

Report Title:	Governance as part of risk management applied to large projects
Contains Confidential or Exempt Information?	Yes – Appendix Part II
Member reporting:	Councillor Saunders, Lead Member for Finance
Meeting and Date:	Audit and Performance Review Panel, 20 September 2018
Responsible Officer(s):	Russell O’Keefe, Executive Director and Rob Stubbs, Deputy Director and Head of Finance
Wards affected:	All

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REPORT SUMMARY

1. This report sets out how adequate risk management is in place for RBWM as part of its major project governance arrangements.
2. RBWM manages specific project work through a stand-alone system where the risk assessment methodology is scaled to the project under consideration
3. The report includes a briefing paper summarising the proposed arrangements to ensure an effective model of project governance including risk management is in place.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That the audit and performance review panel notes the report and:

- i) **Endorses this approach to managing project risk.**

2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1 If the council makes good use of risk management processes, it supports good performance and effective delivery of services to residents.

Options

Table 1: Options arising from this report

Option	Comments
To accept this report. Recommended option	The project governance methodology demonstrates how effective risk management of significant projects achieves the council’s priorities.
Not accept this report. This is not recommended	Without a project governance framework the council may be

Option	Comments
	exposed to the impact of unnecessary and avoidable risks.

3. KEY IMPLICATIONS

- 3.1 To ensure the Council's priorities are achieved through the effective management and delivery of significant projects.

Table 2: Key Implications

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Officers and members are engaged in regular risk reviews concerning the nature of the threat and the progress on mitigations.	Risks are left without officer or member attention.	Monthly reviews.	Risks are reviewed more frequently than monthly.	None.	Ongoing by monthly review until the conclusion of the project.

4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 No financial implications. Any resources for required mitigations would be contained within the existing project budget set at the outset.

5. LEGAL IMPLICATIONS

- 5.1 There are potential legal implications should a risk occur to a level the council is not prepared for. The purpose of risk management to provide an awareness of these so that management can make a risk based judgement.

6. RISK MANAGEMENT

Table 3: Impact of risk and mitigation

Risks	Uncontrolled Risk	Controls	Controlled Risk

If the council fails to make good use of risk management processes in project governance, it is likely there will be ignorance of the exposure to risks that can carry damaging impacts to the council and residents.	high	<p>There is a log of project risks which are reviewed at least monthly by the combined project work stream group.</p> <p>This review will cover a full update on any risks that need to be escalated to the project board.</p> <p>This structure provides a robust framework for managing project risks.</p>	low
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7. POTENTIAL IMPACTS

- 7.1 None directly although some individual project risks may contain associated obligations.

8. CONSULTATION

- 8.1 Project governance briefing note prepared for July 2018 Cabinet.

9. APPENDICES

- 9.1 This report is supported by one appendix:
- Part 2 Project governance briefing note.

10. BACKGROUND DOCUMENTS

- 10.1 The project risk log records the risks relating to the project objectives. The purpose of this risk analysis is to help decision-makers get a better feel for a realistic range of possibilities, what drives that uncertainty and hence where efforts can be focussed to manage this uncertainty.
- 10.2 The project risk logs are pertinent to the point in time at which they are produced and require free thinking by those who put them together. Anything that could inhibit the way in which such risks are expressed would impair the quality of decision making when determining the most appropriate response.

11. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
Cllr Saunders	Lead Member for Finance	02/08/18	02/08/18
Alison Alexander	Managing Director	02/08/18	02/08/18
Rob Stubbs	Section 151 Officer	30/07/18	02/08/18

Name of consultee	Post held	Date sent	Date returned
Elaine Browne	Head of Law and Governance	03/09/18	04/09/18
Nikki Craig	Head of HR and Corporate Projects	03/09/18	11/09/18
Louisa Dean	Communications	03/09/18	
Russell O'Keefe	Executive Director	02/08/18	03/09/18
Andy Jeffs	Executive Director	03/09/18	04/09/18
Kevin McDaniel	Director of Children's Services	03/09/18	
Hilary Hall	Deputy Director of Commissioning and Strategy	03/09/18	04/09/18
	Other e.g. external		

REPORT HISTORY

Decision type: For information	Urgency item? No	To Follow item? No
Report Author: Steve Mappley, insurance and risk manager, extrn: 6202		