

**REPORT TO: AUDIT AND RISK MANAGEMENT SUB COMMITTEE - 20 MARCH 2006**

**REPORT ON: RISK MANAGEMENT ACTION PLAN 2004-2007**

**REPORT BY: RISK & BUSINESS CONTINUITY MANAGER**

**REPORT NO: 77-2006**

**1 PURPOSE OF REPORT**

This report provides an update of the 2004-2007 Risk Management Action Plan for Elected Members information.

**2 RECOMMENDATIONS**

It is recommended that:

the progress with the 2004-2007 Risk Management Action Plan be noted.

**3 FINANCIAL IMPLICATIONS**

All costs of Risk Management activity are contained within the Risk Management Budget provision held for the relevant year of activity.

**4 LOCAL AGENDA 21 IMPLICATIONS**

None

**5 EQUAL OPPORTUNITIES IMPLICATIONS**

None

**6 BACKGROUND**

Members' attention is drawn to Report No 329-2005 of the Audit and Risk Management Sub Committee of 16 May 2005 updating the progress made with implementation of the Risk Management Action Plan.

The plan has subsequently been progressed and an updated version is submitted for Members' consideration.

**7 CONSULTATION**

The Chief Executive, Depute Chief Executive (Support Services) and Depute Chief Executive (Finance) have been consulted on the content of this report.

**8 BACKGROUND PAPERS**

None

**RISK & BUSINESS CONTINUITY MANAGER**

**13 JANUARY 2006**

4 **RISK MANAGEMENT ACTION PLAN 2004-2007**

Subject	Task	Responsibility	Timescale	Update
Strategic	<p><b>a Draw up proposals for integration of Risk Management and Risk Assessment within the following:</b></p> <ul style="list-style-type: none"> <li>• Strategic Planning</li> <li>• Budgeting</li> <li>• Community Planning</li> <li>• Partnership Working</li> </ul>	<p><b>Risk Manager</b></p> <p><b>Depute Chief Executive (Finance)</b></p> <p><b>Heads of Department</b></p>	<b>Complete</b>	<p><b>Insurance Renewal date amendment to December has allowed savings to impact on Revenue Budgeting.</b></p> <p><b>Draft Strategic Risk Register complete. To be signed off by Chief Officers.</b></p> <p><b>Ongoing involvement of Risk Management in Community Safety, ASB, Crime Reduction, Business Continuity Partnerships.</b></p>
High Level Operational	<b>a Review Business Continuity/ Contingency Planning arrangements across Council</b>	<p><b>Risk Manager</b></p> <p><b>Emergency Planning Officer</b></p> <p><b>Departmental Managers</b></p>	<b>Complete</b>	<p><b>Good Emergency Response Plans are in existence. These are tried and tested and (mostly) comply with the Civil Contingencies Act. There are, in keeping with most Local Authorities, few written Business Continuity Plans within departments.</b></p>
	<p><b>b Provide Business Continuity/ Contingency Planning training to Senior Departmental Managers</b></p> <p><b>Contribute to the creation of a Tayside-wide Community Risk Register as defined by Civil Contingency Act.</b></p>	<b>Risk Manager</b>	<b>October 2006</b>	<p><b>Achievements: Presentation to Chief Officers and Senior Departmental "champions" delivered Winter 2005. Identification of time qualified Critical Services, underway in conjunction with departments. Community Risk Register well under way in conjunction with other Category 1 responders (Police, Fire etc).</b></p>

Subject	Task	Responsibility	Timescale	Update
	<p>c Produce detailed Business Continuity and Contingency Plans</p> <p>Promote Business Continuity in local business community.</p>	As above	<p>December 2006</p> <p>May 2006</p>	<p>Training provider in course of being identified. Remit to incorporate direct assistance in plan writing.</p> <p>Chamber of Commerce and EDD to assist in identifying appropriate forums to deliver and promote business continuity awareness.</p>
	<b>d Conclude existing Risk Register compilation exercise</b>	<b>Risk Manager Departmental Management Teams</b>	<b>Complete</b>	<b>Comprehensive Risk Register, with supporting policy documentation at final draft stage awaiting Chief Officer sign off prior to submission to Council Committee.</b>
	e Evaluate completed Risk Registers and devise Risk Management Action Plan for risks deemed unacceptably high	As above	April 2006	Onus is on departments to institute controls within 12 months over "Red" risks under Traffic light system. Draft Risk Register policy documentation recommends a systematic approach adopted for review of risks.
	f Review Risk Register and Risk Management Action Plan for continuing accuracy	As above	April 2007	
	g Perform Critical Analysis Report on progress made with CCTV integration review. Particular emphasis on possibility (economically and practically) of establishing own monitoring station	Risk Manager CCTV Management Group	July 2006	Delay in submission of report by external consultant. Discussions ongoing with EDD.

Subject	Task	Responsibility	Timescale	Update
	h Spot check of major buildings relative to ongoing compliance with Fire Precautions	Risk Management Section	August 2006	12 establishments identified in conjunction with Safety Section. Audit fieldwork accelerated. Some concerns on findings relating to lack of follow-up of identified risk control points. Revised Fire Risk Assessment Training for Technical staff and Building Managers now designed. Programme of seminars to be delivered.
	i Report on Fire Precaution status in major buildings	Risk Manager	September 2006	The top 10 (by value) locations agreed. Formal risk assessments to be undertaken.
	j Review Motor Risk Management Procedures identifying weaknesses in inter-alia: Accident Reporting/Investigation Selection of Repairers Driver Training Licence Vetting	Risk Management Section Fleet Holding Departments	December 2004	Exercise with repairers complete. More streamlined procedures now in place. On-line, electronic motor accident claim form now 'live' on intranet. Driver training needs being identified with fleet holding departments.
	k Report on findings of Motor Risk Management Review	Risk Manager	April 2006	
	l Due diligence review of PPP Project	Risk Manager	April 2006	Most areas of insurance query resolved. Awaiting Lender's Insurance adviser input.
	m Examination of Departmental Reporting on Liability claims made against the Council	Risk Management Section	Complete	Exercise now complete. Report to Chief Officers Management Team highlighting performance benchmarks.
	n Report to Chief Executive highlighting liability claims reporting performance by Departments	Risk Manager	Complete	See above.

Subject	Task	Responsibility	Timescale	Update
	o Calculation of Maximum Probable Loss (using Hazard Analysis Tree System) of Top 20 Liability Exposures	Risk Manager Departmental Management Teams	December 2006	
Risk Management Related Activity	<b>a Research Alternative Risk Transfer Mechanisms to existing Insurance Programme</b>	<b>Risk Manager</b>	<b>Complete</b>	<b>Current transfer mechanisms most relevant for an organisation without Risk profile.</b>
	<b>b Tender Council Exposure Portfolio</b>	<b>Risk Manager</b>	<b>Complete</b>	<b>Annual savings of £200,000 reported to 9 May 2005 Finance Committee.</b>
	<b>c Implement revised "Insurance" arrangements</b>	<b>Risk Manager</b>	<b>Complete</b>	
	<b>d Install new Risk Management Information System and rigorously test</b>	<b>Risk Management Section</b>	<b>Complete</b>	<b>Now effectively integrated into Risk Management Section's daily work</b>
	e Agree Risk Management Information requirements of each operational Department and provide at agreed intervals	Risk Management Section	December 2006	Ongoing dialogue with operational departments.
	<b>f Establish Cross Departmental Risk Management Group</b>	<b>Depute Chief Executive (Finance)/ Risk Manager</b>	<b>Complete</b>	