

Embedding Risk Management in the NWDA (Less photographs)

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An Overview

- Tasked with improving the GVA of the region
 - As much Art as Science
- Annual Budget – approximately £450m
- Over 700 ongoing projects
- Responsibility for ERDF budget – approximately £500m over 6 years

Risk Management 2006

- An add on bureaucratic step
- Poor understanding
- No added value

The Task

- To introduce and embed an understanding of risk

The Approach

- Gain top level support
- Create simple tools
- Concentrate on basics
- Demonstrate clear added value at each opportunity
- Nag, Nag, Nag
- Ask tough questions

The Risk Philosophy

Embed risk practices as a key business tool within the Agency to deliver enhanced situational awareness in support of our decision making processes

Based on 2 tenets:

- Understanding the Situation
- Interrogating that situation to understand the 2nd and 3rd order events – ask the “So What?” question

A Definition

Risk is essentially the possibility of more than one outcome occurring. For the NWDA it is defined as:

- The chance of something happening that may have an impact upon the achievement of the Agency's objectives.

Assessing Risk

Add Value by identifying the spectrum of risk around a specific item

- Best Case
- Most Likely Case
- Worst Case

- Consider the underlying assumptions, freedoms and constraints