Board.
20. There will also be strategic risks (and, as their projects commence and progress, operational risks too) arising from the Change and Programme Management team – who currently manage all the Council's projects. To ensure that all appropriate programme/project risks are captured, the agreed Prince2 methodology will be followed by all projects with risk registers identifying threats and opportunities associated with the projects. Every project will be rigorously risk assessed throughout the project's lifespan. Every project should commence with a risk 'workshop' attended by a member of the Risk Management team. Risk Management will also work with the Programme Manager in developing a quality based risk assurance process.
21. The Risk Management team will facilitate and support this process and will maintain the Operational and Strategic Risk Registers, using the input from the operational services risk registers and the Priority Board Risk Registers. These registers will be reported periodically to both Cabinet and the Audit Committee. The Risk Management section will also progress, chase and challenge individual service area submissions. As part of this process, bespoke training needs may be identified and the Risk Management team will provide ongoing training and support.
22. All risks, both operational and strategic, identified will need to be tracked and monitored by regular, periodic (ideally at least quarterly for the Strategic risks and for the operational risks this will be monthly) reviews of the risk registers. This will ensure that:-
 - Changes in risks are identified for action;
 - There is an effective audit trail;
 - The necessary information for ongoing monitoring and reports exists.

PARTNERSHIP RISK

23. It is recognised that Partnership Working is a key area where associated risk needs to be identified and controlled. Best practice states that local authorities must meet two key responsibilities for each partnership they have. They must:-
 - Provide assurance that the risks associated with working in partnership with another organisation have been identified and prioritised and are appropriately managed;
 - Ensure that the partnership has effective risk management procedures in place.

24. To help mitigate the risks associated with partnership working Risk Management will develop a guidance note with a responsibilities matrix to identify where the risks lie i.e. with the Council or our partners on partnership working and a generic partnership risk register for use in all Council partnerships. This will be rolled out as part of Risk Management's training programme, leading to the Council being able to establish a register of partnership arrangements recording the key elements of those agreements. This register will identify committed Council resources in terms of Officer time, finance, activities and liabilities. Governance, delivery and performance measures also need to be clarified and understood.

RISK MANAGEMENT TRAINING

25. Risk workshops have been held to explain the risk management methodology to Members and many Senior Officers. An annual programme of training will be developed at Senior Management level and operational level. However, Directors and Managers should identify staff that require risk management training through the staff appraisal process and be included the jobs specification processes for any new staff. Appropriate training will be provided by the Risk Management Section, within the financial resources available.

REVIEW OF RISK MANAGEMENT STRATEGY AND POLICY

26. This Risk Management Strategy and the Policy Statement (Appendix I) are intended to assist in the development/integration of risk management from September 2009 until March 2011. All such documents and processes will be subject to periodic review. The next planned review to occur in December 2010.

RISK MANAGEMENT AT LCC

27. More robust risk management processes need to be applied to all our activities during the next 12 months (and beyond). To achieve this we need to identify our priority exposures, address these, incorporate appropriate risk management strategies and risk improvements into our service delivery in line with the 'One Leicester' Priorities, monitoring and reviewing emerging risk to account for changes in our operations and to enable us to make well-informed decisions. Risk must be considered as an integral part of service planning, performance management, financial planning and strategic policy-making processes.
28. The Corporate Risk Manager will maintain a central copy of the Strategic and the Operational Risk Registers, as well as facilitating the maintenance of each of the operational service areas, Assurance and Democratic Services and Financial Management Group's individual risk registers. Using these registers and the outputs from the Operational Board the Corporate Risk Manager will create a programme of 'process audits' to be undertaken that will test the maturity and embeddings of the risk strategy in the business areas.
29. The management of risk to be included in job descriptions for all operational service area managers with responsibility and accountability for risks included in every director/managers objectives and performance appraisal. Directors and managers will also ensure that all stakeholders (employees, volunteers, contractors and partners) are made aware of their responsibilities for risk management and are aware of the lines of escalation of risk related issues.

Appendix III – Risk Management Strategy – Action Plan

Action	Responsible Officer	Target Date(s)
Establish risk infrastructure for new Council governance structure, including strategic risk registers for each Priority Board and an Operational Risk Management Group.	Corporate Risk Manager	February 2010
Agree Terms of Reference for Operational Risk Management Group (as a sub-Group of the Operational Board) and arrange for the risk registers to be reviewed quarterly.	Corporate Risk Manager	December 2009
Using the membership of the Operational Risk Management Group revitalise the individual service area's risk registers and establish an Operational Risk Register that will be monitored by Operational Board and the COO. This will best be achieved by the Operational Service Directors monthly SMT meetings having Risk Registers as a standing agenda item and the Corporate Risk Management team attending these meetings, where possible, for this agenda item.	Corporate Risk Manager	February 2010
Develop Guidance on partnership working and establish arrangements for ensuring that each partnership is supported in managing risk and provides assurance to Council.	Corporate Risk Manager	December 2009
Each Operational Service area's key operational risks reviewed and new significant risks or opportunities fed into the Operational Risk register on a quarterly basis. This will include a review of the appropriateness and effectiveness of the mitigating actions/controls. These key risks to be informed by Divisional, Service areas and project risk registers. Any operational risks identified by the Operational Board that may threaten the Council's overall strategic aims should be referred for inclusion on the Strategic Risk Register.	Operational Board	Every 31 January 30 April 31 July 31 October
Each of the Priority Boards will need to create, manage and monitor a strategic risk register for the risks which affect achievement of their strategic programmes. The most significant of these identified risks, along with any operational risks identified by the Operational Board and project risks from the Programme Office that may threaten the Council's overall strategic aims, will form the Council's Strategic Risk Register which will be reviewed by the Strategic Management Board.	Strategic Directors responsible for Priority Boards	31 January (production) Then Reviewed Every 31 January 30 April 31 July 31 October
Updates of Strategic Risk Register reported to Audit Committee at alternate meetings i.e. twice a year as the Committee meets 4/5 times a year.	Corporate Risk Manager (produce) Strategic Management Board (approve)	Every 30 April 31 October
Establish and deliver a specific risk based decision making training programme for Members, all senior management and managers during the next 12 months.	Corporate Risk Manager	Between November 2009 and September 2010

Action	Responsible Officer	Target Date(s)
Include performance on managing risks within performance monitoring of service Plans and of Senior Officer's performance contracts/plans and Appraisal t Reviews, identifying fresh risk management training needs when appropriate.	Strategic Management Board Divisional Directors	31 March Annually
Establish a targeted training delivery plan based upon recent experience of operational involvement in risk activity; the outcomes of specific risk audits; recent insurance events; and, key financial risks being identified by the Operational Risk Management Group.	Corporate Risk Manager	31 March Annually
Implement new system of reporting lessons from risk audits, business continuity events and claims experience:- ➤ Report to be produced annually ➤ Actions to be implemented and monitored	Corporate Risk Manager (Report) Divisional Directors (Actions)	31 March Annually
Develop project risk assessments, as appropriate and in line with the principles of Prince2, where these do not exist, producing risk matrices where significant decisions are required. Develop a quality based risk assurance process for projects.	Director of Change and Programme Management	31 March Annually (confirmation to SMB)
Include risk management in staff induction/refresher training where this has not yet been incorporated. This training/advice can be delivered by the Risk Management Team if preferred.	Divisional Directors	New Staff – when they commence duty Existing Staff – by 31 March Annually

**Appendix IV
Corporate Risk Management Framework – Risk Management Groups & Risk Registers**

