



AUDIT COMMITTEE REPORT

Report Title	Risk and Business Continuity Management Update
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AGENDA STATUS: PUBLIC

Meeting Date:	8 th November 2010
Directorate:	Finance and Support
Accountable Cabinet Member:	Cllr David Perkins
Ward(s)	Not Applicable

1. Purpose

- 1.1 To provide an update on progress in Risk and Business Continuity Management across the authority.

2. Recommendations

- 2.1 To note recent progress in Risk and Business Continuity Management across the authority.
- 2.2 That once the latest Strategic Risk Register has been approved by Management Board, the Register be presented at a future Audit Committee meeting.

3. Issues and Choices

3.1 Report Background

- 3.1.1 Audit Committee requested an update on the developments within Risk and Business Continuity Management to be submitted to the Committee meeting.

3.2 Issues

- 3.2.1 Since the last reported update to the Committee, a number of developments have been made in risk and business continuity management across the authority.
- 3.2.2 Over recent months the Strategic Risk Register has undergone a significant refresh, which has seen many of the current Strategic Risks allocated to the Service Area best placed to manage the risk from a Corporate perspective. The aim is to create 5 or 6 new risks which are true Strategic Risks. The following definition was used for guidance, 'strategic risks are those risks

concerned with ensuring overall business success, vitality and viability'. Once the revised register has been approved by Management Board it is recommended that the register is brought to Audit Committee for review.

- 3.2.3 The Risk Manager is a member of the Partnerships Working Group, a Group that has been working on the development of a Partnership Protocol for the Council. Risk management is one element of good partnership governance and contributes to partnerships achieving the objectives they set out to deliver, whilst protecting the interests of the individual partners and stakeholders. The Risk Manager has been working with the group to ensure risk management is adequately covered within the protocol to meet the Council's requirements.
- 3.2.4 Significant improvements to Risk Management within the Council's key projects has been seen over recent months. Risk Management forms part of the Council's Project Governance requirements and a large number of the Council's key projects can evidence excellent risk management arrangements. The Risk Manager is a member of the Council's Project Initiation Group which enables support and guidance to be provided to projects in their very early stages of initiation.
- 3.2.5 Over the last 18 months the Risk Manager has been working closely with members of the Performance Team to set the risk management process up to operate through Performance Plus (P+). As the system is designed primarily as a Performance Management tool, the risk management element is not as well developed, and a lot of work has been undertaken with the software provider to adapt the system to meet NBC's risk needs in a user-friendly way.
- 3.2.6 To date this has not been achieved, many other Council's have experienced the same issues, and a natural point has been reached where too much time has already been spent trying to make the system work for us, and we are in danger of taking the focus away from the key function of managing the Council's risk. Following a number of meetings, it has been agreed that we no longer pursue the implementation of risk management on to P+. This decision by no means reflects the way P+ operates within its primary function of Performance Management which has, and continues to, work very well for the Council.
- 3.2.7 It has been agreed that if P+ develops and improves its risk capability in the future and other councils successfully implement the system for risk management, then the Council can look again at integrating it for risk management.
- 3.2.8 The Excel spreadsheets that have been used as an interim option will be further developed and improved and it is believed that these will be adequate for the Council's purposes. To maintain some level of integration, a risk summary will be provided through the DMT information packs via P+.
- 3.2.9 The Risk Manager is in the process of working with Business Continuity Plan Owners to ensure that services consider the Business Continuity impacts associated with the move from Cliftonville House. Heads of Service will be encouraged to consider the implications to their Critical Functions both during and after the moves take place.
- 3.2.10 Many Service Continuity Plans will require a significant update following the move to take account of changes to contingency arrangements for alternative buildings etc.

3.3 Choices (Options)

3.3.1 To suggest any additional areas to cover in future updates.

4. Implications (including financial implications)

4.1 Policy

4.1.1 None.

4.2 Resources and Risk

4.2.1 This report provides an update on the progress being made to ensure that risk and business continuity management arrangements are in place across the Council.

4.3 Legal

4.3.1 There are no specific legal implications arising from this report.

4.4 Equality

4.4.1 There are no specific equalities implications arising from this report.

4.5 Consultees (Internal and External)

4.5.1 The Director of Finance and Support and the Head of Finance have been asked to comment on this report.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 Providing an early warning system to alert Officers and Members to potential opportunities and threats.

4.6.2 Targeting resources at areas and issues of greatest risk where the Council's objectives are most under threat.

4.6.3 Reduction in interruptions to service delivery.

4.6.4 Continuity of critical Council activities.

4.6.5 Enabling the Council to act proactively, avoiding reactive management wherever possible.

4.6.6 Protecting and enhancing the reputation of Northampton Borough Council.

4.7 Other Implications

4.7.1 Not applicable

5. Background Papers

None.

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