

RISK MANAGEMENT STEERING GROUP held at COUNCIL OFFICES LONDON ROAD SAFFRON WALDEN at 6.15 pm on 19 JANUARY 2009

Present: Councillors R Clover and R Sherer
(Chairman).

Also present: Councillor A Yarwood

Officers present: Richard Auty (Head of Community Engagement), Sheila Bronson (Audit Manager), Steve Daly (ECC Emergency Planning Support), Steve Joyce (Chief Finance Officer), Lisa Lipscombe (Emergency Planning Officer), Michael Perry (Assistant Chief Executive), Rebecca Procter (Democratic Services Officer), Geoff Smith (Head of Environmental Health).

RM52 APOLOGIES

Apologies for absence were received from Gaynor Bradley and Roz Millership.

RM53 MINUTES

Subject to the alteration of the year to 2009 for the date stated for this meeting at RM51, the Minutes of the meeting held on 14 October 2008 were approved as a correct record and signed by the Chairman.

RM54 CORPORATE RISK REGISTER

The Steering Group considered the corporate risk report presented by the Audit Manager. Various points were made regarding the outstanding 'red' status of three risks. The Chief Finance Officer questioned the risk rating for developing and maintaining a motivated workforce, as staff turnover and sickness were down. In his opinion the impact on the organisation was not as serious as the current score of 4 would suggest. The Audit Manager agreed to look into reducing the risk rating.

The Chief Finance Officer said procurement would be assigned to him, and a successful bid to Improvement East would enable progress to be made in due course.

The inclusion of Stansted Airport on the risk register was questioned. The Audit Manager replied that this risk had been taken from the corporate plan. The risk register would be re-aligned with the corporate plan for 2009/12.

RM55

OPERATIONAL RISK MONITORING

The Audit Manager presented a report. She said there had been some improvement, in that there were 10 'red' areas, compared to 23 at the previous meeting. Following the new corporate plan, divisional plans would be drawn up to replace the operational risk register. It was also desirable to trim down what was a very large and rather daunting number of operational risks.

The Chairman queried the Council's insurance arrangements at Saffron Walden Museum. Officers explained that the Council's insurance responsibility was currently a term of the lease. Effectively the Council was insuring an asset on behalf of the Museum Society. Revaluation of the collections had not taken place for some time. The unique nature of many of the exhibits meant their insurance value was not likely to provide true compensation.

NOTED that the Director of Central Services was presently looking into insurance premiums paid by the Council, and this matter would be explored further.

There was brief discussion on the question of changing the risk report format to include the direction of travel to reflect improved status for areas such as emergency planning. The Audit Manager said Performance Select Committee had raised the possibility of standard report formats for risk registers in line with those used for performance indicators on Covalent. She invited the Steering Group's views on how content should appear in the reports. Comments were as follows:

- Information on last quarter should be included to show direction of travel
- Score boxes seem too busy
- Remove 'latest author'
- Include notes on corporate risk review
- Risk appetite of 6 should be green status

AGREED that the Audit Manager would review the report format to take into account the above comments.

RM56

COMMITTEE REPORT RISK ANALYSIS

Councillor Yarwood said he had worked with the Audit Manager on a report for this item. He had offered his advice as he was compliance officer for a bank and felt he could suggest improvements to the risk item in Council reports. The existing mechanism was not being used as it should and there was much variation in the way reports dealt with risk. He hoped this

was a quick and effective way of documenting risk clearly, without reinventing the wheel or increasing preparation time. The suggested template would enable information to be extracted from the risk register, in a readily understood way, as a risk score would provide all the information necessary.

AGREED the proposed amendments to the risk analysis given in Committee reports be recommended to Performance Select Committee.

RM57

CORPORATE INSURANCE REVIEW

The Chief Finance Officer said he had reviewed the Council's insurance levels with Dave Bradley, and had identified some areas which were over- or under-insured. Under-insurance could expose the Council to significant expense, for example if the Council's main offices were to be destroyed.

Members were concerned to hear that part of the reason for insufficient cover was that asset values had not been updated for some time. The Chief Finance Officer said an asset valuation was carried out on a five year cycle for the purposes of the accounts, but that a full review was overdue.

He went on to say that some excess figures were extremely low. There was potential for making savings on premiums by increasing the excess. He would address all these issues with Zurich.

A number of points were made in discussion. Councillor Sherer suggested that the reduction in staff numbers could have an impact on premiums paid for employer's liability. The Chief Finance Officer agreed this point should be looked into.

In conclusion, the Chief Finance Officer said the review of insurance would be completed by September 2009. It was an urgent task, but the first priority was to complete the budget. The insurance agreement expired in September 2010, and he anticipated testing the market this time next year. He also intended to explore the potential for joint insurance contracts with other authorities, as this could enable further savings to be made. The Assistant Chief Executive advised that the procurement hub had also been working on this area.

Councillor Sherer offered his assistance with reviewing insurance, as he worked in this field. The Chief Finance Officer accepted this offer which he said would be very helpful.

AGREED to note the verbal report of the Chief Finance Officer.

RM58 **BUSINESS CONTINUITY UPDATE**

The Emergency Planning Support Officer said a template and guidance notes had been sent to Heads of Division to enable business continuity plans to be prepared. They had been encouraged to nominate an individual with appropriate expertise to write up a plan for their department. Disappointingly, he had received few responses, and only one plan. He said he was unable to proceed further without the response of the IT service. This was because the area of IT was crucial to business continuity, as it had an impact on all areas of work across the Council. He now sought the support of the Steering Group in making progress.

The Chairman noted that a recommendation had been made at the last meeting for such a report to be provided. Following further consideration of this matter, it was

AGREED a copy of the IT business continuity report should be provided to the Emergency Planning Support Officer and the Assistant Chief Executive, and the status of this matter be confirmed prior to the next meeting of the Performance Select Committee.

RM59 **HEALTH AND SAFETY UPDATE**

The Head of Environmental Health said the new support officer was in post, and was effectively re-launching the whole profile of health and safety. A newsletter with safety alerts for staff was being produced, and a health and safety awareness day had been arranged for staff and Members in January. A SNAP survey of staff was being undertaken, and the issues of health and safety were being raised through team meetings.

AGREED that the verbal report be noted.

RM60 **PARTNERSHIP RISK ASSESSMENT**

The Lead Officer explained that the report would be deferred until the next meeting as the Community Partnerships Manager had another meeting which unfortunately clashed with tonight's meeting of this group.

RM61

DATE OF NEXT MEETING

The Steering Group noted that an annual schedule of meeting dates would be helpful, and asked that the Committee Section set dates over the forthcoming year.

The meeting ended at 7.40 pm.