

**Briefing Note to Director for Corporate Support  
11 February 2011  
Alarm/CIPFA Risk Management Benchmarking Club 2010**

**Background**

The Council joined the above Benchmarking Club in April 2010 in order to test our performance in risk management against the major standards, expectations of inspection bodies and criteria that inform the governance statement and for use as a risk management performance improvement tool.

The Benchmarking Club was initially conceived by an Alarm Special Interest Group, comprising of professional, practising risk managers and developed into its final version in collaboration with risk management consultants, Det Norske Veritas (DNV). The model is based on Alarm's National Performance Model for Risk Management in Public Services.

The questionnaire was completed by the Head of Corporate Risk & Insurance and certain questions were also circulated to specific officers where they related to their own area of responsibility. Councillor Bowyer and the Director for Corporate Support, as the Member and Officer Risk Champions, were also consulted and Risk Champions were asked to circulate the questionnaire to their Management Teams in order to gain a wider perspective to certain questions.

Alarm issued an All Members Report in January 2011 following receipt of all the responses and this compares the Council's score with 103 other club members within the public sector as well as a smaller "Comparator" group of 19 similar sized authorities.

**Questionnaire**

The questionnaire comprised of 117 questions in total split into 7 sections which are listed in the results table below. The answers were then weighted to reflect their relative impact on performance and collated into a final score for each section based on the maturity level guide below:-

**Plymouth's Results**

<b>Section Heading "Enablers"</b>	<b>Score %</b>	<b>Level</b>
Leadership and management	87	Driving
Strategy and Policy	75	Embedded & Integrated
People	83	Driving
Partnership, shared risks and resources	65	Embedded & Integrated
Processes and tools	85	Driving
<b>Section Heading "Results"</b>	<b>Score %</b>	<b>Level</b>
Risk handling and assurance	78	Driving
Outcomes and delivery	68	Embedded & Integrated

<b>Maturity Level</b>	<b>Enablers</b>	<b>Results</b>
Engaging	<10%	<10%
Happening	10 – 30%	10 – 25%
Working	30 – 55%	25 – 50%
Embedded & Integrated	55 – 80%	50 – 75%
Driving	80%+	75%+

Plymouth scored 77% overall and ranked 7<sup>th</sup> when compared to the other 18 “Comparator” authorities. See attached comparator list.

### **Maturity Levels**

The Benchmarking Club provide a description for the maturity level reached for each section and these are listed below:-

#### **Leadership & Management - Driving**

Senior management uses consideration of risk to drive excellence through the business, with strong support and rewards for well managed risk-taking.

#### **Policy & Strategy – Embedded & Integrated**

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 – Driving**

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.

#### **Partnership & Resources – Embedded & Integrated**

Sound governance arrangements are established. Partners support one another’s risk management capacity and capability.

#### **Processes – Driving**

Management of risk and uncertainty is well-integrated with all key business processes and shown to be a key driver in business success.

#### **Risk Handling & Assurance - Driving**

Clear evidence that risks are being effectively managed throughout the organisation. Considered risk taking is part of the organisational culture.

#### **Outcomes & Delivery – Embedded & Integrated**

Clear evidence of significantly improved delivery of relevant outcomes and evidence of positive and sustained improvement.

## **Conclusion**

In comparison with the 103 other club members, Plymouth has achieved an above average score in each of the Sections and this would suggest that the Council's Risk Management Framework is relatively mature. The results highlight good progress in the following areas:-

- Clear and effective sponsorship of risk management by senior management and elected members
- Well defined and current risk management strategy which includes clearly defined roles and responsibilities
- Ongoing efforts to integrate risk management with other key systems such as business planning and core competencies framework.
- Effective risk management governance in key projects such as the Life Centre
- Effective communication about risk management such as the staffroom page on the intranet

In conjunction with the benchmarking exercise, an independent review of our risk management framework has also been undertaken by our Risk Management & Insurance advisers, Heath Lambert who presented their report to Audit Committee on 21 January. The findings of this independent review reflect the self assessment undertaken by the council in this benchmarking exercise. Areas for further development highlighted in the Heath Lambert report include:-

- Formal training approach to be identified to include project risk, business planning and performance management
- Risk Champion guidance and training to be refreshed
- Expanded reporting framework to include horizon scanning for new and emerging risks, business continuity plans, health & safety and information governance.
- Governance and risk management of partnerships to be aligned (subject to ongoing management action).

The findings of the benchmarking exercise and Health Lambert's review will form the basis of a Risk Management Improvement Plan designed to further enhance and embed risk management across the authority.

Julie Hosking  
Risk Management & Insurance Officer

**ALARM/CIPFA 2010 BENCHMARKING**  
**CLUB**  
**Summary Data - Comparator Authorities**

	Authority	Leadership & Management	Policy & Strategy	People	Partnership & Resources	Processes	Risk Handling & Assurance	Outcomes & Delivery	Average Score %
1	Rotherham	90	87	91	95	88	89	96	91
2	Hackney	86	95	86	86	86	78	88	86
2	Darlington	92	81	87	81	86	82	93	86
3	Wakefield	93	90	82	84	91	70	57	81
4	Knowsley	89	71	79	87	84	71	78	80
5	Liverpool	83	98	80	68	85	71	67	79
6	Sandwell	85	85	78	70	80	72	77	78
<b>7</b>	<b>Plymouth</b>	<b>87</b>	<b>75</b>	<b>83</b>	<b>65</b>	<b>85</b>	<b>78</b>	<b>68</b>	<b>77</b>
8	Trafford	86	72	76	71	75	82	67	76
9	Reading	81	75	61	59	76	68	43	66
10	Barnsley	77	86	68	48	69	50	55	65
11	Leeds	83	54	67	56	61	50	65	62
12	Haringey	71	66	60	64	64	54	36	59
13	Bristol	73	69	53	48	64	58	40	58
14	Isle of Wight	65	35	68	57	70	52	41	55
15	Bolton	70	30	81	48	55	60	17	52
16	Warrington	58	33	66	52	66	29	52	51
17	Wolverhampton	63	74	36	56	50	34	36	50
18	Leicester	28	39	25	25	29	26	16	27