

RISK MANAGEMENT UPDATE

1 SUMMARY

- 1.1 This report sets out the next steps in taking forward the approach agreed in June for the Audit Committee to discharge its role in relation to risk management. Working with Grant Thornton and CIPFA the Internal Audit Team will bring forward the relevant assessment, templates and proposals to the December meeting of the Audit Committee. Further information on the key issues/principles is set out below. An update on general risk management activity is also given.

2 RECOMMENDATION

- 2.1 The Audit Committee note the terms of this update and endorse the next steps as outlined in the report.

3 DETAIL

Embedding A Risk Based Approach To Audit

- 3.1 At its meeting on 21 June the Audit Committee considered a report setting out options on how the Audit Committee could use the strategic risk register (SRR) and risk management to discharge its role and also how risk management issues could be reported to it in the future.
- 3.2 The Audit Committee agreed the following proposals and asked that officers bring forward more detail on these to the September meeting of the Audit Committee:
- The internal audit plan should be risk based and the risk assessment should take account of the SRR but also findings from previous audits, financial materiality, operational risks and previous performance levels.
 - A separate audit of risk management is included in the audit plan each year.
 - The Audit Committee sets aside time at one meeting each year specifically to review the SRR (at which the Chief Executive would attend) and from that identify issues to be factored into internal audit planning.
 - The format of internal audit reports is amended to specifically draw out any relevant comments, conclusions and action points in relation to risk management for the activity being audited.
 - Quarterly reports on progress with the internal audit plan identify any material changes in the risk environment and as a consequence any proposed variations to the internal audit plan.

- 3.3 The Audit Committee were also asked to consider the frequency and format of reporting on risk management. The general view was that it should move away from the current approach of being simply a quarterly update on risk management activity and focus more on the interest of the Audit Committee based on the points outlined in para 3.2 above.
- 3.4 Risk assessment should underpin the internal audit plan and the Audit Committee have agreed this should take account of the following factors: the SRR, findings from previous audits, financial materiality, operational risks and previous performance levels. The Internal Audit Team through their partnership with Grant Thornton and CIPFA has been reviewing the new standard on public sector internal audit. This has identified scope to improve and focus the methodology for risk assessment as part of audit planning. The Audit Committee have previously agreed they wish to consider the framework/guidance for the 2014-15 internal audit plan at the December meeting and then consider if the draft 2014-15 internal audit plan provides the Audit Committee with assurance that audit activity is targeted at key risks and controls at its March meeting. Working with Grant Thornton and CIPFA the Internal Audit Team will bring proposals on a revised risk assessment methodology to the December meeting along with a draft risk assessment based on that methodology to assist the Audit Committee in setting the framework for the draft internal audit plan to be submitted in March.
- 3.5 The Audit Committee agreed to set aside time at one meeting each year specifically to review the SRR and from that identify issues to be factored into internal audit planning. The Chief Executive has agreed to attend the meeting of the Audit Committee that will review the SRR. It is planned to review the SRR at the December meeting of the Audit Committee.
- 3.6 Whilst the Audit Committee had sight of the draft SRR in June for comment the Council has deferred consideration of the SRR until members have had the opportunity to review the draft SRR in detail at a members seminar. The SRR will also be reviewed on a quarterly basis as at end of September, December, March and June. Taking account of the above it is proposed to submit the SRR as revised to the December meeting of the Audit Committee. The Audit Committee can then consider the SRR in setting the framework/guidance for the 2014-15 internal audit plan. Any changes in the SRR arising from the end of December review will be reported to the Audit Committee in March as part of the report setting out the draft internal audit plan.
- 3.7 It is proposed that a separate audit of risk management is added to the internal audit plan for 2013-14. There is an allowance of 10 days for corporate audit activity and a balance on the review of the corporate governance statement of 6 days. These days will be used to provide an allowance for a separate audit of risk management of 15 days during 2013-14. It is planned to carry out this audit in the period December to February. The Audit Committee will be given the opportunity to review the scope of this Audit at its December meeting and the findings from the audit will be reported

to the Audit Committee in March. An allowance for a separate specific audit of risk management will be included in the draft internal audit plan for 2014-15.

- 3.8 As part of the review against the new standard in relation to public sector internal audit consideration has been given to the format of internal audit reports and it is felt the format of reporting could be improved. It is proposed to develop a revised format for internal audit reports and bring this to the December meeting of the Audit Committee for approval. The new format for internal audit reports will have a clearer focus on “risks, controls and assurance” and specifically draw out any relevant comments, conclusions and action points in relation to risk management for the activity being audited. Design of the revised report format will be carried out jointly by the Internal Audit Team and Grant Thornton and CIPFA.
- 3.9 The final issue agreed for action in June is amending the quarterly reports on progress with the internal audit plan to identify any material changes in the risk environment and as a consequence any proposed variations to the internal audit plan. A proposed format for this report will be brought to the December meeting. As part of the review of the new standard on public sector internal audit the Internal Audit Team is reviewing how it communicates with the Audit Committee. A proposed format for the progress report on the internal audit plan (including changes to the risk environment) will be developed jointly by the Internal Audit Team and Grant Thornton and CIPFA and brought as a draft template to the December meeting of the Audit Committee.
- 3.10 The Audit Committee may be concerned that all the detailed proposals to take forward the direction agreed in June is due to be brought forward to the Audit Committee in December. Much of the detailed activity on risk management is also relevant to ensuring the Council’s internal audit function meets the new standard on public sector internal audit and will be subject to a focussed action plan to ensure compliance with the new standard.

Risk Management Activity Update

- 3.11 Whilst the Audit Committee agreed to move away from the historic practice of receiving a quarterly update on risk management activity there is still some work to be completed before the approach agreed in June is fully in place and furthermore the Council have still to agree the SRR. During this transitional period it would be helpful to keep the Audit Committee aware of developments in relation to risk management.
- 3.12 The draft updated SRR was submitted to the Audit Committee in June. The Council have deferred consideration of the draft updated SRR pending a members seminar to review the draft updated SRR in more detail. The view of the Audit Committee in June was that it endorsed the draft updated SRR and looked forward to receiving evidence that the Council was aligning programmes and policy with the risks identified in the SRR.

- 3.13 A template for a quarterly monitoring report on the SRR has been developed and this has been completed as at end of June and was submitted to the Performance Review and Scrutiny Committee in August. A copy is also attached as Appendix A to this report. This report also contains the updated SRR as at end of June as Appendix 1 although there is no change to that from the version submitted to the Audit Committee in June. If the Audit Committee has any comments on either the SRR or the monitoring report then these will be fed into the members seminar and revisions to both.
- 3.14 The updating of ORRs has also been completed and a revised format for reporting on the quarterly review of the ORRs to DMT and SMT has been developed and was used in the end of June review which was reported to SMT on 5 August.
- 3.15 The ALARM CIPFA (Association of Local Authority Risk Managers/Chartered Institute of Public Finance and Accountancy) Risk Benchmarking Survey has been completed and the feedback report received. The survey is based on the ALARM national performance model for risk management in public services. There is improvement in the scoring in all categories with the total score moving from 407 to 463 (out of 700). The Council is assessed as being at the embedded and integrated stage for 2 categories and at the working stage for the other 5. This is a movement of 1 category (processes and tools) from working to embedded and integrated. A similar improvement for the next ALARM CIPFA benchmarking (June 2014) would see the Council move to the embedded and integrated stage for all categories apart from partnership and resources.
- 3.16 The Council tends to be ranked in the fourth quartile of Council in the ALARM CIPFA benchmarking survey. However scoring is close between councils and an improvement of a few points would put the Council into the middle range of councils.
- 3.17 The risk management action plan has been updated to reflect improvement areas. Appendix B has the summary assessment from the benchmarking and Appendix C the updated risk management action plan.

4 CONCLUSION

- 4.1 This report advises that the detailed assessments, templates and proposals on various actions agreed to address the Audit Committee's interest in risk will be developed by the Internal Audit Team and Grant Thornton and CIPFA over the next few months and brought forward to the Audit Committee in December. It also provides an update on risk management activity advising that monitoring arrangements are in place for the SRR and ORR and that the risk management action plan has been updated with further improvement areas arising from the ALARM CIPFA benchmarking club.

5 IMPLICATIONS

- 5.1 Policy – Sets out the approach to the Audit Committee using risk

- management information.
- 5.2 Legal – None.
 - 5.3 Finance – None.
 - 5.4 Human Resources – None.
 - 5.5 Risk – Provides an update on risk management activity but also sets out how risk will be factored in and reported as part of internal audit activity.
 - 5.6 Equalities – None.
 - 5.7 Customer Service – None.

For further information contact Bruce West, Head of Strategic Finance 01546-604151

Bruce West
Head of Strategic Finance
12 September 2013

REVIEW OF STRATEGIC RISK REGISTER

1. SUMMARY

1.1 This report updates members on the key strategic risks facing the Council, the associated mitigating actions and changes in these risks.

1.2 As the quarterly review process matures review updates will include the following key issues:

- The following risks have been added to the strategic risk register (SRR).
 - None this quarter but updated as required.
- The following risks have been deleted from the SRR (risk score now zero).
 - None this quarter but updated as required.
- The following risks are classed as red even after mitigation.
 - Population and Economic decline
- The following risks have a raw score which classifies them as red but mitigation reduces the assessment to amber.
 - Welfare Reform
 - Income & Funding
 - Asset Base
 - Reputation
 - Demographics
 - Health and Social Care Integration
- These are the risks which have moved risk category (red/amber/green) in the last quarter.
 - None this quarter but updated as required.
- These are the risks that are at variance from the agreed risk appetite.
 - None this quarter but updated as required.

2. RECOMMENDATIONS

2.1 Performance and Scrutiny Committee to consider the SRR and key risks, changes, trends and exceptions highlighted in this report and identify any issues it would like officers to investigate further.

3. DETAIL

Background

- 3.1 The Council has recently agreed a revised strategic risk register which will be reviewed and updated on an on-going basis and reported quarterly.
- 3.2 The process for reviewing the strategic risk register is outlined below:
- Designated risk owner to update during quarter in consultation with appropriate chief officers /service managers and spokespersons.
 - SMT to consider quarterly review report.
 - Strategic Risk Group consider the SRR at its quarterly meeting.
 - Performance Review and Scrutiny Committee to consider the quarterly review report.
- 3.3 As the SRR has only very recently been agreed and approved, for quarter 1 there are currently no material changes to report.
- 3.4 As the review process matures quarterly review reports will provide a summary of the main changes and trends in scoring and /or mitigation from quarter to quarter and from the start of the financial year. The quarterly review will also identify any new or emerging risks and any risks which have been closed off or removed.
- 3.5 Appendix 1 details the SRR as at June 30th 2013. There are 13 strategic risks identified. Members are requested to consider whether these risks are appropriate to the Council and whether the associated score is reflective of their status.

Risks Added To And Deleted From The SRR

- 3.6 The table below sets out any new risks that have been added to the SRR in the last quarter. (None this quarter)

Theme -	Risk -	Description -
Raw Likelihood	Raw Impact	Raw Score
Mitigation -		
Residual Likelihood	Residual Impact	Residual Score

- 3.7 The table below sets out any risks that have been removed from the SRR in the last quarter. This is because the likelihood and/or impact has now reduced or been mitigated to zero. (None this quarter)

Theme	Risk	Description	Previous Residual Score	Explanation For Removal

Red Risks

- 3.8 It is important to consider those risks that remain red even after mitigation and management action. The table below sets out detail of all of the risks where the residual risk category is red.

Theme /Risk/Description	Raw Score	Mitigation	Residual Score
<p>Operating Market</p> <p>Population and Economic decline</p> <p>Projected population decline and potential economic decline and failure to identify factor causing the decline and then develop and action strategies to address that decline.</p>	20	<p>Single outcome agreement targets population and economic recovery. Plans to be developed to action commitments in SOA.</p> <p>Economic Development Action Plan</p>	16

- 3.9 Those risks which were initially assessed as red but where mitigation and management action has reduced the risk score to amber are also important. The table below sets out detail of all of the risks where the raw risk category is red.

Theme - Risk - Description	Raw Score	Mitigation	Residual Score
<p>Topical Welfare Reform</p> <p>Implementation of welfare reform is not managed well resulting in increased poverty and deprivation or short term crisis</p>	20	<p>Separate project established to manage welfare reform with clear plans, resources and risks identified.</p> <p>Joint working with DWP, CPP and other Agencies to plan response to potential impact.</p> <p>Discussions on-going at national level re local services support framework</p>	12
<p>Finance:</p> <p>Income & Funding:</p> <p>A major reduction in income</p>	16	<p>Effective framework for longer term financial planning that takes</p>	12

/funding as result of a reduction in grant funding, reduced collection of council tax or fees and charges		account of longer term funding projections. Monitoring of grant funding formula. Effective management arrangements for billing and collection of council tax and fees and charges	
Infrastructure: Asset Base: Infrastructure and asset base does not meet current and future requirements. Infrastructure and asset base is not being used or managed efficiently or effectively.	16	Corporate Plan. Capital planning process. Asset Management planning process	12
Operating Market: Demographics: The Council fails to recognise, plan and deliver services in a way that takes account of demographic trends.	16	Monitoring of population trends. Corporate and service planning process. Planning and performance management framework (PPMF). Community Engagement Strategy. Workforce planning.	12
Reputation: Reputation	16	Community Engagement Strategy. Communications Strategy. Action plans to improve customer services.	12
Topical: Health & Social Care Integration	16	Establish a separate project to focus on implementation and identifying and addressing the issues arising	12

Risk Changes And Trends

- 3.10 It is important to draw out for consideration those risks where the residual score has changed during the quarter and these are set out below. (None this Quarter)

Theme	Risk	Description	Previous Residual Score	Revised Residual Score	Explanation Of Change

- 3.11 Appendix 2 contains a number of charts that show the trend in residual risk scoring since the review of SRR/start of the financial year. (No trend data available)

Variation From Risk Appetite

- 3.12 The residual risk scores when the SRR was reviewed have been adopted as the risk appetite for each risk in the SRR. The table below sets out the risks which are currently assessed as being above or below the risk appetite. If a risk is assess as being above the risk appetite the Council is exposed to more risk than originally planned. If a risk is assessed as being below the risk appetite the Council may be directing too much resource to managing the risk or the risk is reducing. (None this quarter)

Theme	Risk	Description	Risk Appetite	Current Residual Score	Variance From Risk Appetite
Risks Where Current Score Exceeds Risk Appetite					
Risks Where Current Score Is Less Than Risk Appetite					

4. CONCLUSION

- 4.1 This report sets out the purpose and process associated with strategic risk register quarterly review reports and summarises the current position.

5. IMPLICATIONS

- 5.1 Policy – None directly but the SRR should be used to assist the Council in setting and reviewing its strategic direction and performance.
- 5.2 Financial – None directly from this report but effective risk management assists with effective governance and stewardship of council resources
- 5.3 Personnel – None

5.4 Equal Opportunities – None

5.5 Legal – None.

5.6 Risk – The report sets out the strategic risks facing the Council and changes to these over the last quarter.

5.7 Customer Service – None.

Bruce West
Head of Strategic Finance
22 AUGUST 2013

DRAFT UPDATED STRATEGIC RISK REGISTER – APPENDIX 1

Risk Ref	Description Of Risk	Example Consequences	Gross Risk			Desired Outcome	Control Processes/ Mitigation	Residual Risk			Risk Owner
			Li	Im	Sc			Li	Im	Sc	
Finance – Income and funding	<p>A major reduction in income /funding as result of a reduction in grant funding, reduced collection of council tax or fees and charges</p> <p>This may arise from global or local economic circumstances, government policy on public sector budgets and funding or data that determines grant funding formula.</p>	<p>Lack of income /funding to support Council objectives.</p> <p>Requirement to reduce service provision or budget allocations.</p> <p>Reduced income impacts on performance levels.</p>	4	4	16	The Councils finances are managed effectively.	<p>Effective framework for longer term financial planning that takes account of longer term funding projections.</p> <p>Monitoring of grant funding formula.</p> <p>Effective management arrangements for billing and collection of council tax and fees and charges.</p>	3	4	12	Head of Strategic Finance and Head of Customer and Support Services
Finance - Expenditure	<p>Major unforeseen expenditure creates significant overspend or a need to make significant and unplanned reductions in expenditure or redirection of budgets.</p>	<p>Resources need to be diverted.</p> <p>Reduced levels of performance.</p>	3	4	12	The Councils finances are managed effectively.	<p>Revenue and capital budget preparation including review of base budget, inflation, cost and demand pressures.</p> <p>Revenue and capital budget monitoring.</p>	2	4	8	Head of Strategic Finance

							Maintaining an adequate contingency within General Fund reserve. Adequate insurance coverage.				
Infrastructure – Leadership and management	<p>A lack of Strategic Leadership and Direction will have a negative impact on the ability of the Council to set out strategic objectives and then align service delivery and resources to ensure these objectives are achieved.</p> <p>May also the impact on development of the community planning partnership.</p> <p>Risk that organisation is not focussed on outcomes /objectives resulting in poor decision making</p>	<p>No clear strategic direction/set of objectives.</p> <p>Objectives not achieved as services and resources are not fully aligned to objectives.</p> <p>Opportunities missed to demonstrate community leadership.</p> <p>Confidence in, and reputation of, the Council harmed.</p> <p>Fail to adapt to changing environmental, social and economic conditions.</p>	3	4	12	The Council has a clear strategic direction and service and resources are aligned to ensure Council objectives are achieved.	<p>Corporate Plan sets out overall Council objectives.</p> <p>Community Plan/SOA sets out CPP objectives with clear links to Council contributions (being developed).</p> <p>Corporate Improvement Plan.</p> <p>PPMF and service planning and performance monitoring to ensure service outcomes and activity is in line with Council objectives and performance is meeting targets.</p> <p>Community</p>	3	4	12	Chief Executive

	and inadequate governance arrangements	Fail to meet service needs of citizens.					engagement and consultation to understand activity local needs. Development of a corporate plan				
Infrastructure - Management of services and resources	<p>Services and resources are not effectively managed.</p> <p>Services fail to achieve agreed performance levels and as a result are not contributing fully to Council objectives</p> <p>Resources are poorly managed with result that agreed outcomes and objectives are not fully achieved.</p> <p>Unable to achieve continuous improvement and improve effectiveness and efficiency.</p>	<p>Poor performance.</p> <p>Increased costs.</p> <p>Negative publicity.</p> <p>Unable to demonstrate best value.</p>	3	3	9	<p>Performance targets achieved.</p> <p>Performance improves over time and compared to others.</p> <p>Improved use and management of resources.</p>	<p>Regular performance monitoring and review.</p> <p>Performance scorecards and Pyramid.</p> <p>PPMF and service planning.</p> <p>Corporate Improvement Plan and monitoring of progress.</p> <p>Argyll and Bute Manager Programme.</p>	2	3	6	<p>Executive Directors</p> <p>Heads of Service</p>

<p>Infrastructure - Condition and suitability of overall infrastructure and asset base.</p>	<p>Infrastructure and asset base does not meet current and future requirements.</p> <p>Infrastructure and asset base is not being used or managed efficiently or effectively.</p>	<p>Infrastructure and asset base do not support overall Council objectives.</p> <p>Infrastructure and asset base do not support delivery of service outcomes.</p> <p>Infrastructure and asset base is allowed to deteriorate resulting in cost, lost opportunities and wasted resource.</p>	4	4	16	<p>The Council has an infrastructure and asset base that is maintained, safe, efficient and fit for purpose and which supports development of the area and achievement of objectives.</p>	<p>Corporate Plan.</p> <p>Capital planning process.</p> <p>Asset Management planning process.</p>	3	4	12	<p>Executive Director of Development and Infrastructure</p> <p>Head of Facility Services.</p>
<p>Infrastructure - Civil Contingencies and Business Continuity</p>	<p>The arrangements in place for civil contingencies and business continuity are not effective.</p>	<p>Ineffective management of major emergencies affecting Council services and communities in Argyll and Bute in response to a major emergency.</p> <p>Incident and recovery phase of an emergency lead to greater inconvenience and hardship and a longer timescale for return to normal.</p>	3	4	12	<p>Effective plans and procedures in place to respond to a major event affecting Council services and/or the general public.</p>	<p>On-going training programme in place and continual update of Emergency Plans and procedures.</p> <p>Recent review of business continuity arrangements in 2012. All critical activities identified.</p>	2	4	8	<p>Head of Improvement and HR</p> <p>Head of Governance and Law</p>

		Council unable to effectively deliver its own services as a result of an emergency.									
Operating - Demographic Change	The Council fails to recognise, plan and deliver services in a way that takes account of demographic trends.	Mismatch of resources and service requirements. Services not configured to meet user/citizen requirements.	4	4	16	Performance of key priority services and other key areas identified by the public maintained or improved	Monitoring of population trends. Corporate and service planning process. Planning and performance management framework (PPMF). Community Engagement Strategy. Workforce planning.	3	4	12	Head of Improvement and HR
Operating Market - Population and economic decline	Projected population decline and potential economic decline and failure to identify factor causing the decline and then develop and action strategies to address that decline.	Economic decline results in a circle of decline with reduced employment, lower earnings, failing businesses and poor perception of the area. Population decline reduces funding	5	4	20	Sustainable economic growth and population growth in Argyll and Bute.	Single outcome agreement targets population and economic recovery. Plans will need to be developed to action commitments in SOA. Economic Development	4	4	16	Head of Economic Development

		and reduces scope for efficiencies and economies of scale in service delivery. Combined population and economic decline may increase need and costs for some services.					Action Plan.				
Operating Environment - Partnership Governance	Inadequate Partnership Governance Arrangements. Risk that partnership arrangements are poorly defined and constituted leading to an inability to deliver outcomes and objectives or being democratically deficient	Lack of Accountability. Lack of democratic input to key decisions. Partnership viewed as having failed and not achieving objectives. Wasted resources and effort. Reputational damage.	4	3	12	SOA outcomes achieved.	SOA (currently being drafted). Clear line of sight from SOA to individual partner contributions (being developed). CPP governance arrangements and partnership agreement.	3	3	9	Head of Improvement and HR Head of Governance and Law
Reputation	Poor image and reputation including negative external scrutiny. The Council fails to maintain its general reputation with residents, the Community and the	Reputation declines. Negative impact on morale. Poor reputation undermines action being taken to target population	4	4	16	The reputation of the Council is protected and enhanced.	Community Engagement Strategy. Communications Strategy. Action plans to improve customer services.	3	4	12	Head of Improvement and HR

	wider Local Government Community. Poor performance and poor audit and inspection results.	and economic growth. Increased risk of audit and inspection activity.					Planning and performance management framework to ensure services properly planned and managed and performance targets achieved.				
Engagement - Alignment of service delivery.	The Council fails to understand community needs and align service delivery to meet these.	Gaps between community needs and Council services. Also impacts on reputation.	3	4	12	The Council understands local needs and aligns service deliver accordingly.	Community Engagement Strategy. Operation & development of: Panels & Forums - Young Peoples Panel - Youth Website - Citizens Panel etc	2	4	8	Head of Improvement and HR
Topical – Welfare Reform	Implementation of welfare reform is not managed well resulting in increased poverty and deprivation or short term crisis.	Increase in demand or costs for Council services. Financial crisis and hardship for individuals. Adverse impact on local economic development. Adverse impact on communities. Potential widening of inequalities gap.	5	4	20	Well managed implementation of welfare reform in a way that minimises impact on individuals and communities but does not create a financial burden for the Council.	Separate project established to manage welfare reform with clear plans, resources and risks identified. Joint working with DWP, CPP and other Agencies to plan response to potential impact. Discussions on-going at national level re local services support framework.	3	4	12	Head of Customer and Support Services

Topical – Health and Social Care integration	Implementation of health and social care integration is not managed effectively.	Unable to proceed with health and social care integration on a managed basis and/or in accordance with timescales. Integration has a negative impact on health and social care service delivery.	4	4	16	Planned and managed implementation of health and social care.	Establish a separate project to focus on implementation and identifying and addressing the issues arising.	3	4	12	Executive Director – Community Services

Li = Likelihood
Im = Impact
Sc = Score

Risk Assessment Matrix – Appendix 2			
Likelihood		Impact	
Score	Description	Score	Description
1	Remote – Very unlikely to ever happen.	1	None – minimal impact on objectives, budget, people and time
2	Unlikely – Not expected but possible.	2	Minor – 1%/10% budget, first aid, minor impact objectives, 1wk/3 months delay.
3	Moderate – May happen occasionally.	3	Moderate – 10%/30% budget, medical treatment required, objectives partially achievable, 3/12 months delay.
4	Likely – Will probably occur at some time.	4	Major – 30%/70% budget, permanent harm, significant impact on service delivery, 1/2 years delay.
5	Almost certain – Will undoubtedly happen and possibly frequently	5	Catastrophic – Over 70% budget, death, unable to fulfil obligations, over 2 years delay.

A combined score of 15 or more is classed as a red risk.

A combined score of between 6 and 14 is classed as an amber risk.

A combined score of less than 5 or less is classed as a green risk.

Appendix B: Argyll And Bute Council CIPFA Benchmarking Club Results May 2013

Enablers Leadership & Management	Awareness	Happening	Working	Embedded & Integrated	Driving
	Awareness	Happening	Working	Embedded & Integrated	Driving
Policy & Strategy	Awareness	Happening	Working	Embedded & Integrated	Driving
People	Awareness	Happening	Working	Embedded & Integrated	Driving
Partnership & Resources	Awareness	Happening	Working	Embedded & Integrated	Driving
Processes	Awareness	Happening	Working	Embedded & Integrated	Driving
Results Risk Handling & Assurance	Awareness	Happening	Working	Embedded & Integrated	Driving
Outcomes & Delivery	Awareness	Happening	Working	Embedded & Integrated	Driving
Level 1 Awareness	Level 2 Happening	Level 3 Working	Level 4 Embedded & Integrated	Level 5 Driving	

Level Guide:

< 20%
20 – 45%
45 – 70%
70 – 85%
85% +

Engaging

Happening

Working

Embedded & Integrated

Driving

No clear evidence of improved outcomes.	Limited evidence that risk management is being effective in, at least, the most relevant areas.	Clear evidence that risk management is supporting the delivery of key outcomes in all relevant areas.	Clear evidence of significantly improved delivery of relevant outcomes and evidence of positive and sustained improvement.	Risk management arrangements clearly acting as a driver for change and linked to plans and planning cycles.
---	---	---	--	---

Risk Management Action Plan 13/14
Audit Committee – Appendix C

Theme	Outcome	Action Required	Timescale	Responsible Officer(s)	Current Status	Comment
Policy & Strategy	Risk Management capability in policy and strategy helps drive organisational excellence	Review of ORR-ORR's to reflect current risks linked to service plans	May 30th	Bruce West	Complete	
Policy & Strategy	Risk Management capability in policy and strategy helps drive organisational excellence	Draft SRR - Agree format and content of Strategic Risk Register	May 27th	Bruce West	Complete	
Policy & Strategy	Risk Management capability in policy and strategy helps drive organisational excellence	Annual review of policy, framework and guidance	June 30th	Bruce West	Complete	
People	Training and clear communication of risks is in place	Develop briefing /training session.	June 30 th	Bruce West	Delayed.	Session to scheduled September/October
Partnership, shared risk & resources	Evidence of improved partnership delivery through risk management	Review of partnership risk assessment processes & risk registers /logs	December 31 st	Bruce West	In Progress	
Processes						
Risk Handling & Assurance	Evidence that risk management is effective and useful for the organisation	Complete Cipfa Risk Benchmarking Survey	June 30th	Bruce West	Complete	

Risk Handling & Assurance	Evidence that risk management is effective and useful for the organisation	Further develop risk assurance statements.	March 31 st	Bruce West	In progress	
Outcomes & Delivery	Clear evidence of significantly improved delivery of relevant outcomes	Review Planning and Budgeting process referencing RM influence / Input	March 31 st	Bruce West	In progress	