



2007 ALARM AWARD SCHEME

ENTRANT: Sunderland City Council

CATEGORY: Operational Risk: Effective Risk Management in Schools

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EXECUTIVE SUMMARY

In 2005 the governments change for children agenda (*Every Child Matters*) introduced dramatic operational change for schools. Schools were required to open longer hours, provide extra activities to children and young people, provide breakfast clubs and after school meals, offer services to the community, run adult learning courses, provide wraparound childcare (nursery schools) and manage and deliver services within Children's Centres. All of which require a sound system of internal control.

Our inclusive approach to risk management embraces a wide circle of partners including the Children's Trust, who provide substantial support to both schools and the Risk Management department. We have built capacity internally by appointing a Children's Services Risk Manager who provides a single point of contact for all 123 schools. We have provided schools with professional advisors for every category of risk which schools may encounter.

We developed our comprehensive risk management template, complete with 175 topics under 15 umbrella headings, through a research and consultation programme. We then piloted the template in every type of school, from nursery to secondary, before rolling out the programme city-wide. Over 75% of schools now have new risk management action plans and the remaining 25% will complete the new plans by the summer. In addition, over 60% now have crisis management plans to cover a range of emergencies.

The impact of our operational initiative has resulted in significant reductions in insurance claims in 2005/07 compared with 2002/04. They include reductions of: employer's liability 52%; public liability 41%; building damage (vandalism, theft or burglary) 24%; building damage fire 42%; school contents balance of risks 22%. The DfES has highlighted our approach as best practice on its website to promote the Financial Management Standard. It says our methodology "is very comprehensive" and "it may prompt schools to think of a risk not initially identified".

We have gone beyond the traditional categories of risk to include a raft of issues specific to schools. We have tailored the risk management processes around the specific operations of a school and produced a system of risk management and support to meet all of our changing school needs.



NEED FOR INITIATIVE

Every Child Matters: Change for Children sets out the national framework for local change programmes to build services around the needs of children and young people so that we maximise opportunity and minimise risk. Ultimately schools need to ensure they have in place effective policies and procedures to assist them in delivering a diverse set of objectives which extends beyond the scope of their traditional attainment and curriculum based targets.

In 2005 we felt that schools risk management needed to be readdressed to reflect the new operational changes which schools were about to encounter. For example schools were required to open longer hours, provide extra activities to children and young people, provide breakfast clubs and after school meals, offer services to the community, run adult learning courses, provide wraparound childcare (nursery schools), manage and deliver services within Children's Centres and prove they are contributing to the five outcomes for children. Existing risk management processes needed to be reengineered to assist schools to address the major changes imposed on them in relation to governments change agenda for children and young people. A sound system of internal control was required throughout Sunderland schools to allow them to meet all requirements.

In support, the DfES championed Risk Management stating that "effective risk management delivers value for money by ensuring better targeting of resources, reducing the costs of avoidable losses and reducing insurance premiums".

We found that Headteachers and governors were very receptive to the introduction of a more robust risk management framework however they required assistance in identifying issues and controlling the risks which in turn would empower them to become effective risk managers. The process was to be sustainable and used effectively by Headteachers as a business tool. It needed to reflect the good risk management practices already delivered through the Local Authority.

APPROACH

The initial challenge was determining the category of risks that needed to be addressed. We met with stakeholders who had significant expertise in areas that impacted upon school objectives. We asked each to identify risks they considered relevant. In addition we carried out extensive research into the types of risks faced by schools using publications from external agencies and specialist bodies, relevant journals and issues raised at risk management seminars and conferences.



The Children's Trust featured extensively in our research. The Trusts main focus was the 5 outcomes of Every Child Matters agenda in which the schools were assigned targets. We sought to identify issues that may prevent the schools from achieving their targets and objectives.

Arising out of the consultations with stakeholders and the priorities of the Children's Trust, we produced a draft template based on the following categories:

- The Children's Bill
- Personnel
- Finance
- Health and Safety
- Contractual
- School Improvement
- Information Technology
- Insurance
- Security
- Catering
- Governance
- Crisis Management
- Legal
- Property
- Additional Policies/
Procedures

We recognised that to be successful in both creating a useful, meaningful template for schools and to gain acceptance of the process we needed to consult with each sector of our schools, nursery, infant, junior, primary, secondary and special schools. We decided to pilot the template with a number of Headteachers from each sector to ensure that appropriate questions were asked, all areas of work and organisational management were covered and that the process allowed schools to identify their own risks arising out of each category. Each pilot was extremely successful, providing positive feedback and suggestions relating to the content of the template.

We worked closely with our internal Governor Support department to discuss methods of promoting the Risk Management processes. We attended each Headteacher cluster group to give a presentation on risk management and our proposals for schools. In addition a number of training courses were scheduled for Governors. We also wrote an article for the governor's magazine to raise the profile of risk management. Following the presentations to Headteachers and training to governors, we began to make appointments with each school to complete the template.

Using the template as a basis for risk identification, each school produced a list of risks which required attention. The Risk Manager, utilising the services of specialist advisors, discussed the possible control measures which schools ought to have in place and developed risk management plans to document the decisions made. Timescales, responsibilities and risk scoring were incorporated into the risk plans. Headteachers review their plans internally on a quarterly basis and also meet with the Risk Manager to review the plan annually. The purpose of each review meeting is to ensure that the documented actions are either complete or on target and to identify new areas of risk which schools need to be aware of in light of government changes, local authority policies and procedures and additional targets or expectations placed upon schools.



PARTNERSHIP WORKING

Our collaborative approach has embraced the Children's Trust Partnership, consisting of the Police, TPCT, Sunderland College, Probation, Fire Service, Schools, University, Private Sector, Voluntary and Community Sector, Learning and Skills Council and many other stakeholders supporting the work of the Trust. We have also worked with the Fire and Rescue Service, Headteachers, senior management, school governors and specialist advisors throughout the council (e.g. Property Services, Health and Safety, Finance, Personnel, School Improvement Services, Children's Services and Security Services). We have drawn on other people's expertise, listened to the needs of individual schools and worked with key personnel to create an empowering and effective operational risk management tool. That collaboration has been vital to designing a process which is highlighted as best practice.

INNOVATION

To provide a joined up and consistent approach to risk management across all schools, we recruited a Risk Manager with experience of children's services whose remit was to facilitate risk management throughout the Children's Services Directorate of the Council.

The Risk Manager acknowledged that the Council's traditional risk management framework needed to be tailored to suit school needs. Rather than using the traditional categories of risk (PESTLE) to aid the process of risk identification, we used categories which were more appropriate to the evolving governance and management of a school. We prompted schools with possible risks which could arise under each category. The intention was to enable Headteachers, governors and senior management to clearly understand the issues and to be aware of the importance of introducing control measures such as council policies and procedures.

For each category of risk the Risk Manager identified a key advisor who schools could contact for advice, queries, procedures or policies. Key advisors offered schools a support bureau which in turn would strengthen relationships between the particular council departments and the management of the school. The availability of a Risk Manager also provided schools with a single point of contact whereby they could discuss all risks and issues.

The Risk Manager scheduled regular review meetings with advisors to discuss the progress of risk management within schools and to communicate particular issues which advisors thought appropriate for schools to address. This would be particularly useful as schools embarked upon the governments change for children programmes. This provided the Risk Manager with an opportunity to learn about particular school issues and risks which schools could face and to identify effective control measures. The Risk Manager would be able to share experiences and good practice across all Sunderland schools.



EVIDENCE OF IMPACT

- there have been significant reductions in education claims in 2005/07 compared with 2002/04. They include reductions of: employers liability 52%; public liability 41%; building damage (vandalism, theft or burglary) 24%; building damage fire 42%; school contents balance of risks 22%
- only a handful of schools had crisis management planning in place in 2005 – now 60% have
- 96 out of 123 schools have the new risk management action plans. The remainder will complete by summer.
- our Fire Risk Assessment Programme, in partnership with Fire and Rescue teams and schools, has led to zero arson claims being made in 2005/06 under our fire blanket risk policy
- there's an 80% uptake rate for H&S risk assessments training we deliver to schools. There has been a 48% reduction in money terms (including outstanding cases) from the year 2005/06 to 2006/07 under the council's employers' liability policy
- a 77% decrease in school's minibus accidents in 2006, compared with 2005 (3 compared to 13 under the council's motor vehicle policy). We raised awareness of the council's Occupational Road Risks policy and in 2005/06 almost 300 members of school staff did assessments with the council's driver assessor.
- a high percentage of schools now use the council's cash in transit service after we asked colleagues in Security Services to promote crime prevention and conduct risk surveys. In two years there has been a 22% reduction in the number of claims falling under the council's school balance of risks (contents) policy. Additionally 2006/07 shows a 34% reduction in claim numbers compared with the previous year.
- we promoted our free recycling collection service to schools, some of which were paying commercial rates for waste paper collection. This helped us overachieve government recycling targets and improved school budgets
- claims figures show a downward trend in spite of greater school use under the Extended Schools programme, thanks to effective risk management at all hours
- the DfES has highlighted our approach as best practice on its website to promote the Financial Management Standard. It says our methodology "is very comprehensive" and "it may prompt schools to think of a risk not initially identified".
- CIPFA Better Governance Forum has put our template on its website as good practice guidance
- we were invited to the DfES School Risk Management and Insurance Seminar to informally share our best practice
- greater partnership working with council colleagues e.g. being invited by the Governor Support Department to advise on minibus safety