

Haringey Council

Agenda item:

Corporate Committee

On 21 July 2011

Report Title: Corporate Risk Management Policy and Strategy 2011-12 and Corporate Risk Register June 2011

Report authorised by: Director of Corporate Resources

*J. Powell 13/7/11*

Report of and Contact Officer: Anne Woods, Head of Audit and Risk Management

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Wards(s) affected: All

Report for: Non-key decision

**1. Purpose of the report**

- 1.1 To provide an updated Corporate Risk Management Policy and Strategy for review and approval.
- 1.2 To provide a copy of the current version of the corporate risk register for review.

**2. State link(s) with Council Plan Priorities and actions and/or other Strategies:**

- 2.1 Audit and Risk Management contribute to the Council priority to deliver high quality, efficient services by ensuring that the Council's risk management framework is in place and operating effectively. Internal audit reviews key risk registers, and the controls in place to manage the identified risks; and recommendations for improvement are made, where appropriate, as part of the annual audit plan.

**3. Recommendations**

- 3.1 The Corporate Committee reviews and approves the updated corporate Risk Management Policy and Strategy.

**4. Reason for recommendation(s)**

- 4.1 The Corporate Committee is responsible for approving the Council's Risk Management Policy and Strategy as part of its Terms of Reference. In order to facilitate this, and provide information on its implementation across the Council,

progress reports are provided on a regular basis for review and approval by the Committee.

#### **5. Other options considered**

5.1 Not applicable

#### **6. Summary**

6.1 The Corporate Committee is responsible for approving the Council's Risk Management Policy and Strategy as part of its Terms of Reference. An annual review of the Policy is completed in order to ensure that it complies with best practice and current operational requirements. Changes to the previous year's policy and strategy are highlighted within the document.

6.2 In accordance with recommended best practice, a copy of the current version of the Council's corporate risk register is provided for review by Members.

#### **7. Head of Legal Services Comments**

7.1 The Acting Head of Legal Services has been consulted in the preparation of this report, and advises that there are no direct legal implications which arise out of the report.

#### **8. Chief Financial Officer Comments**

8.1 As stated in paragraph 12.1, there are no direct financial implications from this report as the work associated with implementing, updating and monitoring the Council's various risk registers is included within service budgets.

8.2 The highlighted risks themselves could have significant financial implications for the Council which is why regular review and challenge to existing and emerging risk is crucial. Should any significant risk materialise the impact, mitigation and reporting of these would normally be addressed in a separate report.

#### **9. Head of Procurement Comments**

9.1 Not applicable

#### **10. Equalities and Community Cohesion Comments**

10.1 This report deals with how risks are managed across all areas of the Council, which have an impact on various parts of the community. Improvements in managing risks and controls will therefore improve services the Council provides to all sections of the community.

## **11. Consultation**

11.1 No external consultation was required or undertaken in the production of this report. Consultation is undertaken with respective service managers, Assistant Directors and Directors in the production of risk registers and internal audit reports. Their comments are included in the final report which is circulated in accordance with the agreed internal audit reporting protocol.

## **12. Service Financial Comments**

12.1 There are no direct financial implications arising from this report. The work within internal audit to monitor and review the Council's risk management framework is part of the contract with Deloitte and Touche which was awarded following a competitive tendering exercise in compliance with EU regulations from 1 April 2007. The costs of this contract and managing the corporate risk management policy are contained and managed within the Audit and Risk Management revenue budget. Service departments manage risks as part of the routine work to achieve their business plans and costs are contained within their revenue budgets.

## **13. Use of appendices**

13.1 Appendix 1 – Corporate risk register June 2011  
Appendix 2 – Risk Management Policy and Strategy v7.0

## **14. Local Government (Access to Information) Act 1985**

14.1 For access to the background papers or any further information please contact Anne Woods on 0208 489 5973.

## **15. Background**

15.1 The 2005 CIPFA publication 'Audit Committees – practical guidance for local authorities' recommends, as best practice, that the audit committee consider the effectiveness of the authority's risk management arrangements. In addition, the Institute of Public Finance (IPF) toolkit, which provides a framework for assessing the effectiveness of audit committees, recommends that the committee should review the council's corporate risk register on an annual basis. The responsibilities of the audit committee are contained within the Council's Corporate Committee from 2011/12.

15.2 In order to comply with CIPFA and IPF recommendations, risk management is included within the Corporate Committee's terms of reference. In order to demonstrate that these are fulfilled, the Council's Risk Management strategy and policy is reviewed and formally approved by Members on an annual basis to ensure that it reflects current operational requirements and best practice. The corporate risk register is also presented for review by Members on an annual basis. The risk management policy was

last reviewed and approved by the Audit Committee at its meeting on 25 March 2010. At the same meeting, the corporate risk register was presented for review.

## **16. Risk Registers**

16.1 The Council uses an electronic system, Covalent, to record the risks faced by business units, departments and at a corporate level in a uniform and consistent manner. The output from Covalent is in the form of risk registers for business units, directorates and at the corporate level.

16.5 Covalent automatically sends email reminders to the business unit representatives when updates are due and the system provides an audit trail to allow for monitoring and follow up by Internal Audit. Internal Audit also include resources (as part of the annual internal audit plan) to review and test the effectiveness of key controls to manage identified risks and to ensure that all actions and updates are being done in accordance with the relevant timescales. The results of these audit reviews are reported separately to Members as part of the quarterly progress reports on internal audit work.

16.6 The corporate risk register is reviewed on a quarterly basis by the Chief Executive's Management Board. The latest review was undertaken at the meeting on 14 June 2011 and this version of the corporate risk register is attached as Appendix 1 to this report.

## **17. Risk Management Policy and Strategy**

17.1 The corporate risk management policy and strategy brings together all key processes involving risk, including business planning, health and safety, business continuity planning, emergency planning, performance management and project management. A corporate Risk and Emergency Planning Steering Group is in place, with representatives from all directorates, which reviews key risk issues on a regular basis and ensures implementation of the risk management strategy across the council.

17.2 The risk management strategy and policy has been reviewed and updated to reflect the changes to operational practices and is attached at Appendix 2 for review and approval. In accordance with Members' requests, changes to the previous year's policy have been highlighted within the document.

# Corporate Risk Register




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**Haringey Council**

Risk Code	Risk Title	Internal Controls	Risk and Control Ownership	Date of last review	Residual Impact	Residual Likelihood	Residual Risk Score	RAG status	Further Action Code	Further Action(s)	Progress (% complete)	Further Action Complete on Date
CEMB_R001	Poor national and local economic conditions impact adversely on Haringey Council, including an inability to deliver services due to increased demand	Demand led forecasts are employed by services in order to effectively profile budgets to meet demand. Contingency plans in place in order to deal with cases of service demand above forecast levels. Rethinking Haringey programme in place, addressing key service changes and ways of working more effectively at a corporate level via e.g. commissioning and procurement activities. Close links with partner organisations in health and other services to address key/high areas of demand e.g. housing, adult care	Risk Owner: Chief Executive. Control Owner: Director - CR; Director - A&HS	30-Jun-2011	6	6	36	●	AH02_R004_F001	Engaging with outgoing PCT and Gp collaboratives re joint commissioning opportunities for the Council to commission on behalf of GPs.	80 %	31-Mar-2012
									AH02_R006_F001	Feasibility of alternative packages to assist Commissioning in demand forecasting - CareTrak or FWi reports package under consideration.	70 %	31-Mar-2012
CEMB_R002	The Council does not perform or respond to required local and national performance	Regular briefings on central government policy updates and changes are provided to CEMB, senior managers and Members. New outcomes based corporate performance framework is	Risk Owner: ACE - Control P&OD. Owner: All Directors and ACE - P&OD; Head of Policy,	30-Jun-2011	7	3	21	▲	AH02_R007_F004 CEMB_R002_F001	Production of Adult Services Quality Assurance Framework Ensure performance framework processes are fully embedded across the Council by 31 March 2012	100 % 50 %	31-Mar-2011 31-Mar-2012






CEMB_R_005a	Lack of safety and well-being for clients within child protection services.	Improvement Plan in place and monitored on fortnightly basis. Establishment of Safeguarding & Strategic Services structure to embed controls and management oversight. Service departments undertaking ongoing budget review sessions. Supporting People allocation has been reduced - plans are in place to manage the impact on the level of services which can be commissioned.	Risk Owner: Director - CYPS. Control Owner: Deputy Director Children & Families	30-Jun-2011	8	3	24		CEMB_R005_F002	Ensure that the recommendations in the Safeguarding action plan are fully implemented and that governance and control issues are fully incorporated and embedded into operational working practices.	50 %	31-Mar-2012
CEMB_R_005b	Lack of safety and well-being for clients within adult safeguarding services.	Action Plan in place and monitored regularly following annual external inspection of Adult services. Safeguarding training implemented with records of attendance at training courses maintained. Deprivation of Liberty Safeguards (DoLS) has been established as standard practice.	Risk Owner: Director - A&HS. Control Owner: Deputy Director Adult Services - A&HS	30-Jun-2011	6	2	12		AH02_R001_F002	New PAN London Procedures now published. Safeguarding staff are acquainted with new procedures and implementation to progress.	50 %	31-Mar-2012
CEMB_R_005c	Lack of safety and well-being for staff, especially in light of reduced resources and	Risk Management strategy in place with links to health and safety requirements. Corporate Health & Safety audits undertaken.	Risk Owner: Chief Executive. Control Owner: All Directors and ACE - P&OD	30-Jun-2011	6	5	30		AH02_R001_F001	All establishments (including Sheltered Housing) to move to monthly Health & Safety Audits as currently undertaken by all residential homes.	80 %	31-Mar-2012










<p>(financial and staffing) for the Council's revenue and capital programme leads to non-achievement of Council objectives</p>	<p>monitored by CEMB and Members on a regular basis. Project Management arrangements in place which are monitored and reported on on a regular basis including key milestones. Equality Impact Assessments are completed for all key capital projects and programmes. Effective programme delivery arrangements in place for Greenest Borough Partnership. The Joint Leadership Team (Adults &amp; Housing) will monitor the progress of well being priorities and report to the Well-Being Partnership Board (WBPB). Specific projects being monitored in Place and Sustainability (PRE) in relation to the impact of wider economic developments</p>	<p>Control Owner: All Directors and ACE - P&amp;OD</p>	<p>30-Jun-2011</p>	<p>7</p>	<p>4</p>	<p>28</p>	<p>▲</p>	<p>CEMB_R009_F001</p>	<p>Regular monitoring, review and prioritisation of action via Place &amp; Sustainability DMT and relevant project/programme/partnership board, i.e. Better Haringey, and Better Places Partnership</p>	<p>0 %</p>	<p>31-Mar-2012</p>
<p>CEMB_R009</p> <p>Failure to meet corporate statutory and legal requirements and targets</p>	<p>Council Constitution including scheme of delegation and finance/contract procedure rules in place and reviewed regularly by officers and Members. Regular reports on compliance with national and local performance measures to CEMB and Members. Key legislation changes identified by Policy and Legal Services, with action plans in place to address e.g. 2010 Equalities Act Performance improvement plans, Service Action Plans in place in response to external and internal inspection processes Joint Leadership Team (LBH,</p>	<p>Risk Owner: ACE - P&amp;OD; Director - CR. Control Owner: Acting Head of Legal Services; All Directors and ACE - P&amp;OD</p>	<p>30-Jun-2011</p>	<p>7</p>	<p>4</p>	<p>28</p>	<p>▲</p>	<p>CEMB_R009_F001</p>	<p>Regular monitoring, review and prioritisation of action via Place &amp; Sustainability DMT and relevant project/programme/partnership board, i.e. Better Haringey, and Better Places Partnership</p>	<p>0 %</p>	<p>31-Mar-2012</p>

CEMB_R010	Failure of corporate I.T. operating framework.	PCT, Vol Sector groups) in Adults & Housing in place.	Risk Owner: Director - CR. Control Owner: Head of IT Services	30-Jun-2011	7	4	28						
CEMB_R011	Failure to ensure viability of services delivered through partnership working, especially where changes to funding arrangements occur	Public Health resources joined with the Council. Partnership arrangements subject to high level review and monitoring by CEMB. Establishment and development of key relationships with external organisations and business sectors. Code of Governance for the HSP implemented. Executive level performance management group for HSP in place. Ongoing work with statutory and voluntary/ community sector partners, e.g. the Police, LDA, Employment Service, Small Business Service and Health agencies.	Risk Owner: ACE - P&OD. Control Owner: Corporate Head of Performance & Policy, Director A&HS	30-Jun-2011	6	5	30		AH02_R008_F002	Shadow Health & Wellbeing Board to be established. Priorities now set.	85 %	31-Mar-2012	
CEMB_R012	Council policies and procedures fail to manage the risk of fraud appropriately	Anti-fraud and corruption strategy, whistle-blowing policy and fraud response plan in place and reviewed on a regular basis. Programme of pro-active fraud work in internal audit and Housing Benefit plans. Risk of fraud included in departmental risk registers.	Risk Owner: Director - Corporate Resources. Control Owner: All Directors and ACE - P&OD; Head of Audit & Risk Management	30-Jun-2011	9	3	27		CEMB_R012_F001	Publish details of successful fraud investigations and prosecutions on a regular basis	0 %	31-Mar-2012	



	reputation locally and nationally	national and local media; Addressing the recommendations within external inspections.																	
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Risk Status	
	Alert
	High Risk
	Warning
	OK
	Unknown

## 8 HOW ARE RISKS REVIEWED AND REPORTED?

8.1 The council has various means of measuring and recording risks. The reporting of each of these areas, together with the links between each process, is set out below.

8.2 Risk registers are subject to regular review and update on a six monthly or quarterly basis, depending on risk, by business units, departments and CEMB. The timing for the reviews coincides with and forms part of the annual business planning process. Key risks are escalated from business unit registers to departmental registers (where applicable) and ultimately on to the corporate register where the realisation of the risk may impact on the ability to achieve corporate or statutory objectives.

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8.3 The Corporate Business Continuity Plan (BCP) is reviewed on a quarterly basis, and subject to test on an annual basis. The Emergency Planning and Business Continuity Planning team maintain the corporate plan, incorporating lessons from incidents and exercises. Business Unit BCP's should be reviewed twice a year in line with the business planning cycle (in September and April). Reports are provided to CEMB and members detailing the implementation and management of the council's BCP's. Key BCP risks are included on business unit, departmental and the corporate risk register as appropriate.

8.4 The council's project management framework requires risks affecting each project to be reviewed prior to the completion of each project highlight report and reported to the relevant project board. Reports to CEMB and members are provided on a regular basis as part of the reporting cycle. Projects which carry significant risks to the achievement of business unit or departmental objectives should be included in business unit or departmental risk registers, with escalation to the corporate risk register in cases where the failure of the project may impact on the ability to achieve corporate or statutory objectives.

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8.5 Health and safety risks are addressed based on the Health and Safety Executive's 'Sensible Risk Management' strategy, which the council has adopted. Managers at all levels are required to ensure that key assessment processes e.g. display screen assessments and safe working practices are completed on a regular basis. Reports to CEMB and members detailing compliance with the council's policies are provided on a regular basis.

8.6 Quarterly performance assessments against key service indicators and progress monitoring against departmental plans takes place in addition to reviews of performance monitoring and quality assessments within departments. The Council uses a dashboard reporting and RAG status format to highlight key risk areas.

Deleted: Performance management information, including statutory and local performance indicators, is provided on a regular basis to CEMB and members.

8.7 The Council has to produce an Annual Governance Statement every year, which is an assessment of the systems the Council has in place to control and manage the services they provide. Compliance with this risk management strategy and framework will provide assurance to CEMB and members that risks are being properly managed.

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September	Complete Pre-Business Plan Review	BU Head	Policy and Performance Team
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### The completion of risk registers

#### 1. Identification of risks

- 1.1 Risk registers should allow Business Unit Heads, Directorate Managers and members of CEMB to record those risks and controls which have been identified as the most important in making sure that the Council delivers its services effectively.
- 1.2 The first stage of the process is to identify the risks (including opportunities) facing the Business Unit/Directorate/Council. In line with the CIPFA/SOLACE guidance, Haringey's risk management framework is linked to business and service delivery objectives. These business objectives are identified by departments and business units as part of the annual planning process.
- 1.3 The Council has a corporate risk register which identifies the most significant risks facing it. Each department has its own risk register (where appropriate) which identifies the key high level risks which could impact on the directorate or the Council as a whole. All business units within the Council also have their own risk registers which should focus on the key risks affecting each individual service, although some of the risks may have an impact on whether the department or the Council meets its objectives.
- 1.4 Business Units may choose to include only the key (high level) risks facing them on their risk register and to set up subordinate risk registers within Covalent, which can be cross-referenced to the business unit register. This would allow specific projects or risks to be allocated to service managers to monitor and report on and allow the business unit and departmental management teams to focus on managing and reviewing the key risks.

#### 2. Assessment of risks

- 2.1 When all the relevant key risks have been identified, a numerical scoring system is used to determine which are the key risks to the department or business unit. Risks are scored using two factors:
  - **Likelihood.** An assessment is made of how likely the risk is to occur in practice; and
  - **Impact.** An assessment is made on if the risk did occur, what would be the impact on the department, business unit, or system.
- 2.2 Managers decide on the likelihood and impact of each of the risks identified for their department or business unit as they are in the best position to be able to assess the likelihood and impact of each of the risks on their specific departments.
- 2.3 In order to ensure a consistent approach across the Council, specific criteria have been agreed for the likelihood and impact scores. The Impact and Likelihood Scales are attached at Appendix A1, which also provides further detail on when the relevant managers should take action, or further action, to manage risks effectively and consistently.
- 2.4 The impact/likelihood scores are based on a 12 month assessment period, in line with the Council's business planning process, although with review of risk registers on a quarterly basis this is effectively a rolling 12 month assessment. The impact and likelihood of individual risks may change over time, depending on changing circumstances, therefore it is important to review the assessments which have been made on a regular basis.

## The completion of risk registers

2.5 The identified control in place to manage each risk should either reduce the likelihood that a risk will occur, or the impact if it were it to occur. If the score is still at an unacceptably high level having considered the controls in place, additional actions may be required in order to reduce the risk level further.

2.4 The Council's objective is to make sure that the most cost-effective controls are in place for each risk, and that managers have considered the cost against the benefit of the control. This may mean that certain risks have a high residual score because the cost of reducing the risk may be higher than the potential cost, if the risk actually happens.

2.5 The risk registers therefore contain the following:

- key risks and which officer is responsible for managing those risks;
- controls in place to manage the risks, and who is responsible for implementing and managing those controls;
- risk scores; and
- any further actions required, and who is responsible, together with a timescale for completion.

### 3. Assurances on the effectiveness of key controls

3.1 The Council wants to ensure that the controls which managers say are in place to manage the key risks are both in place and working effectively. The annual programme of internal audit work includes resources to test the key controls specified within the risk registers, based on the level of risk involved.

### 4. Monitoring of risks

4.1 Setting up the risk registers is only one part of the risk management process. In order to achieve real benefits from implementing risk management, it is important that the risk registers are reviewed and kept up to date, in accordance with the corporate risk management strategy. Managers should review all risks with a risk score of 32 or above on a quarterly basis. All other risks should be reviewed on a six monthly basis.

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4.2 CEMB will review and update the corporate risk register on a quarterly basis. The update may take the form of new risks, changes to or additional controls, and changes to risk scores. Key triggers for significant changes to risk registers will be new or changing regulations, implementation of new departmental or corporate projects, high staff turnover, changes in the external environment, and Internal Audit reviews.

4.3 The Corporate Committee will, on an annual basis, review the corporate risks identified and confirm their acceptance of both the risks which have been identified, and the actions in place to manage them.

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4.4 Using the framework, a consistent methodology for measuring and scoring risks is applied throughout the Council. What managers need to do to deal appropriately with risks at various levels, is detailed at Appendix A1.



## APPENDIX A

### The completion of risk registers

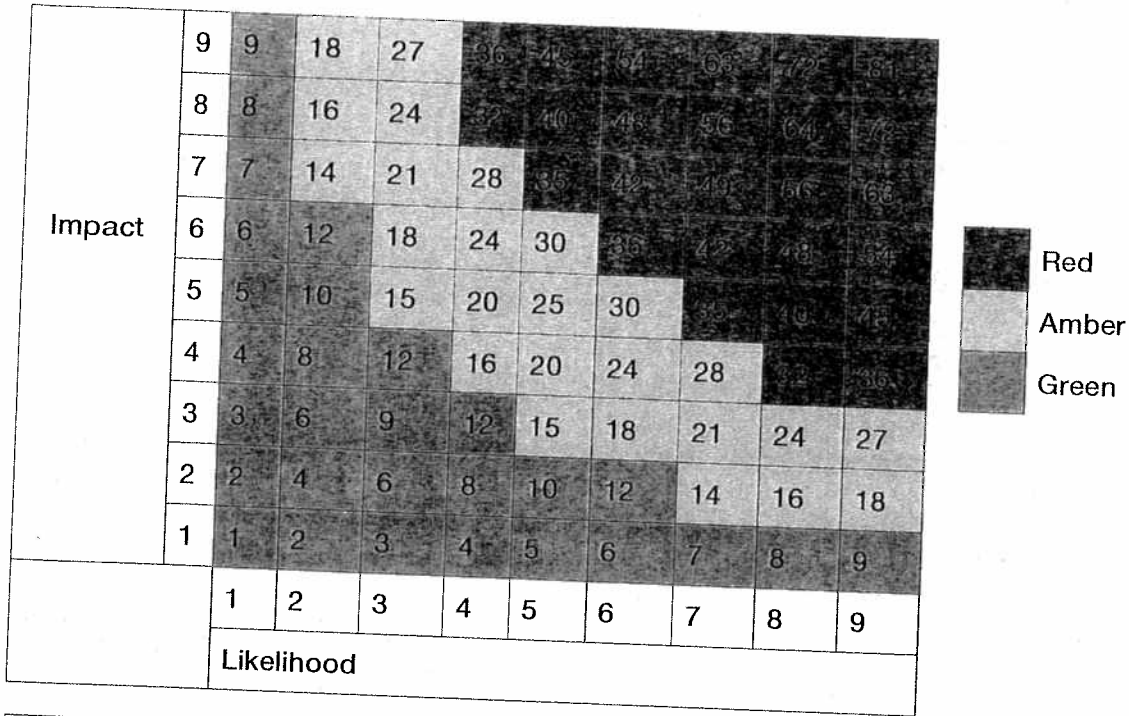
#### APPENDIX A1 – Impact and Likelihood Scales

To be used as a guide in assessing risk ratings:

Descriptor	Impact Guide	Likelihood Guide
1	No impact	<1% likely to occur in next 12 months
2	Financial loss up to £5,000 or no impact outside single objective or no adverse publicity	1%-5% likely to occur in next 12 months
3	Financial loss up to £10,000 or no impact outside single objective or no adverse publicity	5%-10% likely to occur in next 12 months
4	Financial loss up to £50,000 or minor regulatory consequence or some impact on other objectives	10%-20% likely to occur in next 12 months
5	Financial loss up to £100,000 or impact on other objectives or local adverse publicity or strong regulatory criticism	20%-30% likely to occur in next 12 months
6	Financial loss up to £300,000 or impact on many other processes or local adverse publicity or regulatory sanctions (such as intervention, public interest reports)	30%-40% likely to occur in next 12 months
7	Financial loss up to £500,000 or impact on strategic level objectives or national adverse publicity or strong regulatory sanctions	40%-60% likely to occur in next 12 months
8	Financial loss up to £1 million or impact at strategic level or national adverse publicity or Central Government take over administration	60%-80% likely to occur in next 12 months
9	Financial loss above £1 million or major impact at strategic level or closure/transfer of business	>80% likely to occur in next 12 months

The completion of risk registers

Measuring what is an acceptable risk



Risk Score	Value	Action required
12 or less	Up to £50k	No further action is required to reduce risks, but managers should ensure that the specified controls are operating effectively. Managers should review the controls for low risk areas to ensure there are not too many controls in place, or the controls outweigh the cost of any potential system failure.
14 – 30	£5k - £300k	Implementation of further action and additional controls may be required. The costs and benefits of additional controls should be considered. The relevant departmental management team may agree that no further action should be taken. This decision must be recorded on the risk register within the relevant 'controls' section.
32 or more	£50k – £1m and over	Implementation of additional controls is required for any new risk with a risk score of 32 or higher. If the Business Unit or Department does not want to introduce any more controls, CEMB must consider and agree their approach. The approval should be recorded on the risk register. If the impact of the risk is considered significant (impact score of 5 or 6) and/or the likelihood of the risk happening is thought to be high (likelihood score of 8 or 9), the relevant departmental management team must review them and agree the approach to manage them. If the impact of the risk is considered substantial, major or catastrophic (impact score of 7, 8 or 9), CEMB must review them and agree the approach to manage them.

## Project and Programme Management

Projects are one-off activities which bring about change. Projects tend to be risky for two reasons, because:

1. the organisation has limited, if any, experience of undertaking the work before; and
2. the impact of change cannot always be predicted from the outset.

To minimise risk to work done in a project environment project managers follow Haringey's Project Management Framework (PMF). The PMF outlines:

- set project management processes;
- roles and responsibilities;
- guidance on governance; and
- the monitoring structure, sign-off procedures, and quality assurance provided by the Programme Management Office.

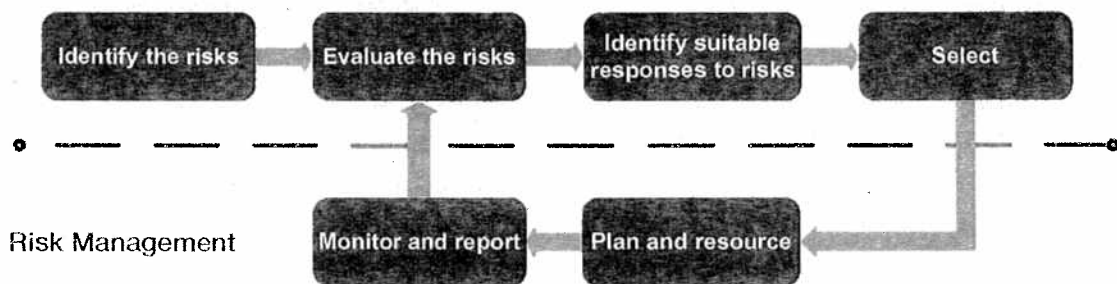
It also contains standard templates for all key documents and guidance on how they should be completed.

The Council also has a Corporate Programme Management Office (PMO) to oversee compliance with the PMF and to manage risk at a programme level.

### The Risk Management Cycle

All risks within the project environment, whether programme or project level, are handled according to the standard risk management cycle. See diagram below:

#### Risk Analysis



### Risk Management at Programme vs. Project level

Programme-level risks are those risks which affect the intended benefits of a programme. There are two main types of programme level risks:

- a) those risks which affect all or a number of projects within the programme; and
- b) those risks which so substantially affect the benefits of a key project that they put the programme benefits at risk.

These risks are held by the Corporate PMO in the Programme Risk and Issue Log. The Corporate PMO manages the log by:

- Horizon scanning for risk;
- Holding and updating the log, whether risks are raised inside or outside the PMO;

- Circulating the log to the Programme Boards and through the Chairs of the Boards to CEMB and other key stakeholders to ensure that there is an awareness of risks; and
- Monitoring whether risk owners are undertaking management action as assigned.

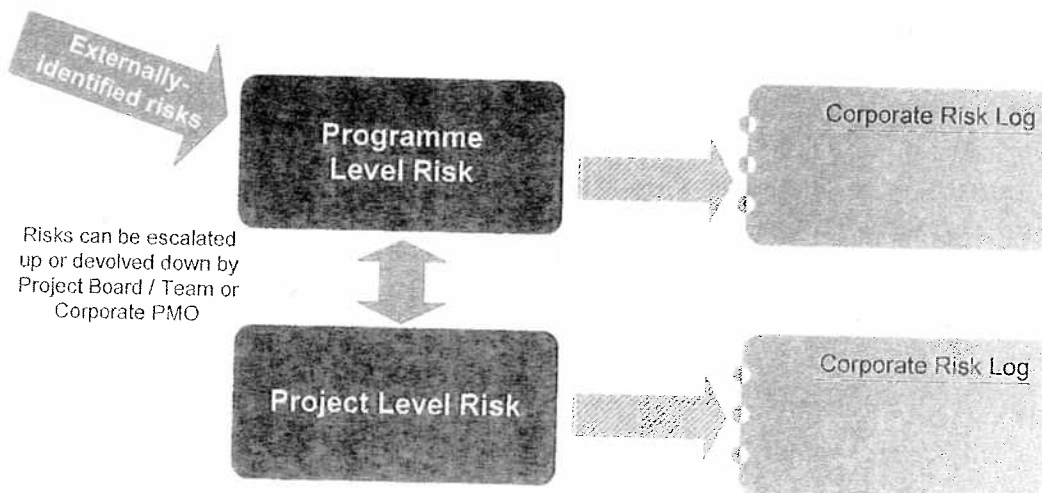
Project-level risks are those risks which affect the intended outputs or benefits of the project. Project managers are responsible for managing and logging project level risks. Project managers may delegate the management of risk to appropriate risk 'owners', but they retain accountability for the management of risk. Project managers are expected to keep unwanted outcomes to an acceptable minimum.

Project managers should review the project risk log every time they submit a Project Highlight Report. A full risk review of the project should be undertaken at the end of every project stage.

### Link with Corporate Risk Management Processes

The steps in project and programme risk management are as follows:

1. Risks which are identified at project level are logged by the project manager in the project risk log, and if this places the directorate's objectives at risk, it should also be logged on the Corporate Risk Register for the Business Unit.
2. Corporate PMO receive a copy of each project's risk log as part of the monthly Project Highlight Report.
3. Corporate PMO assess whether the risks are deemed significant at programme level. If they are, the risk is logged in the Programme Risk Log. The Programme Risk Log is circulated to all project managers, sponsors, and the senior management team.
4. Programme-level risks may also be picked up by Corporate PMO and other stakeholders through horizon-scanning. If they are also significant at the project level they may be devolved down to the project manager for monitoring within the project environment too. This process is shown in the diagram below:



## Business Continuity Plans

### 1. Overview

- 1.1 Business Continuity Plans allow Business Unit Heads, Departmental Managers and members of CEMB to manage threats or incidents that have the potential to disrupt the delivery of services or the conduct of Council business.
- 1.2 By focusing on the impact of disruptive events, BCM identifies the critical services and function the organisation depends on, and what is required for the organisation to continue to meet its obligations to its many stakeholders. This allows the organisation to:
- Take steps to protect its people, premises, IT, supply chain, reputation etc
  - Plan to respond effectively to disruptive events and challenges
- 1.3 Business Continuity Management is a cyclical process, and is designed to manage and control risks which can be described as “low probability, high impact” events. It involves four stages:
- Understanding the organisation
  - Determining the Business Continuity Strategy
  - Developing and implementing the BCM Plans
  - Exercising maintaining and reviewing
- 1.4 It requires both leadership and ownership from senior management, and understanding and support throughout the organisation. For this reason, Business Continuity Management is a mainstream activity, that is required of all Business Units.

### 2 Roles and responsibilities

- 2.1 The Emergency Planning and Business Continuity Team are responsible for :
- maintaining the corporate Business Continuity Plan, and advising CEMB of key Business Continuity risks, and mitigation strategies.
  - providing advice and training to Business Units to support their Business Continuity planning.
  - Providing a programme of exercising to validate corporate and Business Unit plans.
- 2.2 Heads of Business Units are responsible for:
- Considering the risk of business continuity disruption in their Risk Register
  - Ensuring Business Continuity Plans are in place and reviewed twice a year.
  - Providing data to the Emergency Planning and Business Continuity Team to inform the corporate Business Continuity strategy.
- 2.3 Each Directorate should appoint a Tier 2 lead on Business Continuity who will:
- Lead on and champion Business Continuity within the Directorate
  - Represent the Directorate on the corporate Business Continuity Management team in the event of an incident requiring a corporate response.

### 3 Understanding the organisation

3.1 There are two aspects to this stage of Business Continuity Planning:

- Identification and assessment of Business Continuity risks
- Analysis of the criticality of services and functions, and the resources required to support them.

3.2 Business continuity risks are identified by the Emergency Planning and Business Continuity Team, based on the Community Risk Register compiled in conjunction with the Emergency Services. Other Business Continuity Risks are identified by the IT Services.

3.3 Guidance on the likelihood of these risks occurring is provided centrally to Business Units, who must then consider the impact of these risks on their own operations and services. Business Units are expected to enter into their Risk Register any individual BC risks that are of particular significance to them, or a generic BC risk if no individual risk is significant.

3.4 Analysis of the criticality of services and functions of a Business Unit is undertaken on the basis of the length of time the service could cease to function for, before a "Level 5" impact was felt on the Council Risk Management Framework Impact scale (see Appendix B1). Since this prioritisation of services will determine the order in which the Council recovers its services in the event of an incident, these priorities should be agreed with the responsible Cabinet Member.

3.5 Each service is also required to identify and report to the Emergency Planning and Business Continuity Team annually on the resources they would require to maintain their service, considering:

- People
- Premises / workspace
- Resources
- Suppliers
- IT
- Vehicles

### 4 Determining the Business Continuity Strategy

4.1 The Councils Business Continuity Strategy operates at two levels: local strategies developed by Business Units and services managers, and the corporate strategy for dealing with larger events.

4.2 Each Business Unit is required to identify local actions they can take to maintain services in an incident. These can include remote working, temporary suspension of non-key functions, supplier management strategies etc. Business Units should also consider what actions they can take to improve the resilience of their operations – for example by changing operational processes, identifying alternative suppliers of goods and services, identifying changes to the configuration of premises or infrastructure.

4.3 Corporate Business Continuity strategy focuses primarily on larger disruption of access to premises, and major workforce disruption. This strategy is developed based on an analysis of the data provided by the Business Units (see 2.5).

4.4 This plan is linked to the IT Disaster Recovery Plan, and provides the priority order for recovery of IT Services in aftermath of an incident affecting IT Services.

## **5 Developing the Business Continuity Plans**

5.1 The Business Continuity Response is again split into corporate and local actions. The Corporate Business Continuity Plan sets out the incident management framework for the Council as a whole, roles and responsibilities, notification and escalation processes.

5.2 Business Unit or service Business Continuity Plans are produced according to a corporate template, and include local notification and incident management arrangements and checklists, along with the recovery requirements and actions plans for restoration of services.

5.3 Every Business Unit must have a Business Continuity Plan or plans covering every aspect of their service.

5.4 Business Units are also required to verify the Business Continuity arrangements of their key suppliers and partners.

## **6 Exercising, maintaining and reviewing**

6.1 The Corporate Business Continuity Plan is reviewed on a quarterly basis, and exercised annually. The Emergency Planning and Business Continuity Planning team maintain the plan, incorporating lessons from incidents and exercises.

6.2 Business Unit plans are required to be reviewed twice a year (in September and April). These reviews should take account of lessons from incidents and exercises, and organisational and operational changes that have occurred since the last review.

6.3 In addition, the Emergency Planning and Business Continuity Plan will audit a number of Business Unit plans each year on a risk basis.

6.4 Business Units plans will be exercised at least every three years, based on a corporate programme developed by the Emergency Planning and Business Continuity Team.

APPENDIX B1: Service Prioritisation Guide

What are your priorities for Business Continuity, in the event of an incident, and the target recovery time?

Emergency Response (immediate)	Critical Services (Recover within 4 hours) <i>List individual services</i>	High Priority (Recover within 24 hours) <i>or aspects of services</i>	Medium Priority (Recover within 3 days) <i>in these boxes according</i>	Low Priority (1 week +) <i>to their priority.</i>
<p>At what point would service disruption have a "Level 5" Impact: i.e. Financial loss up to £100,000 or impact on other objectives or local adverse publicity or strong regulatory criticism</p>				
	↓	↓	↓	↓
<p>Likely to be project work, consultation, strategy development etc.</p> <p>Likely to be services with a public-facing element, but not immediately time-critical. For example, street cleansing can be delayed for a few days, without serious consequences.</p> <p>Services which are very visible to the public may well fall into this category. Services like IT, on which many other services depend, may also fall into this category.</p> <p>In general, the only services that fall into this category are those where the welfare of the public is immediately affected. For example, Home Care Services – if this was suspended, clients who were not visited may well be at a serious health risk.</p> <p>The Council will prioritise services needed to respond to the immediate needs of the public in an emergency. If no emergency response is required – for example if the incident is purely internal to the Council – then these services will not be prioritised.</p>				



## Performance Management Framework

### An overview

Haringey has developed an outcome based performance framework for 2011/12 onwards. A sharper focus on achieving key council priorities and outcomes – is at the heart of the new approach.

The new framework, agreed by Management Board on 15<sup>th</sup> February 2011, is an integral part of *Rethinking Haringey* and key in ensuring the Council is on track to achieve the outcomes set out in that document. These are:

**Thriving** - Regenerating the borough; creating opportunities for employment and educational attainment; tackling low income and poverty; providing a balance of different types of homes which offer quality, affordability and sustainability

**Healthier** - Tackling health inequalities amongst children and adults; promoting healthier lifestyles and independence

**Safer** - Reducing the incidents and fear of crime and anti-social behaviour; safeguarding children and adults

**Sustainable** - Tackling climate change and managing our environmental resources more effectively; ensuring an attractive, clean, sustainable environment

**Empowered** - Promoting opportunities for community involvement and volunteering; enabling self reliant communities

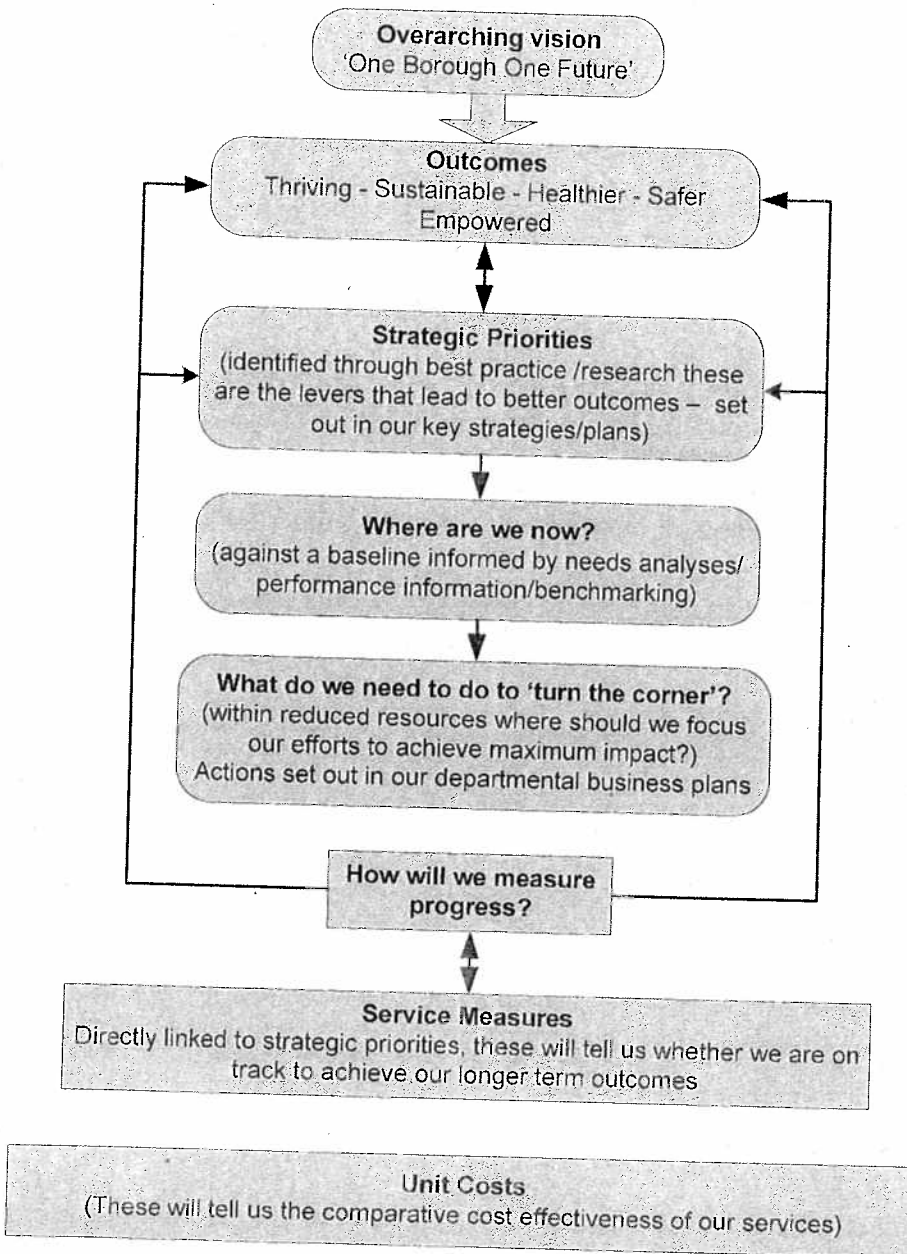
### Key elements of the outcomes framework

The key components of the framework are:

- **Priorities**- identified through needs analysis, research and consultation as the strategic levers that will lead to better outcomes.
- **Actions** – these are set out in our departmental plans.
- **Service measures** - directly linked to strategic priorities, these will tell us whether we are on track to achieve our longer term outcomes. Over time these will build a picture that will tell us whether our policies and activities are having the expected impact.
- **Unit costs**- these will tell us the cost effectiveness of our services. These will be developed for our front facing services and reviewed annually.

The diagram below shows our approach to performance management and how all the component parts fit together.

## Haringey's Outcomes Based Performance Framework



Targets for improvement are set out in our departmental plans within the resources allocated in the Council's Financial Strategy. Performance against these targets is reviewed quarterly by the Council's Management Board and Cabinet. Progress on completion of milestones as set out in the departmental plans is reported quarterly alongside performance information.

Departmental Management Teams review performance including local and operational data on a monthly basis to ensure timely intervention where necessary.

The views of our residents are important to us and we consider them as key indicators of our performance. Every year we commission an independent residents survey which tracks perceptions over time and against other London authorities. This information informs our departmental and other strategic plans. Complaints and Members' Enquires are key in identifying problem areas and in learning from our mistakes in order to improve services.

At the end of each year we complete a self evaluation across the Council assessing our progress towards achieving the agreed outcomes. We publish this in accessible format on the Council's website.