

Audit Committee

Report Title:	Performance and Risk Management Annual Report 2016
Meeting Date:	30 January 2017
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Local Councillor(s):	All councillors
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Brief summary of report

- The following report provides an update on the Council's performance and risk management arrangements and external inspection activity during 2016. The report is accompanied by the following appendices:
 - Appendix 1: Performance measures from the Corporate Performance Report.
 - Appendix 2: Guidance on how to score a risk (extract from corporate guidance).
 - Appendix 3: Latest version of the Corporate Risk Register.

Action recommended

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| <ol style="list-style-type: none"> That the Committee notes the content of this report and satisfies itself that robust arrangements are in place for effective management of performance and risk. |
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Reason for recommendation

- To provide the opportunity for the Committee to consider the operational arrangements in place for performance and risk management and receive an update on the latest developments for these key 'business as usual' areas of the Council.

Alternative options

- None.

Who will be affected by this decision?

- Service users, councillors, and officers responsible for service delivery.

Main body of report

PERFORMANCE MANAGEMENT

6. A robust performance management framework and good quality information are critical to managing the Council successfully. Monitoring the effectiveness of services and assessing the impact of transformational change is essential in ensuring the organisation continues to deliver value for money services.

Suffolk County Council's Approach to Performance Management

7. The Council collects and monitors local performance information to inform decision-making and budget decisions as well as assessing the impact of its change programmes. All councils now have more flexibility in the way they undertake performance management activities, which allows them to tailor their approaches to local circumstances, for example by focusing on the achievement of corporate priorities or implementation of major programmes.
8. The Council's corporate approach to performance management is set out annually in the 'Corporate Planning and Performance Framework and Guidance' document, which outlines the key elements that managers at all levels within the organisation need to take into account when undertaking performance and planning activities. The guidance ensures there is a consistent approach across the organisation, whilst at the same time allowing flexibility for directorates to adapt processes to their specific needs.
9. The Corporate Planning and Performance Board oversees the Council's planning, performance, and risk management processes. The Board meets quarterly to discuss and agree a broad range of performance, planning, and risk management issues and review the corporate performance report prior to consideration by the Corporate Management Team (CMT) and Leadership Team.
10. The corporate performance report is produced each quarter and brings together a wide range of strategic performance data and other information. Performance measures are aligned to the Council's priorities, as shown in Appendix 1. This information is regularly reviewed to ensure it reflects the most important issues the Council is facing and that it draws attention to achievements and areas where more focus is required. The report includes core elements, such as finance, workforce, performance, risk and audit activity, but other elements are also considered if inclusion adds value. Significant changes to the report in 2016 included:
 - a. New set of performance measures for Highways
 - b. Additional performance measures for Public Health
 - c. Revised performance measures for Safety, Health and Wellbeing
 - d. Update on Internal Audit Service activity
 - e. Results of significant consultations
 - f. Updates on Systems Thinking Reviews

11. The last report (Quarter 2, 2016/17) included the following elements:

a) Corporate Health

- Finance: Spend v Budget
- Savings Targets
- Human Resources
- Staff Survey
- Safety, Health & Wellbeing
- Equalities and Inclusion
- Corporate Risk Management
- Audit Services Update
- Information Management

b) Corporate Priorities

- Educational Attainment and Skills
- Support Local Enterprise Partnerships and Growth
- Roads and Infrastructure
- Support Vulnerable People
- Empower Local Communities
- Other Key Council Services

c) Customer Insight

- Travel to Work Survey
- Customer Complaints and Compliments
- Customer Service and Digital Transformation

d) Transformation/Enabling Programmes

- Systems Thinking Case Study/Project Update
- Transformation Portfolio update
- Transformation and Enabling Programmes

12. Reporting performance against service priorities at directorate management team (DMT) level is also well embedded in the Council. Reports for each of the four directorates are discussed at least quarterly, with Adult & Community Services reporting monthly. Whilst there is corporate guidance and a framework for reporting performance, flexibility is important to allow directorates to adopt an approach that best fits their service-specific circumstances. Most directorates, however, follow the corporate model and consider performance alongside other key information, such as workforce and finance data, as this is good practice and an effective way to manage services.

13. The format and content of all directorate performance reports are reviewed regularly to ensure they align with the transformational changes that are taking place across the organisation. For example, the Children & Young People's Services and Adult & Community Services Directorates continue to refine their performance reporting arrangements to measure the impact of changes in their operating models and assess whether early intervention and prevention strategies are helping to reduce activity and costs of specialist support.

14. The Council also monitors performance activities associated with partnership bodies such as Local Enterprise Partnerships and the Suffolk Health and Wellbeing Board, e.g. through the Joint Strategic Needs Assessment (JSNA). These activities generate additional demands for the Council.
15. Performance management support, advice, and challenge are provided to directorates by the Business Development Team and through the Corporate Planning and Performance Board.

Internal Organisational Reviews

16. The Council carries out 'Gateway Reviews' of its transformation programmes to help challenge and review how each of these programmes is progressing and delivering on its key objectives. During 2016 reviews were carried out for the ACS Systems Transformation and Highways programmes.
17. The organisation also undertakes 'System Thinking' reviews of services where the need for efficiency improvements have been identified. Each review begins with looking at service processes from a customer's perspective, to understand where demands come from and how the process for meeting demand is met. Recent reviews have focused across a range of service areas including: HR recruitment, ACS & Health (Delayed Transfers of Care), Reablement and Rehabilitation, Corporate Parenting, and IT Projects and Programmes.

Monitoring the performance of divested services

18. Divested companies provide services previously delivered by Suffolk County Council 'in-house'. Some divested companies provide services on behalf of the Council, for example Suffolk Libraries and the Suffolk Highways/Kier Contract. For these services, contractual arrangements are in place between the divested company and the Council. These arrangements include agreed performance indicators and targets, whereby the divested company will be held to account for poor performance by the Council through a client/business relationship.
19. Suffolk Group Holdings Limited provides strategic governance to support Vertas, Concertus Property & Design Consultants (Concertus), and Opus People Solutions (Opus) in provided services as wholly-owned companies of the Council. The governance arrangements for these companies is incorporated into the Council's Annual Governance Statement. Performance management of these companies is achieved through regular reporting from Suffolk Group Holdings Limited to a Shareholder Group and the Section 151 Officer (Director of Resource Management). For each of the divested companies, a process for monitoring performance is undertaken as follows:
 - a. Quarterly updates on performance (financial, strategic and operational)
 - b. Annual review of business plans
 - c. Bi-annual financial review

Contract Management Board

20. The Contract Management Board oversees the commercial activities of the Council and provides an increased emphasis on contract management. The Board's membership consists of senior officers (Assistant Directors) from each of the directorates and representation from Audit Services. The Board is chaired by the Director of Resource Management and meets every six weeks to co-ordinate professional resource input across the organisation and share best practice in commissioning, procurement, and contract management.

Reporting to Central Government

21. Mandatory data returns containing performance information are provided to Government by the Council and these are used in a number of ways, one of which is to support the regulatory process. Although there is no longer any overall regulation of the Council's performance at a corporate level, a number of services are regulated by external bodies such as Ofsted and the Care Quality Commission (CQC).
22. The Single Data List, introduced by Government in 2011, is a list of all the performance data returns that local authorities are expected to submit nationally each year. In recent years, the Government has significantly reduced the number of performance data returns required from local authorities. This year the following data returns were removed from the list: Imports of products of animal origin (Defra), Fly-tipping incidents (Defra), Private Fostering (DfE), Adoption self-assessment, Children Placements, and Childcare inspection data (Ofsted).
23. New performance data returns can be requested by Government at any time. However, such a request would first need to meet at least one of a number of key principles, for example: to fulfil international obligations (for example EU directives); to support accountability to Parliament for national public funds and national policy decisions; to hold public services to account; or to provide comparable local performance data, by exception, where it doesn't already exist, to enable local people to hold local services to account.

Benchmarking Resources

24. Understanding how Suffolk compares to other counties is important in helping identify good practice and helping managers set realistic expectations of what constitutes real improvement. There are a number of nationally-hosted online resources that provide data that can be used by councils to understand how their services perform in relation to other areas, including:
 - a. LG Inform (hosted by the Local Government Association);
 - b. Neighbourhood Statistics (hosted by the Office of National Statistics); and
 - c. CIPFA Information Services, that provides information on a range of issues such as service usage, costs, customer satisfaction and policy development.
25. Other online performance information and benchmarking tools provide a more service-specific focus and are a rich source of comparative statistical information to help local authorities monitor their performance. Examples include:
 - a. Public Health Profiles (hosted by Public Health England) - provides an overview of public health performance measures.
 - b. Local Authority Interactive Tool (hosted by Department for Education) - provides data about children and young people.
 - c. Department for Education School Comparison Tool - compares performance data across schools and colleges.
 - d. NHS Digital (hosted by the Department for Health) - provides information about adults using health and social care services.
 - e. NOMIS (official labour market statistics hosted by the Office of National Statistics) – provides economic and business statistics at a local level.

26. The Suffolk Observatory holds statistical data and can be used to produce performance and intelligence reports at a very local level. The Observatory is an interactive website funded through a partnership with district councils and the police, and provides data and reports across a range of themes and geographical levels. The Observatory is currently under review and will be improved during 2017 to ensure it continues to provide the best possible service to those that use it. Going forward, the Observatory will be more interactive and accessible, enabling it to link more intuitively with national tools such as LG Inform. This will help the Council move forward its Open Data agenda (see below).

Managing Data and Information

27. The Council's 'info17' Programme is an organisation-wide initiative that manages information, data, and intelligence change projects in a coherent, consistent and co-ordinated way. Key projects within the programme include areas such as: Business Intelligence, Open Data, and the digitalisation of information to support new and more efficient ways of working.
28. Since 2010, all councils have been required by Government to publish information as part of the national transparency and localism agenda. Under the Code of Practice for Transparency, the Council publishes a range of information on its website relating to:
- a. Council expenditure, contracts and procurement
 - b. Council land and property assets
 - c. Staff salaries and councillor allowances
 - d. Fraud cases and investigations
 - e. Information about Suffolk and its citizens
29. In addition, the Freedom of Information (FOI) Act 2000 requires every council to produce a publication scheme, approved by the Information Commissioner's Office (ICO), and to publish information covered by the scheme. The scheme sets out the Council's commitment to making certain classes of information routinely available, such as policies and procedures, minutes of meetings, annual reports and financial information.
30. The Council is fully compliant with its obligations under the Transparency Code of Practice and FOI Publication Scheme. However, the organisation is currently undertaking an 'Open Data' project which aims to make it easier for people to access information and data about the Council through its website in a more accessible and interactive way.
31. In 2016, the Council introduced new Microsoft Business Intelligence (BI) tools which can be used to identify, extract and analyse business data from a wide variety of data systems. The BI tools allow data to be analysed, used and presented in a variety of ways to support more effective performance reporting and processes.

EXTERNAL INSPECTION / REGULATORY PROCESS

32. This section provides an overview of the regulatory and peer review activity involving the County Council during 2016.
33. Some local authority services are regulated and inspected by Ofsted and the Care Quality Commission (CQC), but other services are also inspected by national bodies. Services not normally inspected through this statutory process can volunteer to be reviewed and challenged by industry experts, e.g. professionals

from other local authorities or independent specialists. Peer reviews provide an independent assessment of services that challenge and focus on issues identified in discussion with the Council, its partners, staff and customers.

External Audit

34. The Annual Audit Letter from the Council's external auditors (Ernst & Young) aims to provide assurance that the Council has proper arrangements in place to secure efficiency and effectiveness in its use of resources. The 2015/16 Annual Audit Letter was issued in October 2016, and reported the following conclusions:

Area of Work	Conclusion
Opinion on the Council's and Pension Fund's: - Financial statements	Unqualified – the financial statements give a true and fair view of the financial position of the Council and Pension Fund as at 31 March 2016 and of its expenditure and income for the year then ended.
- Consistency of other information published with the financial statements.	Other information published with the financial statements was consistent with the financial statements.
Concluding on the Council's arrangements for securing economy, efficiency and effectiveness	We concluded that you have put in place proper arrangements to secure value for money in your use of resources.
Area of Work	Conclusion
Reports by exception: - Consistency of Governance Statement	The Governance Statement was consistent with our understanding of the Council.
- Public interest report	We had no matters to report in the public interest.
- Written recommendations to the Council, which should be copied to the Secretary of State	We had no matters to report.
- Other actions taken in relation to our responsibilities under the Local Audit and Accountability Act 2014	We had no matters to report.
- Other actions taken in relation to our responsibilities under the Local Audit and Accountability Act 2014	We had no matters to report.
Area of Work	Conclusion
Reporting to the National Audit Office (NAO) on our review of the Council's Whole of Government Accounts return (WGA)	We had no matters to report.

Adult Social Care

35. Adult Social Care services are regulated by the Care Quality Commission (CQC) using their revised framework introduced in 2015. Judgements are rated using the following outcomes: 'Outstanding', 'Good', 'Requires Improvement', and 'Inadequate' – a scoring system that mirrors the Ofsted framework.
36. CQC inspects both residential care and nursing home services and domiciliary care services. CQC inspections are undertaken for externally commissioned services as well as services provided directly by the Council such as the Home First re-ablement service.

37. Whilst CQC has a statutory responsibility for regulating registered care home services, the Council also monitors the quality of services under its contracts by monitoring providers. This information is used by the Adult & Community Services (ACS) contracts and provider support teams to identify providers that are failing and who require support. There are also regular contract meetings between ACS and Care UK (the Council's main care home provider).
38. During 2016, 75% of residential and nursing care services inspected by CQC were judged as being 'Good' and 25% were judged as 'Requiring Improvement'. All (100%) of Home First services were judged as 'Good'.

Serious Case Reviews – Suffolk Safeguarding Adults Board

39. Serious Case Reviews (SCRs) are commissioned by Suffolk Safeguarding Adults Board under statutory guidance issued by HM Government and provide analysis of safeguarding incidents and what needs to happen to reduce the risk of recurrence. The last Serious Case Reviews in Suffolk were undertaken in October 2015.

Adult Learning Service

40. The Adult Learning and Skills Service is periodically inspected by Ofsted and was last inspected in 2014, when the service was rated as 'Good'. The next inspection is planned for 2018; this may be a full or part inspection dependent on future performance outcomes.

Suffolk Records Office

41. The Suffolk Records Office Service is subject to inspection under the Archive Accreditation Scheme by the National Archive. The service was last inspected in 2011 when Suffolk was rated as 'a four-star service' (the top rating). As a 'four-star service' Suffolk will not be re-inspected until 2017.

Children and Young People Services

Ofsted inspections – Schools

42. Ofsted Inspections of schools focus on the quality of education provided in the school and a judgement is made based on a range of criteria, including pupil achievement, the quality of teaching, pupil behaviour and safety, and the quality of leadership and management of the school. Ofsted also takes into account the spiritual, moral, social, and cultural development of pupils, and the extent to which the education provided meets the needs of all pupils, in particular disabled pupils and those with special educational needs. The percentage of Suffolk schools currently judged by Ofsted as 'Good' or 'Outstanding' is 86% (November 2016). This represents an improvement on last year (80%), although Suffolk remains behind the national average (89%).

Ofsted inspection – Schools Improvement Services

43. These inspections provide an independent external evaluation of how well the Council carries out its statutory duties in relation to promoting high standards in schools so that children and young people achieve well and fulfil their potential. The last inspection was early 2015 when the Council was rated as 'Good'. There will almost certainly be no inspection in 2017 because Suffolk is currently rated as 'Good'.

Ofsted inspection of services for children in need of help and protection, children looked after and care leavers

44. This is now a single inspection that focuses on the experiences and progress of children in need of help and protection, children looked after and care leavers. Inspectors look at the effectiveness of arrangements to help these children, including adoption and fostering services. Evidence is gathered by looking at individual children and young people experiences, tracking a sample of cases, and observations of practice and interviews. The last inspection for Suffolk was in 2015 when the Council was judged as 'Good'.

Ofsted inspections – Children's Homes

45. For these inspections Ofsted will observe settings and then make judgements based on outcomes for children and young people, the quality of care and safeguarding, as well as looking at leadership and management. Inspectors engage with families, parents, and children, using a range of activities and stakeholder Interviews. The Council's accommodation programme is managed and monitored by the independent Local Safeguarding Children Board, which reviews practice in line with current legislation and good practice research. In 2016, all five of the Council's children's homes were inspected by Ofsted; two were judged as 'Good', the other three judged as 'Requiring Improvement'.

Ofsted inspection – Special Educational Needs and Disability (SEND) Reforms

46. In December 2016, the Council underwent an area-wide inspection of its implementation of the special educational needs and disability (SEND) reforms. The inspection team met with council staff, health colleagues, staff at early years' settings, schools, and with partners. The outcome of this inspection should be published in early February. Suffolk, like other areas, is still working through the full implications of the SEND reforms and the recent Ofsted inspection has been helpful in clarifying the Council's understanding of how these reforms are best taken forward.

Ofsted inspections - Early Years and Childcare

47. Ofsted routinely inspects around 400 private, voluntary and independent (PVI) early learning providers currently signed up to the Suffolk List of Providers. As with other education services, Ofsted will rate each provider as 'Outstanding', 'Good', 'Requires Improvement' and 'Inadequate'. The Council's Early Years and Childcare Service works with providers judged as 'Requiring Improvement' and 'Inadequate' to provide challenge and support in improving the quality of the services.

Ofsted inspections – Children's Centres

48. Nationally, children's centre inspections are on hold pending the outcome of a Department for Education consultation on the future of services.

Serious Case Reviews – Suffolk Safeguarding Children's Board

49. The Safeguarding Children Board has a statutory duty to undertake reviews of cases where abuse or neglect of a child is known or suspected, or there is cause for concern as to the way in which the Council, its partners, or other relevant persons have worked together to safeguard the child. There were two serious case reviews undertaken in 2016.

Suffolk Fire Service - Operational Assessment and Fire Peer Challenge

50. The Fire Peer Challenge is part of a sector-led improvement initiative and is a key component of the Local Government Association's 'Taking the Lead' offer. The review consists of on-site activities including interviews, observations, and focus groups, based on a comprehensive self-assessment. The last review for Suffolk was in 2013 when the service was judged to be delivering good and cost effective outcomes for the community. The next peer challenge is expected to be carried out in November 2017, but the focus and scope of this review has yet to be decided.
51. On 29 November, the Audit Committee considered the 2015/16 Suffolk Fire and Rescue Service Annual Statement of Assurance that outlined the financial, governance, and operational arrangements for the service. The Statement was produced in accordance with the guidance published by the Department for Communities and Local Government.

Health and Safety Executive

52. The Council's Health and Safety function is subject to Health and Safety Executive (HSE) scrutiny. There is a current HSE investigation following an asbestos incident at Broke Hall Primary school in Ipswich in early September 2016. The HSE has now concluded their investigation into the contractor incident and the Council awaits any final decision/action. The last improvement notice was received in January 2011.

RISK MANAGEMENT

53. The Council's overall approach to managing risk is based on the Active Risk Management (ARM) model. ARM is a pragmatic and flexible approach to risk management in which staff actively manage risks by considering a number of basic questions in their everyday work, such as:
- a. What could go wrong?
 - b. If it happens, what will be the impact?
 - c. What am I doing about it?
 - d. Is it working?
 - e. How am I monitoring it?
54. The corporate risk database system (JCAD Risk) is used to record risks and responses, and its use has resulted in a more coherent and consistent approach to managing risk across the organisation. This has led to a more comprehensive and meaningful risk reporting process to the Corporate Management Team (CMT) and directorate management teams (DMTs).
55. All risks recorded on JCAD are scored using a 'profiling matrix', which takes into account two factors (likelihood and impact) for both the 'raw' risk and the 'controlled' (mitigated) risk. This approach allows risks to be assessed objectively to help determine a proportionate response to the risk. An extract from the Council's risk documentation about risk scoring is provided in Appendix 2.
56. The flexibility inherent in ARM encourages risk owners to tailor their risk management approach to suit their business environment and operational needs and use the most effective means of recording. However, it is still necessary for risk owners to follow good practice when recording information, such as risk score and mitigation.

Focus of Activity in 2016

Ensuring that the Corporate Risk Register is a 'live' system that responds to the fast-changing environment and the new challenges and opportunities that the Council faces

57. The Corporate Risk Register (CRR) is reviewed regularly to provide assurance that it is up-to-date and focuses on the most significant risks facing the Council. As well as ongoing monitoring of the CRR, a comprehensive review of the CRR is undertaken annually by the Assistant Chief Executive (ACE), Head of Performance & Information Management and the lead officer for risk management, with input from the Council's Audit Services to ensure findings from audit assurance work inform the review. The key output from the review is a set of proposals for change that are discussed with the relevant service teams for consideration, with changes approved by the Corporate Management Team (CMT) and the Leadership Team.
58. The latest version of the CRR, following the implementation of the suggested changes from the review, is presented in Appendix 3, and a summary of key changes to the CRR over the past year is presented below:

Directorate	Total No. of Risks	New Risks	Deleted Risks	Significantly changed Risks
Adult & Community Services	6	5	5	0
Children & Young People's Services	4	0	7	0
Public Health & Protection	6	5	3	0
Resource Management	19	4	3	1
Total	35	14	18	1

59. Adherence to the principles of ARM is high with no major issues to report. The 'risk champions' in each directorate have played a key role in making this happen. The review of corporate risks is timely, risk descriptions are compliant with the Cause → Effect → Result (CER) format, and there are mitigation statement and risk scores recorded against all corporate risks. Also, it is evident from the information on the CRR that proper reviews based on directorate / service management team meetings are being undertaken rather than reviews being merely a 'tick-box' exercise.

Ensuring that risk management becomes embedded in team and service management activities, building on the approaches adopted for corporate and directorate management teams

60. The Council's lead officer for risk continues to work closely with the directorates and service teams to maintain the momentum gained in embedding risk management as an integral part of their business processes. The activities in 2016 included working closely with the risk champions to ensure that teams adhere to

the principles of ARM and identify useful interventions, such as training and guidance materials, that would help improve the embedding process. In addition, risk management training workshops were delivered to the Pension Funds Committee, the transformation portfolio management team and the Public Health senior management team. The workshops were tailored to the needs of the relevant teams. The network of 'risk champions' has proven invaluable in continuing to embed ARM at directorate and service team level.

61. Risk management now features prominently on the agenda of DMTs and discussions relating to risks are in-depth, as well as being integral to business planning and decision-making processes. The risk champions have ensured that the risk registers are kept up-to-date, relevant and in accordance with the overall requirements of the corporate approach. A summary of the risk review and reporting arrangements for each directorate is provided below:

Directorate	Risk review/reporting arrangements
Children & Young People's Services (CYP)	CYP DMT reviews directorate level risks alongside performance every two months. The focus is on identifying any changes to the risk register required as well as reviewing the mitigating actions and progress against these actions.
Adult & Community Services (ACS)	ACS Management Team considers its overall risk position as a group quarterly. Discussions between the risk champion and the relevant Assistant Directors take place prior to the Management Team review session. The risk management review process is an integral part of the overall performance review and reporting process.
Resource Management (RM)	Risk reviews are undertaken monthly, during the full RM DMT meeting that also features the performance review. A more comprehensive annual review that involves a thorough examination of the risk register for gaps and omissions is undertaken in March or April.
Public Health & Protection (PHP)	Risk reviews for Public Health and Public Protection will continue to occur independently, although they pay due regard to each other's risk register to ensure areas of mutual concern are identified and addressed. Risk reporting arrangements within Public Health are currently under review following the risk management workshop held in December. Risk review arrangements in Public Protection is now well established with risk management reported and discussed at quarterly DMT meetings alongside performance reports. Individual services maintaining their own risk registers.

62. Risk management continues to feature as an integral part of the Council's business planning process and Corporate Planning & Performance Board meetings, which includes representatives from all directorates. The quarterly corporate performance report presented to CMT and the Leadership Team includes a section on risk, specifically proposed changes to the corporate risk register. Risk management is now well established as a key aspect of the quality assurance processes for the Council's transformation programmes and key projects.

Continuing to review the guidance documentation and training provision to ensure that they provide managers with the support and advice they need to undertake their risk management activities effectively

63. Changes to the risk management page on 'MySCC' have largely been driven by the output of the 'reality check' review that is conducted periodically and the feedback provided by the risk champions. The aim is to continually improve the risk information and guidance available to staff to make it user-friendly and relevant.
64. Risk management training workshops, tailored to the training needs of the respective teams, have been facilitated this year by the lead officer for risk (as detailed in paragraph 60 above).
65. One-to-one training and support on the use of the JCAD system continue to be provided on an 'as required' basis, for example for new users of the system.
66. The lead officer for risk has been working with the Council's Learning & Development Team to develop an 'e-learning' risk module that will be available to all staff within the County Council.

Learning from best practice so that the Council's approach to risk management benefits from continuous improvement

67. Intelligence, knowledge and experience gained from interacting with colleagues in other upper tier authorities, continue to be an invaluable source of learning that is a key driver of the continual improvement initiatives undertaken for risk management at the Council. Useful discussions have also taken place with risk lead officers from individual councils to identify potential areas for improvement and explore opportunities for collaborative engagement, for example, peer review exercises and joint procurement of risk management tools.
68. Reviewing publications and news updates from leading authorities, such as the Institute of Risk Management (IRM), ensures the latest developments in risk management can be incorporated into Suffolk's practices where appropriate.
69. Furthermore, intelligence gained by the Audit Services team through its association with the network of Audit colleagues in other authorities have proven to be an invaluable source of learning and sharing experience.

Review of Risk Management by Audit Services

70. The Council's Audit Services team completed an audit assurance review of the Council's risk management arrangements in September 2016. The assurance framework was based on five sources of assurance: - leadership and management, strategy and policy, people and culture, processes and systems, outcomes and delivery, and partnership working and risk. The objective of the

assurance exercise was to establish that relevant systems and controls exist to enable risk to be effectively managed within the Council.

71. The review concluded that there was 'sufficient' assurance relating to the Council's risk management arrangements. The Audit team was satisfied that:

"the control framework around corporate and strategic risk is sufficiently robust to ensure that risks of these nature are effectively managed. However, limitations to assurance have been identified in relation to the management of risk in day-to-day activities."

72. Specific actions relating to the findings from the review have informed the areas of focus for the coming year (see below). The Audit Services team will monitor the implementation of the agreed actions through the normal audit follow-up process.

Areas of Focus for 2017

73. The following activities have been identified as requiring attention in 2017. That said, the constantly changing nature of the Council's environment could result in activities with higher priorities than those below:

- a. Development and rollout of the risk e-learning module for risk management to be accessible through the Council's Learning Portal.
- b. Definition of the Council's 'Risk Appetite' by CMT and the Leadership Team
- c. Continuing to embed risk management at directorate and service team level with focus on engaging front-line staff in risk management and ensuring integration into business planning processes.
- d. Updating policy and guidance documentation as appropriate and working with Risk Champions to identify and develop additional guidance.
- e. Further work with the Audit Services team to establish a risk management intelligence sharing process.
- f. Review of the JCAD Risk software, with a view to identifying and evaluating other potential system options.

SOURCES OF FURTHER INFORMATION

- a) Risk Management area on the County Council's Intranet (mySCC)
<https://suffolknet.sharepoint.com/sites/myscc/myjob/Pages/risk-management.aspx>