

NORTH YORKSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

27 September 2012

RISK MANAGEMENT – PROGRESS REPORT

Report of the Corporate Director – Finance and Central Services

1.0 PURPOSE OF THE REPORT

- 1.1 To receive details of the updated Corporate Risk Register.
- 1.2 To consider an updated Corporate Risk Management Strategy.
- 1.2 To consider progress made on Risk Management matters.

2.0 BACKGROUND

2.1 According to the Terms of Reference of the Audit Committee, its role in risk management is:

- (i) to assess the effectiveness of the authority's risk management arrangements and
- (ii) to review progress on the implementation of risk management throughout the authority.

2.2 Following a recommendation by this Committee, the County Council formally approved a revised Corporate Risk Management Policy on 18 July 2012 with a provision that it will be reviewed and updated every two years.

2.3 The Corporate Risk Management Strategy would have previously been reviewed and updated alongside the Corporate Policy. However the decision was taken to separate the two documents as the Strategy is a lengthy document and it would be beneficial if it is brought independently to this Committee (please see **paragraph 4** for further details).

2.2 Regular reports to this Committee therefore cover the implementation of the Policy/Strategy as well as other related risk management matters in order to fulfill this role.

3.0 CORPORATE RISK REGISTER

3.1 The Corporate Risk Register (CRR) is fully reviewed every year and updated by the Chief Executive and Management Board in August/September.

- 3.2 A copy of the latest version is attached at **Appendix A**. Certain risks are perpetual so will recur on the Register (eg ability to respond to a public emergency such as a major flood). Others relate to specific service issues (eg School Funding Reform).
- 3.3 There are four new or significantly altered risks this year to reflect the County Council's present situation. These risks are:
- Funding Challenges – this risk has changed emphasis away from the MTFs to encompass the whole issue of availability of funds including the potentially negative outcome of the next Comprehensive Spending Review.
 - Schools Funding Reform – this risk is ranked high because although a lot of local work to model the Department of Education proposals has been carried out to try and find a way of getting a reasonable fit with current funding distribution, nothing presently modelled avoids considerable (financial) damage to an unacceptable number and range of schools.
 - Economic Development in North Yorkshire – this risk is ranked high due to factors such as the recession, financial markets and government austerity measures over which the County Council has no control.
 - Connecting North Yorkshire – this risk has been reassessed to reflect the next stage of this project to deliver the superfast broadband contract with British Telecom.
- 3.4 Other risks carried over from the previous version of the register include:
- Health Responsibilities – this risk remains high and includes the Public Health transition as well as delivering integrated approaches with Health partners.
 - Waste Strategy – this risk has been brought up to date and in line with the ongoing planning application related to the PFI Scheme.
 - Communication – this risk continues to include all communication with the staff, Members and the public through these times of change
 - Organisational Performance – this risk is recognised as important to achieve whilst also recognising the challenges of motivation during a time of change and budget reductions
- 3.5 To assist Members interpret **Appendix A**
- Risks are identified by Management Board during a preparatory meeting and workshop
 - Each risk has then to be ranked based on the following criteria:
 - existing risk controls in place
 - probability of the risk occurring (based on existing controls)
 - impact of the risk occurring (based on existing controls)
 - further risk controls which may reduce current probability or impact
 - The prioritisation system follows a fairly traditional risk evaluation approach in that the **probability** and **severity** of risks is measured using High, Medium, Low and Nil categories

➤ However, to facilitate the assessment of the severity of each risk this is done in relation to 4 distinct **impact areas**. Each level within the County Council ie Service Units, Directorates and Corporate will rank the risks against their own 'risk appetite' (known as a Risk Classification Table) which reflects their key objectives and uses familiar performance measurements where possible. The impact of risks is then assessed in terms of:

- Obj = failure to meet key objectives and standards – reflecting current service plans
- Fin = Financial impact – reflecting current budgets
- Serv = delays in service delivery – reflecting current service indicators
- Rep = loss of image or reputation – reflecting key image indicators

As each risk is ranked with reference to current controls and then future controls, the risk prioritisation system can compute a "score" in the range of 1 to 5

- 1 and 2 being a 'red' risk
- 3 and 4 being an 'amber' risk and
- 5 being a 'green' risk

One of the key things to look for in the Register is the movement of the score (described as 'Cat' in **Appendix A**) as between the 'Pre' (i.e. present stage) and 'Post' (i.e. after risk mitigations are in place). For certain risks, however, this does not change as the risk mitigations cannot prevent the event (e.g. severe flood) but can address/reduce its impact. Also, if a risk has been carried over from a previous year it is interesting to note whether the risk has improved/worsened since that time (see left hand column on **Appendix A**).

4.0 RISK MANAGEMENT STRATEGY

- 4.1 The County Council formally adopted a revised Corporate Risk Management Policy and supporting Strategy on 16 December 2009 with a provision that it will be reviewed and updated every two years.
- 4.2 Following a recommendation by this Committee, the County Council formally adopted a revised Corporate Risk Management Policy on 18 July 2012. However with regard to the Corporate Risk Management Strategy, it was suggested at the previous Audit Committee meeting in June 2012, that the current Strategy be subject to a fundamental review by the Corporate Risk Management Group (CRMG) and be brought back to a subsequent meeting.
- 4.3 A draft Corporate Risk Management Strategy is attached as **Appendix B**.
- 4.4 The draft Strategy identifies in a condensed form, what is required to implement and achieve the Policy. Supporting material relating to implementation has been transferred to the Insurance and Risk Management intranet site. Links to the site

have been provided throughout the document so that the relevant supporting material continues to be easily accessible.

4.5 The Strategy now focusses more sharply on such issues as how the organization:

- identifies and manages its risks in these 'dynamic' times
- identifies, and prepares for, potential future risks
- mitigates its governance risks via the various assurance processes.

4.6 Unfortunately, due to a mismatch of meeting cycles, the CRMG has not had the opportunity to sign off this Strategy document and consequently therefore the attendant Action Plan has also not been updated.

4.7 The Committee is therefore asked to consider the draft Strategy. Any suggestions / comments will then be fed back to the CRMG as they 'finalise' the document and its attendant Action Plan. The Strategy document does not require approval by the Executive and/or County Council.

5.0 CORPORATE RISK MANAGEMENT GROUP

5.1 The role of the CRMG is a combination of:

- sharing best practice and awareness of risk issues across the County Council
- identifying new areas of risk, especially those that affect more than one Directorate
- managing the work of the various task and finish groups that actually do most of the developmental work on risk identification via their risk action plans

5.2 The Corporate Risk Management Group (CRMG) meets 6 times a year although one of these dates is reserved for the corporate risk management conference (see **paragraph 6** below for more details). Notes of the meetings held on 22 March, 16 May and 25 July 2012 are attached at **Appendices C, D and E** respectively. Attachments to these reports have not been provided but if there are any particular topics where there is more detail required, then this can be provided on request.

5.3 The meeting on the 22 March 2012 looked at updates and risk registers for Health and Adult Services, Business and Environmental Services and Children and Young People's Service. There were also updates from Working Group Leaders on issues such as fire safety and security, health and safety, driver policy, personal safety (including VoiceConnect) and food safety.

5.4 The meeting on the 16 May 2012 took a general overview of risk management arrangements across the County Council. The Group reviewed, discussed and agreed various items including its Terms of Reference, the draft Risk Management Policy, the mapping of corporate risks to Directorates (or vice versa), use of the Risk Prioritisation System for key projects and risk management training requirements.

- 5.5 The meeting on the 25 July 2012 looked at updates and risk registers for Chief Executive's Group and Finance and Central Services and Children and Young People's Service. The Group was also provided with an update from Working Group Leaders on issues including health and safety risk, service continuity, challenging behaviour and volunteers.
- 5.6 The latest meeting took place on 6 September 2012. Updates on risk management and risk registers were received from Health and Adult Services, Business and Environmental Services. Updates were also received from Working Group Leaders including safer recruitment and employment, property occupiers safety and health, personal safety (including VoiceConnect), food safety and driver safety activities. The Notes of this meeting were not available at the time of drafting this report but will be attached to the next progress report to this Committee.
- 5.7 The notes of the CRMG meetings demonstrate quite clearly the emphasis on practical problem solving, and issue resolution, that the CRMG adopts. The involvement of staff who deal with these matters on a day by day basis ensures that proposals are always practical and do-able.

6.0 RISK MANAGEMENT CONFERENCE XIV

- 6.1 The fourteenth risk management conference will take place at the Pavilions of Harrogate on 8 November 2012. Once again this will deliver a practical learning opportunity on risk management related issues for delegates. A draft programme for the day can be seen at **Appendix F**. It is anticipated that the morning sessions will include topics around the Public Health transition to the County Council, and the challenges and opportunities associated with this issue; together with getting back to basics on Insurance Liability claims and looking at case studies. The afternoon will include an interactive session linked to effective team working in order to deliver high quality services in a changing environment.
- 6.2 Annual awards for best risk management initiatives will also be included within the programme to recognise good and innovative practice across the County Council. The awards will be presented by the Chairman of the County Council.
- 6.3 It is anticipated that there will be approximately 100 delegates attending from all levels across all Directorates of the County Council. All Members of the Committee are invited to attend the Conference. Please contact the author of the report to register.

7.0 BETTER GOVERNANCE FORUM (BGF)

- 7.1 At a previous meeting the Committee considered an Audit Committee Update issued by the BGF. In that document there was a section entitled *Risk Outlook for 2012* and the Committee agreed (minute 197(d)) that a report should be submitted "for a future meeting concerning the County Council's position with regard to the risk areas" listed in the BGF paper.

7.2 There are 10 risks identified each with suggestions as to “what the Audit Committee can do”. Included in the “can do” items are links to further checklists issued by the BGF. The risks listed are:

1. Fraud
2. Financial challenges and budget cuts
3. Transformation programmes
4. Achieving value for money
5. Preparing for a change in external auditors
6. Implementing the Localism Act
7. IT security and cyber risks
8. Impact of wider economic problems
9. Open public services and transparency
10. The Olympics

7.3 Due to the range of risks listed above and the volume of suggestions in the BGF paper as to what the Audit Committee can or should do in relation to each, it has not been possible for officers to complete the ‘self-assessment’ in time for submission to this Committee.

7.4 It is therefore proposed that the self-assessment be submitted to the next meeting of the Committee.

8.0 **INSURANCE SELF FUND REVIEW**

8.1 Every three years Marsh Risk Consulting (the County Council’s appointed insurance and risk management consultants) carry out a full analysis of the insurance Self Fund. This analysis is to assist in estimating the funding provision required for the historical self-insured retention in respect of Liability and Motor insurance for the County Council.

8.2 The estimated amount that should be put into the Self Fund for the forthcoming year 2012/13 (insurance year commences on 1 October) has been calculated at £1.6m.

8.3 The estimated amount of £1.6m would normally be funded by internal ‘premiums’ charged to Directorates. Every opportunity is taken to keep these premium levels within acceptable parameters so that Directorates are able to confidently budget for the payments required. This year, Directorates will only contribute approximately £1.2m so that premium charges are kept level, leaving a shortfall of approximately £400k; this shortfall will be funded for 2012/13 from the Corporate Miscellaneous provision in the Revenue Budget.

8.4 This year, the Review also included the County Council’s potential financial responsibility as Scheme Creditor in the Municipal Mutual Insurance Ltd’s (MMI’s) Scheme of Arrangement. This Scheme was set up when MMI ceased underwriting operations in September 1992 and pays for insurance claims that occurred during the period of insurance cover with MMI. Presently the balance sheet as at 30 June 2011 shows net liabilities (i.e. a deficit) and there is therefore the prospect that Scheme Creditors may be called upon to pay for a portion of liabilities if the Scheme is triggered. Presently the total exposure for the County Council amounts to £331,000 as at 30 June 2011.

8.5 In view of the County Council's potential liability as a Scheme Creditor, a specific provision of £330k will be set aside in the 2012/13 accounts. This will be funded from the Corporate Miscellaneous provision in the Revenue Budget.

9.0 ANNUAL INSURANCE RENEWALS

9.1 The annual insurance renewals for the County Council take place on the 1 October. The three main categories of insurance that are considered are Liability, Motor and Property. Last year, a full tender exercise took place resulting in an overall reduction in annual premium.

9.2 Due to the continuation of proactive risk management and reasonable insurance claims experience, it is anticipated that the necessary cover will be renewed with a relatively low increase in rates. Other factors that may affect the premiums are gross wages, property values and number of vehicles. These factors have remained fairly steady this year and so should not affect the overall premium.

9.3 As the annual renewal process is still ongoing at the time of drafting this report, further details will be reported at the meeting.

10.0 RECOMMENDATIONS

That the Committee:

- (i) notes the updated Corporate Risk Register (**Appendix A**).
- (ii) considers the draft Corporate Risk Management Strategy (**Appendix B**) and determines if any comments/suggestions should be fed back to the Corporate Risk Management Group.
- (iii) agrees to consider the self assessment report on the BGF's Risk outlook for 2012 at its next meeting.
- (iv) notes the position and progress on other Risk Management matters.

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Finance and Central Services
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20 September 2012

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Background documents: None

Corporate Risk Register

Risk Register: **month 0 (Sep 2012) - summary**
 Report Date: 18th September 2012 (cpc)

Identity			Person		Classification												Fallback Plan			
Change	Risk Title	Risk Description	Risk Owner	Risk Manager	Pre						RR		Post						FBPlan	Action Manager
					Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv	Rep	Cat		
- new -	20/1 - Funding Challenges	Inadequate funding available to the County Council to discharge its statutory responsibilities and to meet public expectation up to and including the next Comprehensive Spending Review resulting in legal challenge, unbalanced budget and public dissatisfaction	CEO	CD SR	H	H	H	H	H	1	7	31/12/2012	H	H	H	M	M	1	Y	All Mgt Board
◀▶	20/47 - Health Responsibilities	Failure to be sufficiently prepared for our Health responsibilities and deliver integrated approaches with Health partners resulting in lost financial opportunities through joint provision of services, inability to protect the public adequately and not make sufficient progress in health improvement	CEO	CD HAS	H	M	H	M	M	1	8	30/09/2012	H	M	M	M	M	2	Y	CD HAS
- new -	20/331 - School Funding Reform	Inability to respond to major changes in national school funding developments, local priorities and grants resulting in inadequate response to these developments, poor advice to Members, Officers and schools, potential loss of income and significant budget turbulence at school level.	CEO	CD CYPS	M	H	H	H	M	2	7	28/02/2013	M	H	H	H	L	2	Y	CD CYPS
- new -	20/334 - Economic Development in North Yorkshire	Failure to develop the North Yorkshire economy resulting in lack of growth in employment & impact on future County Council funding caused by the reduced growth in business rates	CEO	BES AD EPU	M	L	H	L	L	2	4	28/02/2013	M	L	H	L	L	2	Y	BES AD EPU
◀▶	20/45 - Waste Strategy	Failure to deliver the Waste Strategy	CEO	CD BES	M	M	H	L	H	2	9	31/12/2012	L	M	H	L	M	3	Y	CD BES
▼	20/207 - One Council Change Programme	Failure to deliver the One Council change programme resulting in financial cost, poorer service outcomes, lost opportunities including failure to grasp cultural change, need to revisit savings on front line services	CEO	CEG DMG	M	M	H	M	M	2	8	31/12/2012	L	L	M	L	M	5	Y	All Mgt Board
- new -	20/332 - Connecting North Yorkshire	Failure to deliver, over the same timescale, the Superfast Broadband (ie BT) contract and the replacement PSN (ie WAN) contract	CEX NYnet	CEX NYnet	M	M	L	L	H	2	6	30/09/2012	L	M	L	L	M	5	Y	CEX NYnet

APPENDIX A



Corporate Risk Register

Risk Register: **month 0 (Sep 2012) - summary**
 Report Date: 18th September 2012 (cpc)

Identity			Person		Classification												Fallback Plan			
Change	Risk Title	Risk Description	Risk Owner	Risk Manager	Pre					RR		Post					FBPlan	Action Manager		
					Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv			Rep	Cat
◀▶	20/8 - Major Emergencies in the Community	Failure to plan, respond and recover effectively to major emergencies in the community resulting in risk to life and limb, impact on statutory responsibilities, impact on financial stability and reputation	CEO	CEO	L	L	H	L	H	3	5	31/03/2013	L	L	H	L	M	3	Y	CEO
▼	20/51 - Communication	Failure to effectively inform, consult, engage and involve the public/staff/Members, resulting in public dissatisfaction, loss of reputation, low morale, criticism of Members and missed opportunities	CEO	All Mgt Board	L	M	L	M	H	3	4	31/08/2013	L	M	L	M	M	5	Y	All Mgt Board
▼	20/49 - Organisational Performance Management	Lack of focus on performing at service, team and individual level resulting in poorer service delivery, public dissatisfaction, criticism, increased costs and lost opportunities	CEO	CD SR	M	M	M	M	M	4	6	30/09/2012	L	M	M	M	M	5	Y	CD SR

Key	
▲	Risk Ranking has worsened since last review.
▼	Risk Ranking has improved since last review
◀▶	Risk Ranking is same as last review
- new -	New or significantly altered risk



NORTH YORKSHIRE COUNTY COUNCIL

**CORPORATE RISK MANAGEMENT
STRATEGY**

“Striving for excellence in risk management”

September 2012

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1.0 INTRODUCTION

The **Corporate Risk Management Strategy** sets out the components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the County Council.

This Strategy dovetails with the County Council's **Corporate Risk Management Policy**.

What is Risk Management?

- 1.1 **Risk** is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event.
- 1.2 Enterprise **Risk Management** is the approach to managing all of the County Council's key service risks and opportunities with the intent of maximising service delivery effectiveness and efficiency to stakeholders. It is a means of minimising the costs and disruption to the County Council caused by undesired events. The aim therefore is to reduce the frequency of risk events occurring, wherever possible, and minimise the severity of their consequences if they do occur.
- 1.3 Risk management covers the whole spectrum of risks and not just those associated with readily identifiable areas such as finance, health and safety and insurance. It also includes risks associated with public image (reputation), people, assets, information, the environment, etc.
- 1.4 Risk management is not about being 'risk averse' – it is about being 'risk aware'. Risk is ever present and some amount of risk-taking is inevitable if the County Council is to achieve its objectives. Risk management is about making the most of opportunities and about achieving objectives once those decisions are made. By being 'risk aware' the County Council is in a better position to avoid threats and take advantage of opportunities.
- 1.5 Risk management is an essential component of the governance arrangements in any large organisation. The County Council also has a statutory responsibility to have in place arrangements for managing risks, as stated in the Accounts and Audit Regulations 2003, incorporating Accounts and Audit (Amendments) Regulations 2006:-

“The Authority has robust systems and processes in place for the identification and management of strategic and operational risk.”, and

“The Authority has robust system of internal control which includes systems and procedures to mitigate principal risks.”
- 1.6 Furthermore, the CIPFA/SOLACE governance framework “Delivering Good Governance in Local Government” outlines the need for risk management to be embedded into the culture of the organisation, with Members and officers recognising that risk management is part of their everyday work activities.

The Principles of Risk Management

1.6 As stated in the latest International Standard on Risk Management (ISO 31000:2009), risk management should be part of the County Council's overall approach to governance. Thus for risk management (RM) to be effective the County Council will aspire to the following principles:

- ➔ RM creates and protects value
- ➔ RM is an integral part of all organisational processes
- ➔ RM is part of decision making
- ➔ RM addresses uncertainty
- ➔ RM is systematic, structured and timely
- ➔ RM is based on the best available information
- ➔ RM is tailored
- ➔ RM takes human and cultural factors into account
- ➔ RM is transparent and inclusive
- ➔ RM is dynamic, iterative and responsive to change
- ➔ RM facilitates continual improvement
- ➔ RM will be adequately resourced

The way in which these principles are applied should be subject to regular review to reflect changes in the County Council's organisation and context.

The Benefits of Risk Management

1.7 Effective risk management will deliver a number of tangible and intangible benefits to individual services and to the County Council as a whole including:-

- ➔ strengthened ability to deliver against objectives and targets
- ➔ improved stakeholder confidence and trust
- ➔ an established and reliable basis for decision making and improved governance
- ➔ assurance to Members and management on the adequacy of arrangements for the conduct of business and use of resources
- ➔ improved operational effectiveness and efficiencies including a reduction in interruptions to service delivery
- ➔ reduction in management time spent dealing with the consequences of a risk event having occurred
- ➔ improved health and safety of those employed, and those affected, by the County Council's undertakings
- ➔ ability to be more flexible and responsive to new pressures and external demands
- ➔ avoids surprises and minimises loss and waste
- ➔ better informed financial decision-making
- ➔ enhanced financial control

- ➔ reduction in the financial costs associated with losses due to service interruptions, litigation, etc
- ➔ reduce, or maintain constant levels of, insurance premiums
- ➔ minimal service disruption to customers and a positive external image as a result of all of the above

2.0 ROLES AND RESPONSIBILITIES

- 2.1 In determining **roles and responsibilities**, consideration has been given to the need to ensure that risk management is maintained in both policy approval (Strategic) and service delivery (Operational including capital programmes and major projects) procedures.
- 2.2 The table below outlines the key roles within the County Council's risk management framework:-

Category	Role
Elected Members	To oversee and support the effective management of risk by County Council officers and to take reasonable steps to consider the risks involved in the decisions taken by them
Audit Committee	To agree / endorse the Corporate Risk Management Policy and monitor the implementation and effectiveness of risk management throughout the County Council.
Chief Executive and Corporate Directors (= Management Board)	To ensure that the County Council manages risk effectively through the development and implementation of a comprehensive Corporate Risk Management Strategy together with effective consideration of risks when making decisions.
Corporate Risk Management Group	To agree / endorse the Corporate Risk Management Strategy, share experience and good practice on risk management, identify new areas of risk and implement the Strategy / Action Plan across the County Council
Insurance and Risk Management Section and other associated services such as Health & Safety, Emergency Planning	To support the County Council and its services in the effective development, implementation and review of the Risk Management Policy / Strategy / Action Plan
Assistant Directors	To ensure that risk is managed effectively in each Service within the agreed corporate Strategy / Action Plan
Managers	To manage risks effectively in their particular

Category	Role
	service areas
Staff	To manage risk effectively in their job
Partners and Contractors	To comply, where appropriate, with the Risk Management Policy / Strategy and Procedures of the County Council

2.3 Certain hazards and risks may face one or more services within the County Council eg asbestos, service continuity, data security. Formal cross-service working will identify and manage these overlapping risks and this process will be facilitated through the Corporate Risk Management Group.

2.4 The **Corporate Risk Management Group** co-ordinates activities between services and is responsible for:-

- ➔ advising and supporting the Management Board on risk strategies
- ➔ identifying new areas of overlapping risk
- ➔ driving forward new risk management initiatives
- ➔ co-ordinating the work of the ad hoc Working Groups that address particular risk issues
- ➔ communicating risk management principles and developing good practice
- ➔ providing and reviewing risk management training
- ➔ regularly reviewing risk register(s) and overseeing the ongoing Risk Prioritisation System (RPS)
- ➔ co-ordinating the information requirements for comprehensive risk reporting and monitoring

2.5 The pivotal role of the Corporate Risk Management Group in co-ordinating the day to day activities within the risk management process is demonstrated by the Organisational Pathways diagram attached as **Appendix 1**.

2.6 This approach supports the One Council design principles of simplify, standardise and share and clearly focuses on the needs of the services and therefore external customers in the effective delivery of services.

3.0 **ARRANGEMENTS FOR MANAGING RISKS**

3.1 To manage risks effectively, there needs to be a framework and process in place. The framework should take into account both the external and internal context of the County Council. The external context includes but is not limited to:-

- ➔ the social and cultural, legal, regulatory, financial and economic environment
- ➔ key drivers and trends impacting on the County Council's objectives

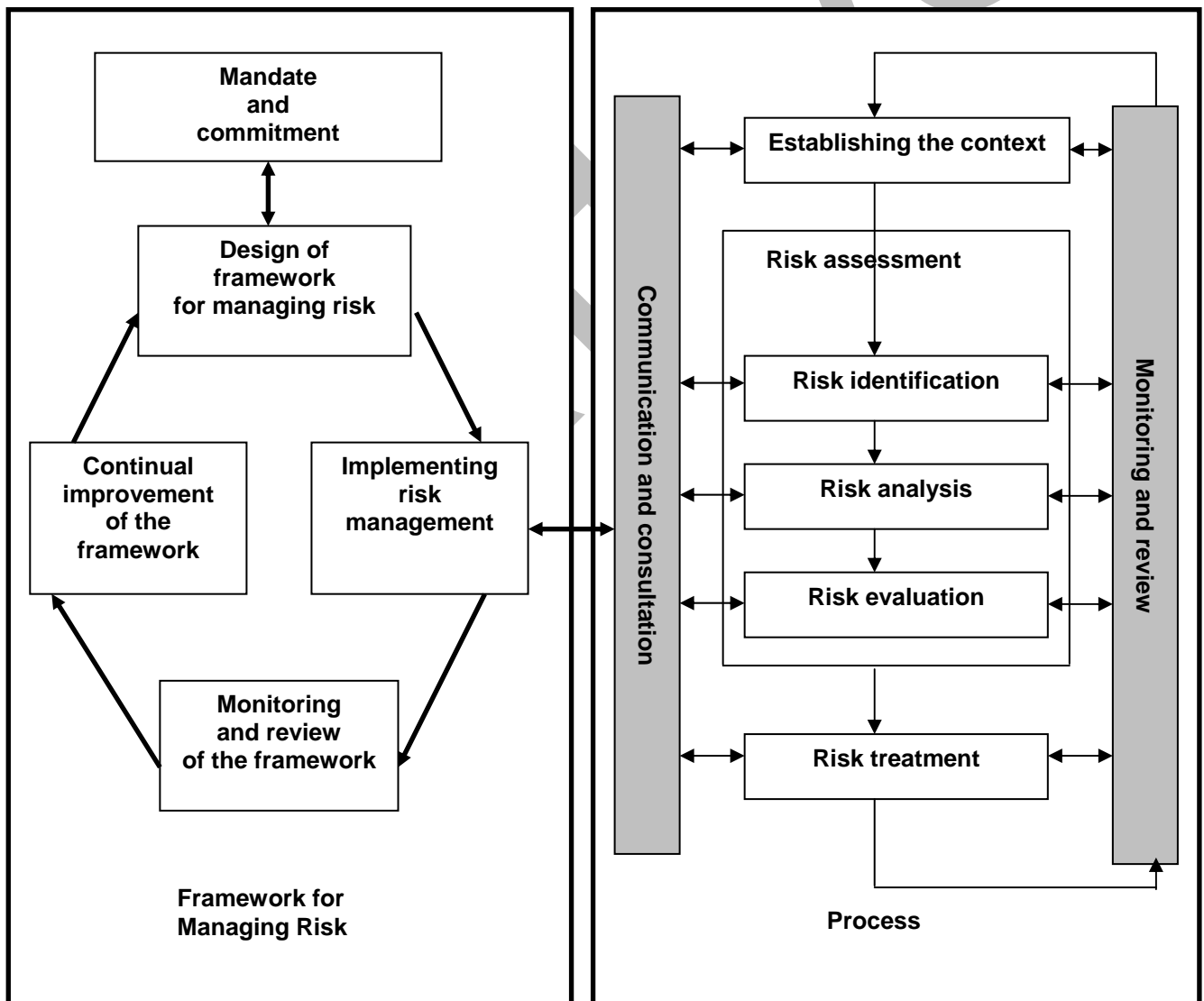
→ relationships with, and perceptions of, external stakeholders

The internal context includes:-

- the County Council's governance and organisational structure
- the policies, objectives and the strategies that are in place to achieve them
- information systems, information flows and decision making processes
- the County Council's culture and standards

An effective process for managing risk will ensure risks are systematically identified, analysed, evaluated, controlled and monitored through effective communication and consultation.

This risk management framework and process are illustrated in the diagram below:-



3.2 Across the County Council, use is made of a **Risk Prioritisation System (RPS)**, which is a web enabled risk management information system designed to manage and store the information produced during the Risk Management process. This software produces reports on the assessed risks at various managerial levels and for individual projects within the County Council.

3.3 Risk registers **are produced at predefined levels within the County Council viz:**

- ➔ Corporate
- ➔ Directorate
- ➔ Service Unit / Service level

In addition the RPS methodology is applied to individual **capital programmes and projects**, eg a major procurement or change management project.

3.4 Full details of the risk prioritisation methodology employed in the County Council are available on the Insurance and Risk Management Section intranet site (**put in link**).

3.5 In order to continually improve the risk prioritisation process, feedback forms are requested from Heads of Services and Project Leads following risk register workshops. This information is used to update and refresh the process to ensure it is responsive to the needs of dynamic risk management in a changing environment.

3.6 The County Council is aware that within the overall risk management framework detailed in this Strategy there are well-defined areas of specific risk (eg Health and Safety, Service Continuity) that merit their own Policy Statements and Strategies. These associated Policies/Strategies, whilst addressing the particular issues involved, will adopt the same principles, and be compatible with, this over arching Corporate Risk Management Policy and Strategy.

4.0 **MONITORING AND REVIEW ARRANGEMENTS**

4.1 Monitoring and reviewing arrangements within the risk management framework is carried out at two levels:

- ➔ on the process itself
- ➔ in relation to the risks themselves

Overall Risk Management Process

4.2 Within its Corporate Governance framework, it is the formal policy of the County Council to actively monitor the risk management process. Under the auspices of the Audit Committee, the Corporate Governance Officer Group is actively involved in this process. (**See the Local Code of Corporate Governance for further details**).

4.3 The Internal Audit function formally assesses and monitors the effectiveness of the County Council's risk management arrangements and compares the documented approach with actual practice. This work forms part of the internal audit of risk

management, as required by the Code of Internal Audit Practice 2003 and is reported to the Audit Committee via the **Annual Governance Statement**.

4.4 Risk management arrangements are occasionally subject to inspection or review by various external bodies including:

- ➔ County Council's insurers
- ➔ External Auditors, Ofsted or CQC
- ➔ Other local authorities, public bodies and private sector organisations via benchmarking forums

4.5 The Audit Committee monitors the implementation of the Risk Management Strategy via six-monthly reports submitted by the Corporate Director – Finance and Central Services.

4.6 The Corporate Director - Finance and Central Services reviews progress on risk management activities during monthly progress meetings with the Corporate Risk and Insurance Manager. He also liaises with Internal and External Audit on any risk related matters. The Insurance & Risk Management Section uses various mechanisms to ensure the approach to managing risk is relevant and up-to-date, including benchmarking with peer authorities, attending seminars and conferences and review of best practice documentation.

4.7 Regular reviews are held with the County Council's insurance and risk management adviser, Marsh UK Ltd.

Corporate Risk Management Group

4.8 The Corporate Risk Management Group (CRMG) also performs an important corporate monitoring role for risk issues, through a planned schedule of progress reports from Directorate Risk Management representatives and Working Group leaders.

4.9 The organisational pathways diagram at **Appendix 1** shows the various linkages that operate to support the CRMG in undertaking this role.

Monitoring of Risk Registers

4.10 Risk Registers are monitored and assessed by the following groups in order to ensure all relevant risks are included, risk reduction measures are being implemented and risks are reducing as anticipated:

- ➔ for the Corporate Risk Register, the Corporate Risk Management Group, Management Board and Executive
- ➔ for Directorate and Service Unit Risk Registers the relevant Management Team and Directorate Risk Management Group; the Audit Committee also receives progress reports on each Directorate's Risk Register
- ➔ the Insurance & Risk Management Section
- ➔ Internal Audit
- ➔ Service Continuity Planning Team

- ➔ Health and Safety Risk Management Unit
- ➔ Chief Exec's Group Lead on Performance (in relation to performance issues)

Review of Risk Registers

4.11 Within the process for reviewing and updating risk registers:

- ➔ the Executive Portfolio Holder will review the relevant Directorate Risk Register with the appropriate Corporate Director
- ➔ the Executive and the Audit Committee will review the Corporate Risk Register

Further details of the review process can be seen on the Insurance and Risk Management intranet site (*put in link and put Appendix 3 (2009 strategy) on the site*).

Statements of Assurance and Annual Governance Statement

4.12 The various processes defined in this Strategy assist the Corporate Director - Finance and Central Services in producing the annual Assurance Statements and the Annual Governance Statement for the annual Statement of Final Accounts, as required under the Audit & Accounts Regulations 2003, incorporating Accounts and Audit (Amendments) Regulations 2006 and the CIPFA/SOLACE Delivering Good Governance in Local Government Framework and Guidance 2007.

5.0 REPORTING ARRANGEMENTS

5.1 The formal reporting pathways are shown diagrammatically in **Appendix 2**. The by whom to whom, and content involved, is shown in detail on the [Insurance and Risk Management intranet site](#).

6.0 TRAINING AND COMMUNICATION ARRANGEMENTS TO SUPPORT THE IMPLEMENTATION OF THE STRATEGY

Core Activities

6.1 Training in risk management methodology and techniques will be provided to those officers with direct responsibility for / involvement in driving the risk management process by representatives from:-

- ➔ Insurance and Risk Management Section
- ➔ Internal Audit
- ➔ Corporate Risk Management Group

6.2 Training in the risk management methodology will also be provided to the Executive, Audit Committee, Corporate Directors, Service Heads, Managers and RPS administrators.

6.3 Risk awareness sessions will be provided for staff when necessary.

Other risk management training and awareness activities

6.4 Other risk management training and awareness activities include:

- ➔ Annual Risk Management Conference – this provides an opportunity for staff at various levels to learn about topical risk issues relating to the delivery of services such as Public Health, team working and One Council. There is also the opportunity for representatives from different areas of the County Council to showcase solutions for risk related matters such as vehicle and driver safety, waste management and property security.
- ➔ Annual Risk Management Awards - as part of the Conference preparations each year, Directorates are invited to submit entries for the County Risk Management Awards. This scheme allows the County Council to recognise the efforts made by individuals / teams in helping to achieve risk management goals and any resulting improvements in service delivery. Winners are presented with their awards by the Chairman of the Council at the November Conference, and have the opportunity to attend the annual ALARM conference or a work related conference of their choice.
- ➔ internal seminars and topical talks on specific risk projects
- ➔ promotion of external seminars, eg Better Governance Forum and ALARM seminars

Intranet Site

- 6.5 The Insurance and Risk Management Section maintains an intranet site dedicated to risk, insurance and claims issues which includes and has links to other relevant intranet sites, for example Health and Safety Risk. The intranet site will continue to be developed to ensure it provides a quality information and advice service to all County Council staff. [Access the site here.](#)

7.0 **LINKS TO OTHER POLICIES, STRATEGIES AND PROCESSES**

Strategic Decision Making

- 7.1 A template for decision making has been developed for Executive Committee which includes an assessment of risk. In the near future, an electronic format of reports to Executive will be developed and include a section on risk management/assessment as a mandatory component.
- 7.2 As well as Directorate and Service risk registers, additional risk registers are also developed for specific areas of activity within the County Council such as large capital, procurement or change projects. This process assists in ensuring informed decision making on strategic policy decisions and major projects.

Project Management Arrangements

- 7.3 As part of the project management arrangements within the County Council, risk registers are developed to ensure that any key risks which may jeopardise the capital programme/project are identified and mitigating actions are taken.

7.4 It should be recognised that in order for the management of risks to be effective during the lifetime of a project, the risk register should be developed when the decision is taken to implement the project. The risk register can then be maintained throughout the life of the project with the risks being effectively controlled to assist in avoiding issues such as project creep, financial problems and resource issues.

Partnership Arrangements (including shared services)

7.5 As well as links with the generic Partnership Guidance toolkit, the Insurance and Risk Management Section has been involved in a comprehensive overview of all the partnerships in which the County Council has some involvement. This is to evaluate the status of the partnership's governance and also their contribution to the achievement of the objectives of the County Council.

7.6 The Risk Prioritisation System has then been used to assess the overall risk score arising out of an assessment against factors such as the probability of a governance failure, the degree of influence on achieving service objectives, the level of financial contribution etc. The intention is to prioritise the application of the Guidance, and undertake initial improvement action planning against those partnerships judged to represent an overall high risk.

7.7 **Further links** to other policies, strategies and processes include:

- ➔ Service Planning and Performance - Directorate and Service Unit risk registers are included in respective Service Plans. Remedial actions arising from key risks identified in the risk registers are fed into the action plans of Service Plans and assigned to individual managers for implementation. Also, the Performance Management framework provides input to the Risk Prioritisation process. Any performance concerns identified by services themselves or by the corporate performance lead, are picked up in the risk register preparation.
- ➔ Service Continuity Planning (SCM) – SCM issues are considered as part of the risk register process. When any SCM risks are identified within Service Units, this information is fed across to the Corporate SCM team. Other updates such as changes in the structure of Directorates etc. are also fed into the SCM team.
- ➔ Health and Safety Risk Management - Health and safety is an integral part of managing County Council processes and associated risks are managed in line with the Corporate Health and Safety Policy and Strategy. The Health and Safety RM Unit feed comments in to the Risk Prioritisation Process. If there are any concerns advised by the Head of Health and Safety RM about a Directorate or Service Unit, these issues are picked up in the risk register preparation.
- ➔ Information Governance - Information Governance issues are considered as part of the risk register process. Service Unit Assistant Directors are asked during their preparation meetings for risk registers to consider whether information governance issues should be included as one of the key risks. Mitigating actions then form part of the risk register with responsibility being assigned to a particular manager. Links are also maintained through the Corporate Information Governance Officer Group.
- ➔ Counter Fraud -the risk of fraud and corruption can have a significant impact on the County Council. To help support the Counter Fraud Strategy and

Annual Fraud Assessment the risk management process assists officers in ensuring that the risk of fraud and corruption is adequately considered. This is achieved in a number of ways including participation in the National Fraud Initiative, checks for duplicate and repeat insurance claimants, full review of medical notes by solicitors handling personal injury claims to establish causation together with robust defence of frivolous or spurious claims to act as a deterrent to potential fraudsters.

- ➔ Corporate Governance - Risk Management is an integral part of the County Council's corporate governance arrangements and has been built into management processes as part of the organisation's overall framework to deliver continuous improvement in service delivery. Links to corporate governance are ensured through the Corporate Governance Officer Group, the Corporate Governance Self Assessment Checklist, the Annual Statements of Assurance from Corporate Directors and the Annual Governance Statement.
- ➔ Risk Financing - the costs of risk reduction measures will usually fall against Directorate / Service budgets although in exceptional cases (based on an approved business case) funds may be made available from corporate revenue and/or capital resources. The costs of insured claims are dealt with under insurance arrangements. The current policy of the County Council is to maintain a Self Insurance Fund for certain classes of insurance to pay for claims within the excess/deductible negotiated with the external insurer. At the present time, Liability, Motor and Property risks are funded on this basis. For further details please refer to the [Insurance and Risk Management intranet site](#) All of the current external insurers take a great interest in the County Council's risk management activities and contribute to the process via consultancy days and Directorate specific advice, reviews and training sessions.

8.0 IMPROVEMENT ACTIVITIES

Due to the changing nature of the County Council, the current risk management arrangements are continually challenged. The outcome of this challenge can be seen in **Appendix 3 (to follow)**. This document will remain 'work in progress' as additional issues are identified through external guidance together with reviews of risk management practice within the County Council.

to be discussed and agreed at Corporate Risk Management Group

9.0 REVIEW OF RISK MANAGEMENT STRATEGY

- 9.1 In recognition of the dynamic nature of risk management, this Strategy will be reviewed biennially to ensure its continuing relevance to prevailing County Council structures, services and requirements.

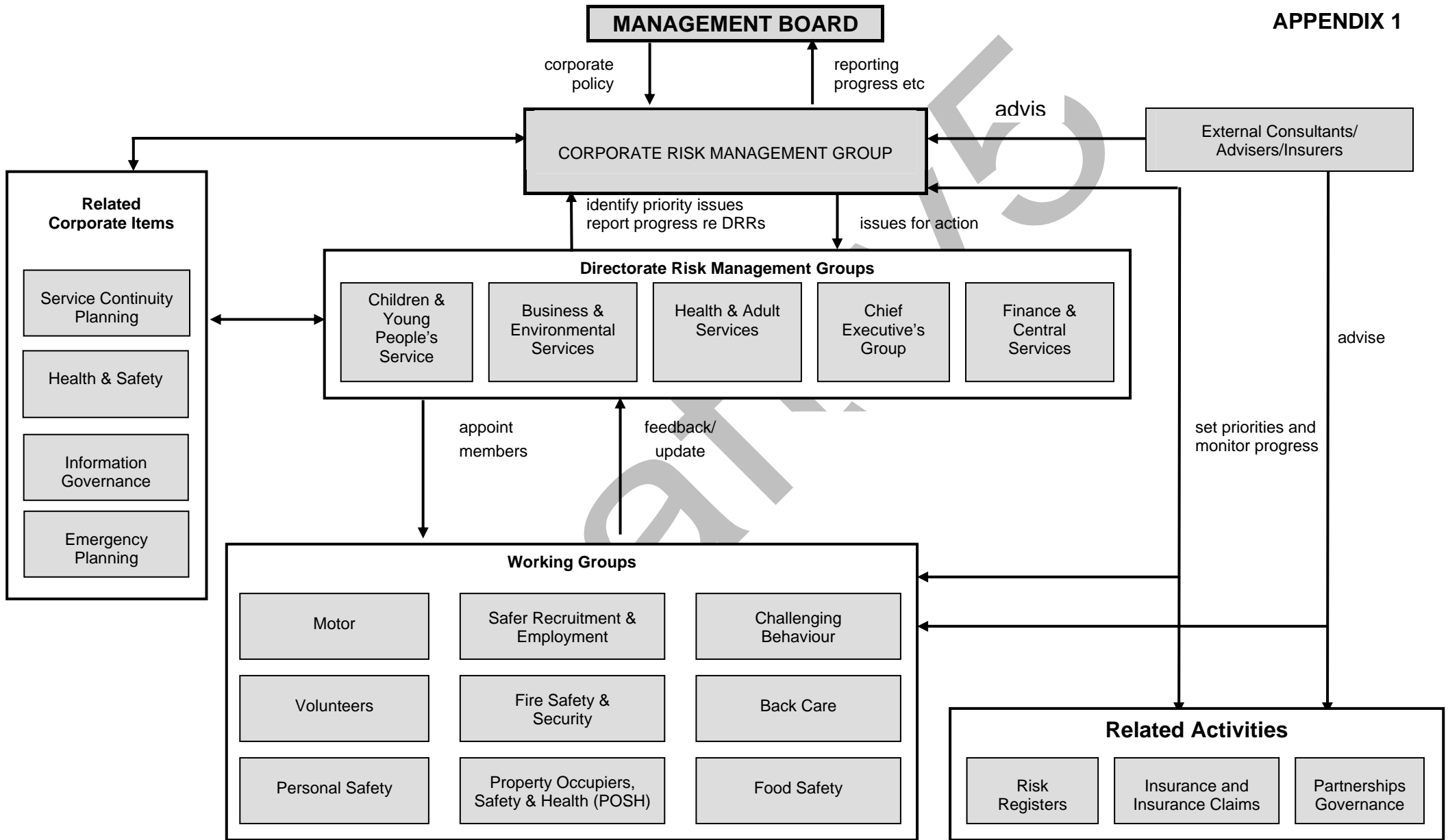
10.0 **CONCLUSION**

- 10.1 Risk management is critical to the effective overall management of the County Council.
- 10.2 In addition to offering cost savings, risk management can reduce service disruption and enhance the experience of stakeholders dealing with the County Council. It will also help minimise the exposure of the County Council to negative publicity and costly litigation. Risk Management can also be used to help encourage innovation, on the basis that potential risks are managed to acceptable levels.
- 10.3 Many of the skills and resources needed to manage risk effectively already exist in the County Council. This Strategy offers a structured approach to risk management that can harness these skills and resources to the overall benefit of the County Council and the community it serves.

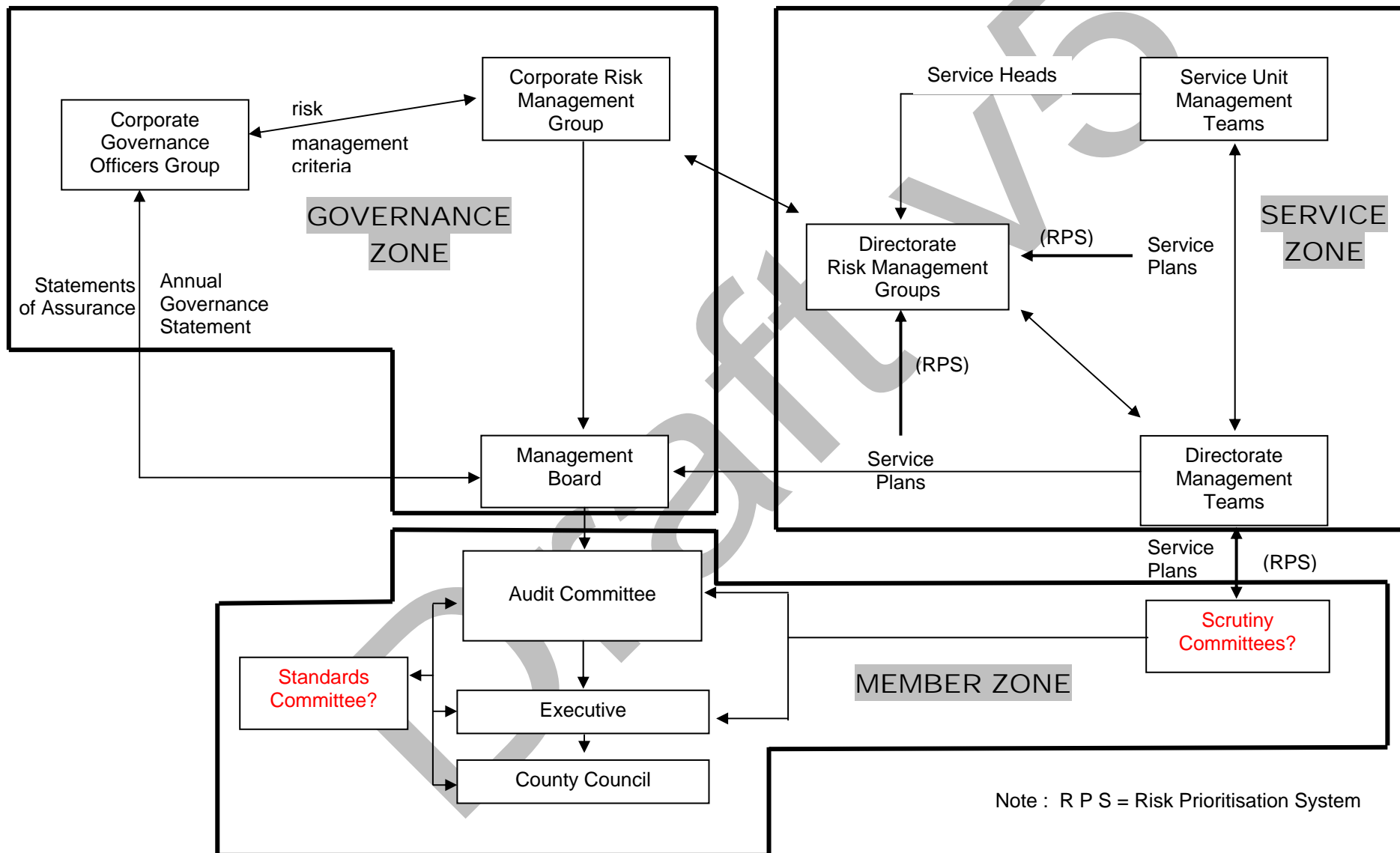
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RISK MANAGEMENT GROUP STRUCTURE 2012

APPENDIX 1



RISK MANAGEMENT REPORTING PATHWAYS



IMPROVEMENT ISSUES ACTION PLAN
 (work in progress)

Improvement Issue	Current Status	Action Required	Deadline

Corporate Risk Management Group

Action Notes

Thursday 22nd March 2012, Grand Meeting Room, County Hall @ 2.00pm

Present: John Moore Fiona Sowerby Chris Clark

Directorate Representatives:

Barrie Mason Josie O'Dowd Jon Holden Peter Bright Sukhdev Dosanjh

Working Group Representatives:

Phil Jones Wendy Parkin Nick Postma Dominic Passman
Mike McCauley Peter Garbutt Robert Beane (for Roman Pronyszyn)

Item		Action By
1.	Welcome and apologies	
	Apologies were received prior to the meeting from Roman Pronyszyn, Robert Beane was nominated as substitute.	
2.	Who's Who	
	Updates were received prior to the meeting from PG, CC to update. All are asked to continue to assist in keeping this document up to date by advising CC of any known changes.	CC / ALL
3.	Record of meeting held on 25th January 2012	
	Agreed.	
4.	Matters arising	
4.i	Outcome of discussions of the Health & Safety Survey at Risk Management Groups	
	See 6.iii	
5.	Exception report from Directorate Reps on Action Plans and Risk Registers 2011/12	
5.i	Health and Adult Services	
	<p>SD took the Group through the report circulated with the agenda including:-</p> <ul style="list-style-type: none"> - the appointments of Helen Taylor as Corporate Director for Health and Adult Services (HAS) and Anne-Marie Lubanski as Assistant Director for Adult Social Care. - the passing of the Health & Social Care Bill into law. NYCC now has a Health and Wellbeing Board operating in shadow form ready to take on new responsibilities for public health from April 2013. This will involve working with the 5 newly formed Clinical Commissioning Groups. There is a risk around funding with a potential shortfall in the allocation for public health. - health responsibilities and demographic change remain top of the Directorate risk register. 	

	<ul style="list-style-type: none"> - following the recent publication of a report into a fire at a Scottish care home in 2004, North Yorkshire Fire and Rescue Service have written to all residential care homes to raise awareness of the issues identified and to ensure they are being adequately addressed at each location. Our own fire audits had previously covered these areas and it is known that the evacuation time limit is an issue given the poor mobility of many care home residents. - contractual arrangements for the installation of care equipment in individual's homes are being reviewed following a minor, asbestos disturbance incident. 	
5.ii	Business and Environmental Services	
	<p>BM took the Group through the report circulated prior to the meeting, highlighting:-</p> <ul style="list-style-type: none"> - the working of the Directorate H&S Group. - the contents of the upcoming report to BESMT which continues to show good H&S performance in the Directorate. There was some minor slippage in view of the increased workload around Scarborough Highways Contracting Services. - current issues being dealt with in BES including the training of parish clerks on issues such as vegetation/weed removal, cleaning of signs etc. JSM also raised the issue of snow clearance and BM advised that it is voluntary and of the dozen or so parish councils who took part it had been generally well received although some thought the process bureaucratic. - key risks on the risk register are the waste strategy on which the planning application has now been submitted; management of key projects such as the recently approved Bedale, Aiskew, Leeming Bar Bypass; and management of the Directorate savings plan. <p>JSM asked that given the successful way in which engineering work and contractors were managed within BES whether there would be any lessons to be learned by the property team. BM advised that the strong governance is the key as well as having good management from strategic through to operational level. JSM asked that BM and PB get together to discuss the issue further.</p>	PB / BM
5.iii	Children and Young People's Service	
	<p>JH took the Group through the attached report commenting on:-</p> <ul style="list-style-type: none"> - the review of the current risk register, which is based on medium term financial strategy targets, highlights the creation of a single service for children and young people with Special Educational Needs and Disabilities (SEND) as the key risk. <p>FS advised that the SEND strategy had a dedicated risk register and advised that similar arrangements could be put in place for other areas that had big issues &/or major projects with considerable risks attached. Those interested should contact FS to discuss.</p> <ul style="list-style-type: none"> - the organisation of risk management groups in the Directorate. Following a review, the Schools Risk Management Group is to be trialled as a "virtual" group in order to limit the call on participant's time and encourage wider membership. 	ALL

	<ul style="list-style-type: none"> - Current risk management activity within the Directorate including; property compliance issues such as radon and gas ventilation; and; issues with roof lights in schools and the risks presented by both authorised and unauthorised access to roofs. - safeguarding review, following an incident earlier this year which will consider how non compliance should be escalated. 	
6.	Update report from Working Group Leaders - Review report and action plan	
6.i	Information Security	
	<p>RB tabled the attached report and took the Group through the key points:-</p> <ul style="list-style-type: none"> - the Group had originally concentrated on setting up the governance framework including the appointment of key officers. These measures are now largely complete and the Group's focus is now on targeted approach to live information governance risks, the current ones being:- <ul style="list-style-type: none"> o Data Security: The Information Commissioner has the power to impose fines of up to £500k and issue binding improvement notices. It is recognised the risk of a breach cannot be entirely eliminated so good risk control (eg. framework in place, training & regular reviews of procedure) are essential. <p>SD commented that even with training and procedures in place incidents were still happening and constant vigilance on the issue was required. The Group agreed that NYCC would always be vulnerable to "human error" type breaches.</p> <ul style="list-style-type: none"> o Data Sharing: Where data is shared with a third party and a breach occurs the data provider can be the party found guilty of the breach. NYCC is to review its data sharing with all partners to ensure sufficient warnings and obligations are included in data sharing arrangements. o Records Management: There are issues around retention of emails and JSM commented that work would soon be commencing on a retention policy that aimed at reducing the current volume of archived emails and ensuring that in the future email retention was in line with DP principles. 	
6.ii	Fire Safety and Security	
	<p>PJ took the Group through the report circulated prior to the meeting including:-</p> <ul style="list-style-type: none"> - North Yorkshire Fire Service is in general happy with the progress being made on fire safety audits with some issues around evacuation of residential premises. - Simon Wright had brought the "threat/hazard" procedure document to the Group and it was currently out to members for comment. 	

	<p>JSM asked that a new name be found for this document / procedure to avoid confusion with the work on Hazard Warning Markers.</p> <ul style="list-style-type: none"> - an issue with two Harrogate area schools where complaints are being made because the schools are locking their gates on night and local residents are upset at not having access to the playing fields. Roger Fairholm, Corporate Property Asset Manager, is helping to resolve any public rights of way issues. 	SW
6.iii	Health & Safety	
	<p>DP took the Group through two reports that were circulated with the minutes, firstly :-</p> <ul style="list-style-type: none"> - the activities of the Property Occupiers Safety & Health (POSH) working group. This included progress to date and items still to be addressed. It was agreed that future updates on the Radon strategy should form part of this report rather than being a separate agenda item. <p>BM raised an issue from the BES risk management group relating to incorrect first aider information on the posters around County Hall. DP advised that this would be resolved once the handling of first aider calls was taken over by the Customer Services Centre. JSM noted that this proposal had been around for some time and asked that DP move it along quickly.</p> <p>then:-</p> <ul style="list-style-type: none"> - the findings of an internal review of the approach to Health & Safety in NYCC. This covered:- <ul style="list-style-type: none"> o internal factors such as the need to align with the overall One Council design principles as well as consider the impact of particular Workstreams. o external factors such as government initiatives around H&S eg. simplification of legislation, the Health & Safety Executive's strategy and plans for cost recovery. o the results of the H&S satisfaction survey, which were largely positive, and plans to improve areas of concern. o the planned actions as a result of the review; incorporating One Council agenda; developing single corporate systems for accident reporting and risk assessment; and; exploring solutions to issues identified in the survey. <p>JSM thanked DP for the comprehensive nature of the report and stated that the challenges now were to translate the recommendations into actions within the Directorates; attention would also be needed to ensure that H&S training worked within the proposed new Corporate training arrangements.</p>	<p>DP / PJ</p> <p>DP</p>
6.iv	Personal Safety (and Voiceconnect)	
	<p>WP took the Group through the report circulated with the agenda including:-</p> <ul style="list-style-type: none"> - the intention is to carry out some more personal safety roadshows following last year's successes. - the recent problems with Voiceconnect highlighted the need for further resilience and a request for "super users" within Directorates was made at the last meeting. Super users will be trained to carry out 	

	<p>admin functions on the system (eg. adding a new user) and it is envisaged that the call on their time would only be around 15-30 minutes per week. Currently Fiona Dorman has been confirmed for FCS and WP is liaising with Ian Spicer for HAS. BM, JO'D and JH are asked to confirm the nominees for their Directorates so that training can commence.</p> <p>JSM commented that he understands ICT are looking at alternatives to Voiceconnect going forward. WP to talk to Gavin Booth regarding this.</p>	<p>BM / JO'D / JH</p> <p>WP</p>
6.v	Back Care	
	<p>Summarising the report issued with the agenda, PG advised that progress on issues had been somewhat delayed by reorganisations but that the "Manual Handling – Inanimate Loads" procedure and risk assessment were now available on the intranet.</p> <p>The procedure and guidance on moving and handling of people is currently being consulted on and it is hoped to have that available by the summer.</p>	
6.vi	Vehicle and driver issues	
	<p>In a verbal update BM advised that a key message on the driver policy had been issued and that the driver handbook had been distributed. Comments suggested no-one had yet received the handbooks, BM to see where they are.</p> <p>The issue regarding private use of Council vehicles is with Transport Board to ensure a consistent list of "do's and don'ts" is produced and rolled out.</p>	BM
6.vii	Food Safety	
	<p>NP presented the report circulated with the agenda highlighting:-</p> <ul style="list-style-type: none"> - the positive effect on conditions that the investment in ventilation in school kitchens has brought about. It is Important now to ensure the establishments are aware of their ongoing cleaning and maintenance responsibilities. - the merging of the two existing food hygiene rating schemes into one by the Food Standards Agency. The three inspection criteria will be Compliance with food hygiene and safety procedures; Structure and Cleaning; and; Confidence in management. - that establishments using County Council approved suppliers will be notified directly of any product withdrawal alerts issued by the Foods Standards Agency from those suppliers. Those that use other suppliers such as supermarkets are responsible for being aware of alerts themselves. 	
7.	Other Risk Management Issues	
7.i	Violent / Hazard Warning Markers	
	<p>SD presented the draft Corporate Policy for Checking Violent Warning Markers that was circulated prior to the meeting. The document is a product of work done by colleagues in HAS, CYPS and BES Trading Standards. The policy provides details of Criteria for inclusion; access to records; processes for adding, retaining or deleting markers; roles of Managers and Assistant Directors; and, a set of template documents.</p>	

	<p>It was noted that HAS, CYPS and BES have systems on which they record their own markers, if staff in FCS and CEG need to record warning markers they will have to decide on an appropriate “system” to use (this could be just a simple spreadsheet) and a single AD level contact for authorisation. PB and JO'D to consider this aspect.</p> <p>SD highlighted the key issues around sharing, that it should be proportionate and consider the likelihood of contact.</p> <p>Concerns were raised over the increased risk of violence when people are advised that a marker has been placed on their record but RB advised that there would have to be very good reason <u>not</u> to notify a person concerned as in general they have a right to know.</p> <p>JSM said that he and SD would now clarify the processes and see what more is required, who else needs to see this and agree any IT resource needed prior to it going to management board.</p>	<p>PB/JO'D</p> <p>JSM / SD</p>
7.ii	ALARM Risk Management Awards	
	CC referred to the notice and entry form circulated with the agenda and advised that those interested should note that the deadline for entries is 26 th April 2012. CC happy to help any proposed entries re the format and content required.	ALL / CC
7.iii	Risk Management Conference 2012 Directorate Reps	
	All Directorate Champions agreed that they were happy for their rep to continue this year.	
8.	External Risk Management Training	
8.i	Alarm North East and Yorkshire Seminar 23rd March 2012, Carriageworks, Leeds	
	Noted.	ALL
8.ii	Alarm North East and Yorkshire Winter Event 2nd December 2012; Location - York	
	Noted	ALL
8.iii	Better Governance Forum programme for 2012	
	Noted	ALL
9.	Any Other Business	
	<p>JSM advised that the report outlining the new approach to service continuity will be going to management board on 17th April; Directors will then be asked to implement the approach in their Directorates. The out posted finance AD's will lead on rollout in Directorates with Debbie Bassett assisting CEG.</p> <p>JSM wanted to make Directorate Reps aware that a report had gone to management board regarding the insurance aspects of lessons learned following the Irton Tree claim. Directorate management teams are to be provided with information on claims and in particular large losses going</p>	Dir Reps

	forward.	
	JSM asked DP to contact him to discuss general first aid arrangements.	DP
10.	Future Meetings	
	Wednesday 16th May 2012 Wednesday 25 th July 2012 Wednesday 6th September 2012 Thursday 8 th November 2012	2.00pm Pink Room (Corrected Date) 2.00pm Pink Room 2.00pm Pink Room (Revised Date) Risk Management Conference XIV
		ALL

Corporate Risk Management Group

Action Notes

Wednesday 16th May 2012, Pink Meeting Room, County Hall @ 2.00pm

Present: Fiona Sowerby Chris Clark

Directorate Representatives:

Steve Piper (for Barrie Mason)

Josie O'Dowd

Jon Holden

Dominic Passman (for Peter Bright)

Sukhdev Dosanjh

Working Group Representatives:

Phil Jones

Item		Action By
1.	Welcome and apologies	
	Apologies were received prior to the meeting from John Moore, Barrie Mason, Wendy Parkin, Mike McCauley and Simon Wright.	
2.	Who's Who	
	Updates to the Volunteers Group were received from FS prior to the meeting, JH advised he can now be replaced on that Group by Fiona Campbell. All are asked to continue to assist in keeping this document up to date by advising CC of any known changes.	CC / ALL
3.	Record of meeting held on 22nd March 2012	
	Agreed.	
4.	Matters arising	
4.i	Contractor Management best practice sharing	
	SP advised that a meeting between Barrie Mason and Peter Bright has been arranged for Monday 21 st May.	
4.ii	New name for threat / hazard procedure	
	DP stated that as this procedure was being progressed in his section he would ask Peter Marshall to come up with a name that avoids confusion with the Violent / Hazard warning marker procedure.	DP
4.iii	First Aider arrangements and use of "Golden Number"	
	DP explained that the new 7575 "Golden Number" was now operational and had been advertised via key messages and the intranet. First aid posters around County Hall have been replaced.	

4.iv	Voiceconnect – Directorate super-users and possible replacement system	
	<p>On behalf of WP, DP confirmed that super users have been nominated for BES, FCS and HAS. J'OD will confirm the CEG user following an upcoming meeting and JH to raise the issue at the CYPS risk management group on 22nd May 2012. It was suggested that CYPS should have two users, one for the social care side and one for education but JH felt it would be difficult to get two users.</p> <p>Regarding potential replacement systems, DP advised that a meeting had taken place with ICT as part of the One Council review into the rationalisation of systems. Discussions regarding any alternative systems are still at a very early stage.</p>	
4.v	Distribution of Driver Handbooks	
	<p>SP confirmed that the handbooks had now been delivered to the following key contacts within each Directorate to facilitate distribution.</p> <p>BES: Jayne Connolly BES Area Offices: Gary White CYPS: Kevin Tharby FCS: Debby Fawbert HAS: Tony Law CEG: Jo Burnside CEG Members: Josie O'Dowd</p> <p>All are asked to ensure that handbooks in their Directorates are out with users by end of June at the latest.</p>	Dir Reps
4.vi	Violent / Hazard warning marker progress	
	<p>SD informed the Group that a sharepoint solution is being devised and tested with the help of Kirsty Haslam of HAS and David Halliday of ICT for the sharing element of the violent / hazard warning marker register. It is hoped that this will be operational by the end of June.</p> <p>HAS themselves still have issues regarding the notification procedure with issues around the impact a notification could have on someone with fluctuating mental capacity.</p> <p>SD commented on requests he had received from Insurance and Risk Management regarding the existence of a violent warning marker policy, FS will feedback to Louise Gigante in the section on the current status.</p>	FS
5.	Corporate Risk Management Issues	
5.i	Review of Risk Management Arrangements	
	<p>a. Terms of Reference: The terms of reference were discussed and it was agreed to change the word "incidents" to "risks" in the Risk Identification box. The fact that Health and Safety is not more explicitly mentioned was accepted due to the need to reflect all risks to the Council. FS advised that there may be some other slight alterations to the language used to reflect that used in the updated Policy.</p>	FS

	<p>b. Risk Management Strategy: The Strategy is being revised but was not tabled at this meeting.</p> <p>c. Risk Management Policy: FS took the Group through the updated Policy outlining that it was now a separate document from the Strategy. The Policy was approved by Audit Committee and will pass to Exec and then full Council hopefully in July. There was some concern over use of the phrases “Enterprise Risk Management” and “Increase stakeholder value”. FS advised that these reflected current risk management language (eg British and International Standards) but would take the opportunity to review and change or clarify as appropriate prior to the Policy moving on.</p>	FS
5.ii	Risk Prioritisation System (RPS)	
	<p>a. Corporate Risk Register: FS took the Group through the document circulated with the agenda and explained that it was intended to show the links from Directorate registers to the Corporate Register. SP asked on behalf of BM to see how the rankings were arrived at and it was agreed that the Risk Classification Table used at Corporate level (attached) would be circulated with the minutes.</p> <p>b. RPS use: FS advised that RPS could be used to support any major project, procurement or initiative and the list of recent examples provided with the agenda was discussed. Directorate reps are asked to communicate this within their Groups and management teams. Specifically the potential for a register to support the Extra Care programme within HAS was discussed, SD will further discuss this with Mike Webster.</p>	Dir Reps SD
5.iii	External Assessment of Risk Management Arrangements	
	<p>a. Benchmarking: FS took the Group through the results of a benchmarking exercise carried out with North East and Yorkshire public sector colleagues. As well as completion of questionnaires, a moderation session provides further opportunity to validate and discuss the results. Questions were asked as to what it is that the higher rated organisations do, that North Yorkshire doesn't. FS advised that this related to higher frequency of updates on risk to elected members and communication and training of risk issues to “all levels” off staff within an organisation.</p> <p>b. CIPFA Risk Governance Self Assessment: FS asked for comments from anyone regarding the document that was provided with the agenda on risk governance. Particularly any controls in place that are missing.</p>	ALL
5.iv	Other Risk Management Matters	
	<p>a. Risk Management Training: FS asked whether the Group felt the current training on risk was sufficient. The register sessions for services and projects are currently the key elements and it was felt that they were proportionate to need together with the annual risk management conference.</p>	

	<p>b. Equalities and Diversity (E&D) arrangements: CC advised that the Council's Risk Management arrangements were subject to an Equalities Impact Assessment (EIA) and this required the Group to consider periodically whether there were any concerns in this area. Events such as the Risk Management Conference are subject to individual EIAs but Group members are asked to continue to ensure that any risk related activities that they are involved in consider E&D appropriately and if necessary carry out EIAs. Any issues to be raised with CC prior to the next meeting.</p>	ALL						
6.	Risk Management Conference Planning							
6.i	Proposed topics for the Risk Management Conference							
	<p>A discussion took place around the conference and the following topics for sessions were suggested:-</p> <ul style="list-style-type: none"> - Public Health (SD suggested speaking to Seamus Breen or Katie Needham) - Integrated Working / Partnerships - Performance and Team Targets - Cultural Change <p>JH asked that we consider the relevance to schools in any proposals.</p> <p>FS to take these ideas forward to the Conference Planning Group.</p>	FS						
7.	External Risk Management Training							
7.i	Alarm North East and Yorkshire Seminar 12th September 2012, Darlington							
	Noted.	ALL						
7.ii	Alarm North East and Yorkshire Winter Event December 2012; Location - York							
	Noted	ALL						
7.iii	Better Governance Forum programme for 2012							
	Noted	ALL						
8.	Any Other Business							
	DP advised that the Authorisation to Work Onsite guidance has been updated to include details of both the Authorisation to Work Onsite and Completion of Works (COW) forms, the new guidelines are being sent out to locations.							
9.	Future Meetings – see attached for reporting schedule							
	<table border="1"> <tr> <td>Wednesday 25th July 2012</td> <td>2.00pm Pink Room</td> </tr> <tr> <td>Wednesday 6th September 2012</td> <td>2.00pm Pink Room</td> </tr> <tr> <td>Thursday 8th November 2012</td> <td>Risk Management Conference XIV</td> </tr> </table>	Wednesday 25 th July 2012	2.00pm Pink Room	Wednesday 6 th September 2012	2.00pm Pink Room	Thursday 8 th November 2012	Risk Management Conference XIV	ALL
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Corporate Risk Management Group

Action Notes

Wednesday 25th July 2012, Pink Meeting Room - County Hall @ 2.00pm

Present: Fiona Sowerby Chris Clark

Directorate Representatives:

Josie O'Dowd Peter Bright Peter Garbutt (for Sukhdev Dosanjh)
Barrie Mason Jon Holden

Working Group Representatives:

Dominic Passman Simon Wright Mike McCauley
Phil Jones Robert Beane Roman Pronyszyn

Apologies: John Moore, Sukhdev Dosanjh, Penny Yeadon

Item		Action By
1.	Welcome and apologies	
	See above	
2.	Who's Who	
	FS advised that Sheila Coxon is now in BES looking after Countryside Volunteers. RB advised that Helen Atkinson should replace Moira Beighton on the CIGG2 group. The updated document is attached; all are asked to assist in keeping it up to date by advising any future changes to CC.	ALL/CC
3.	Record of meeting held on 16th May 2012	
	<p>Agreed.</p> <p>4.i PB and BM met in May and shared best practice in areas such as contractor health & safety management. The fact that BES have a single large contractor whilst property and maintenance contracts are made with a large number of smaller firms mean that not all good practice is transferable.</p> <p>4.iii DP advised that there was no new name yet for the threat / hazard procedure. It is recognised that this will need to be amended prior to any procedure being issued.</p> <p>4.iv JO'D advised that there was still no nominated CEG super user and said any issues should be referred to her in the meantime. BM advised that Kate Gray, the nominated BES super user, was yet to hear from anyone regarding training etc, DP advised that Wendy Parkin will be in touch but was currently busy with Personal Safety road shows and a system review.</p> <p>4.vi RB advised that the violent / hazard warning marker system is not yet in use (the target was end of June). This issue to be followed up through CIGG2.</p> <p>5.i.c FS tabled alternative wordings to replace the phrase "maximising stakeholder value" in the strategy and the Group decided upon "maximising service delivery effectiveness and efficiency". FS to complete the strategy and bring to the September meeting for approval.</p>	<p>DP</p> <p>WP</p> <p>FS / RB</p> <p>FS</p>

	8. DP confirmed that the updated Authorisation to Work Onsite guidance has been sent out to all locations.	
4.	Matters arising	
4.i	Distribution of Driver Handbooks	
	4.v All driver handbooks have been distributed.	
4.ii	Consideration of a risk register for Extra Care	
	PG advised that two risks around Extra Care appear on the HAS Directorate register and on the register for the Procurement, Partnerships and Quality Assurance Service Unit; it is felt that given the complexity and importance of delivery in this area that a stand alone register may be beneficial. SD to discuss with MW and feedback to FS.	SD
5.	Exception report from Directorate Reps on Action Plans and Risk Registers 2011/12	
5.i	Children and Young People's Service	
	<p>JH tabled the attached report and highlighted the following aspects:-</p> <ul style="list-style-type: none"> - Risk Register: The Directorate risk register is to be reviewed later in July. The register will revert to the standard format following a period of concentration on aspects of the MTFS. Key risks are expected to be Protection of Sensitive Data; Creation of a single service for Special Educational Needs and Disabilities (SEND); and savings requirements. The efforts of all concerned over recent years mean that the Health & Safety risk ranking is expected to improve this year. - Risk Management Groups: A continued problem with representation from schools has led to the decision to discontinue the schools risk management group. Information will still be provided to schools via a variety of mechanisms including production of documents and attendance at meetings such as the Bursar's Conferences. FS raised concerns over the potential lack of a two-way process, JH advised that there would still be regular communications with schools via eg. red bag and a number of ways for schools to access risk advice. The Directorate and Learning Beyond the Classroom Groups will continue. - Safeguarding: A new Guidance Document / Safeguarding checklist has been produced for schools following a review of procedures. - Building Risk Issues: The Directorate is working with colleagues from CLS, H&S and Jacobs on Fire Safety issues and a significant flooding incident at Summerbridge Primary School. (The Insurance & Risk Management section is also involved as flooding is an insured risk). - H&S within Construction: A significant programme of capital maintenance works is being undertaken during the course of the summer holiday period 2012 and the H&SRMU are working closely with Jacobs to review the arrangements that have been made in respect of Health and Safety and to coordinate the monitoring activity that is undertaken during the course of the programme of works. 	

5.ii	Chief Executive's Group	
	<p>JO'D advised that the Directorate Risk Register has recently been updated and includes new risks relating to staff challenges in changing times and the transfer in of Business Support and Admin functions and staff to CEG.</p> <p>JO'D then took the Group through the report circulated with the agenda highlighting:-</p> <ul style="list-style-type: none"> - the importance of ensuring that the strong governance arrangements currently in place are not affected by the proposed management board restructure. FS advised that she was intending to suggest that this risk appears on the soon to be updated Corporate risk register. - section risk reviews; <ul style="list-style-type: none"> o One Council: Monthly workstream and programme level highlight reports are being produced including risk logs. o Chief Executive's Office: iCasework, the new complaints, compliments and comments handling system has gone live and will soon be available to all staff for reporting and search purposes. o Communications Unit: Working to ensure effective consultation/communication around One Council matters. o Emergency Planning: Looking at the risks around the transition of public health responsibilities. o HR&OD: HR& Workforce development have been reviewed and brought together as a single service. o Legal & Democratic: Key areas of work around NYNET, Waste PFI, Shadow Health & Wellbeing Board and the new Police and Crime Panel. o Library and Community Services: Full implementation of the community libraries is due in August. Support continues to be provided. o Policy, Performance and Partnerships: Work around the upcoming Right to Challenge (Localism Act) and what it might mean to NYCC. 	
5.iii	Finance and Central Services	
	<p>PB took the Group through the report and action plan circulated prior to the meeting including:-</p> <ul style="list-style-type: none"> - training provided including needle stick injury prevention, legionella monitoring and asbestos management. - the generally positive outcomes contained within the annual health & safety performance report. 	

	<ul style="list-style-type: none"> - the Directorate Risk Register was recently updated. Key risks are Information Governance Breach; Pension Fund Solvency; One Council; and a new risk relating to the Connecting North Yorkshire vision. - discussions will need to take place with colleagues in CEG to unify the existing arrangements for risk management in preparation for the new Central Services Directorate. 	PB / J'OD
6.	Update report from Working Group Leaders - Review report and action plan	
6.i	Safety Risk	
	<p>DP took the Group through the key areas of the report circulated prior to the meeting covering:-</p> <ul style="list-style-type: none"> - the continued emphasis on Health and Safety matters related to Construction given their high risk profile specifically: <ul style="list-style-type: none"> o The good work around the mobilisation of the HMC 2012 contract was mentioned and BM advised that a guidance document has been agreed with the contractor, Ringway and that a group will meet twice a year to look at specific health & safety issues. BM also mentioned the increased design role in Highways, FS asked BM to provide details of activities to ensure Insurance implications are understood. o The standardisation of H&S work in construction under the One Council Property workstream. o The expectation from the HSE that NYCC will evidence "lessons learned" from the Aspin Park contractor fatal accident. - progress on the following key initiatives: <ul style="list-style-type: none"> o production of a Corporate response to the letter from North Yorkshire Fire & Rescue Service highlighting implications of the report into the fire at Rosepark Care Home in 2004. o development of a draft radon strategy. o the successful completion of senior manager H&S training by leadership teams in BES and CYPS, it is hoped to involve HAS next. o The restructure within the HandS service; there is now a senior H&S risk manager for both the North and the South. The service continues to enjoy 100% buy in from schools. - issues still to be addressed including the provision of traded services to Academies; problems with the H&S e-learning package for managers; and assessing the implications for NYCC of Government led reviews of H&S legislation. <p>DP then went on to table the attached report on the HSE's Fee for Intervention (FFI) which will come into effect from 1 October 2012. Further details can be</p>	BM

	<p>obtained from this link to the HSE's web page on FFI .</p> <p>DP advised that in the event that NYCC is found to be in material breach of health & safety law, the HSE will now be able to recover its costs by charging for the time spent on helping to put the matter right, investigation and enforcement action. The standard rate is currently £124 per hour but where the HSE’s Laboratory or third party experts are involved those charges will also be recovered in full. There is clearly potential for significant costs to accrue.</p> <p>A discussion took place around the issue, DP confirmed that there was an appeal/challenge process and that the HSE decide who the duty holder is in the event of a breach and can apportion charges between duty holders on more complex cases. For NYCC it is intended that the budget of the Directorate who commits the breach will pay rather than the costs being centrally funded.</p> <p>DP asked that Directorate Reps communicate this topic through their risk management groups, emphasising that prevention is better than cure.</p>	Dir Reps
6.iii	Challenging Behaviour / Restorative Practice Partnership	
	<p>MM presented the updated report provided prior to the meeting including:-</p> <p>Progress made on:</p> <ul style="list-style-type: none"> - the completion of all planned training on the Mental Capacity Act. - good structures and systems in place to ensure effective communication about the needs of children or young people, with looked after children locations and the pupil referral service. - the disabled children’s service is now represented in the Challenging Behaviour Partnership and special schools. <p>Issues to be addressed:</p> <ul style="list-style-type: none"> - supporting the leadership of the BESD residential special school that has had a number of difficulties in recent months around leadership capacity, building work and children’s safety. - the provision of guidance in the areas of transition of vulnerable children and young people; managing the needs of vulnerable children and young people in “seclusion” or “time out” environments; and when to involve the police in challenging behaviour situations. <p>MM confirmed that this was now solely a CYPS group but that he kept in contact with the HAS lead to ensure any opportunities for joint working or sharing of best practice were not missed.</p> <p>FS asked if this Group could assist but it was agreed that issues are being considered and dealt with through the risk register process in CYPS.</p>	
6.iv	Service Continuity	
	<p>SW provided a verbal update advising that the production of service level plans was now being progressed by the following Directorate Leads:-</p>	

	<p>BES – Joel Sanders and Sian Hansom CEG – Sarah Foley CYPS – Kevin Tharby HAS – Tony Law FCS – Geoff Wall</p> <p>Once these plans are complete work will commence on the council wide plans.</p> <p>SW also advised from his work with the Districts that those areas of the Council who provide services to the Districts may be asked to confirm their continuity arrangements.</p>	
6.iv	<p>Information Governance</p>	
	<p>RB took the Group through the report circulated prior to the meeting advising that the three main areas of Information Governance risk are:-</p> <ul style="list-style-type: none"> - Data Security: the LAGAN system is to be used to record and report on incidents. As awareness of the issues grows, it is likely that more breaches will be reported. It is therefore important we maintain robust policies and procedures. These can be found on the intranet under Information Management and further advice can be sought from one of the following Directorate Champions. <ul style="list-style-type: none"> o BES Joel Sanders o CEG Helen Edwards o CYPS Kevin Tharby o FCS vacancy o HAS Sukhdev Dosanjh - Data Sharing: NYCC will review its data sharing arrangements with all its partners to ensure compliance with the ICO Code of Practice that was published in May 2012. This is an area of significant risk giving the burden placed on us as data controllers. - Records Management: The Information Governance Directorate reps are reviewing the Information Asset Registers to ensure retention periods are provided for all documentation. There is still a risk around email retention periods which will be addressed. <p>FS asked Risk Management Directorate reps to include an item relating to Information Governance on future directorate risk management group agendas.</p>	<p>Dir Reps</p>
6.v	<p>Volunteers</p>	
	<p>FS took the Group through the report provided with the agenda highlighting the key upcoming objectives for the working group as being:-</p> <ul style="list-style-type: none"> - to keep updating the Policy Guidance and Toolkit. - to design a portal for volunteer information on the NYCC website. - to produce a central database of all volunteers. - to automate the recruitment process and formalise a disciplinary process. 	

	- to enhance links with the various Volunteer Bureaux within the County.		
7.	Other Risk Management Issues		
7.i	Planning for Risk Management Conference 2012		
	FS confirmed that the three sessions planned are on Public Health, Team Working and Liability Insurance Claims. It is intended to again hold the annual risk management awards and all are asked to think of areas of suitable good practice. Sponsorship is once again being provided to offset some of the cost.	ALL	
8.	External Risk Management Training		
8.i	Alarm North East and Yorkshire Seminar 12th September 2012; Subject “Efficiency, effectiveness and change”; Location – Darlington		
	Noted.	ALL	
8.i	Alarm North East and Yorkshire Winter Event 7th December 2012; Subject “Keep calm and persevere”; Location – York		
	Noted.	ALL	
8.iii	Better Governance Forum programme for 2012		
	Noted	ALL	
9.	Any other business		
	None.		
10.	Future Meetings		
	Thursday 6 th September 2012 Thursday 8 th November 2012	2.00pm Pink Room Risk Management Conference	ALL

RISK MANAGEMENT CONFERENCE XIV

Let's get together and feel alright

Thursday 8 November 2012

Pavilions of Harrogate

DRAFT PROGRAMME

<i>Time</i>	<i>Item</i>	<i>Speaker</i>
9.15	Refreshments and Registration	
9.45	Welcome and Opening Address	Richard Flinton, Chief Executive
10.00	Session 1 – Public Health – What does it mean to you?	TBA
11.00	Comfort Break, Refreshments and Exhibitor Stands	
11.30	Session 2 – Liability Claims - Win Lose or Draw	Helen Brown, Langleys
12.30	Address and Awards	John Moore, Chief Executive NYnet & CC Cliff Trotter, Chairman of the County Council
12.45	Buffet Lunch, Networking and Exhibitor Stands	
1.30	Introduction to afternoon session	Gary Fielding, Corporate Director Strategic Resources
1.45	Session 3 – Team Working Session	Arnie Skelton, Effective Training and Development
	Break for Quiz Results	
	Session 3 (continued)	
3.45	Close	