

REPORT TO: AUDIT AND RISK MANAGEMENT SUB COMMITTEE 29 APRIL 2009

REPORT ON: CORPORATE BUSINESS CONTINUITY PLAN

REPORT BY: RISK AND BUSINESS CONTINUITY MANAGER

REPORT NO: 77-2009

1 PURPOSE OF REPORT

This report provides Elected Members with a copy of the Councils Corporate Business Continuity Plan for noting.

2 RECOMMENDATIONS

It is recommended the Committee:

Notes the Corporate Business Continuity Plan which was agreed at the Policy and Resources Committee of 9 February 2009.

3 FINANCIAL IMPLICATIONS

There are no immediate financial implications from the content of this report as the costs of compliance are contained within Departmental budgets.

4 MAIN TEXT

4.1 The Corporate Business Continuity Plan was approved at the Policy and Resources Committee of 9 February 2009 and is submitted to the Audit and Risk Management sub Committee for noting.

5 POLICY IMPLICATIONS

5.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact assessment and Risk Management.

5.2 The subject matter of this report is concerned with one aspect of the Council's overall Risk Management strategy, namely the ability to continue to deliver services and recover from the disruptive effects of an emergency situation

6 **CONSULTATIONS**

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

7 **BACKGROUND PAPERS**

None

RISK AND BUSINESS CONTINUITY MANAGER

19 February 2009

REPORT TO: POLICY AND RESOURCES COMMITTEE 9 FEBRUARY 2009.
REPORT ON: CORPORATE BUSINESS CONTINUITY PLAN
REPORT BY: HEAD OF FINANCE
REPORT NO: 88-2009

1 PURPOSE OF REPORT

This report provides Elected Members with a copy of the Council's Corporate Business Continuity Plan

2 RECOMMENDATIONS

It is recommended the Committee:

Approves the Corporate Business Continuity Plan.

3 FINANCIAL IMPLICATIONS

There are no immediate financial implications from the content of this report as the costs of compliance, should the plan be invoked, would be contained within Departmental budgets.

4 MAIN TEXT

4.1 The Civil contingencies Act 2004 imposed duties upon Local Authorities to be able to continue to provide critical services in the event of a defined emergency which has an impact on a significant number of members of its community.

4.2 There is no specific duty to have a Business Continuity Plan, but it is very much recognised as good business practice to have such a document.

4.3 There is an obvious relationship between this plan and the Council Emergency Plan. In recognition of this the Business Continuity Plan has been discussed with the Council's Emergency Planning Officer to ensure there are no inconsistencies between the two sets of arrangements.

5 POLICY IMPLICATIONS

5.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

5.2 The subject matter of this report is concerned with one aspect of the Council's overall Risk Management strategy, namely the ability to continue to deliver services and recover from the disruptive effects of an emergency situation.

6 **CONSULTATIONS**

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

7 **BACKGROUND PAPERS**

None.

MARJORY M STEWART
HEAD OF FINANCE

21 APRIL 2009



DUNDEE CITY COUNCIL
HIGH LEVEL
BUSINESS CONTINUITY PLAN

FOREWORD

Alex Stephen
Chief Executive

All of us who work for the City Council need to be aware of the consequences of large-scale damage and disruption to our premises or large scale unavailability of staff due to an event like pandemic flu and the subsequent effect upon the services that we provide. If the worst should occur we must be able to respond in a controlled, professional and prompt manner.

This plan will enable us to do that. It is the main Business Continuity plan for the City Council. Each department will produce its own business continuity plan which will specifically be concerned with the maintenance of their critical services.

Please consider your role in the plan and retain it for possible use in the future.

Alex Stephen

Chief Executive
Dundee City Council

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1. INTRODUCTION

- 1.1 Nearly every day there are many unpublicised disasters, man-made and natural, which devastate both private and public sector's ability to deliver services. Where the disruption affects critical service procedures, the consequences can be severe and include substantial financial loss, an inability to achieve levels of service we have committed ourselves to deliver, embarrassment and loss of credibility or goodwill for the organisation concerned. The consequential damage can have a much wider impact on staff welfare and the general public. The benefit therefore of having a recovery plan that can be implemented with the minimum delay, is that it reduces the level of disruption to Dundee City Council and should ensure the rapid resumption of services to the public.
- 1.2 This plan outlines the actions required by the Chief Officers Management Team (COMT) assisted by selected staff. However, each department should have their own plan. The department plans should cover all critical aspects of their own service delivery.

2. AIM

- 2.1 The aim of this plan is to ensure that critical functions are reinstated as soon as possible, ensuring an unbroken level of front line services whilst full restoration is planned for and implemented.

3. OBJECTIVES

- To mobilise the structure required to manage the recovery.
- To list the immediate action to be taken.
- To list the short term measures necessary to replicate essential systems.
- To list the medium term measures necessary to build up towards recovery.
- To describe longer term recovery action.

4. PLAN ASSUMPTIONS

- 4.1 The plan assumes a worst-case scenario in which critical information systems and resources are destroyed by fire/other natural events, or significant numbers of staff are unavailable that prevents key service delivery functions being undertaken.
- 4.2 It is expected that the Council's policies as they apply to records management, file management, computer security in general and virus protection in particular, is being applied in departments. Similarly, it is also expected that fire prevention, physical security and health and safety at work standards are also being applied consistently by departments.
- 4.3 The business continuity planning process also requires inventories of hard/software, other business systems and major items of equipment to be maintained by departments.

5. USE OF THE PLAN

- 5.1 This plan is designed to be used by all staff involved in the recovery process and in particular, Recovery Teams from the various departments. The plan outlines the recovery process.

6. RECOVERY STRATEGY - ACCOMMODATION

- 6.1 Wherever possible, Dundee City Council premises will be used to locate critical business functions. Areas that are not normally staffed will be used eg canteen, training, conference and committee room facilities. An element of disruption over protracted periods may well have to be accepted by all parties.

- 6.2 The displacement of non-critical functions, or functions that can be re-sited with little impact, will be carried out to provide accommodation for critical business functions.
- 6.3 In the event of serious extensive damage to City Council property, it may become necessary to relocate entirely to another premises owned by the Council. If necessary further property may be leased on a short term basis until such time as full replacement or refurbishment has taken place in the damaged premises. The provision of portakabins will also be considered as a possible option.

7. IT ARRANGEMENTS

7.1 The Computer Room

The current DCC IT Disaster Recovery Plan is based around the recovery of the Computer Rooms in Tayside House and the City Square complex. A separate IT recovery plan exists.

The Computer Rooms have full emergency power, fire, flood and intruder detection which are regularly tested.

8. ORGANISATION

- 8.1 In the event of a major incident resulting in the loss of all or some of the Council's critical functions, the Emergency Management Team (EMT) will assemble in accordance with the Council Generic Emergency Plan, accompanied by departmental representatives as appropriate, affected by the incident. The EMT will remain in operation for the duration of the emergency situation.
- 8.2 All personnel should be aware that in all probability unless it is only a single Council building that is affected, the EMT will not only be concerned with the continuity of Council services but also involved in a full scale response and recovery operation dealing with the wider consequences to the community as part of the Tayside Strategic Coordinating Group. It is therefore critical that team leaders responsible for delivering services are fully aware of their business continuity arrangements.
- 8.2 The EMT will have full authority to declare a disaster situation and have the authority to decide which elements of the recovery plan should be invoked. The EMT will be responsible for the overall management, co-ordination, control and monitoring of the situation as it applies to the Council and for the recovery actions outlined within the Business Continuity Plan.

9. STRUCTURE

9.1 Emergency Management Team

Chief Executive (Team Leader)
Depute Chief Executive (Finance)
Depute Chief Executive (Support Services)
Assistant Chief Executive

Director of Leisure and Communities
Director of Contract Services
Director of Economic Development
Director of Education
Director of Housing
Head of Personnel
Head of Information Technology
Director of Planning and Transportation
Head of Finance
Director of Social Work
Head of Public Relations
Emergency Planning Officer
Risk and Business Continuity Manager
Health and Safety Manager

10. EMT RESPONSIBILITIES

- Evaluating the extent of the damage and the potential consequences.
- Implementing measures to prevent loss or damage to life, property and resources and making the site secure and safe.
- Authorising recovery procedures in order to maintain an operational service to staff and clients.
- Disseminating information to the public through media.
- Providing authority for the ordering and acquiring of replacement equipment.
- Monitoring expenditure arising out of recovery operations.
- Organising the return to normality once the emergency period has passed.

Specific Recovery Tasks

Head of IT

Organises the implementation of replacement of hard/software and communications links.

Director of Economic Development

Organises salvage, site security and the acquisition of alternative accommodation.

Risk and Business Continuity Manager

Co-ordinates the replacement of damaged equipment and supplies.

Head of Public Relations

Issued public announcements and keeps City Council staff informed.

Health and Safety Manager

Initiation of legal compliance and risk assessment.

Emergency Planning Officer

Establish and maintain operations area for the EMT. Liaise with uniformed personnel and voluntary sectors.

Departmental Co-ordinators

Assess impact on service delivery and prioritise replication requirements. Control of nominated department and section staff for recovery duties.

11. PLAN ACTIVATION

The activation of the business continuity plan is broken down into three phases:

- Initial activation
- The evaluation phase
- Full activation

11.1 **Initial Activation**

Out of hours the plan will be activated by the EMT Leader on receipt of information from the Emergency Planning Officer or any other possible source (Police, media etc).

During office hours normal emergency procedures will be followed and the immediate situation managed by the Departmental Manager affected. He/she will then contact the Emergency Management Team leader.

Contact phone numbers for all EMT members and selected staff within DCC are contained in the DCC Emergency Contact Directory within the Council's Generic Emergency Plan. Contact details for department staff should be included in the main department plans.

Evaluation Phase

If not already on site the EMT leader contacted will make his/her way to the scene in order to make an initial evaluation of the extent of the damage/disruption. The other members of the EMT will be placed on standby at this stage. Depending on the level of damage, the EMT leader will either take no further action or will initiate full activation.

11.2 **Full Activation**

- If the plan is fully activated the EMT leader will carry out the following actions:
- Instruct the EMT to RV at the Council Emergency Centre or other nominated location or alternative location.
- Instruct one of the EMT members to contact the department heads affected and move to the site.
- Open a log of events.
- In conjunction with the Head of Public Relations and Tayside Police start preparing update briefings/warnings for staff, members of the public and the media.
- All EMT members will alert and deploy the supporting members of their respective departments in accordance with their respective Business Continuity Plans.

11.3 **Action Checklists**

EMT checklists are shown as follows:

- | | |
|--|-------------|
| • Immediate action | Annex A |
| • Action taken during next three hours | Annex A - 1 |
| • Action taken during next twenty-four hours | Annex A - 2 |
| • Action taken during the next month | Annex A - 3 |

12. **STAFF AND PUBLIC ANNOUNCEMENTS**

12.1 Under the direction of the Head of Public Relations the City Council Public Relations Department will be responsible for keeping staff and the public informed throughout the recovery period. The PR Department will use the media, website and any other appropriate communications channel to:

- Tell all City Council staff what further action they need to take in accordance with their response team allocation. A sample message for staff is shown at Annex A - 3.
- Keep members of the public informed about the effect the incident will have on services.

12.2 Departmental Management Teams will be responsible for passing information they wish to be communicated to their staff and the public relative to their service continuity arrangements.

13. **DEPARTMENTAL RESOURCE REQUIREMENTS**

13.1 Departmental functions have been categorised in Departmental Business Continuity Plans against the following list of priorities:

- essential core business and supporting functions needing to be restored in the shortest possible time.
- important core business and supporting functions needing to be restored within an established time frame.
- loss which would have no immediate impact on the department's service delivery but which needs to be restored in the longer term.

14. SUPPORTING INSTRUCTIONS

The following general guidelines will apply:

14.1 Authorised Expenditure

The Head of Finance will authorise any expenditure needed for the prevention of further loss of life or injury, or loss or damage to property and assets and authorise the expenditure necessary for making sites secure and safe. Any other discretionary expenditure such as leasing offices or the replacement of high value assets would have to be referred to the EMT.

Records of expenditure relating to the incident should be kept using the format contained at Annex B to this plan.

14.2 Cash

Although the normal procedures of official orders, invoicing and creditor payments should apply, where immediate or cash payments are required, these can be arranged through the Head of Finance.

14.3 Insurance

Before ordering the repayment of high value assets the Risk Management Section should first be consulted in order to clarify the terms of existing cover.

15. SALVAGE

15.1 In the immediate aftermath of a serious incident there will be a requirement to initiate salvage operations and the repair of items contained in the damaged area. An inventory of usable equipment, furnishings, documents and supplies, will need to be compiled. Departmental heads will therefore need to nominate staff who can work alongside professional salvors.

15.2 Important salvage information is contained in the following annexes:

- Main problems/safety Annex C
- Damaged documents Annex C - 1
- Damaged computer and communications equipment Annex C - 2

16. FLOOR PLANS

Detailed floor plans for all major City Council premises are available from the Director of Economic Development via the Council's GVA system.

17. ALTERNATE LOCATIONS

All requests for alternate locations will be remitted to the Director of Economic Development who will co-ordinate activity in this area.

18. RESOURCE LISTS

Departments are responsible for identifying their own specialist resource requirements and including the information in their respective department plans.

ANNEX A - EMT - IMMEDIATE ACTION

- 1 Depending on the information received, the Emergency Management Team Leader will arrange for the following actions to be taken:
 - a Place other members of the team on standby and/or instruct them to move to the Council's Emergency Centre.
 - b Move to the site and make an assessment of damage done and site security.
 - c Open a log of events.
 - d Make a preliminary (verbal) report to the senior management of Departments.

- 2 Team members will alert and deploy other members of their functional groups, as necessary.

- 3 The Team Leader will call for an initial meeting of the EMT with the following objectives:
 - a To define the problem, the extent of disruption, its consequences and the probable implications for the foreseeable future.
 - b To select a specified location as an operations centre.
 - c To agree each team member's objectives for the following three hours.
 - d To set up a second meeting for three hours later.

- 4 The Team Leader will then make a second, more detailed report to senior management and Elected Members on actions being taken, future intentions and help required.

Lead

1. Establish the operations centre either on or off site	Chief Executive (Team Leader)
2. Use the Centre as the main point of contact for the emergency services, public utilities, senior management, staff.	All
3. Issue announcements to staff, clients and the media (see Annex).	PR Department
4. Undertake a site survey (if relevant) with departmental managers. Main points: <ul style="list-style-type: none"> - which services can use the site immediately? - which services can use the site after cosmetic attention? - when can they re-occupy the site? - which services cannot be re-housed in the short term? - what amount of office space is required for priority functions? - decide outline strategy for re-occupation of and/or re-deployment to an alternative site. 	Director of Economic Development
5. Organise safety survey and arrangements to make the site secure.	Health and Safety Manager
6. Consider salvage options.	Risk and Business Continuity Manager
7. Assess the effect of the incident on critical business functions and start planning the order of their reinstatement in accordance with pre-planned priorities.	Departmental Business Continuity Co- ordinators
8. Contact IT Operational Support Staff and alert them to the situation developing.	Head of IT
9. Assess the impact on the telephone network and make contact with appropriate staff and agencies required to reinstate networks.	Principal Administration Officer
10. Liaise with departmental managers and/or their IT staff to assess the impact on IT hard/software, peripherals and network installations: <ul style="list-style-type: none"> a decide what is reinstatable using in-house resources; b which equipment will require external services for reinstatement; c plan and implement the initial in-house deployment of supporting staff; d alert staff and suppliers of the increasing demands to be made on them. 	Head of IT
11. Liaise with the departments and make an initial assessment about the replenishment of damaged furniture, fittings, equipment and supplies. Alert staff and suppliers of the likely demands on them.	Head of Finance

<p>12. The team Leader will chair a second meeting of the recovery team as appropriate with the following objectives:</p> <ul style="list-style-type: none">a to receive initial reports;b to agree objectives for the next 24 hours;c to establish staff rotas;d to set up subsequent meetings.	<p>Team Leader</p>
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Lead

1. Continue to maintain log of events and keep staff, clients and Communications/news media regularly updated.	Head of IT
2. EITHER plan the re-allocation of office space on site in accordance with departmental priorities OR plan to move to an alternative site. Consider the following points: a contact with commercial estate agents to acquire alternative site; b transport arrangements to and from all temporary locations; c the removal of vital documents from the disaster site and subsequent storage; d the removal of re-usable equipment from the disaster site and subsequent storage; e space requirement for critical business functions; f feeding and welfare arrangements.	Director of Economic Development
3. Agree essential installation schedules with public utilities and other suppliers at either the disaster site or alternative site (electricity, heating, lighting, water, air conditioning, fire detection/alarm systems, access control systems, telephones).	Director of Economic Development
4. Agree office equipment and supplies delivery schedules with Head of Procurement.	Head of Finance
5. Check on measures being taken for disaster site safety and security.	Health and Safety Manager
6. Implement salvage plan and arrange temporary storage as necessary.	Risk and Business Continuity Manager
7. Reorganise postal arrangements as necessary.	Risk and Business Continuity Manager
8. Finalise telecommunications services to the required site(s).	Principal Administration Officer
9. Define the priorities for restoring networks on a gradual basis in order to provide a minimum initial communications requirement for departmental critical functions.	Head of IT
10. In conjunction with departmental heads prepare to initiate interim back-up procedures for priority systems.	Head of IT/Departments
11. Finalise requirements for hard/software and peripherals replacements and agree installation schedules.	Head of IT

12. Start and maintain a record of financial expenditure and collate information as may be required by the Risk and Business Continuity Manager.	All
13. Consolidate with core team members arrangements for reinstating critical business functions in priority order whether on-site or at alternative premises. Brief staff accordingly.	Departments
14. In conjunction with the PR Department ensure that clients are re-assured that service delivery will be returned to normality as soon as possible.	As above

Lead

1.	Continue internal and external announcements as necessary and the record of events.	PR Department
2.	Continue to keep financial records.	All
3.	Monitor the installation/repair of essential services to the disaster site/alternative site (electricity, heating, lighting, water, air conditioning, fire detection, alarm systems, access, control systems, telephones).	Director of Economic Development
4.	Continue removal and re-deployment of salvaged items from the disaster site.	Risk and Business Continuity Manager
5.	Monitor measures being taken for disaster site safety and security.	Health and Safety Manager
6.	Ensure that the telecommunications network is tested and operates. Continue to provide support/re-configuration to departments when required.	Principal Administration Officer
7.	Monitor the programme for the installation and back-up of IT networks, hard/software and peripherals in the agreed order of priority.	Head of IT
8.	Monitor the programme for the delivery of supplies to the disaster/alternative site.	Head of Finance
9.	Monitor the reinstatement of functions in order of priority and the consequent effects on service delivery.	Dept Heads
10.	Monitor overall progress on a regular basis.	Chief Executive
11.	Co-ordinate interim and/or final report drafting.	Chief Executive

ANNEX A - 3 SAMPLE MESSAGE TO STAFF

1. This is (name) from (department).

There has been an incident at and (describe what has happened).
2. The Authority will continue business; the City Council Business Continuity plan is being put into operation.
3. All jobs should be safe.
4. Payment of your salary should not be affected.
5. In the short term, you will be working under (team leader), on (task), until we get back to normal.
6. Please wear

Please bring (depending on situation).
7. Because this is an emergency, will you be prepared to work overtime?

..... (details of shifts over the next week).
8. Will anything prevent you from working these hours, and if so, is there anything we could do to help?
9. Payment for overtime will be confirmed at a later date.
10. If you have any further queries, the number to telephone is

ANNEX B**DISASTER RECOVERY FINANCIAL RECORD****PURCHASES**

DATE	TIME	LOCATION	DESCRIPTION OF ITEM	REASON FOR PURCHASE	SUPPLIER/ PURCHASER	£

ANNEX C

SALVAGE - MAIN PROBLEMS/SAFETY

1. General: Apart from the obvious and visible damage, those involved in the salvage process need to be aware of:
 - a. Health and safety problems such as chemical contamination, asbestos and live electrical supplies.
 - b. Deterioration of materials through high humidity or chemical attack:
 - (1) Hydrochloric acid arising from the combustion of PVC can penetrate concrete in wet conditions and cause corrosion of the reinforcing steel.
 - (2) Hydrochloric acid will also quickly corrode any exposed metal surface, such as steel pipes, tubes galvanised conduits, cable trays, trunking, aluminium partitions and window frames. Removal of the corrosion product and the chloride contamination is all that is required to restore the item to full function and to ensure that no further deterioration will occur.
 - (3) After a fire, clean-up materials used in fighting the fire (water, halon, foam, dry powder).
 - c. Dirt and contamination can be spread from damaged parts of a building to clean parts,
 - d. Theft from the damaged building.
 - e. On-going damage from the weather.
 - f. A repeat attack if damage was caused deliberately.
2. **Entry to Buildings/Rooms:**
 - a. Do not enter any damaged building until it has been declared safe by both the Fire Services and the City Engineer's.
 - b. Allow only authorised personnel wearing appropriate protective clothing to enter.
 - c. Cut off all power supplies to the damaged area.
 - d. Check for hazards.
 - e. Identify and protect any evidence of deliberate damage.
 - f. Cut off the water supply to leaking pipes.
 - g. Make safe, damaged structures: erect safety barriers, hazard signs and identify walk routes.
 - h. Protect undamaged equipment.
3. **Rooms containing Computer Equipment:**
 - a. Ensure that all power is turned off.
 - b. Protect undamaged equipment.
 - c. Remove surface dust debris soot with brush or vacuum cleaner.
 - d. Remove water and start drying process.
 - e. Consult Salvage Engineer on the next step.

4. Resumption of Operations:

- a. Ensure safe, controlled access.
- b. Protect from weather.
- c. Recover materials and dispose of waste.
- d. Nominate temporary accommodation for storage of undamaged/damaged equipment and records.
- e. Arrange for safe temporary power supplies.
- f. If air-conditioning or heating is available, raise the temperature.
- g. Provide ventilation to aid drying.
- h. Maintain an inventory of equipment damaged/lost and replaced/repared.

ANNEX C-1 DAMAGED DOCUMENTS

1. General: Documents are easily damaged by fire and water, but recovery of the information is often possible and sometimes recovery of the documents themselves. The Council would also utilise Harwell Drying Restoration Services. The service provided includes:-

- a 24 hour emergency hotline;
- transport of wet documents to cold store;
- free use of Harwell's purpose designed refrigerated storage facilities;
- freeze/vacuum

1.1 **Types of Documents:** Documents can be broken down into four categories:

- a. **Record or information retrieval ('loose' documents):** Record retrieval can be summarised as the relatively simple act of recovering the information which is recorded, without need of the original document. In this instance a photocopy or and electronic record will suffice.
- b. **Original document retrieval ('loose' documents):** Original document retrieval involves retention of the original document as the valid record. This may be because of a legal or similar statutory requirement.
- c. **Book retrieval ('tight' documents):** Book retrieval is where the 'victims' are bound volumes which are unlikely to have been deeply penetrated by the smoke fumes and/or water.
- d. **Art paper retrieval ('tight' documents):** Art paper or coated paper which has been finished to a high gloss or treated in some other special manner presents a particular problem. Once this type of paper gets damp and begins to dry the leaves fuse together and become permanently bonded.

Whatever the category, the aim behind all document recovery is to reinstate documents that can be read, handled and stored.

3. **Main Problems**

- a. Mould will begin to appear within 48 hours in moist conditions, if the temperature is above 60c, and removal of the marks left by mould is almost impossible.
- b. Wet paper is very heavy and is very easily damaged by handling.
- c. It is an unpleasant job, as documents to be recovered are dirty, wet and smell.
- d. Possible health problems for people doing the job, from polluted water and from dangerous dust.
- e. Logistic problems of separating each page to dry, then re-assembling the documents correctly.

4. **Remedial Action:** Successful recovery of documents is dependent upon prompt initial actions:

- a. Prevent uncontrolled drying or crumbling, by keeping documents closed and gently wrapping them in cling film. Store the sealed documents temporarily in archival sized boxes to aid handling and identification.
- b. Freeze the documents. This both prevents mould growth and protects against damage while handling. A commercial frozen food trailer provides a useful first-aid cool chamber, and can be obtained via the Emergency Planning Officer.
- c. Get professional advice and help as soon as practicable.

1. General Rules:

- a. It is vital that in the event of damage to computer and communications systems, caused by fire, smoke, water, chemicals etc, qualified engineers take remedial action as soon as possible.

The speed with which corrosion damage occurs will depend on the conditions. In extreme conditions of heavy contamination in a hot, moist environment, it is vital that salvage begins no later than 24 hours after the incident has occurred. In warm, dry conditions, unpowered equipment will resist corrosion for a long time.

In either case it should not be assumed that equipment is a total loss just because there has been a delay.

- b. The following general rules will help to minimise the damage caused:
- (1) **Do not switch on equipment** which may be damaged, wet or contaminated (even for a few seconds to see whether it works) as this will cause power supply problems such as to on-board batteries.
 - (2) **Do not move damaged or contaminated equipment** unless absolutely necessary. **If** you do move it, handle it as carefully as possible.

2. After Fire: Even a relatively small fire can cause serious contamination problems.**a. Main Problems:**

- (1) Heat from fire will cause direct damage, but electronic equipment will stand temperatures up to 700c if switched off. If there is still paint on metal parts and plastic parts have not melted, the equipment may still be recoverable. Any water used for fire fighting on upper floors will lead to dirt and acid contamination on lower floors.
- (2) Soot (carbon particles) will absorb water, creating a moist environment which helps corrosion. It will settle on circuits and components inside equipment and cause short-circuits if electronic power is applied.
- (3) PVC is a plastic which is used extensively in modern buildings, in cable insulation, furniture, document binders etc. When PVC is burned it produces a large volume of hydrogen chloride gas which combine with airborne water vapour to form hydrochloric acid (a kilogram of PVC will produce 1.4 litres of concentrated acid). The acid condenses on cool surfaces throughout the building which contains the fire, including circuit boards inside equipment in areas which seem to be little affected by smoke.
- (4) Unpowered circuits are reasonably resistant to attack but any electrical activity will cause shorting and electroplating. Exposed metal surfaces (steel, stainless steel, galvanised steel, aluminium, brass, copper) will corrode rapidly. Water and humid air greatly increase the rate of corrosion.

b. Remedial Action:

- (1) Ventilate the whole building as soon as possible in order to disperse smoke and other contaminants.
- (2) Remove or isolate the power including battery back-up supplies.
- (3) Lower relative humidity to minimise corrosion. Fan heaters with dehumidifiers are a good combination, but be careful not to make equipment too hot. Do not use oil stores or propane gas heaters, as these generate water vapour.
- (4) Cover items that cannot be removed with plastic sheeting, and place dehumidifiers under the sheeting.

After Water Damage:

a. **Main Problems:**

- (1) Dirty water, sludge and possibly chemical contaminants will have breached the casings of computers and communication equipment. This will cause damaging short circuits if the equipment is powered up, and the dampness will speed up corrosion.
- (2) Water may have soaked into the fabric of the building, maintaining a high level of humidity long after the water has been removed.

b. **Remedial Action:**

The main requirement is to minimise corrosion until equipment can be washed, by removing water and then lowering the relative humidity of air below 450. The following points should be followed:

- (1) Remove or isolate all power, including battery back-up supplies, to prevent shorting.
- (2) Tilt equipment so that water runs off the circuit boards and out of the equipment.
- (3) Carefully remove portable equipment to a clean dry area.
- (4) Cover any items that cannot be moved with plastic sheeting to protect from falling water.
- (5) Ventilate the affected area.
- (6) Remove wet objects that will retain water, such as carpets, curtains and paper.
- (7) Use dehumidifiers to remove moisture from affected areas.

REPORT TO: AUDIT AND RISK MANAGEMENT SUB COMMITTEE 29 APRIL 2009

REPORT ON: RISK MANAGEMENT STRATEGIC PLAN AND STRATEGIC RISK REGISTER

REPORT BY: RISK AND BUSINESS CONTINUITY MANAGER

REPORT NO: 76-2009

1 PURPOSE OF REPORT

This report provides Elected Members with a copy of the Councils updated Risk Management Strategic Plan and Strategic Risk Register.

2 RECOMMENDATIONS

It is recommended the Committee:

Notes the Risk Management Strategic Plan and Strategic Risk Register which was agreed at the Policy and Resources Committee of 9 February 2009.

3 FINANCIAL IMPLICATIONS

There are no immediate financial implications from the content of this report as the costs of compliance are contained within Departmental budgets.

4 MAIN TEXT

4.1 The Risk Management Strategic Plan and Strategic Risk Register were approved at the Policy and Resources Committee of 9 February 2009 and are submitted to the Audit and Risk Management sub Committee for noting.

5 POLICY IMPLICATIONS

5.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact assessment and Risk Management.

5.2 The subject matter of this report is concerned with the arrangements behind the Council's management of risk.

6 **CONSULTATIONS**

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

7 **BACKGROUND PAPERS**

None

RISK AND BUSINESS CONTINUITY MANAGER

19 February 2009

REPORT TO: POLICY AND RESOURCES COMMITTEE 9 FEBRUARY 2009

REPORT ON: RISK MANAGEMENT STRATEGIC PLAN AND STRATEGIC RISK REGISTER

REPORT BY: HEAD OF FINANCE

REPORT NO: 87-2009

1 PURPOSE OF REPORT

This report provides Elected Members with a copy of the Councils updated Risk Management Strategic Plan and Strategic Risk Register.

2 RECOMMENDATIONS

It is recommended the Committee:

Approves the Risk Management Strategic Plan and Strategic Risk register.

3 FINANCIAL IMPLICATIONS

There are no immediate financial implications from the content of this report as the costs of compliance are contained within Departmental budgets.

4 MAIN TEXT

4.1 During the last year Departments have been requested to incorporate their individual Risk Registers within their Service Plan. This has the benefit of aligning risks with key service objectives to provide cohesion and also enables a structured review of risks as and when Departmental Service Plans themselves are reviewed.

4.2 Once Departmental Risk Registers had been completed the Chief Officers Management Team has engaged in compiling a Strategic Risk Register which concentrates principally on considering threats to attainment of the key objectives within the Council Plan and also draws up to the strategic Risk Register some of the common risks identified within Departmental Risk Registers.

4.3 The Risk Management Strategic Plan, within which both Departmental and Strategic Risk Register processes sit, has been updated to incorporate the amended arrangements.

5 POLICY IMPLICATIONS

5.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact assessment and Risk Management.

5.2 The subject matter of this report is concerned with the arrangements behind the Council's management of risk.

6 **CONSULTATIONS**

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

7 **BACKGROUND PAPERS**

None

**MARJORY STEWART
HEAD OF FINANCE**

21 APRIL 2009



DUNDEE CITY COUNCIL

RISK MANAGEMENT STRATEGIC PLAN

AND STRATEGIC RISK REGISTER

(2007-2011)

1 INTRODUCTION

A working definition of Risk Management would be

"A management discipline through which concerted and co-ordinated action is taken to identify, evaluate and control current and potential causes of loss which could threaten the Council's ability to deliver services."

Skilled Risk Management offers the Council the prospect of both tangible and intangible benefits, three examples of each are shown below:

Tangible

- Reduced financial loss
- Fewer injuries to staff/public
- Preserved assets (buildings/vehicles/equipment)

Intangible

- Better Public Image
- Reduced opportunity for criminal damage
- Orderly consideration of risk when planning new projects

Intelligent application of Risk Management concepts should serve to reduce the "fear of the unknown" and so enable operational activities to be expanded. In this way the discipline should be viewed as a catalyst to service delivery rather than viewed as a reason why certain Departmental activities cannot be undertaken.

To achieve this vision requires a disciplined approach to risk which percolates through all levels of the Council and its numerous operations. In turn, all tiers of management require to absorb and apply Risk Management concepts in their every day thinking and actions and in many ways this "cultural change" is the primary objective of this first Risk Management Strategy Plan.

Whilst this objective could have previously been viewed as desirable, the heightened profile of Corporate Governance in Local Government and the increasing external focus by bodies such as Audit Scotland on the issue of Organisational Risk Management increasingly demands attainment of the core objective.

2 POLICY STATEMENTS

The undernoted Policy Statements were agreed by the Finance Committee on 10 December 2001 (Report No 542-2001) and are included herein as a background reference point.

Corporate Policy Statement on Risk Management

Dundee City Council is dedicated to the management of risk in order to:

- safeguard its employees
- protect its property
- preserve and enhance service delivery
- maintain effective stewardship of public funds
- promote a favourable corporate image.

The efficient management of risk forms part of the City Council's overall business objectives.

To achieve this, standards and principles applicable to the Council as a whole, will be developed and maintained. This process will involve identification and evaluation of risks to create practical and cost effective means of loss control and avoidance.

Risk financing techniques, including insurance, will be used to fund fortuitous and catastrophe losses. Self-insurance will be used to optimise the benefits of risk retention, relative to premium economy.

The Risk and Business Continuity Manager is responsible for co-ordinating activities, enlisting available expertise, internally and externally, and directing action through the medium of the Audit and Risk Management Sub Committee.

Risk Management is recognised as a continuous process, demanding awareness and action from employees at every level, to reduce the possibility and impact of injury and loss.

Employee Risk Management Statement

The Council seeks your help in implementing its risk management policy.

In simple terms, risk management is concerned with identifying and trying to prevent events which could lead to loss, damage or injury to either Council employees, their property or members of the public or their property.

The benefits of a risk management policy are a safer environment for everyone, reduced claims payments and resources being made available to support both services and jobs.

If you notice anything which you consider to be a hazard please contact the Risk Management Section on 433301.

3 RISK MANAGEMENT STRATEGY

The strategy aims to provide a framework for building a sustainable structure that recognisably supports Risk Management across all areas of Council activity and allows for monitoring and reporting on the effectiveness of that management.

The strategy should lead to Risk Management and Risk Awareness being integral to both Service and Corporate Management with established and effective links to all related aspects of the Council's Governance, Planning and Service delivery.

Whilst acknowledging the majority of risks are relatively low-level in terms of severity there are in addition significant Strategic or Corporate risks that must also be managed.

3.1 Status

Risk Management should be as much a part of the duties of Council Managers as are the control of budgets and the deployment of staff and equipment.

It should also be an element of the consultation process prior to altering existing service delivery and/or implementing new initiatives.

If the Council is to satisfy its external scrutiny obligations it will be required to demonstrate that Risk Management is carried out in this systematic and structured manner and be subject to monitoring.

3.2 Management Arrangements

Risk Management needs to be fully integrated with normal management processes. Heads of Department are primarily responsible for the management of risk within their service - in exactly the same manner as their Health and Safety responsibilities. In summary, Heads of Department are required to produce and/or maintain:

- A Departmental Risk Register
- A Risk Management Action Plan to address unacceptable risk exposures which have been detailed in the Risk Register
- Monitoring reports as appropriate

A high level of support for these responsibilities is provided by the Council's Risk Manager - but responsibility rests with each Head of Department.

3.3 Risk Management Forums

It is acknowledged there are some high level areas of risk which would benefit from central forums.

It is proposed where such a need is identified the forum be chaired by the Head of Finance and be composed of second or third tier management representatives in each Department.

3.4 **Accountability**

Accountability for performance must be an integral part of the Risk Management process. Progress ought to be monitored at several levels and the following routine reporting pattern will operate:

- a Report from Departments to Risk and Business Continuity Manager updating Risk Register, as part of annual review of Service Plan.
- b Annual report from the Risk and Business Continuity Manager to the Audit and Risk Management Sub Committee updating loss performance, reporting on progress of Risk Management Initiatives and presenting an updated version of the Council's Strategic Risk register.
- c Annual report from the Risk and Business Continuity Manager to Policy & Resources Committee summarising Risk Management performance across Council.

3.5 **Monitoring and Review**

Full implementation of this strategy will take considerable time and effort. Similarly, adherence to its requirements on an ongoing basis will require a resource commitment which should not be under-estimated.

In mitigation it should be remembered that significant elements of the strategy are, at least, being performed in part at present.

The implementation and operation of the strategy will be kept under review to ensure both that it is operating effectively and that there are no aspects taking up disproportionate effort.

3.6 **Management Information**

Many aspects of the strategy will be driven by the quality of information available over loss profiles. A Risk Management Information System is well embedded and its powerful facilities will enable targeted Risk Management activity.

ROLES AND RESPONSIBILITIES

Elected Members

Elected Members are responsible for governing service delivery to local communities. They are responsible for understanding the strategic risks the Council has to face and be aware of how they are managed.

Elected Members main tasks are to:

- Approve the risk management Strategic Plan
- Monitor the reporting of risk management activity at the Audit and Risk Management Sub Committee
- Approve the annual report on Risk Management performance across the Council

Chief Executive

As the most senior appointed officer within the Council, the Chief Executive is ultimately responsible for ensuring risks the Council face are adequately managed through a scheme of delegation.

Head of Finance

The Head of Finance is the Chief Officer charged with the responsibility of maintaining sufficient resources (staffing and monetary) to ensure risks faced by the Council are identified, evaluated and economically controlled.

The Head of Finance's main tasks will be to:

- Chair Risk forums where necessary
- Ensure sufficient financial support to risk management projects designed to eliminate and control risk

Risk and Business Continuity Manager

The Risk and Business Continuity Manager is required to manage and implement the Council's Risk Management Strategic Plan. The Risk Manager's key tasks will be:

- Implement the risk management strategic plan.
- Provide guidance on risk matters to department.
- Lead and direct discussion on risk issues within Department's Senior Management Teams as required.
- To research, identify and disseminate best practice in the management of risk.

- Prompt Department Heads to review and update their departmental risk registers.
- Compile and submit for approval to the Audit and Risk Management Sub-Committee the Council's strategic risk register.
- Report annually to Policy and Resources Committee with a summary of risk management performance across the Council.

Departmental Risk Champions

Each department is responsible for appointing a departmental risk champion to foster and encourage risk control within their respective service areas. Departmental risk champions key tasks will be:

- Promote and encourage risk management within their departments.
- Act as a co-ordinating point in respect of the annual review of departmental risk registers.
- Disseminate risk control information with departments.
- Help to monitor the effectiveness of loss control measures.
- Ensuring major service delivery alterations are communicated to the Risk Manager to obtain confirmation such alterations comply with the Council's overall risk management strategy.

Risk Control Forums

Council Committee

The Council Committee Structure is ultimately responsible for:

- approving the Risk Management Strategic plan.
- signing off the Risk register review annually.

Audit and Risk Management Sub Committee (of the Policy and Resources Committee)

This Committee meets 3 times per annum and is the main Committee forum where Corporate risk issues are discussed. This risk forum

- approves an annual report from the Risk and Business Continuity Manager updating loss performance and reporting on progress on risk management activity across the Council.
- is where the Strategic Risk register is initially submitted for scrutiny.

Risk Registers

Risk Identification Process

A number of techniques have been used to construct the Council's strategic and operational risk registers.

Risk Identification

Each department was asked to identify strategic and significant operational risks which may prevent them from attaining their Service Plan objectives. In addition, an assessment of risk probability coupled with a risk severity analysis was returned by departments.

Sample risk classifications and severity and probability tables were provided to departments to help with this task.

The resultant risk "score" obtained through multiplication of risk probability by severity lead to the process of risk prioritisation. Risk registers are retained within each Department's Service Plan.

Risk Prioritisation

Risks identified by departments were prioritised in the following manner:

- a Risk score determined through multiplication of probability and severity scores.
- b Risks were then prioritised using the "Traffic Light System" as under:

Risk Score:	1 - 9	Green :	Risk adequately controlled
	10 - 19	Amber :	Risks partially controlled
	20 - 30	Red :	Further controls required

Risk Control

The potential to control risks will be addressed continuously through the upkeep of the Risk Register. Most risks are capable of being managed - by controlling the probability or severity of the risk or both. Very few risks require to be avoided completely.

The timetable for control features to be determined and inbuilt within the Risk registers are as undernoted:

<u>Traffic Light Status</u>	<u>Timescale to review controls</u>
Red	Within 12 months
Amber	Within 24 months
Green	No specific action required. Risk adequately controlled at present.

It is anticipated that many risks will be realigned through this process. It is unrealistic to conceive that at any given time all risks Dundee City Council face will be "Green" but it will be possible to critically analyse risks with a view to improving their "score".

A copy of the Council's Strategic Risk Register which has followed the same methodology as above is contained within Appendix 1.

Monitoring Arrangements

To avoid stagnation of the Risk register process the following monitoring arrangements are in place.

- Annual review by each department of their risk register.
- Annual review by the Chief Officers Management Team of the Council's Strategic Risk Register.

The effectiveness of the management of risks will be monitored through the existing performance management reporting mechanism built into the Council's Risk Management Strategic Plan.

Review of Overall Risk Management Strategy

The Council's Risk and Business Continuity Manager will annually review the Council's risk management strategy in light of new or modified legislation, central government initiatives, best practice and/or risk management guidelines and the Council's own experience of managing its risk profile.

Integration of Risk Management within Strategic Planning and Budgeting

It is anticipated the adoption of this risk management methodology will incrementally become part of the annual planning process and in this way will impact on the Council's annual budgeting review.

In turn it is hoped that as the methodology impacts on the high level planning and budgeting processes it will in turn impact on Service Departments' budget allocations.

Appendix 1

Draft Strategic

Risk Register

Corporate Objective	Nature of Risk	Risk Controls	Probability	Severity	Overall Assessment of Risk (Probability x Severity)	Principal Risk Owner (s)	Business Continuity Implications?
1 -To create a thriving economy where prosperity, job opportunities and employability are developed across the city	Failure to promote the city to attract inward investment. Lack of retention of significant employers	Develop Waterfront. Implement Economic Development Plan. Prioritise Cultural Quarter and positive images of a vibrant/attractive city	2	3	6	Director of Economic Development	N
2 - Improve the health and fitness of the community	Dundee viewed as a city with poor health and/or care standards	Health Improvement Strategy. Renewed facilities. Care reviews. Partnership developing a new Sport and Physical Activity Strategy	2	4	8	Assistant Chief Executive	N
3 - To regenerate communities and create stable, attractive and popular neighbourhoods throughout the city	Increased deprivation/sense of deprivation. Poor quality living environment	Compliance with SHQS for Council houses. Local regeneration outcome agreement. Affordability of entry level housing.	2	4	8	Director of Housing	N
4 - To create a city where crime is reducing and where people are safe and feel safe	Poor image of city. Lack of citizen confidence with Authorities	Community Safety Strategy. Sound CCA procedures/plans. Community Engagement Strategies	2	4	8	Director of Leisure & Communities	N

Corporate Objective	Nature of Risk	Risk Controls	Probability	Severity	Overall Assessment of Risk (Probability x Severity)	Principal Risk Owner (s)	Business Continuity Implications?
5 - To develop Dundee in a way that safeguards the future of the environment in the city	Environmental impairment. Gradual diminution of natural advantages	Environment/Waste Strategies. Sustainability Policies. Seek Green flag status for strategic city parks	2	4	8	Head of Waste Management	N
6 - Improve the efficiency of how public services are delivered	Wasted resources. Duplication of effort. Slow/cumbersome/inefficient services delivery	Lean services reviews. Modernising Agenda	2	3	6	Chief Executive	N
7 - Make it easy for customers to contact the Council for services and deliver more at the first point of contact	Poor customer satisfaction. Over complicated means of access to services	One stop shop philosophy in new HQ building. Review customer strategies. Increase number of online services. Utilise network of local libraries/community centres as local citizen contact points	2	3	6	Asst Chief Executive Head of IT	N
8 - Develop the culture of active citizenship and engagement with local government to improve local services and regenerate communities	Lack of ownership, interest and belief in the effectiveness of the Community Plan	Production of the 2010-15 Community Plan in an inclusive manner. Adoption of local community plans for each multi-member ward	2	4	8	Asst Chief Executive	N
9 - Ensure equality of opportunity in Dundee and integrate the principles of equality and diversity into mainstream practice	Minority sectors of the city feel excluded/disregarded. Statutory challenge by the Equalities Commission in relation to implementation of equalities obligations	Implementation and review of equality and diversity schemes	2	3	6	Asst Chief Executive	N

Corporate Objective	Nature of Risk	Risk Controls	Probability	Severity	Overall Assessment of Risk (Probability x Severity)	Principal Risk Owner (s)	Business Continuity Implications?
10 - Employees are motivated and achieve job satisfaction and adapt to change for the future	Low staff morale. Workforce unwilling to embrace change. Difficulty in filling vacant posts	Effective implementation of Single Status /Equal Pay. Strong Human Resource Plan. IIP/HWLI initiatives. Progressive staff development and support strategies	3	3	9	Head of Personnel	N
11 - Maximise the efficient and effective utilisation of the Council's asset properties to complement the Council Plan	Wasted resources. Lack of effective use of asset base. Lack of effective asset planning	HQ replacement. Property and other Asset Management Plans	3	3	9	Director of Economic Development	N
12 - Create a culture of health and safety awareness and best practice throughout the Council	Prosecution for non compliance with statutory requirements. Lost staff working time through injury absence. Litigation claims	Strong raft of H&S policies. Trained staff. Corporate commitment to H&S	3	4	12	Head of Personnel	N
13 - Enable one stop shop integrated services through a citizen and property information strategy	Disjointed delivery of multiple services to customers. Customer disquiet	Citizen Account. Dundee Data Sharing Partnership. CERDMS commitment	2	2	4	Head of IT	N

Corporate Objective	Nature of Risk	Risk Controls	Probability	Severity	Overall Assessment of Risk (Probability x Severity)	Principal Risk Owner (s)	Business Continuity Implications?
14 - Provide an Information and Communications Technology infrastructure to meet the needs of the next phase of service improvement and innovation	Slow progress with greater integration of Service Provision. Unavailability of systems leading to Business Continuity Issues. Scrutiny criticism. National Entitlement Cards/Young Scot Cards insufficiently incentivised - not useful to young people	Second IT "suite" aids resilience. Good back up procedures. "Thin Client" approach. Internal programming ability	3	4	12	Head of IT	Y
15 - Ensure the Council can achieve its plans within a balanced budget that minimises Council Tax increases	Unplanned overspends. Audit censure. Citizen dissatisfaction.	Strong Budget Planning process and Revenue Monitoring infrastructure	3	4	12	Head of Finance	N
16 - Implementation of Single Status	Dissatisfaction with gradings. Legal challenge. Cost of implementation outwith budget allowance when all appeals determined	Scheme applied consistently and fairly across all areas of Council	2	3	6	Head of Personnel	N
17 - Maintain critical services in the face of adversity (Pandemic event, Civil Emergency)	Vulnerable sectors of city exposed by lack of services continuity	Strong emergency plans. Continuity plans for the few critical service areas of the Council	3	4	12	Depute Chief Executives (Support Services) & (Finance)	Y
18 - Manage change/strategic development plans in an effective way	Insufficient management capacity to implement change and/or develop strategy	HR training programmes. Delegation "schemes"	2	3	6	Chief Executive	N
Corporate Objective	Nature of Risk	Risk Controls	Probability	Severity	Overall Assessment of Risk (Probability x Severity)	Principal Risk Owner (s)	Business Continuity Implications?

19 - Recruit and retain key/ specialist/ professional staff

"Drain" of staff to other public sector bodies and/or to private sector

Local Government Terms and Conditions of employment. Promote positive and challenging career profiles for public service

4

2

8

Head of Personnel

N

1-9
10-19
20-30

Appendix 2

PERFORMANCE MEASUREMENT

Ultimately the success or otherwise of the Council's Risk Management strategy can be measured by its loss experience.

The undernoted PI's will continue to be used and form part of the reporting regime.

<u>Insurance and Risk Management</u>	<u>2002/03 Baseline</u>
i Cost of risk by class of insurance expressed as percentage of Council's Revenue Budget (including HRA):	
Employers liability	0.04%
Public liability	0.26%
Property	1.25%
Motor	0.07%
ii Claims ratio by class of insurance:	
a Number of employers liability claims per FTE number of employees	0.004
b Number of public liability claims per head of population	0.005
c Number of motor claims per number of vehicles	0.53
iii Total risk management budget as a percentage of Council's Revenue Budget (including HRA)	£150,000 0.035%

Appendix 3

RISK MANAGEMENT ACTION PLAN 2007-2011

Subject	Task	Responsibility	Timescale	Update
Strategic	Develop integration of Risk Management Planning process	Corporate Planning Department Risk Manager Head of Finance Heads of Department	2008-2011	a) New Service Plan Guidelines now incorporate a Risk Register Template. Risk Manager to assist Departments with future updates to templates.
	Continue to provide Business Continuity/Contingency Planning training to Senior Departmental Managers	Risk Manager	April 2007 to March 2010	b) Committee reports now contain reference to Risk Management Policy.
	Foster and encourage business continuity within local community	Risk Manager Other Category One Responders	April 2008 to March 2011	Critical suppliers of services formally identified and asked to confirm their level of resilience. Draft Seminar programme for local business community drawn up. To work collaboratively with Tayside SCG members.
	Review completed Tayside Community Risk Register as defined by Civil Contingencies Act	Risk Manager	April 2009	
	Provide support, assistance and training to enable effective Business Continuity Plans to be held by Service Departments	Risk Manager Heads of Departments	April 2008 to March 2011	Further facilitating workshop delivered in February 2007. Business Continuity Template Plan produced by Risk Manager. Provide further support, assistance and "Gap analysis" to Departments
	Further embed risk management processes within Council	Risk Manager	December 2009	Consider development of Risk Management training for Managers.

Subject	Task	Responsibility	Timescale	Update
High Level Operational	Evaluate and refine Risk Registers.	Risk Manager Heads of Department	31 May 2009	
	Review Risk Register	As above	31 May 2009	Part of Service Plan review process.
	Provide Fire Risk assessment training in compliance with new legislation.	Risk Management Section	October 2007 onwards	Training delivered.
	Refine claims reports for departments	Risk Manager Heads of Department	December 2009	
	Test business continuity plans	Risk Manager Heads of Department	April 2009 Onwards	

REPORT TO: AUDIT & RISK MANAGEMENT SUB-COMMITTEE - 29 APRIL 2009
REPORT ON: INTERNAL BENCHMARKING OF INSURABLE LOSSES
REPORT BY: RISK AND BUSINESS CONTINUITY MANAGER
REPORT NO: 75-2009

1 PURPOSE OF REPORT

This report provides Elected Members with comparative claims figures for the policy years 2006, 2007 and 2008.

2 RECOMMENDATIONS

It is recommended the Committee:

- i notes the claims data provided;
- ii continues to monitor the progress of the claims data presented; and
- iii continues to support Risk Management activity to control self insured losses.

3 FINANCIAL IMPLICATIONS

There are no immediate financial implications from the content of this report as the claims costs are contained within the allowances made for such losses in the Council's Insurance Fund.

4 MAIN TEXT

Members' attention is drawn to the content of Report No 68-2008 to the Audit and Risk Management Sub-Committee of 21 January 2008 highlighting prior year's claims performance. An updated summary of the Council's claim performance over the major classes of insurance is attached as an Appendix to this report.

The following observations are made:

- a In nearly every year and for every different class of insurance business, the number of claims has reduced. This is perhaps the best guide to the efficacy of the Council's Risk Management efforts.
- b The increased value for property claims in 2008 reflects the Fire Damage at Craigie High School (current reserve £375,000).
- c In overall terms the cost to the Council of claims is stable and contained within existing financial provisions for such losses.

5 **POLICY IMPLICATIONS**

The subject matter of this report is concerned with one aspect of the Council's overall Risk Management strategy, namely the control of self-insured losses incurred by the Council.

6 **CONSULTATIONS**

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

7 **BACKGROUND PAPERS**

None

RISK AND BUSINESS CONTINUITY MANAGER

20 APRIL 2009

CLAIMS

PUBLIC LIABILITY

<u>YEAR</u>	<u>PAID</u>	<u>RESERVE</u>	<u>TOTAL INCURRED</u>	<u>NO OF CLAIMS</u>
2006	£148,398.20	£149,278.00	£297,676.20	568
2007	£92,128.32	£489,335.00	£581,463.32	508
2008	£28,864.08	£447,221.00	£476,085.08	480

EMPLOYERS LIABILITY

2006	£49,502.18	£149,890.00	£199,392.18	27
2007	£5,581.00	£66,300.00	£71,881.00	19
2008	£342.00	£18,000.00	£18,342.00	13

PROPERTY

2006	£473,448.02	£557.00	£474,005.02	1806
2007	£490,783.26	£25,575.00	£516,358.26	1853
2008	£453,002.26	£285,009.00	£738,011.26	1664

MOTOR FLEET

2006	£115,523.14	£492.00	£116,015.15	304
2007	£155,862.53	£26,415.00	£182,277.53	328
2008	£108,909.95	£36,273.00	£145,182.95	300

MOTOR LEASED

2006	£68,381.13	£22.00	£68,403.13	132
2007	£45,159.31	£2,123.00	£47,304.31	92
2008	£45,928.90	£6,879.00	£52,807.90	96

REPORT TO: AUDIT AND RISK MANAGEMENT SUB COMMITTEE 29 APRIL 2009
REPORT ON: PROPOSED RISK MANAGEMENT PROJECT WORK 2009/2010
REPORT BY: RISK AND BUSINESS CONTINUITY MANAGER
REPORT NO: 144-2009

1 PURPOSE OF REPORT

This report provides Elected Members with an overview of proposed Risk Management project work for the forthcoming financial year.

2 RECOMMENDATIONS

It is recommended the Committee:

Approves the proposed Risk Management expenditure

3 FINANCIAL IMPLICATIONS

The cost of the Risk Management expenditure identified in this report is contained within the overall 2009/2010 Risk Management budget provision of £180,000

4 MAIN TEXT

4.1 Departments are encouraged to apply to the Risk Management Section for part funding of projects which are designed to reduce the level of self-insured payments the Council is required to make or to prevent criminal activity surrounding Council owned assets.

4.2 A summary of current proposed expenditure is included as an appendix to this report.

5 POLICY IMPLICATIONS

5.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact assessment and Risk Management.

5.2 The subject matter of this report is concerned with the Council's risk management objective of reducing or eliminating avoidable loss.

6 CONSULTATIONS

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

BACKGROUND PAPERS

None

RISK AND BUSINESS CONTINUITY MANAGER

23 FEBRUARY 2009

APPENDIX

Proposed Risk Management Project Work 2009/2010

	<u>£</u>	<u>£</u>
Available Budget		180,000
Business Continuity Training	10,000	
Business Continuity Management Software	10,000	
Corporate Health and Safety Initiatives	30,000	
Education Department - Counter Vandalism Measures	35,000	
Marchbanks (Ongoing project work)	25,000	
Security Improvements - Travellers Site	10,000	
Douglas Community Centre Car Park	5,000	
Ancrum Centre Security Improvement	5,000	
Flu Immunisations	10,000	
Physiotherapy	3,000	
The Elms Security Improvements	10,000	
	<hr/>	153,000
Balance Available		27,000