

Regulatory and Audit Committee

Title:	Risk Management Strategy - Update
Date:	10 th June 2014
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Local members affected:	None

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

This report summarises the discussions at the Risk Management Group held on 27th June 2014 to review progress of the Council's Risk Management framework.

Recommendation

Members are asked to note the report.

Summary

1. The Risk Management Group (RMG) met on 27th June 2014. The meeting was attended by:
 - Zahir Mohammed (Chairman)
 - David Martin (Member of Regulatory and Audit Committee)
 - Ian Dyson (Chief Internal Auditor)
 - Maggie Gibb (Risk and Insurance Manager)
 - Richard Schmidt (Assistant Director (Strategic Finance))
 - Amy Wadsworth (Risk and Insurance Officer)
 - Helen Wailling (Democratic Services Officer)
2. Sue Breese and Steven Rawlinson from the Future Shape Programme Team attended the meeting to update the RMG on the Future Shape Programme and the management of risks within the programme. The group received a short presentation giving an overview of the programme governance and structure for the detailed design phase.



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The officers then updated the group on the management of risks within the programme and advised that risks are categorised at a programme and project level and are monitored on a regular basis:

- Programme risks are reviewed monthly in a meeting attended by the Programme Management Team and the workstrand leads, to ensure visibility across the Programme; and
- Project level risks are managed within the workstrands. Separate risk registers have been created and risks are escalated to the Programme Management Team through the highlight reports.

The group then received an update on the current Future Shape Programme risk register. The register currently details 26 risks, of which two are scored as “high”. Both of the high risks relate to staff engagement and change resistance, and whilst there are a number of mitigating actions in place, and future actions planned such as a detailed communication plan, the risks remain high at this time due to the status of the programme.

The risk registers for the Business Units and Supports Services workstrands will be presented to the next RMG for discussion.

3. Graeme Finch, Contracts Manager for AFW Commissioning and Service Improvement attended the meeting to update the RMG on the processes in place to manage risks relating to the Local Authority Trading Company (LATC), which went live as Buckinghamshire Care on 1 October 2013.

The latest risk register was presented to the group. The risks are monitored on a regular basis by the Contracts Manager and are reviewed by the Stakeholder Commissioning Group on a quarterly basis.

The high level risks were discussed in detail:

- Risks 2 and 3 relating to support services costs and the plan to achieve savings are the two biggest financial issues and are both currently “red”. There had been a big change in the scale of support cost that the LATC had been given. A meeting between BCC and Buckinghamshire Care has very recently been held to discuss this issue and it is hoped that this risk would reduce as a result of that.
- Risk 8 – as ‘provider of last resort,’ Buckinghamshire Care would need to be able to cover Domiciliary Care Services, residential care etc in the event of a major contract failure. They had not been called upon to do this to date. Scenario planning is being undertaken and a full operational test would be held in August 2014. This risk is also included in the COMT risk register as part of a wider AFW dom care risk.
- Risk 9 – relating to the capacity of the Reablement Service has a mitigating action to create a subcontracting arrangement, including a recruitment drive and review of management resource. This is expected to be in place by the end of June 2014 and the risk will reduce accordingly. It was confirmed by the Contracts Manager that the risk is not currently impacting on the service providers and that they are taking all referrals given to them. The Chief Auditor questioned whether there were any performance indicators being monitored to confirm that the right services were being provided to clients and requested that the Contracts Manager raise this with the Service Director as a potential operational risk for the AFW Risk Register.
- Risk 10 – relating to Support Services not meeting expectations/SLA targets. This is very similar to Risk 2. Buckinghamshire Care are now recruiting a full-time HR resource themselves, which is a mitigation, so the risk will reduce.
- Risk 11 – no agreed business implementation plan agreed with Stakeholders Commissioning Group. Meetings are planned with Ernst and Young and BCC to

understand the pressures on the original business plan. The Contracts Manager confirmed that Ernst and Young have been providing the additional time relating to this issue without charging for it.

The Contracts Manager will return to the Risk Management Group in November for a further update on the risk register.

4. The RMG received a brief update from the Risk and Insurance Manager on the work of the Risk Team since the last meeting.

The new Risk Management system is now operational and a training programme to roll out across services would commence on 5 June 2014, starting with the Risk Administrators within each service.

The first reports from the new system would be produced at the end of Quarter 1, and these would come back to the Risk Management Group.

The RMG received a demonstration of the new system.

The reporting from the new system would be aligned with the timetable for the wider Integrated Performance Framework.

The additional project to develop an interim solution for audit action tracking was still in progress, and reports would go to Regulatory and Audit Committee from September 2014. Any issues prior to that would be reported to the Chairman of the Committee.

The Risk Team have continued to attend team meetings and to meet with project managers to discuss new and emerging risks as well as reviewing current risks.

The Risk and Insurance Manager and Chief Auditor had met with all Strategic and Service Directors and the Chief Executive at the beginning of Quarter 1 to discuss key risks/areas of concern to feed into risk registers and the internal audit activity.

The Risk and Insurance Manager met with all members of COMT in May to update the COMT risk register.

The risk register is on the COMT forward plan in June for a group discussion, with the following key risk areas to be considered for inclusion on the risk register:

- Care Bill
- Ringway Jacobs Contract
- Health and Social Care Integration
- Safeguarding
- General Election

The Risk Team continue to review and challenge the risks for key projects, including the Care Bill which would be presented at a future meeting.

A member of the RMG said that the impact of the Care Bill could be massive and asked if there was a grip on that. The Risk and Insurance Manager advised that there was a large project being managed in Adults and Family Wellbeing, with Ernst and Young as advisors. A verbal update on this will be provided to the RMG on 13 June, and the full risk register brought to a future meeting.

Further risk management training had now been completed for Platinum and Gold Contract Managers. In total 41 contract managers had attended the workshops undertaken in November 2013 and February 2014 from across all service areas. The remaining Gold Contract Managers and Silver Contract Managers would be included on the workshops to be undertaken at the beginning of July 2014.

Background Papers

Risk Management Group Minutes
