



Governance and Audit Committee 3 December 2014

Risk Management Reporting

Purpose of report

To provide Members with an update to the implementation of the new risk system and set out an example of the development of risk reporting.

Attachment(s)

Appendix 1: Sample Strategic Risk Report

1. Background

- 1.1. The Council manages risk on a daily basis and has had a strategy in place for a number of years. The revised risk management strategy was approved by Governance and Audit Committee on 25 September 2014.

2. Risk Management Next Steps

- 2.1. Following the approval of the strategy in September the next steps are to roll out the risk management system to all staff, develop the reporting of risk across the organisation and provide relevant training to ensure that Members and officers are able to manage risk effectively in line with the strategy that has been set.

2.2. Risk Management System

- 2.3. Historically, the Council has used a software package called 4Risk to help manage the Council's risks. This system recorded the risks being identified by Corporate Management Team and officers.
- 2.4. Although new risks were being recorded regularly on the system, some of the information contained within it required refreshing and cleansing to bring it up to date. The reporting capabilities also needed expanding in order to better support the risk management process.
- 2.5. As a result of this, options were investigated to identify a more suitable software solution that would enable risk management to support the organisation. The Council already uses a software package from InPhase, referred to as Performance Plus. This system is currently used for Performance Management. InPhase also support a Risk Management module which can be used.
- 2.6. The performance management process works well and is fully embedded within the organisation. Having the risk management software from the same supplier provides the Council with knowledge of how the system works and will allow for easier roll out as users will be familiar with the software already. This software also provided the most cost effective option for the Council.
- 2.7. With the risk management strategy approved, the Council can move forward with training and development of the revised risk management arrangements across the organisation. This includes cleansing the current risks and introducing new and emerging risks.

2.8. Risk Reporting

- 2.9. The risk management system is set up for the quarterly updating of risks; this is in line with current performance management arrangements. Ad-hoc updating and logging of risks will occur as new risks are identified or existing risks are updated to reflect the latest position.
- 2.10. Work has been undertaken on the new system to develop reports which can be provided to risk managers, corporate management team and Members on a regular basis.
- 2.11. A sample risk report has been included with this report. This is the first of its kind to be produced for the Council.
- 2.12. As noted above the approach being taken is to start the input of risks into the new system again rather than just copy across the existing data. This is to ensure a full review is undertaken of risks facing the council and any out of date information on risk is fully cleansed, updated or removed.
- 2.13. As the data is cleansed and the new and emerging risks are added to the new system, the reports are likely to change and develop over time following feedback and review from all key stakeholders.
- 2.14. To ensure managers are fully aware of the latest intelligence on risk, training and development sessions are planned in December 2014 / January 2015.

2.15. Timescales

- 2.16. The table below sets out the indicative timescales for putting the revised risk management arrangements in place.

Timescale	Activity
Dec 14 to Jan 15	External Training deliver by Insurance Provider
Jan to Mar 15	Data cleansing
Q1 2015	Input updated, new and emerging risks
Jul to Aug 2015	Updated risk reports to CMT and Members
Quarterly	Risk System updated, challenged via Performance Clinics and reported to Members

3. Equality and Diversity Implications

- 3.1. Effective risk management should reduce the risks resulting from a failure to recognise equality and diversity implications arising from the council's actions.

4. Legal Implications

- 4.1. Effective risk management should reduce the risks resulting from a failure to recognise the legal implications arising from the council's actions.

5. Risk Management

- 5.1. This reports sets out the next steps for effective risk management. Failure to have effective processes in place the Council at risk of not understanding its risk environment, which could lead to the Council not achieving its objectives.

6. Financial Implications

- 6.1. There are no financial implications arising from this report.

7. Constitutional Implications

7.1. There are no constitutional implications arising from this report.


8. Corporate Outcomes

- 8.1. This report links to the following Corporate Outcomes:
- Effective Management
Ensuring robust risk management arrangements are in place to manage and minimise risks the Council is exposed to

9. Recommendation

9.1 The committee is recommended to note the developments being made on improving risk management at East Northamptonshire Council

(Reason – to ensure the Council has up to date and effective Risk Management processes in place)

Legal	Power: Local Government Act 1972			
	Other considerations:			
Background Papers:				
Person Originating Report: Iain Jenkins, Interim Finance Manager ☎ 01832 742267 ✉ ijenkins@east-northamptonshire.gov.uk				
Date: 18/11/14				
CFO 21/11/14		MO		CX

(Committee Report Normal Rev. 22)



East
Northamptonshire
Council

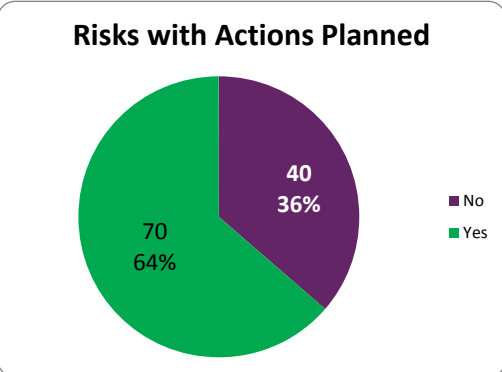
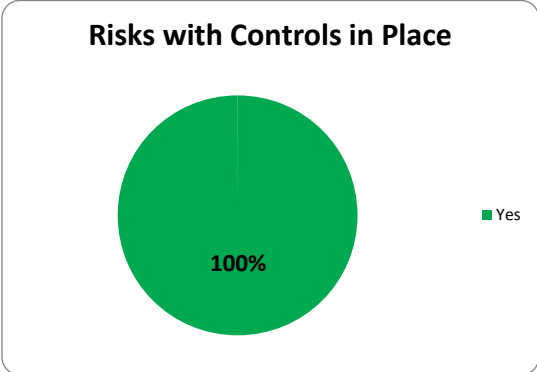
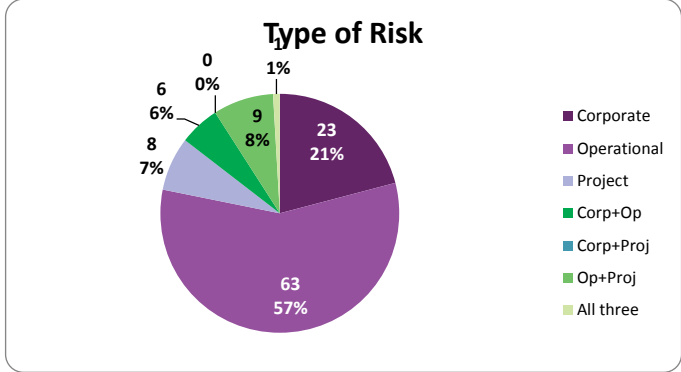
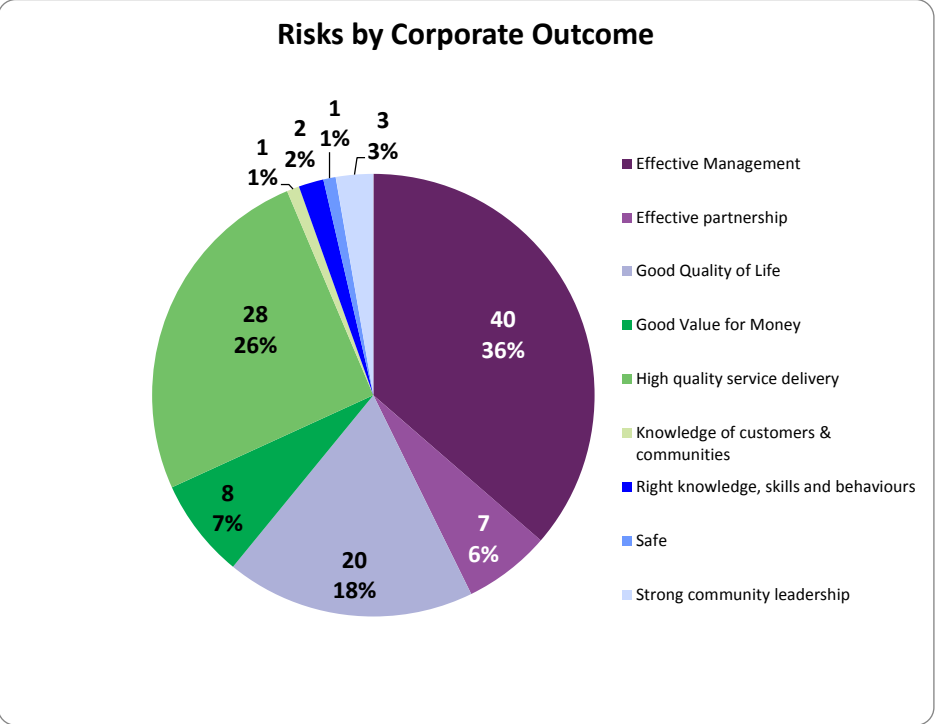
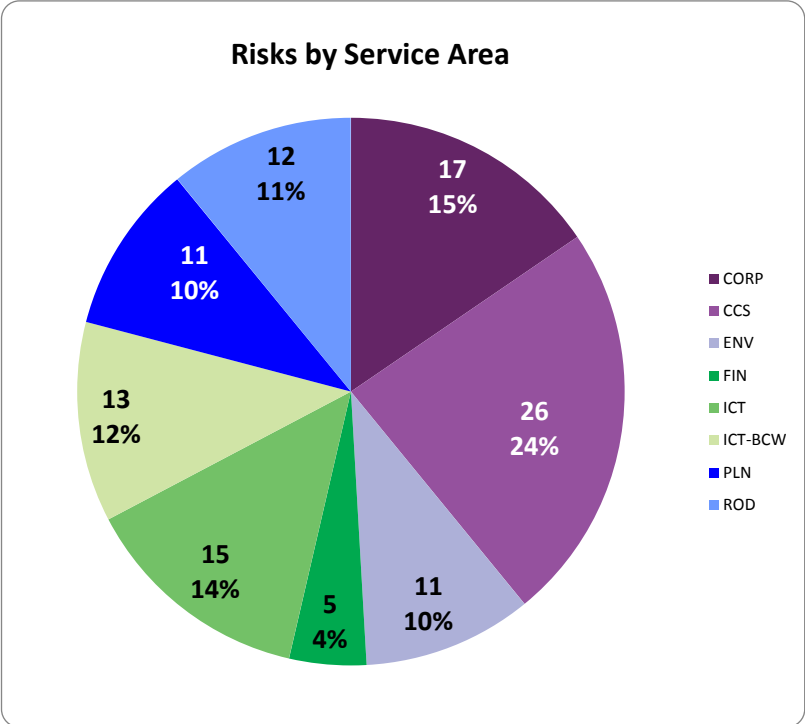
Summary of ENC Risks

as at 31st May 2014

The report comprises a selection of charts and graphs which provide information on the current Risk Management Situation. It provides examples of the type of information which could be included in a regular Risk Report.

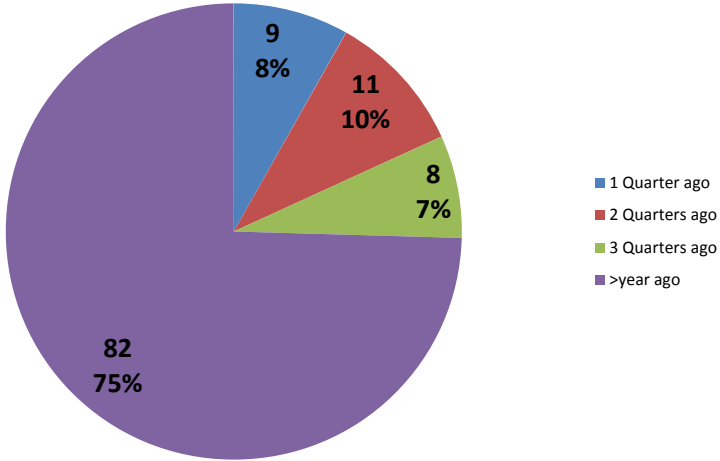
A snapshot of the information held on the 4Risk System was taken on 31st May 2014 and analysed.

ENC Risk Summary as at 31-May-2014

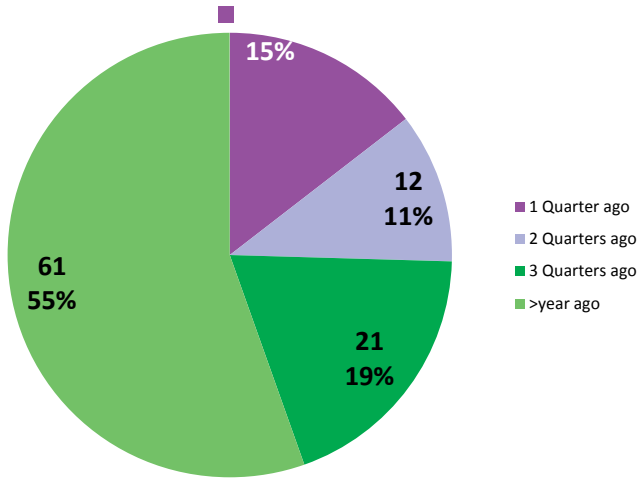


ENC Risk Summary as at 31-May-2014

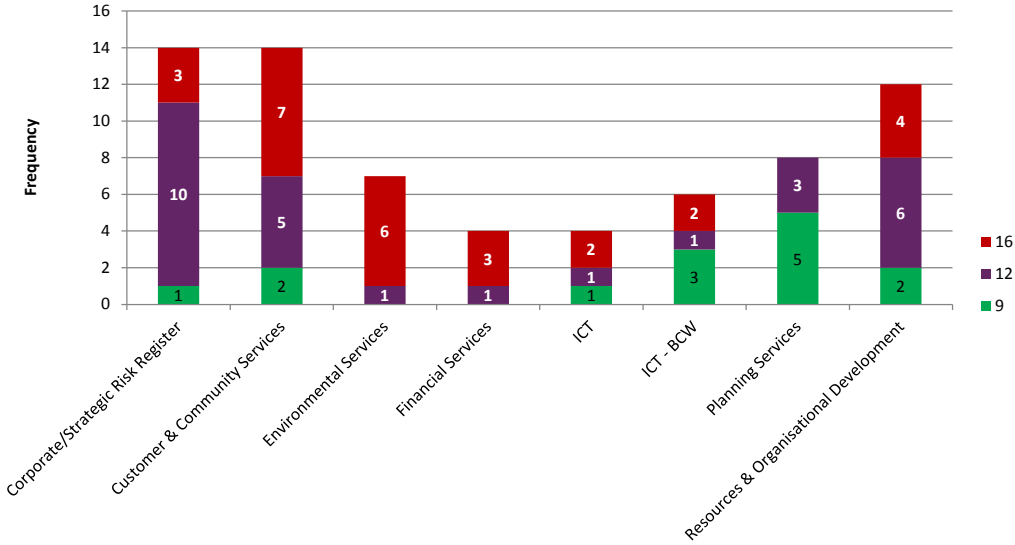
Last Review Date



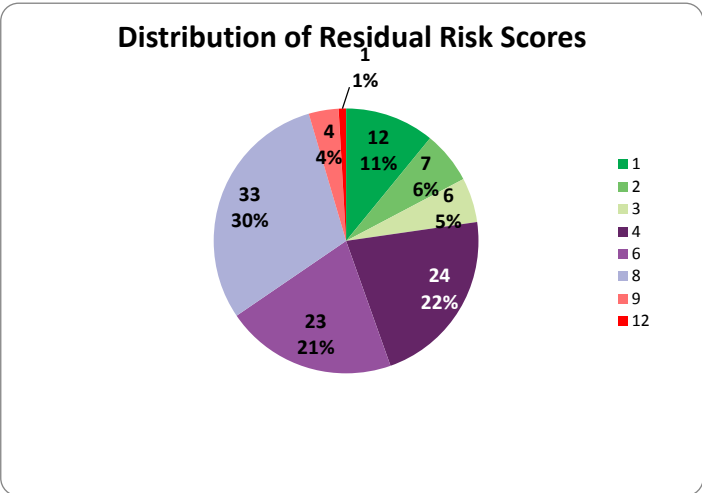
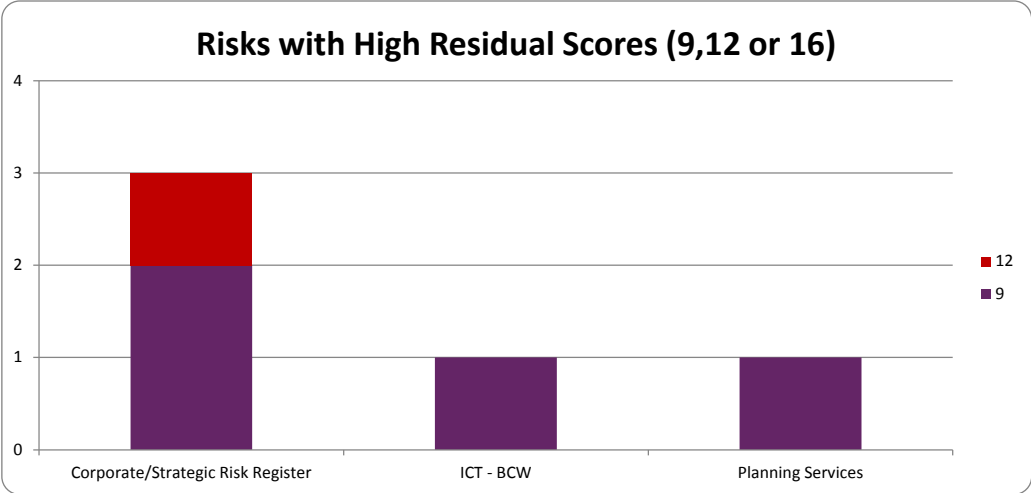
Most Recent Risk Updates



Risks with High Inherent Scores (9,12 or 16)



ENC Risk Summary as at 31-May-2014



HIGH RESIDUAL RISKS AS AT 31/05/14

Risk Ref	Risk Title	Risk Owner	Risk Area	Inherent Risk Priority	Residual Risk Priority	Created	Review Date	Most recent update	Controls in place	Actions Planned
65	Failure to maintain capacity and capability of staff	Katy Everitt	Corporate/Strategic Risk Register	12	9	21/09/2006	01/03/2014	2 Quarters ago	Yes	Yes
230	Increase in homelessness (PL01)	Cat Hartley	Planning Services	12	9	05/03/2007	01/03/2014	3 Quarters ago	Yes	Yes
635	Funding forecasts from government [RSG, BRR, NHB, CTB localisation, etc] are not updated in light of changing circumstances	Glenn Hammons	Corporate/Strategic Risk Register	16	12	18/12/2011	01/12/2013	3 Quarters ago	Yes	Yes
643	Sensitive Council Data enters the public domain via email	Gareth Jones	Corporate/Strategic Risk Register	12	9	22/03/2012	01/03/2014	>year ago	Yes	Yes
675	IDOX Migration	Kathryn Rance	ICT - BCW	9	9	16/10/2013	01/04/2014	2 Quarters ago	Yes	Yes