



# Annual Awards 2011 Entry Form

Name of organisation Essex County Council

Contact name Elaine Taylor

Job title Strategic Risk Manager

Address Risk Management Consultancy Services (RMCS)  
County Hall  
Market Road  
Chelmsford  
01245 431217

Telephone no. \_\_\_\_\_

Email Elaine.taylor@essex.gov.uk

Name of endorsing person Cajetan Chukwulozie

Job title Assistant Director of Internal Audit & RMCS

Telephone no. 01245 431100

Email Cajetan.chukwulozie@essex.gov.uk

Please tick the relevant box below to indicate which category you wish to enter

Risk Manager of the Year	<input checked="" type="checkbox"/>	People Risk	<input type="checkbox"/>	Community Risk	<input type="checkbox"/>
Operational Risk	<input type="checkbox"/>	Strategic Risk	<input type="checkbox"/>	Risk Management Young Achiever of the Year*	<input type="checkbox"/>

\*Applicants for Risk Management Young Achiever of the Year should indicate their date of birth here:

N.B. If you wish to enter more than one category, a separate entry form is required for each category.



# Executive Summary

**Please type your executive summary here. The summary should be no more than 500 words. Please use Arial font, size 11, at 1.5 line spacing. Use additional spacing between paragraphs.**

I was appointed in December 2009 as Strategic Risk Manager for Essex County Council (second largest English County Council) having worked in the public sector for over 20 years. My role was to create an integrated Risk Management Consultancy Service that incorporated Strategic & Operational Risk Management, Insurance and Health & Safety. Within 4 months that also included Information Sharing Information Security (ISIS) and Business Continuity. My vision was to create seamless integrated function which would drive & embed a practical approach to managing risk across ECC making it accessible to all rather than lots of theory.

I am also responsible for establishing the Crisis Response Team, Climate Change lead for Finance, Chair of Business Risk Management Group and I am engaged with a wide range of project teams and boards.

## **Challenges**

Since joining ECC I have a number of challenges:

- Re-invigorating Risk Management and developing a new governance framework;
- Restructuring the service and bringing 5 distinct teams together;
- OJEC tender of ECC insurance portfolio;
- Transformation of ECC – 63 programmes with numerous projects including outsourcing of key services;
- New Ways of Working – supporting projects challenging back office systems;
- Hosting an Olympic event;
- 20% increase in liability claims;
- Internal Insurance Fund - underfunding of approx £11m;
- Waste PFI project of £100m;
- Financial pressures and a savings target of £300m on ECC.

## **Achievements**

Establishing the Risk Management Consultancy Service (RMCS) has not only transformed the Council's approach to risk management by making it more effective, it has also improved the performance of managers and services. Sharing and promoting best practice and

successes has also generated and sustained interest in using risk management as a decision making tool which adds value to decisions made.

**Other achievements of note:**

- Reduction of £7m in funding provision requirements by re-engineering claims handling processes in one financial year;
- Re-tendering insurance portfolio generating savings of £3.75m;
- Re-negotiated of terrorism insurance generating savings of £560k;
- Generated income from external clients of over £350k in 2010/11;
- Developed and invested in RMCS staff – formal qualifications in CII, IRM, BCI, ISEB Freedom of Information & Data Protection, IOSH and BSI training courses.

**External Risk Management Activities**

- Member of Alarm since 1989 and previously a Director of Alarm and served on the 'Council'/Board for 9 years. Member of Midlands Regional of Alarm and was the Chair for the region and served on the steering group for 13 years. I regularly attend Conferences/Forums to network and share information, having previously presented and chaired sessions;
- Director of IRM for 2 years;
- Alarm Risk Registered Practitioner since 2006;
- Provided services to other local authorities through external consultants i.e. LB Kensington & Chelsea;
- Provided workshops and advice to other local authorities i.e. Brentwood BC;
- Delivered presentations recently at ECC Breakfast Briefing & Essex Diabetes Conference on Risk & Insurance;
- Member of CII, BCS, BCI and Fellow of IRM.

Please write your main submission here. The submission should be no more than 1500 words. Please use Arial font, size 11, at 1.5 line spacing. Use additional spacing between paragraphs.

## Role & Responsibilities

I am responsible for providing an integrated Risk Management Consultancy Service (RMCS) to ECC which incorporates dealing with issues relating to:

- Gross budget £2.4bn;
- Population of 1.36m;
- 35,000 Employees;
- 1600 Premises;
- 600 schools;
- Partners, contractors, clients and suppliers.

I support ECC in **Maximising Opportunities and Minimising Exposure** by achieving our critical objectives:

- Creating a Centre of Excellence for Risk
- Developing a High Performing team
- Driving and embedding Risk Management in ECC

ECC has needed to be innovative – to change the way it delivers services, to get more for less. ECC has been prepared to take risks, to make decisions with very significant long-term consequences, and take them relatively quickly. My role is to work with services, project managers, consultants and contractors to ensure the new risk management frame work is embedded and applied consistently to everything we do.

- **Assurance** - To the Cabinet on the effectiveness of Risk Management within ECC. Achieved via an Assessment Toolkit which reviews quarterly performance. This reported in our Risk Assurance Statement annually as part of ECC Statement of Accounts.
- **RMCS** - Introducing an integrated approach to risk management by providing comprehensive advice, tools, systems and methods for risk support from one point of access.
- **Risk Assessment** - Reviewing risks relating to Council's review budget of £2.4bn

together with reserves, capital spending, assets and other risks not in the accounts.

- **Communication** – Develop working relationships with senior management, members, partners, consultants, contractors and clients to achieve positive results.

## Specific Challenges

- Re-invigorating Risk Management and developing a new governance framework ensuring it is embedded and applied consistently;
- Restructuring the service and bringing 5 distinct teams together;
- OJEC tender of ECC insurance portfolio to ensure self insurance fund is sufficient and catastrophe risks are covered as well as generate savings;
- Transformation of ECC – 63 programmes with numerous projects including outsourcing of key services are supported with expert advice;
- New Ways of Working (NWOW) – supporting projects challenging back office systems by providing independent challenge;
- Hosting an Olympic event – meeting key targets;
- 20% increase in liability claims – monitoring trends and reviewing processes & systems;
- Internal Insurance Fund - manage significant underfunding;
- Waste PFI project of £100m – expert advice and support all high value projects;
- Savings target of £300m – impact of efficiencies assessed.

## Approach

- Established an integrated **RMCS** incorporating Strategic & Operation Risk, Insurance, Business Continuity, Information Sharing Information Security and Health & Safety. Cross-fertilisation of skills and knowledge has provided staff with more varied and stimulating roles and increase capacity. This cross-functional approach has broadened the perspective from which risk management is viewed. The increase in flow of information/interaction between risk specialists at senior levels has strengthened risk management intelligence, response and effective mitigation. This has allowed the integrated risk function to provide more informed advice about emerging trends within its overall risk profile. Consequently, the Council can act

quickly and responsively to changes in its risk exposure. The approach secured £100k of efficiency savings, as well as providing a basis for future commercial opportunities.

- Investment in upgrading and developing current systems for Risk & Insurance and software for Business Continuity to improve immediate access and empower Services to manage their own risk information.
- Introduced new **Corporate Risk Management Strategy** that incorporated Health & Safety, Information Governance, Risk Finance and Business Continuity Policy Statements as well as Risk Management endorsed by Cabinet.
- Introduced a new **Risk Governance Framework** which incorporated establishment of key groups and reporting mechanisms for escalating risk through the organisation improving the link from ECC staff to Elected Members.
- Designed and implemented a **Comprehensive Communication Strategy** that incorporated development of e-learning packages and comprehensive training programme delivered by RMCS staff to sustain the interest created and ensure the culture change. This included developing “Managers Guide to Risk” course and delivering to senior managers in ECC as well as four training sessions to elected members.

## Evidence of Innovation

- Developed and publicised a new **Corporate Risk Management Strategy**, incorporating the new RMCS branding. Highlighting the message that Maximising Opportunities and Minimising Exposures was a key message for ECC. New branding was used to promote and identify RMCS as part of a campaign to raise the profile of risk management. A standard approach to all key documents and electronic guidance was established including development of a **Risk Support Line** and **Risk Advice Email Address** to have queries responded to within target timescales.
- **Risk Governance Framework** arrangements were approved by Corporate Leadership Team (CLT), Cabinet & Audit Committee in January 2010 to supplement the operational changes. *This included the formation of the:*
- **Cabinet Risk Panel (CRP)**, with member responsibility for monitoring and

challenging the organisation's ability to identify and manage its risk profile. Chaired by Deputy Leader of Council.

- **Corporate Risk Management Group (CRMG)**, with strategic responsibility for embedding good risk management amongst services. Chaired by AD Internal Audit & RMCS and Strategic Risk Manager as Deputy.
  - **Business Risk Management Group (BRMG)**, with operational responsibility to form task groups to tackle specific risks. Chaired by Strategic Risk Manager
  - **Risk Champions Pool** in Directorates with responsibility to manage and co-ordinate risk activities at a local level.
- 
- Developed a **Risk Assurance Statement** which outlines ECC progress annually. The need for reliable information for delivering assurance that the relevant threats and opportunities have been identified, are understood, are manageable, and will continue to be managed over time is vital. RMCS are aware that increased transparency can sometimes lead to a risk-averse culture, but the opposite is the case at ECC as has become **Risk Enabled** with an emphasis on the benefits that robust risk management can bring to decision making, scrutiny and challenge.
  - Developed **Corporate Risk Report** as a management information report (produced quarterly) which provides a central depository for information about the risks to which the Council is exposed (or could be exposed via horizon scanning section) and details what action is being taken to reduce the Council's risk exposure. It is distributed to key senior managers and elected members (CLT, CRMG, BRMG, Audit Committee, CRP and Cabinet) so they have a clear understanding of the threats to the organisation and its objectives and can effectively respond.
  - Developed **Directorate Risk Reports** which are produced on a monthly basis and sent to Directorate Leadership Teams to inform practice as part of a quality circle.
  - Developed and implemented a **Risk Performance Assessment Toolkit** to assess the level of activity and embeddedness of risk management in each directorate. It feeds into performance scorecards to provide services with evidence of their areas of strength and weakness, encouraging a culture shift by empowering services to monitor and track their compliance with the ECC approach to managing risk.

- Introduced **Business Support Risk Advisors** to establish links with key service areas creating a new culture of engagement and partnership working.
- **National Counties Insurance Solution** is an innovative approach to broadening the insurance offering for ECC via the creation of an Insurance Framework for County Councils. I have appointed brokers and working with them to have the Framework available to ECC and County Councils by the end of the year. Working in partnership with procurement, insurers, brokers and legal teams to develop an alternative solution to the current insurance market.
- Developed a **Risk Assessment Model for Reserves** in ECC to monitor adequacy and use of reserves.
- Development of **Commissioning Risk Strategy** to support Transformation programme and New Ways Of Working programme and potential New Delivery Vehicles for service delivery working with partners and contractors.
- **Re-engineered claims handling processes** by reviewing average time to settlement, correspondence turnaround, claim setup, reserve accuracy and establishing new standards reducing Insurance Reserve provision requirements by £7m.
- **OJEC Tender** achieved £3.75m savings through thorough effective presentation of risks.
- Developed a range of products to sell RMCS services at varying costs via **Sliver, Gold & Platinum Opportunities**, giving clients the option to choose depending on their finances which generated £350k income.

## **External Risk Management Activities**

I endeavour to assist other colleagues and organisations to promote Risk Management by presenting/supporting as well as sharing tools and ideas i.e. Southend, Hertfordshire, Leicester, Central Bedfordshire. This year I undertook professional qualifications, attended training forums to share best practice and network. I collaborate and support various local

groups by attending or sending representatives.

- Member of Alarm since 1995 and previously a Director of Alarm and served on the 'Council'/Board for 9 years. Member of Midlands Regional of Alarm and was the Chair for the region and served on the steering group for 13 years.
- Alarm Risk Registered Practitioner since 2006;
- Provided services to other local authorities through external consultants i.e. LB Kensington & Chelsea;
- Provided workshops and advice to other local authorities i.e. Brentwood BC;
- Member of CII, BCS, BCI, Fellow of IRM and Registered BS Auditor.



# Main Submission