

NORTH LINCOLNSHIRE COUNCIL

AUDIT COMMITTEE

RISK MANAGEMENT PROGRESS REPORT

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To inform Members of key issues arising from risk management work.
- 1.2 Regular reporting on risk management issues is an important source of assurance for Members to fulfil their role and provides supporting evidence for the annual approval of the Governance Statement.

2. BACKGROUND INFORMATION

- 2.1 The revised Strategic Risk Register was reported to Members in January and a review of strategic risk controls has been completed. The outcome of the review is summarised in appendix A. The evaluation of strategic risk controls has been enhanced by using a definition of the adequacy of controls to provide greater clarity to Members on the level of assurance provided. The review shows all strategic risks are managed to an acceptable level as there are no risks where no assurance is provided. All strategic risks have been evaluated as having significant or adequate controls in place.
- 2.2 Much work has taken place to reconfigure the 4Risk risk management system following the council restructure. Directors have been asked to confirm their risk owners and review their Operational Risk Registers.
- 2.3 An important aspect of the risk management action plan is to continue to raise awareness across the council. This is achieved through comprehensive training programmes and communication networks. The risk management eLearning package is now available for new managers. Work is progressing to develop a similar package for all members of staff.
- 2.4 In addition to information available on the web page and intralinc the 11th edition of the Risk Roundup newsletter was also issued in August (appendix B).

- 2.5 In June Members were informed that the council had submitted data to CIPFA/ALARM's risk management benchmarking club. Results have now been received which show an encouraging level of compliance with best practice and risk maturity. Data was analysed over 7 factors and scored on a scale 1 to 5 (1 being the lowest and 5 the highest). A summary of the results is provided in appendix C, and show arrangements are evaluated as level 3 (Working), 4 (Embedded and Integrated) or level 5 (Driving).

3 OPTIONS FOR CONSIDERATION

- 3.1 The Committee should consider whether or not this update provides sufficient assurance on the adequacy of risk management arrangements detailed in this report. The Committee should ask questions about the contents of the report and seek clarification as necessary.

4. ANALYSIS OF OPTIONS

- 4.1 The progress reports on key internal control issues and complies with professional guidance available and designed to provide this Committee with the assurance required to fulfil its role effectively. Members should ask sufficient questions to ensure adequate assurance is provided.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY.IT)

- 5.1 Resources are met from Internal Audit and Risk Management budget.
- 5.2 Regular reviews of risk management arrangements should safeguard the council's assets and ensure that value for money is achieved in the use of resources. There are no staffing, property or IT implications.

6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 – CRIME AND DISORDER, RISK AND OTHER)

- 6.1 The Chief Financial Officer has a statutory duty under the provisions of the Local Government Act 1972 to ensure the proper administration of the council's financial affairs. The council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 6.2 The evaluation of the council's arrangements will help to promote good corporate governance. Risk management work, as a component of the council's internal control framework is a key source of assurance to support the Annual Governance Statement. The risk management framework addresses all key risks the council may face. It promotes appropriate action to manage risks to an appropriate level.

7. **OUTCOMES OF CONSULTATION**

7.1 The Risk Management Group is made up of representatives from all services and therefore risk management outcomes are the result of a comprehensive consultation process.

8. **RECOMMENDATION**

8.1 The Audit Committee should consider the assurance provided by the Risk Management progress report on the adequacy of risk management arrangements detailed.

DIRECTOR OF POLICY AND RESOURCES

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Background Papers used in the preparation of this report

Risk Management Strategy and Action Plan 2012-2013
CIPFA/ALARM Benchmarking Report

Risk	Controls	Inherent - Score before controls			Residual – Score after controls			Evaluation of controls
		Likelihood	Impact	Risk Assessment	Likelihood	Impact	Risk Assessment	
1. Failure to achieve council priorities that meet the needs of North Lincolnshire residents	Integrated budget and strategic planning, strategic policy analysis, census data and other intelligence, public engagement and consultation, regular CMT meetings to encourage a ‘One Council Approach’, regular review of council priorities, member development programme, EDRs, Integrated Impact Assessments (IIA), Legal/Democratic advisory role, policy tracker, partnership governance framework, budget monitoring arrangements, Strategic Commissioning Statement of Intent	3	4	12	2	2	4	Adequate Control Assurance
2. Significant service failure	Performance framework and DPR, Council Strategy & service planning, policy tracker, regular CMT & senior management meetings, engagement framework, leadership development framework, Internal Audit reviews, Risk Management Strategy, EDRs, HR policies	2	2	4	1	2	2	Adequate Control Assurance
3. Inadequate workforce planning and management to meet current and future needs	Strategic plan, workforce planning, competency frameworks, leadership and management training, EDRs competency framework, succession planning, gap analysis, Human Resources Framework policy and training, monthly and quarterly workforce plans, Internal Audit reviews	1	2	2	1	1	1	Significant Control Assurance
4. Serious breach of information integrity, confidentiality and availability and inaccurate data	IT Asset Register, IT Security Strategy, information owners risk assessment, training, computer room environmental monitoring and access controls, network monitoring, security forum, firewall, virus checker, escrow agreements, back-ups, internal checks and controls (access controls/password controls), technical standards, succession planning, external support contracts, Internal Audit reviews, business continuity plans/ disaster recovery, insurance cover, authentication implemented for home workers, Information Management Strategy, Social Media Policy, Government Connect accreditation	4	3	12	3	3	9	Adequate Control Assurance

5. Failure to maintain high standards of governance	Employee/member Codes of Conduct and signed declarations, Constitution, Finance Regulations, Contract Procedure Rules, Treasury Management Strategy, vetting and financial appraisals of business partners, well defined budget process, HR policies, Internal Audit, Risk Management Strategy, Complaints and Standards Committee, partnership toolkit, authorisation procedures and limits, insurance cover, robust decision making process, Integrated Impact Assessments, Monitoring Officer role.	2	2	4	1	2	2	Significant Control Assurance
6. Failure to deliver major projects and capital schemes	Capital Strategy and Plan, Corporate Procurement Manual, Procurement Framework, training, market awareness and intelligence, Procurement Strategy, Internal Audit reviews, capital budget monitoring, remedies, robust contract terms and conditions, use of third parties and partnering models, appraisal of options, robust feasibility study, clear briefs for projects at inception, effective communication, Project Risk Register	3	4	12	2	3	6	Adequate Control Assurance
7. Failure to maintain the council's reputation	Robust governance framework, Internal Audit reviews, Risk Management Strategy, Counter Fraud Strategy, performance management arrangements, Communication Team, public communication and engagement, Integrated Impact Assessments, robust decision making arrangements, Standards Committee, HR policies, training and development, Council Strategy, Statutory Guidance	3	3	9	2	2	4	Adequate Control Assurance
8. Recession resulting from national or local problems including closure of a major employer	Adequate employment and housing land supply, delivery of the Marine Energy Park and logistics Park – South Humber Bank, Regeneration and Community Investment initiatives, production of an Economic Assessment, use of research and intelligence, regular monitoring and review of local development	4	3	12	4	3	12	Adequate Control Assurance
9. Reduced financial settlement resulting in inadequate resources to meet identified needs	Good knowledge of workings of government grant system and information requirements, external funding issues, access to database of funding sources and conditions, grant claim protocol, Treasury Strategy, Risk Management Strategy, effective VFM and procurement process, Counter Fraud Strategy & Internal Audit work, clearly defined budget process, robust estimates, adequate reserves, procedures for recording emergency spending under Government's Bellwin Scheme, insurance cover with risk assessed stop loss	3	3	9	2	1	2	Significant Control Assurance

10. Failure to meet the changing needs of the community and individuals	Business continuity planning, emergency planning, Police/ Safer Neighbourhoods Partnership, Regeneration Strategy, community cohesion networks, Strategic Planning Framework, Public Engagement Framework, Diversity Policy and Steering Group, apprentice schemes, key partnership working, Corporate Strategy, utilisation of social media, policy tracker, Town Parish Council Liaison meetings, Area Action Team, Neighbourhood Action team, ward members – community leadership role	3	3	9	2	2	4	Adequate Control Assurance
11. Contamination and pollution	Contaminated Land Strategy, Air Quality Review and assessment, monitoring regime and screening assessment, partnership arrangements, Risk Management Group, professional competence and government guidelines, robust risk assessment methodology, Humber Emergency Planning Service	3	4	12	2	2	4	Adequate Control Assurance
12. Inadequate emergency planning and business continuity arrangements to manage the impact of major events	Events Support & Advisory Group, Safety Advisory Group, Road Safety Partnership, RMG, Local Resilience Fora and sub-groups, Emergency Planning & Business Continuity Steering Group, plans in place to deal with dangerous buildings and trees	3	3	9	3	2	6	Significant Control Assurance

Key to evaluation

Significant Assurance	Controls are designed to support the council's corporate and service objectives and are consistently applied in the areas reviewed.
Adequate Assurance	There is generally a sound system of control designed to support the council's corporate and service objectives. However some improvements to the design or application of controls are required.
Partial Assurance	Weaknesses are identified in the design or inconsistent application of controls which put the achievement some of the council's corporate and service objectives at risk in the areas reviewed.

No Assurance

There are weaknesses in control, or consistent non-compliance which places corporate and service objectives at risk in the areas reviewed.

RISK

roundup

Issue 11
August 2012

A quarterly digest of risk management issues



Data Protection

What is the Data Protection Act 1998 all about?

“The Act seeks to strike a balance between the rights of individuals and... those with legitimate reasons for using the personal data.”

Information Management is an important area. The article below was produced by the council's Information Management Team and outlines the principles of the Data Protection Act 1998.

History

With the increasing use of computers in the 1960s and 1970s came an increased possibility of personal information being processed electronically rather than handled manually. This change meant there was a greater risk of personal privacy being invaded as organisations became able to retain and handle larger quantities of data relating to individuals. The current Data Protection Act 1998 (the Act) owes its existence to concerns that individual's privacy was under threat by the development of computerised means of storing and processing data.

Introduction

The council has a legal obligation to comply with the Data Protection Act 1998 and a duty to comply with guidance issued by the Information Commissioner's Office (ICO), who enforces the Act in the UK.

The Act seeks to strike a balance between the rights of

individuals and the sometimes competing interests of those with legitimate reasons for using the personal data. The Act sets out obligations with which the council must comply and provides individuals with certain rights.

The ICO has the power to insist that the council puts right any non compliance with the Act and may issue a fine of up to £500,000 if the non compliance is considered serious.

Who is subject to the Data Protection Act?

The Act applies to the processing of personal data and is not limited to public sector organisations.

Processing personal data has a wide definition, covering virtually anything, which can be done with data. Examples include – obtaining, holding, adapting, using, disclosing and destroying data.

Personal data relates to a living individual, who could be identified from this information

or from other data, which the data controller (body responsible for complying with Data Protection law) has or is likely to receive. The definition also includes expressions of opinion about the individual or intentions of the council towards the individual. Examples of personal data the council may hold are:

- Name.
- Address.
- Council tax reference number.
- National insurance number.

Under personal data there is a subset called 'sensitive personal data' for which stronger protections apply. Sensitive personal data means information relating to:

- Racial or ethnic origin.
- Political opinions.
- Religious beliefs or other beliefs of a similar nature.
- Membership of a trade union.
- Physical or mental health or

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What is the Data Protection Act 1998 all about? – continued

condition.

- Sexual life.
- Commission or alleged commission of any offence.

What data does the Data Protection Act cover?

The Act applies to personal information in electronic format and sometimes when the information is in paper format.

Data covered by the Act is defined as information which:

- Is being processed by means of equipment operating automatically in response to instructions given for that purpose,
- Is recorded with the intention that it should be processed by means of such equipment.
- Is recorded as part of a relevant filing system or with the intention that it should form part of a relevant filing system. This means a paper filing system which is structured either by reference to individuals or by criteria relating to individuals which would allow specific information about the individual to be easily found.
- Does not fall within a), b) or c) but forms part of an accessible record, or
- Does not fall within a), b), c) or d) but is information recorded by a public authority, which means all data recorded by a public authority.

Therefore virtually all personal data held by the council is covered by the Act.

Obligations with which organisations must comply

Organisations who process

personal data must comply with the eight principals of the Data Protection Act 1998, which are:

1. Fairly & lawfully processed

To comply, the council needs to:

- Consider the statutory powers under which the personal data was obtained – we cannot use personal data collected for one statutory function, for another, without specific statutory authority to do so.

- Be fair to individuals by not misleading them about the purpose for collecting the data, by telling them who is holding the data and for what purpose.

2. Processed for one or more specified and lawful purpose

To comply, the council needs to:

- Make known the purposes for which personal data is required by
 - Providing the individual with a clear understanding of why we need their personal data and what it will be used for, or
 - By our notification to the ICO – carried out by Information Management and can be viewed on the ICO website – www.ico.gov.uk
- Not processing personal data in a manner inconsistent with the purpose(s) for which it was obtained.

3. Adequate, relevant & not excessive in relation to the purpose or purposes for processing

To comply, the council needs to:

- Ensure the data collected is sufficient but not excessive for the purpose it was collected for.

4. Accurate and, where necessary, kept up to date

To comply, the council needs to:

- Take reasonable steps to ensure personal data obtained and stored is accurate.
- Correct data found to be inaccurate.

5. Not kept any longer than necessary for the purpose or purposes

To comply, the council needs to:

- Not keep data for longer than is necessary for the purpose it was collected for.
- Adhere to legal retention periods and make local retention rules where there is no legal requirement to keep the data.

6. Processed in accordance with the rights of individuals

To comply, the council needs to:

- Ensure that data is processed in accordance with the 'Rights of Individuals as detailed in the next section of this document.

7. Secure to prevent unauthorised or unlawful processing and to prevent loss, destruction or damage to the data

To comply, the council needs to:

- Implement technical and organisational measures to protect data from: -
 - Accidental or unlawful destruction.
 - Accidental loss.
 - Unauthorised alteration, disclosure or access.
- Examples of good practice are:
 - Using confidential and secure storage for personal data.
 - Clear desk policy.

What is the Data Protection Act 1998 all about? – continued

- Locking your screen every time you are away from your desk.
- The encryption of portable data devices, where necessary.
- Taking care not to release personal information to someone not entitled to have it.
- Taking care to ensure personal data is being sent to the correct person.
- Disposing of confidential waste via the council's confidential waste process.

8. Not transferred to countries outside the European Economic area unless the country has adequate protection for the individual

To comply, the council needs to:

- Not transfer personal data outside of the European Union Economic Area until the council is sure that the country has adequate protection in

place to protect the personal data.

Rights of Individuals

Individuals have the following rights under the Data Protection Act 1998:

Access to personal data

To access personal information the council holds about them, subject to exemptions defined by the Act.

Prevention of processing likely to cause damage or distress

To ask the council to stop processing their personal data, if this is causing damage or distress and for this request to be met if the right is found to apply.

Prevention of processing for direct marketing

To ask the council to stop processing their personal data, for the purposes of direct marketing.

Prevention of automated decision taking

To prevent the council making decisions, which significantly affect them, based solely on automatic processing. This means that they can ask for some human involvement.

Rectification of incorrect information

To ask the council to correct inaccurate data held about them.

Compensation

Under the Act an individual who suffers damage as a result of a contravention of the Data Protection Act 1998 is entitled to apply for compensation.

Complaints to the Information Commissioner's Office (ICO)

To ask the Information Commissioner to carry out an assessment to determine whether the processing of their data has been carried out in accordance with the Act. The ICO would expect that the individual had first attempted to resolve any issues with the council.

Data Security

Recent press stories have reported on public bodies that have been fined or criticised by the Information Commissioner's Office (ICO) for the loss or mishandling of data: Examples include:

Council fined £90,000 following disclosure of vulnerable children's data

Telford and Wrekin Council has been issued with a penalty of £90,000 by the ICO following a breach of the Data Protection Act (DPA) involving the disclosure of confidential and sensitive personal data relating to four vulnerable children. The fine was issued following two similar breaches, which occurred within two months of each other.

The first occurred when a member of staff working in Safeguarding Services sent the Social Care Core Assessment of one child to the child's sibling instead of their mother. The assessment included sensitive details of the child's behaviour. It also included the name and

address, date of birth and ethnicity of a further child who had made serious allegations against one of the other children.

The second breach concerned the inclusion of the names and addresses of the foster care placements of two young children in their Placement Information Record (PIR). The PIR was printed out and shown to the children's mother, who noticed the foster carer's address. The council then decided to move the children to alternative foster care placements to minimise the effect on the data subjects concerned.

Council fined £70,000 for losing highly sensitive data

The London Borough of Barnet has been issued with a penalty of £70,000 for losing paper records containing highly sensitive and confidential information, including the names, addresses, dates of birth and details of sexual activities of 15 vulnerable children.

The loss occurred when a social worker took the paper records home to work on them out of hours. The social worker's home was burgled and the laptop bag, containing the records and an encrypted computer was stolen.

Challenges ahead

Anticipating and preparing for future challenges and opportunities is an essential part of the strategy for an organisation. Part of the role in managing risk is the systematic review of internal and external activities to enable the early identification of emerging or changing risks. This is known as horizon scanning.

In the current climate, with pressures now placed on everyone, time spent on this could be seen as a luxury many

of us do not have. The benefits of a well-thought through horizon scanning approach can be easily identified and would include identifying external influences, perceptions, trends and developments against which the organisation can review and refine priorities and policies. It is important that this scanning links to the timing of 'risk and opportunity reviews' in the organisation, and that it is integrated into the annual risk management

process as part of the production and updating of the risk register.

ALARM members were recently asked to consider the risks currently facing their organisations. Not surprisingly, some of the main headings that came out from the ALARM members were in relation to continuing funding cuts and the recession. Details of some of the risks identified are shown in the table below:



Challenges

UK and local political agenda	Continuing funding cuts – identifying where these would be made, impact on front line services, capacity issues
	Infrastructure failures – limited investment in on-going maintenance and capital investment
	Localism
	Changes in responsibilities, health
	Changing emphasis on benefit payments – taking responsibility away from local authorities for payment of housing benefits and transferring this to the government, through universal credit in the Welfare Reform Act
Socio-economic situation	Recession – continued worsening of economic situation
	Civil Unrest – riots, protests, disaffection by the public
	Increased demand for services – aging population, higher unemployment
	Media – unplanned impacts of coverage of issues locally and centrally
Operational	Partnerships – the potential conflict in priorities, understanding responsibilities, private sector versus public sector aims
	Safeguarding – direct impact of future need to find further savings leads to front line risks, increased demand arising from economic situation
	Third Sector Capacity – failure to deliver commissioned services
	New ways of working
Environmental	Climate changes
	Pandemics

There is some reassurance that, while there are some local issues, most are facing similar challenges. The real challenge will be how we manage the risks to continue to deliver relevant, quality public services.

The insurers Zurich Municipal publish important insurance articles for councils to consider important risk management messages. A sample of these claims reports are detailed on the next few pages.

Judge upholds injury claim

TRAFFIC ROUTES – INJURY DURING VEHICLE MAINTENANCE

Eaton v Stoke on Trent City Council, 17.11.11, Stoke on Trent County Court

“D had failed to take all reasonably practicable steps to keep the traffic route free from tripping hazards.”

The claimant C, worked for the defendant, D. As C went to check the tyre pressure on his works vehicle, while carrying nearly 30 feet of airline piping, he tripped over a piece of metal on the ground, injuring his foot. The piece of metal (angle iron) was approximately 18 inches long and two inches wide.

C alleged his injury was caused by D failing to keep the traffic route free from an article which could cause a person to trip or fall, contrary to Regulation 12(3) of the Workplace (Health, Safety and Welfare) Regulations 1992. He further alleged failure to carry out a proper risk assessment, and failure to operate an adequate maintenance and inspection system to ensure the area was kept clear of tripping hazards.

D denied the allegations, arguing C’s injury was caused by his own negligence in failing to notice and avoid the metal. The judge held D had failed to take all reasonably practicable steps to keep the traffic route free from tripping

hazards under the 1992 Regulations. There was no risk assessment, no reasonable maintenance system and D had negligently failed to provide a safe system for C to inflate tyres. C was awarded just over £9,000, including general damages of £3,600. There was no contributory negligence.

Although the claimant fortunately sustained a relatively minor injury, this judgment provides a reminder of the importance of employers ensuring workplace traffic routes are reasonably safe under the Workplace Regulations mentioned above. These Regulations provide that, “So far as is reasonably practicable, every floor in a workplace... shall be kept free from obstructions... which may cause a person to slip, trip or fall.”

Council failed to take reasonable care for claimant’s safety

SHOPPING CENTRE CAR PARKS – ICE

Tynan v Solihull Metropolitan District Council, 05.01.12, Birmingham County Court

The claimant, C, slipped and fell on ice in a shopping centre car park owned and occupied by the defendant, D. C sustained injuries and sought damages from D, alleging the accident was caused by their breach of duty under s.2 of the Occupiers’ Liability Act 1957.

D denied liability, contending it did not carry out salting of its car parks within its Metropolitan Borough, except for one large facility serving the town centre. D said its car parks covered a total area of almost 121,000 square metres, providing over 5000 car parking spaces. These were not salted for reasons including budgetary and resource constraints, access difficulties for the gritting vehicles and the need for the salt to be ‘run in’ by passing vehicles, which would not occur in some car parks due to low usage.

The judge considered whether the car park was reasonably safe, and whether D had taken reasonable care to ensure the safety of their

visitors. The judge said there was no evidence D had consciously assessed the car park as safe. D had not addressed their duty and how they could best comply with it, failing to take reasonable care for C’s safety.

There was no contributory negligence of C – the ice was not visible in the car park. The claim succeeded.

This is a cautionary reminder that occupiers need to be able to demonstrate to a court’s satisfaction they have taken all reasonable steps to ensure lawful visitors are reasonably safe at occupiers’ premises. Here the court held the defendant had failed in their legal duty consciously to address the question of reasonable safety of their visitors.

Council admits safety breaches

CHILDREN'S CLIMBING FRAME, TEMPORARY PLATFORM, VIBRATING TOOLS
Suffolk County Council, 09.01.12, Ipswich Magistrates Court

“He sustained a fractured skull, a bleed in his brain and temporary blindness”

Suffolk County Council admitted six charges of breaches of health and safety legislation at three sites, including two schools.

A nine year old primary school pupil fell one and a half metres from an outdoor climbing frame on to a concrete slab below. He sustained a fractured skull, a bleed in his brain and temporary blindness. The council had failed to provide a surface suitable for absorbing impact under the frame and had given the school insufficient information about its safe use. It was fined £14,000 for breach of s.3 Health and Safety at Work etc Act 1974 (the 1974 Act).

Two other charges resulted from an IT technician falling four metres from a temporary

aluminium platform (a “tallescope”), while dismantling a stage screen. He sustained severe injuries to his arm. The council was found to have provided insufficient training to its employees, and failed to monitor work at height in schools. It was fined £14,000 for breach of s.2 of the 1974 Act.

Three other charges related to the Highways department after road workers developed hand arm vibration syndrome from using vibrating machinery over several years. The council admitted inadequately risk assessing the task. It was fined £14,000 under s.2 of the 1974 Act plus £3,000 each for two breaches of the Control of Vibration at Work Regulations 2005. It was also ordered to pay costs of almost £44,000.

Confiscated items not damaged

TRADING STANDARDS – CONFISCATION OF GOODS
Dixon v Bromsgrove District Council – 24.04.12, Worcester County Court

In November 2009 the claimant, C, was arrested by police and several items were seized and retained by the police pending an investigation by the Trading Standards Officer for Worcestershire County Council, O.

The items comprised approximately 100 watches, a laptop computer, brochures and price tags. C’s arrest arose after he attempted to sell a watch to an off duty policeman.

The Council’s investigation related to potential offences concerning trademarks, fraud, consumer protection and unfair trading.

Eleven months later C was issued with a formal warning for relevant offences. The watches and laptop were returned to him but he was advised the brochures and price tags would not be.

C claimed O had abused her position and that the items confiscated had been damaged, causing him financial loss. D denied C’s

allegations, saying the confiscation and investigation were necessary.

The court held O had conducted her investigations as quickly as possible. The court rejected the allegation that the items were damaged while in O’s custody. The claim was dismissed.

This is an interesting ruling supporting a council’s Trading Standards Office investigating the suspected fraudulent trading of watches being passed off as high quality makes. The subsequent investigation took almost a year but the court held the confiscation and investigation were necessary, had not been carried out vindictively and the claimant had not been persecuted.

The council gratefully acknowledges the contribution made by its insurers, Zurich Municipal, in providing articles for this publication.

While every effort has been made to ensure the accuracy of these reports, this publication is intended as a general overview and is not intended, and should not be used, as a substitute for taking legal advice in any specific situation. Neither Zurich Municipal, nor any member of the Zurich group of companies, will accept any responsibility for any actions taken or not taken on the basis of this publication.

Any employee intending to take action arising out of these articles should, if in any doubt, contact the council’s legal section for advice before doing so.

NOTICEBOARD

The Insurance Tender is currently out to bid.

The council submitted data to the CIPFA/ALARM's risk management benchmarking club. Results have been received which show an encouraging level of compliance with best practice and risk maturity.

The 4Risk system has been reconfigured to reflect the council restructure. If you have any queries please contact Caroline Wilson on ext 6050.

An evaluation of strategic risk controls is currently underway.

	Leadership & Management	Strategy & Policy	People	Partnership & Resources	Processes	Risk Handling & Assurance	Outcomes & Delivery
Level 5 Driving	Senior management uses consideration of risk to drive excellence through the business, with strong support with reward for well- managed risk taking	Risk management capability in policy and strategy making helps to drive organisational excellence	All staff are empowered to be responsible for risk management The organisation has a good record of innovation and well managed risk taking Absence of a blame culture	Clear evidence of improved partnership delivery through risk management and that key risks to the community are being effectively managed	Management of risk and uncertainty is well-integrated with all key business processes and shown to be in key driver in business success	Clear evidence that risks are being effectively managed throughout the organisation Considered risk-taking part of the organisational culture	Risk management arrangements clearly acting as a driver for change and linked for plans and planning cycles
Level 4 Embedded & Integrated	Risk management is championed by the CEO The Board and senior managers challenge the risks to the organisation and understand their risk appetite Management leads risk management by example	Risk handling is an inherent feature of policy and strategy making processes Risk management system is benchmarked and best practices identified and shared across the organisation	People are encouraged and supported to take managed risks through innovation Regular training and clear communication of risk is in place	Sound governance arrangements are established Partners support one another's risk management capability and capacity	A framework of risk management processes in place and used to support service delivery Robust business continuity management system in place	Evidence that risk management is being effective and useful for the organization and producing clear benefits Evidence of innovation risk-taking	Clear evidence of significant improved delivery of all relevant outcomes and evidence of positive and sustained improvement
Level 3 Working	Senior managers take the lead to apply risk management thoroughly across the organisation	Risk management principles are reflected in the organisation's strategies and	A core group of people have the skills and knowledge to manage risk effectively and	Risk with partners and suppliers is well managed across organisational boundaries	Risk management processes used to support key business processes	Clear evidence that risk management is being effective in all key areas	Clear evidence that risk management is supporting delivery of key outcomes in all relevant areas

	They own and manage a register of key strategic risks and set the risk appetite	policies Risk framework is reviewed, refined and communicated	implement the risk management framework Staff are aware of key risks and responsibilities	Appropriate resources in place to manage risk	Early warning indicators and lessons learned and reported Critical services supported through continuity plans	Capability assessed within a formal assurance framework and against best practice standards	
Level 2 Happening	Board/ Councillors and senior managers take the lead to ensure that approaches for addressing risk are being developed and implemented	Risk management strategy and policies drawn up, communicated and being acted upon Roles and responsibilities established, key stakeholders engaged	Suitable guidance available and a training programme has been implemented to develop risk capability	Approaches for addressing risk with partners are being developed and implemented Appropriate tools are developed and resources for risk identified	Risk management processes are being implemented and reported upon in key areas Service continually arrangements are being developed in key service areas	Some evidence that risk management is being effective Performance monitoring and assurance reporting being developed	Limited evidence that risk management is being effective in, at least, the most relevant areas
Level 1 Engaging	Senior management are aware of the need to manage uncertainty and risk and have made resources available to improve	The need for a risk strategy and risk-related policies has been identified and accepted The risk management system may be undocumented with few formal processes present	Key people are aware of the need to understand risk principles and increase capacity and competency in risk management techniques though appropriate training	Key people are aware of areas of potential risk in partnerships and the need to allocate resources to manage risk	Some stand-alone risk processes have been identified and are being developed The need for service continuity arrangements has been identified	No clear evidence that risk management is being effective	No clear evidence of improved outcomes