

α

β

χ

δ

TO: Audit Committee

FROM: Head of Audit, Assurance & Procurement

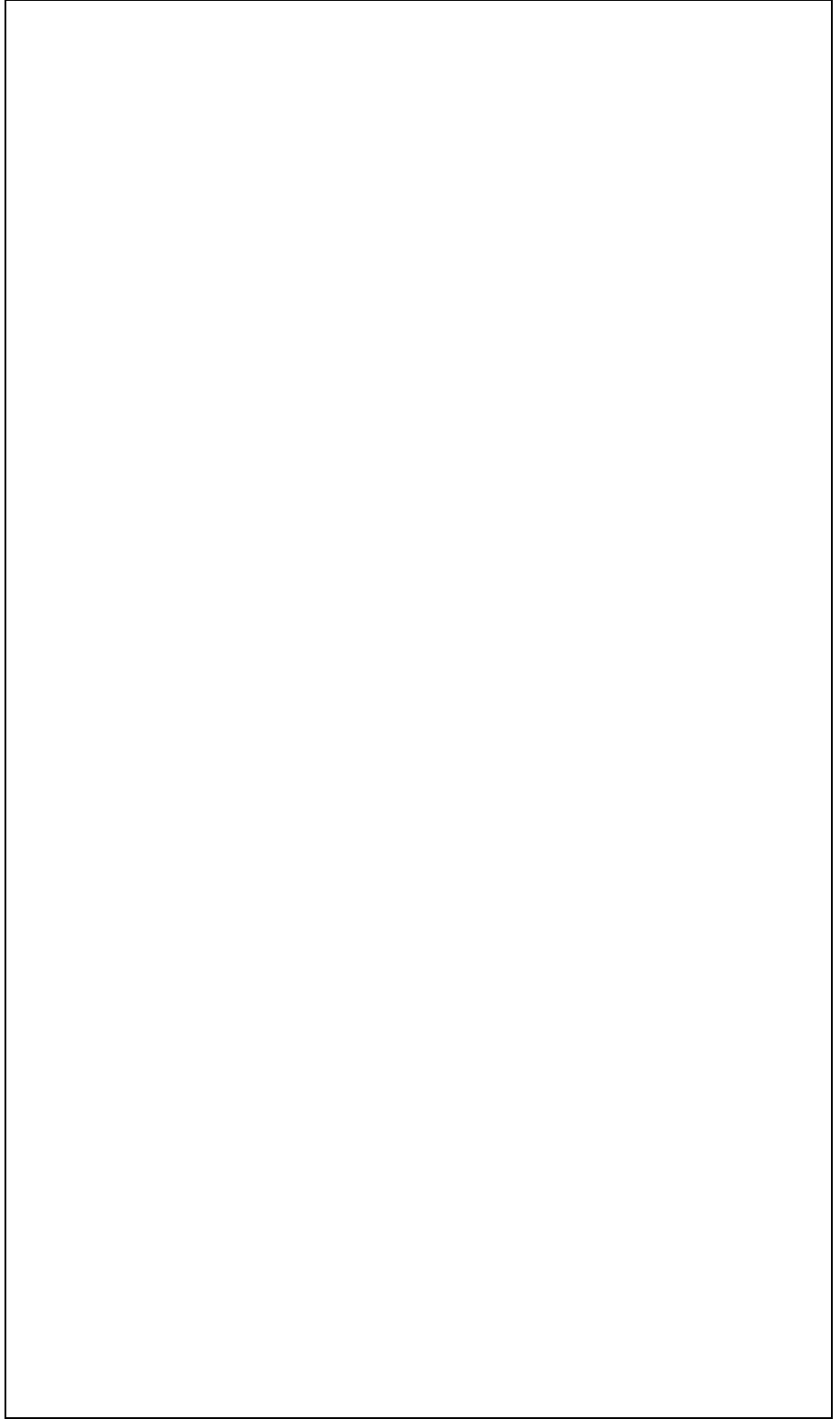
DATE: 23 September 2014

ε

φ

γ

η

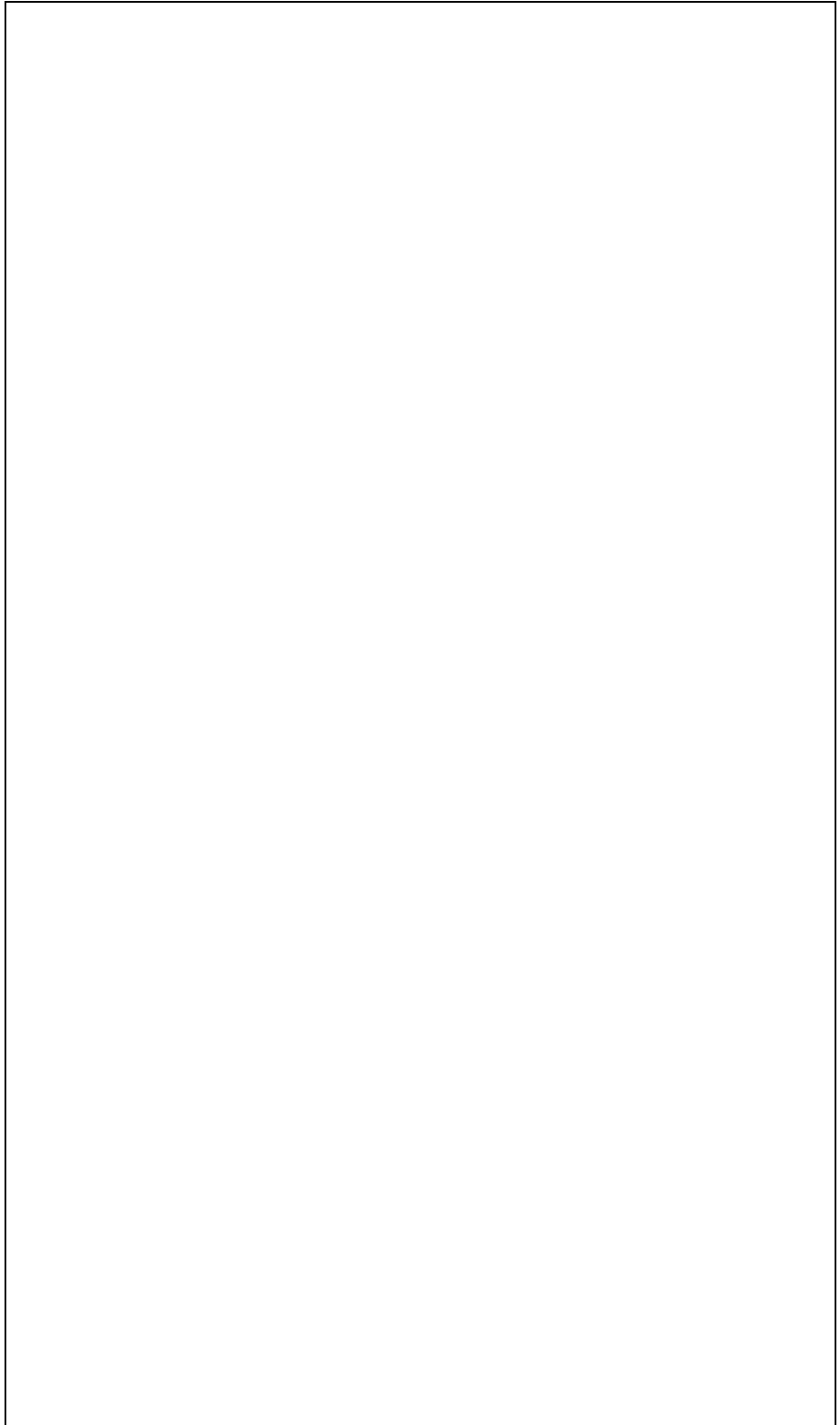


ι

φ

κ

λ

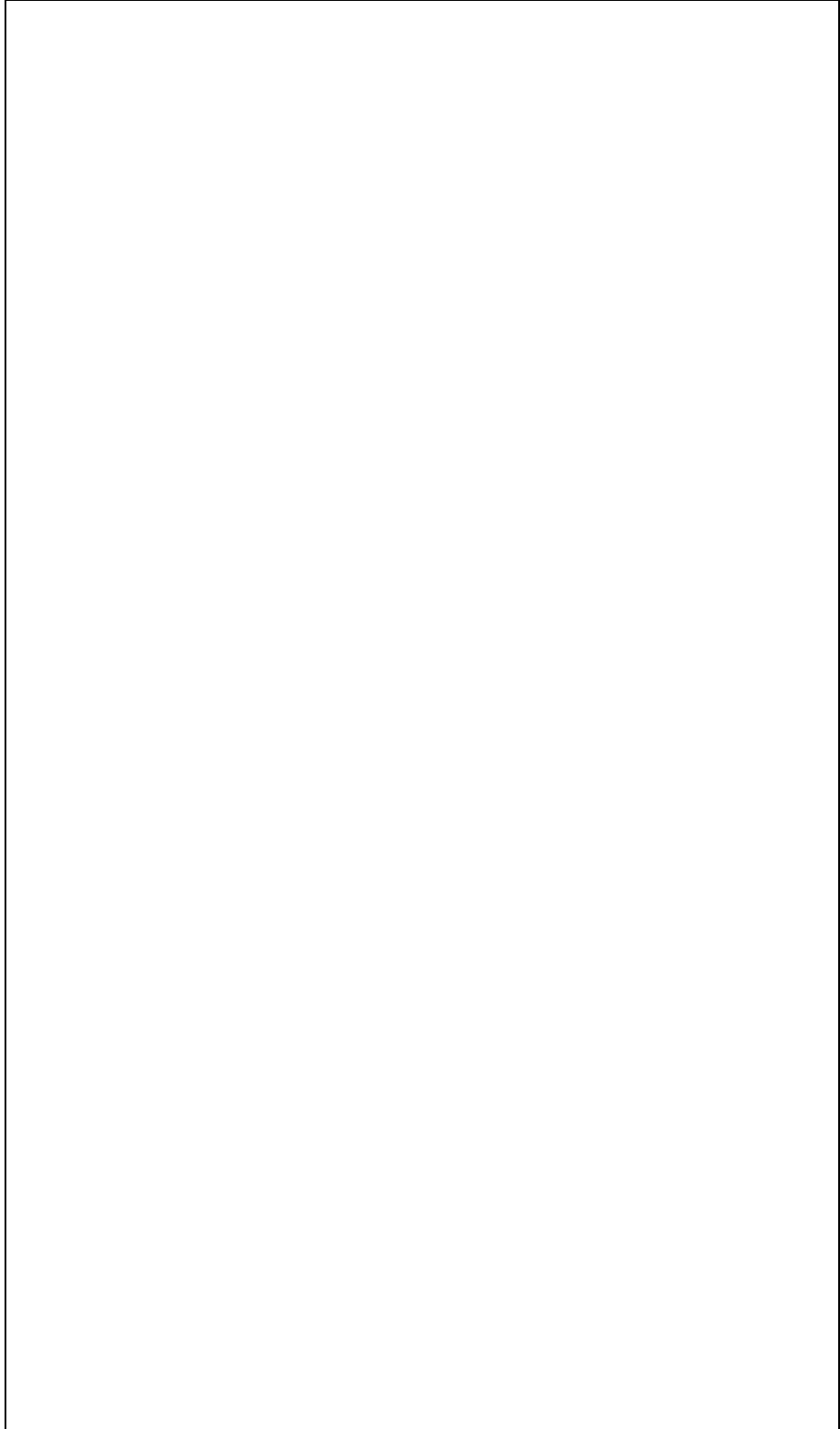


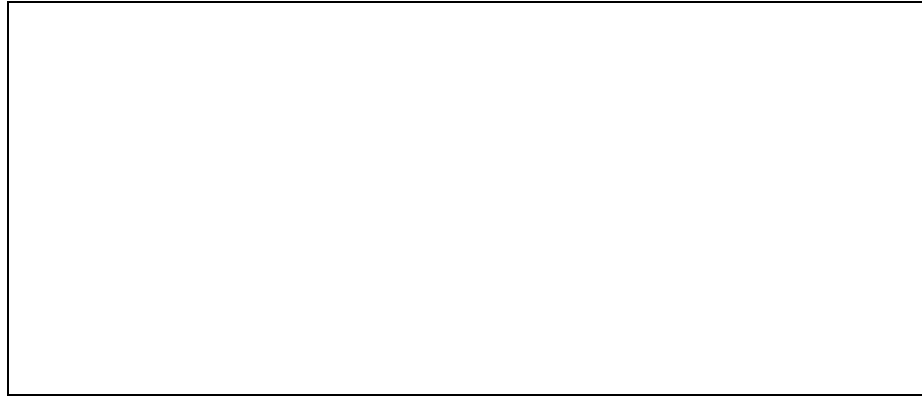
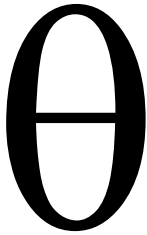
μ

ν

ο

π





PORTFOLIOS AFFECTED: All

WARDS AFFECTED: All

TITLE OF REPORT: Risk Management – 2014/15 Quarter 1 Review

1. PURPOSE

- 1.1 To provide Members with details of the risk management activity that has taken place since the last risk management report to Audit Committee in June 2014.

2. RECOMMENDATIONS

- 2.1 Members are recommended to re-affirm their support for the Council's approach to Risk Management and to note the risk management activity that has taken place during the period and progress made on the Corporate Risk Register as at the end of Quarter 1 2014/15.

3. RATIONALE

- 3.1 The Council recognises that risk management is not simply a compliance issue, but rather it is a way of viewing its operations with a significant impact on long-term viability. Risk Management helps to demonstrate openness, integrity and accountability in all of the Council's activities. It also benefits how we operate.
- 3.2 Risk management is an on-going process and requires review and monitoring.
- 3.3 As stated in the Corporate Risk Management Strategy the Audit Committee will receive a summarised quarterly report setting out progress against corporate risk management action plans.

4. KEY ISSUES

- 4.1 The Corporate Risk Register records the risks that relate to the achievement of the Council's strategic objectives. Actions have been identified to strengthen controls.

4.2 The Corporate Risk Register currently contains a total of 15 risks. A summary of the risks is attached at Appendix 1.

4.3 Currently the top corporate risks are:

| Risk Ref No. | Risk Summary | Risk Owner |
|---------------------|---|------------------------------|
| 01 | Adequacy of Resources | Denise Park |
| 03 | IT Infrastructure | Denise Park |
| 15 | High profile serious/critical safeguarding incident/case that is known to Council services. | Sally McIvor/ Linda Clegg |

4.4 As part of the Council's Risk Management process we review and monitor our Corporate Risks on a regular basis to ensure that we have the appropriate, properly assessed corporate risks going forward. This is monitored through the Corporate Risk and Resilience Forum and reported to Management Board. The last review was at the Forum meeting on 29 May 2014. In addition, Departments continue to review and update their risk registers on a regular basis.

4.5 During the period the Council has continued to utilise the risk management support available from Zurich Municipal, provided as part of the long term insurance agreement. Reviews of stress management arrangements and motor fleet risks have been carried out. Health and safety awareness training has also been provided to Chief Officers and Heads of Service.

4.6 Zurich concluded that the systems and practises in the Council relating to stress management currently meet their expectations although some improvements have been identified which would help reduce the potential for liability claims. Recommendations have been made which would allow the Council to further enhance overall compliance.

4.7 The motor fleet risk review considered the Council's procedures for reporting and recording crash data relating to accidents and incidents involving the Council's motor vehicle fleet, focussing on the central systems for fleet management and control. Although a number of areas of good working practice were noted the review identified generally weak performance in the timely and accurate collection of accident data. The report noted that there was an absence of accountability with regards to driver safety, that fleet safety was not seen as a shared responsibility and the opportunity to learn from mistakes and improve fleet safety was being missed.

4.8 In addition to the Zurich reviews the Council's insurance broker, Aon Risk Solutions, has carried out a claims defensibility review. The review concluded that the Council's claims defensibility systems and procedures are currently operating to a standard that is typically above average in the sector. The report made recommendations to further reduce the casualty risk profile.

4.9 Action plans to address the issues identified from these reviews are in the process of being prepared.

5. POLICY IMPLICATIONS

5.1 There are no policy implications arising from this report.

6. FINANCIAL IMPLICATIONS

6.1 There are no financial implications arising from this report.

7. LEGAL IMPLICATIONS

7.1 There are no legal implications arising from this report.

8. RESOURCE IMPLICATIONS

8.1 There are no direct resource implications arising from this report.

9. EQUALITY & HEALTH IMPLICATIONS

9.1 There are no equality implications arising from this report.

10. CONSULTATIONS

10.1 The Corporate Risk Register has been reviewed and updated by the Corporate Risk & Resilience Forum and agreed by Management Board.

CONTACT OFFICER: Colin Ferguson, Head of Audit, Assurance &
Procurement – Extn 5326

DATE: 12 September 2014

BACKGROUND PAPERS: None.