

RISK MANAGEMENT, BUSINESS CONTINUITY REPORT

Author: John Pettitt Head of Risk & Insurance Tel: (01908) 252315

Executive Summary:

To provide the Audit Committee with a summary of Risk Management activity across the Council for 2012/13 and an update for 2013/14.

1. Recommendation(s)

- 1.1 That the report be noted and any comments on the Council's Risk Management and Business Continuity progress given.

2. Issues**2.1 Overview**

2.1.1 Throughout 2012/13 the Audit Committee received periodic reports on the key risks being considered and managed throughout the Council. The Committee also received a presentation regarding the information held within GRACE, its structure and how to access those records to inform and support the work of the Committee.

2.1.2 Previously the Committee has been advised of the Risk Management processes applied throughout the Council including that CLT receive quarterly reports to allow them to consider the key risks across the Council.

2.1.3 In 2012/13 the Audit Committee recommended that GRACE be mandated to be used to record all risks across the Council. That was endorsed and adopted by CLT and work continues to capture all non-GRACE recorded risks and migrate that information onto GRACE.

2.2 Corporate Strategic Risks

2.2.1 Annex A provides the detail for the Strategic Risks owned and managed by CLT.

2.2.2 The most recent consideration by CLT highlighted a need to reflect 'Failure to deliver infrastructure to meet essential community needs and statutory responsibilities' as a key Strategic Risk. This is currently being developed and will include the risk/opportunity of broadband infrastructure.

2.3 AD Level Risks

2.3.1 The current list of AD Level risks is shown in Annex B. These change throughout the year to reflect changes in the risk environment and Annex B shows those AD level risks as at 21st October 2013.

2.4 Project Risks

2.4.1 As part of the implementation of the Audit Committee recommendation that all risks be recorded on GRACE the service reported to CLT in August highlighting:

- 43 of the 65 (66%) projects reported via the dashboard are recorded in GRACE – Annex C1
- 12 of 51 (23%) capital projects are recorded in GRACE - Annex C2

2.4.2 The R&BC and Performance & Portfolio Teams are working together to encourage project managers to follow MK Approach guidance and to migrate all project risks onto GRACE. It is anticipated this will be completed by 31/12/13.

2.5 Business Continuity

2.5.1 Most Essential Services exercised their Business Continuity plans during 2012/13 as part of a rolling programme of exercises. The learning from those was fed back into revised plans and wider application.

2.5.2 A key theme arising was the need for training for Log Keepers which was developed and rolled out in September 2013 by the R & BC and Emergency Planning Team. The role of Log Keeper is an important function replicated in both disciplines.

2.5.3 As part of the periodic review of risk and business continuity measures across the Council it was identified that the most recent IT Business Continuity Plan (dated March 2012) could not be located by IT. Their version, when found, was dated 2009. The IT BCP is an essential foundation to many services BCPs and must be regularly reviewed, kept up to date with key ICT staff familiar with its content and application. The IT BCP is being reviewed in conjunction with ICT as a matter of priority.

2.5.4 All Schools (including Academies) were invited to take part in a 'desk top' Business Continuity Exercise to enable them to rehearse their own plans. Disappointingly only 4 Schools engaged. A similar exercise will be planned for next year with greater encouragement to engage, with the involvement and exercising of the Children & Families Incident Management Team (CF:IMT), whilst the risk & business continuity team are also developing a package with an accredited training provider to give a resilience in schools training session in Autumn/Winter 2013.

2.6 2013/14 Priorities

2.6.1 The quarterly review of risks continues to be undertaken and reported to CLT.

2.6.2 The IT BCP is being reviewed in conjunction with ICT as a matter of priority as well as migrating all project risks into GRACE.

2.6.3 An internet version of GRACE is being tested. The new version will provide increased functions, including auto-reminders to alert risk owners to review their risks and highlight any actions not completed by the target date.

2.6.4 The R& BC Team is working with the Performance and Portfolio Team to ensure that risk is adequately captured in the Service Planning process.

- 2.6.5 Business Continuity software ClearView is being developed to provide greater resilience for Council services particularly as it is internet based and therefore access is not reliant upon Council servers / premises. It will automatically update plans with staff changes, prompt plan reviews, ensure version control and greatly improve the functioning of multiple plans. The software will also enable more detailed analysis of supply chain dependencies, an area of growing reliance for the Council. The R&BC team intend to commence roll out and training of the system amongst Plan Owners in the 2nd half of 2013/14.
- 2.6.6 The Council led Milton Keynes Business Resilience Forum (MKBRF) continues to grow and promote business resilience to organisations in and around Milton Keynes. MKBRF was recently shortlisted in a National award for their efforts. An event for businesses is planned for November 2013 focussing on the human aspects of business continuity.
- 2.6.7 The Internal Audit service is shortly to commence its annual audit of risk management arrangements. As requested by the Committee this will include assessment of whether the system is 'fit for purpose'.

3. Implications

3.1 Policy

4. This report is consistent with the agreed Risk & Business Continuity Strategy.

4.1 Key Risks

4.1.1 This work seeks to collate the Council's Key Risks so that the Council is actively managing its risks at the appropriate level and that CLT can gain assurance that the organisation is actively managing its risks, enabling the Council to take opportunities where available and manage threats to an acceptable level.

4.1.2 The ability of the Council to demonstrate effective and embedded risk management relies upon services proactively reviewing their risks and maintaining evidence of that.

5. Resources and Risk

5.1 This work seeks to ensure that the Council is managing its Key Risks to ensure that it protects its service areas from unforeseen events.

5.2 The Council must ensure that, as far as possible, it can maintain its Services during events that may cause disruption or reduction in service levels.

N	Capital	Y	Revenue	N	Accommodation
N	IT	Y	Medium Term Plan	Y	Asset Management

5.3 Carbon and Energy Management

None

5.4 Legal

None

5.5 Other Implications

None

N	Equalities/Diversity	Y	Sustainability	N	Human Rights
N	E-Government	Y	Stakeholders	N	Crime and Disorder
N	Carbon and Energy Policy				

Background Papers: