

TRANSPORT FOR LONDON

AUDIT COMMITTEE

SUBJECT: STRATEGIC RISK MANAGEMENT PROGRESS

MEETING DATE: 23 JANUARY 2008

1 PURPOSE AND DECISION REQUIRED

1.1 The purpose of this report is to update the Committee on the business risk training initiative that is being delivered as part of the 2007/08 Strategic Risk management

2 BACKGROUND

2.1 The development and provision of relevant risk training to a selective number of business managers across the Group was a key element to this year's Strategic Risk Plan. Under the general heading of risk training the planned detailed tasks were as follows:

- Undertake a Training Invitation to Tender exercise;
- Business Manager Training Development;
- Business Manager Training - Roll-out;
- Develop content of e-learning module using pilot workshops;
- Establish and implement e-learning module; and
- Develop General Awareness initiatives and events and roll-out.

2.2 A full tendering exercise for the delivery of business manager training and e-learning development was completed in May 2007. PM Professional Learning were awarded the contract and have since worked with us in developing the training and have provided dedicated training resources for course delivery.

3 BUSINESS RISK TRAINING– CURRENT STATUS

3.1 The business manager risk training was developed to budget and on schedule. Courses began in October 2007, with five courses delivered to date. The overall aim of this training is to ensure a working level of risk management knowledge for all staff that should be capturing and managing their own risks. The focus was upon functional staff that would not have already received any formal risk training through other initiatives such as Project Pyramid which is concentrating upon the project management community. Our original target group for this training was

therefore cost centre managers, or equivalent level. To date attendees have been nominated largely by senior managers across the Group.

- 3.2 There has been generally positive feedback from participants. The main lesson learnt so far is that pre-course briefing needs to be improved to ensure that attendees are fully aware of the course objectives well in advance and this has been put in place.

4 E-LEARNING MODULE AND GENERAL AWARENESS INITIATIVES

- 4.1 The other key element of the training, the E-Learning Module, has been developed in tandem with the business manager courses. To date, the module has only been completed by attendees on the risk courses – its completion is a requirement prior to attendance. The module has been well received and is now ready to be released to a wider audience. We have agreed a strategy with Internal Communications for a launch of this, and other risk products, in February 2008. The module will form the basis for a Group-wide risk awareness competition and will be supported by other bulletins intended to encourage staff to access the Risk Management pages on Source.

5 EQUALITIES AND INCLUSION

- 5.1 Risks to the organisation's equality and inclusion objectives have been, and continue to be, assessed as part of the overall strategic risk management process. The risk and mitigation elements are captured in detail as part of the "Quality and quantity of people" strategic risk.

6 CRIME AND DISORDER

- 6.1 The Revenue collection risk, which has been identified by Chief Officers as a strategic risk, includes as a key element the risk of fraud – particularly in relation to ticket fraud. However, risks relating to crime and disorder are also considered as part of the general governance arrangements – for example, in the project review and approval process.

7 SUSTAINABILITY

- 7.1 Sustainability represents one element of the "Project delivery" risk and is assessed at project and programme level. It is also very much a part of the "Effective contract management risk" in the form of the sustainable procurement agenda. From a strategic perspective the risk is currently captured as part of the General Counsel Risk Register. As with other risks at this level, it will be monitored to assess any future need for escalation to the TfL Strategic Register.

8 RECOMMENDATION

- 8.1 The Committee is asked to note the progress made to date on the delivery of the business risk training programme.