EAST RENFREWSHIRE COUNCIL

AUDIT AND SCRUTINY COMMITTEE

28 September 2017

Report by Chief Executive

REVIEW OF THE STRATEGIC RISK REGISTER
AND RISK MANAGEMENT PROGRESS

PURPOSE OF REPORT

1.   This report provides the latest annual update of the Council's strategic risk register and a summary of risk management progress.

RECOMMENDATIONS

2.   It is recommended the Audit and Scrutiny Committee considers and approve the updated Council's strategic risk register.

BACKGROUND

3.   The strategic risk register (Appendix 1) sets out the key strategic risks to be considered by East Renfrewshire Council and details the actions that management has put in place to manage these risks. Each service has an operational risk register to record day to day and service specific risks.

4.   The previous update of the Council's strategic risk register was considered by the Audit & Scrutiny Committee on 2 March 2017.

5.   Several risks have been amended to include additional control measures and the risks have been rescored for significance. A thorough review of all risks on the register was undertaken by the CMT and risks are now grouped in the register by outcome from the Single Outcome Agreement. There are now 30 risks of which 8 are evaluated as high, 17 medium and 5 low.

6.   Relevant significant risks which may impact on the achievement of the Council's outcomes relating to the work of the Integrated Joint Board and the Culture and Leisure Trust have been considered as part of this update.

REPORT

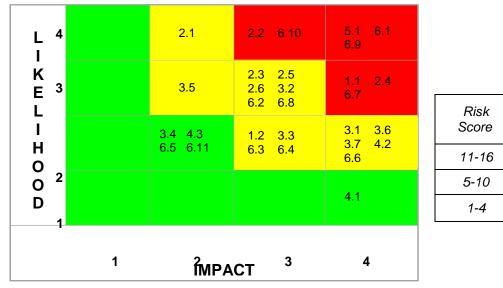7.   The following remain as **high risks:**

- Inability to deliver sufficient early years places including an element of flexibility for the proposed increase to 1,140 annual hours of flexible early learning and childcare (by 2020) or further changes in entitlement (*Risk 1.1*).

- Increase in the number of vulnerable adults and children with additional support requirements leading to a rise in demand in Education and HSCP services *(Risk 2.2).*

- Closure of facilities (related to Trust) as a result of unforeseen failure resulting in loss of attendance, revenue, damage to reputation and increased management fee (*Risk 2.4*).

- Increase in older people due to demographic changes leads to an over demand on certain services and failure to meet legislation, overspend and negative publicity. Pressures from new national delayed discharge targets of 72 hours (*Risk 5.1*).

- Reduced central government funding leading to failure to support the current level of service provision and the requirement to draw down council reserves to an unacceptable level, leading to public discontent and negative effect on the Council's reputation and increased pressure on future years' budgets (*Risk 6.1*).

- Interruption to service or total inability to provide ICT Services due to the loss of the Barrhead Data Centre and/or other critical infrastructure components due to fire, vandalism, equipment malfunction (including environmental controls) (*Risk 6.7*).

- Outcome of EU referendum leads to economic uncertainty and detrimental impact on the Council budget *(Risk 6.9)*.

- Impact of Living Wage on the council's, contractors and commissioned place providers salary scales with continuing pressure on the lower grades of the scale. Not maintaining differentials between grades *(Risk 6.10)*.

8. The following risks **were added to** the register:

- The Barclay Review of Non Domestic Rates recommends that charitable and Sports Club rates reliefs to Council ALEOs should cease from 1 April 2018. If accepted by the Scottish Government this would result in additional annual budget pressure of £793k for the Council from 2018/19 *(Risk 2.6)*.

- Potential Issues (or perceived issues) around the structural integrity of public buildings following the publication of the Edinburgh Schools Enquiry Report (*Risk 3.4*).

- Failure to comply with the access restrictions to specific zoned areas of Braidbar Quarry, Giffnock leads to injury/ fatality *(Risk 3.5)*.

- There is a risk of a ground collapse at Braidbar Quarry which could result in fatalities. Several residential properties are blighted by this site *(Risk 3.6)*.

- Impact of severe weather (caused by climate change) disrupting the functioning of the Council and its ability to deliver services e.g. flooding or storms causing damage to public buildings, infrastructure and people and the effects of extreme cold/hot weather events *(Risk 3.7)*.

9. No risks were **reduced in score from high to medium.**

10. The following risks retained the same score as before but the risk descriptions were amended to **reflect the current position**.

- Failure to effectively manage the Council's information assets to comply with Information legislation, in particular the Public Records (Scotland) Act, the Freedom of Information (Scotland) Act, the Data Protection Act, the General Data Protection Regulations and the Public Service Network standard (PSN). This could result in legal action, financial penalty, damage to council reputation and/or inability to provide council services *(Risk 6.6)*.

RISK TOLERANCE AND LINKS TO THE SINGLE OUTCOME AGREEMENT

11.   Map of strategic risks in East Renfrewshire Council (risk nos. from 1-25)

LIKELIHOOD	IMPACT 1	IMPACT 2	IMPACT 3	IMPACT 4
4		2.1	2.2 6.10	5.1 6.1 6.9
3		3.5	2.3 2.5 2.6 3.2 6.2 6.8	1.1 2.4 6.7
2		3.4 4.3 6.5 6.11	1.2 3.3 6.3 6.4	3.1 3.6 3.7 4.2 6.6
1				4.1

Risk Score	Overall Rating
11-16	High RED
5-10	Medium YELLOW
1-4	Low GREEN

Count of risk	Category			
Local outcomes	**Low GREEN**	**Medium YELLOW**	**High RED**	**Total**
1. All children in East Renfrewshire experience a stable and secure start to their lives and are supported to succeed.		1	1	2
2. East Renfrewshire residents are fit and active and have the skills for learning, life and work		4	2	6
3. East Renfrewshire is a thriving, attractive and sustainable place for residents and businesses to grow.	1	6		7
4. East Renfrewshire residents are safe and supported in their communities and homes.	2	1		3
5. Older people in East Renfrewshire are valued; their voices are heard and they are supported to enjoy full and positive lives for longer.			1	1
Customer, Efficiency and People Outcomes	2	5	4	11
Total strategic risks	*5*	*17*	*8*	*30*

RISK PROGRESS

12. Over 2017, the Corporate Risk Management Group met to review the risk management process to identify areas for improvement. This resulted in more emphasis on the discussion of risks at departmental management team meetings.

FINANCE AND EFFICIENCY

13. The review of the strategic risk register forms a fundamental role in ensuring that the Council meets the objectives detailed in the Single Outcome Agreement, Corporate Statement, Modern Ambitious Programme and the Outcome Delivery Plan.

CONSULTATION

14. The Corporate Management Team, Heads of Service and all Corporate Risk Representatives were invited to provide updates to the strategic risk register. In addition, all operational risk registers were scrutinised and high risks examined to determine if they should be escalated to the strategic risk register. Risks associated with East Renfrewshire Culture and Leisure (ERCL) and the Integrated Joint Board were also considered and escalated to the Council's strategic risk register where appropriate.

CONCLUSION

15. As part of the review of the register, several new risks were added and others were amended. There are now 30 risks on the register of which 8 are classified as "high" risk.

16. The risks captured in the strategic risk register continue to be monitored and evaluated by the Corporate Management Team on a regular basis. The strategic risk register is reported every 6 months to the Audit and Scrutiny Committee and annually to the Cabinet, and is referred to as a live document.

RECOMMENDATIONS

17. It is recommended the Audit and Scrutiny Committee considers and approves the Council's updated strategic risk register.

Lorraine McMillan, Chief Executive   21 September 2017

Annex 1   Council's strategic risk register

Strategic Risk Register
East Renfrewshire Council

East Renfrewshire Council's Vision: A modern ambitious council, creating a fairer future with all

Completed by: Corporate Management Team/Heads of Service

Date reviewed: 20/09/2017

Risk Score	Overall Rating
11-16	High
5-10	Medium
1-4	Low

SOA 1 All children in East Renfrewshire experience a stable and secure start to their lives and are supported to succeed.

Risk status S/C/N (same, changed, new)	Risk No.	Risk (Threat/Opportunity to achievement of business objective)	Risk Control Measures currently in place	Assessment of Risk [As it is now]			Proposed Risk Control Measures	Assessment of Residual Risk [proposed]		
				Likelihood (Probability) [L]	Impact (Severity) [I]	Risk Score [L x I]		Likelihood (Probability) [L]	Impact (Severity) [I]	Residual Risk Score [L x I]
C	1.1	**Inability to deliver sufficient early years places including an element of flexibility for the proposed increase to 1,140 annual hours of flexible early learning and childcare (by 2020) or further changes in entitlement.**	Subject to Education Committee approval, a fully costed delivery plan will be submitted to the Sottish Government (SG) by 29 September 2017 detailing capacity, population and workforce requirements for the delivery of 1140 hours. Some revenue and capital funding has been allocated for 2017/18 which is being utilised to fund a training programme for existing staff to gain the necessary qualification to work in Early Learning and Childcare sector and to pilot expansion in some communities. The SGs Programme for Government notes a commitment to publish a multi-year package of funding for local authorities by autumn 2017. Progress new facilities in the capital plan which have if required undergone education statutory consultation and have Education committee approval. New build primary schools noted in capital plan include some early years provision. Current capital plan also includes provision for non denominational nursery from re-modelling accommodation at St Cadoc's PS - subject to education statutory consultation. New governance arrangements for the expansion of early years including the introduction of Boards and the adoption of a rigorous programme management methodology. Implement Early Learning and Childcare Strategy to plan longer term for expected extension to entitlement for preschool children.	3	4	12	Subject to confirmation of funding, detailed Capital Project Appraisals (CPAs) prepared for consideration through the capital plan to address additional places required. Establish new provision in accordance with approvals granted. Continue to monitor provision in light of any policy changes/legislation and make appropriate bids for funding to take forward any required projects. Support new partner providers to establish high quality nurseries in areas where places are at a premium. Offer a further cohort of staff the opportunity to gain necessary qualification to work in Early Learning and Childcare sector. Work as part of an inter-authority partnership to develop clear guidelines on quality early learning and childcare provision.	2	4	8
S	1.2	**Potential new duties from the Children and Young People (Scotland) Act in relation to extending the age to which care leavers can receive support from their local authority and supporting kinship carers and families will have a significant financial impact and may lead to over demand on HSCP services.**	COSLA negotiations on schedule of financial support The Chief Social Worker attends Scottish Government Working Groups	3	3	9	Resource alignment to support additional duties to comply from 2016 regarding named person, child's plans and additional corporate parenting responsibilities for young people up to 26 years old.	3	2	6

SOA 2 East Renfrewshire residents are fit and active and have the skills for learning, life and work.

Risk status S/C/N (same, changed,)	Risk No.	Risk (Threat/Opportunity to achievement of business objective)	Risk Control Measures currently in place	Assessment of Risk [As it is now]			Proposed Risk Control Measures	Assessment of Residual Risk [proposed]		
				Likelihood (Probability) [L]	Impact (Severity) [I]	Risk Score [L x I]		Likelihood (Probability) [L]	Impact (Severity) [I]	Residual Risk Score [L x I]
C	2.1	If the grant condition on local government funding i.e. pupil: teacher ratio is not met nationally in 2017/18 or the living wage is not maintained across all council services then the Council's reputation would be adversely affected.	Scottish Government is consulting on the future approach to school funding, Fair Funding to Achieve Excellence and Equity in Education, following the recent Governance Review. This may influence the requirement for local authorities to maintain the overall pupil: teacher ratio financial settlement condition. The budget for 2017/18 reflects teacher staffing budgets based on maintaining the pupil teacher ratio at Census 2016 level taking account of projected pupil numbers for session 2017/18. Close monitoring of teaching vacancies in liaison with HR to ensure all action possible taken to meet pupil: teacher ratio required for Census 2017. Maximise the bid for newly qualified teachers.	4	2	8	Continue to work with ADES (Association of Directors of Education in Scotland) colleagues to influence changes to funding arrangements for schools.	3	2	6
S	2.2	Increase in the number of vulnerable adults and children with additional support requirements leading to a rise in demand in Education and HSCP services.	Analysis of demographic changes. Increased financial forecasting. Increase in foster carers through local recruitment campaign. Education Resource Group to manage specialist resources and admission to specialist provision. Learning disability supported living redesign.	4	3	12	Review transition arrangements - child to adult services Implement Children's services redesign.	4	2	8
C	2.3	Ensuring sufficient catchment places for East Renfrewshire children and young people in light of new residential developments- in particular the Local Development Plan.	Regular review of places and demand. Current capital plan reflects new build educational estate supplemented as appropriate by developer contributions, according to timescales and extent of provision noted in LDP (1), approved June 2015. New facilities are progressing according to need/resources and necessary consultations/approvals. New arrangements for admissions and P7 to S1 transfer for all Roman Catholic and non-denominational primary and secondary schools were approved on 20 December 2016 and are being implemented. Responded to the Main Issues Report and contributed to the new LDP (2) highlighting any impact in terms of the educational estate.	3	3	9	Capital Plan regularly reviewed and updated to align with developments as they occur and reflect operational requirements. Education statutory consultation to be undertaken in advance. Undertake a full review of demographic data to assist in forecasting future needs in terms of the school estate.	2	3	6
C	2.4	Closure of facilities (related to Trust) as a result of unforeseen failure resulting in loss of attendance, revenue, damage to reputation and increased management fee.	ERC's Asset Management Plan. Quarterly meetings take place between the Trust and Property and Technical Services to monitor performance. Business Continuity Plans in place for services. Capital Project Appraisals (CPAs) prepared for consideration through the capital plan to address operational requirements.	3	4	12	Capital Plan regularly reviewed and updated to reflect operational requirements of facilities operated by the Trust.	2	4	6
C	2.5	Inability due to lack of resources to realise the agreed ambition or vision for East Renfrewshire Culture and Leisure (ERCL).	ERCL key partner within the Community Planning Partnership and contributes to the on-going delivery of the single outcome agreement. Regular meetings take place between senior staff of ERCL and ERC. Regular meetings take place between the Chairman of the ERCL Board and ERC elected members. Role of those ERC elected members who are also ERCL Trustees includes explaining and communicating ERCL strategies, policies, decision etc. to the Council. ERCL involvement in developing the Main Issues Report and contributing to the new LDP (2).	3	3	9	Further training and support provided to ERCL Trustees including the introduction of Trustee appraisals.	2	3	6
N	2.6	The Barclay Review of Non Domestic Rates recommends that charitable and Sports Club rates reliefs to Council ALEOs should cease from 1 April 2018. If accepted by the Scottish Government this would result in additional annual budget pressure of £793k for the Council from 2018/19.	COSLA have requested a meeting with the Cabinet Secretary to express Councils' concerns and to establish the Scottish Government's thinking on this issue.	3	3	9	Support COSLA to petition for this recommendation to be dropped or deferred. Further quantify/consider financial impacts and operational/political issues and identify options	3	3	9

SOA 3 East Renfrewshire is a thriving, attractive and sustainable place for residents and businesses to grow.

Risk status S/C/N (same, changed,)	Risk No.	Risk (Threat/Opportunity to achievement of business objective)	Risk Control Measures currently in place	Assessment of Risk [As it is now] Likelihood (Probability) [L]	Impact (Severity) [I]	Risk Score [L x I]	Proposed Risk Control Measures	Assessment of Residual Risk [proposed] Likelihood (Probability) [L]	Impact (Severity) [I]	Residual Risk Score [L x I]
S	3.1	Projects included in the Glasgow and Clyde Valley City Deal programme (including those projects outwith East Renfrewshire) do not proceed on schedule and/or do not produce the anticipated economic benefits resulting in a gap in funding provided by UK and Scottish Government.	Tri-partite agreement between UK and Scottish Governments and the Clyde Valley partners signed in August 2014. Rigorous independent check of proposed project plans prior to implementation. Strong governance regime	2	4	8	1. Ongoing monitoring working groups plus ongoing review and implementation of agreed Assurance Framework. 2. Participation within locality framework arrangements to ensure effective preparations made for 2019 and subsequent gateway review processes.	2	4	8
S	3.2	Increase in construction inflation costs may negatively impact on the planned capital plan.	Management of borrowing portfolio. Major capital projects have been reviewed for inflationary impact in preparing the 2016/24 Capital Plan. Reassessment of capital plan to ensure budget can be met. Achievement of outcomes from corporate asset management plan including consultation on future service delivery and robust challenge of capital plans by Corporate Asset Working Group. Prudent budgeting with an increase in reserves. Specialist treasury advice. Funding bids e.g. heritage lottery fund. Close monitoring of capital expenditure/income against budget throughout year. Participation in West Territory hub to permit joint development of capital projects. Implementation of projects from City Deal programme will contribute to capital investment and increase economic activity across the area. Maximise developer contributions	3	3	9	All projects in capital plan are now inflated to mid construction point using BCIS indices	3	2	6
S	3.3	Potential breaches of State Aid compliance leads to lengthy investigations, suspension of works leading to costly delays and financial penalties.	State Aid reference is made within appropriate Cabinet/Council reports. An annual State Aid return is submitted to the Scottish Government's State Aid Unit. A member of the Council's Economic Development and Regeneration Team now attends 3 meetings per year at the Scottish State Aid Local Authority Network. The Scottish Government's State Aid Unit recently delivered a training session to staff from Economic Development and Regeneration, Legal Services, Finance and Procurement.	2	3	6	Develop a Communications Plan with Communications for the dissemination of State Aid information including a link on the council's Intranet. Clearly defined departmental roles on the various aspects of State Aid. Develop a Council-wide grant aid register and process for addressing State Aid with clear governance. Consideration of the explicit inclusion of State Aid in East Renfrewshire Council's Financial Regulations and/or Standing Orders. Arrange further State Aid training for relevant staff as necessary from the Scottish Government's State Aid Unit.	1	3	3
N	3.4	Potential Issues (or perceived issues) around the structural integrity of public buildings following the publication of the Edinburgh Schools Enquiry Report.	Annual visual inspections undertaken of all buildings	2	2	4	Review the adequacy of visual inspections and supplement them with additional measures where required	2	1	2
N	3.5	Failure to comply with the access restrictions to specific zoned areas of Braidbar Quarry, Giffnock leads to injury/ fatality.	Partial fencing of Council owned land perimeter. Regular inspections undertaken and repair regime maintained. Extensive warning signs around all areas of the site.	3	2	6	Fence off complete perimeter of Council owned land. Extend inspection regime.	2	2	4
N	3.6	There is a risk of a ground collapse at Braidbar Quarry which could result in fatalities. Several residential properties are blighted by this site.	No mitigation factors are presently in place for a ground collapse and the effects of this are unknown.	2	4	8	Remediate affected land.	1	1	1
N	3.7	Impact of severe weather (caused by climate change) disrupting the functioning of the Council and its ability to deliver services e.g. flooding or storms causing damage to public buildings, infrastructure and people and the effects of extreme cold/hot weather events	Develop understanding of climate threats to East Renfrewshire based on relevant climate science and research	2	4	8	Develop Adaptation Strategy to assist the Council in mitigating the effects of climate change related hazard	2	3	6

SOA 4 East Renfrewshire residents are safe and supported in their communities and homes.

Risk status S/C/N (same, changed, new)	Risk No.	Risk (Threat/Opportunity to achievement of business objective)	Risk Control Measures currently in place	Assessment of Risk [As it is now]			Proposed Risk Control Measures	Assessment of Residual Risk [proposed]		
				Likelihood (Probability) [L]	Impact (Severity) [I]	Risk Score [L x I]		Likelihood (Probability) [L]	Impact (Severity) [I]	Residual Risk Score [L x I]
S	4.1	**Inconsistent assessment and application of the public protection agenda (Child Protection, Adult protection and Multi-Agency Public Protection Arrangements- MAPPA) may result in risk of children or vulnerable adults being harmed and lead to non-compliance with legislative standards.**	The operation of CP, AP committees and MAPPA's meetings to deal with the strategic and practice issues. MAPPA extension to include violent offenders who present a serious risk of harm fully implemented. Audit process in place. Development of protection of vulnerable groups scheme (new staff then existing staff) with replacement of enhanced disclosures. Training on MAPPA extension completed. Partnership working is at an advanced stage with Police Scotland, NHS, Scottish Prison Service and other statutory partners. The requirement to produce and publish reports of activities. The availability of data with varying limitation for analysis and evaluation.	1	4	4	Following the extension of MAPPA to include Category 3 violent offenders, 3 staff have completed Risk of Serious Harm training, 3 awaiting training dates. Negotiate with SG on the whole protection agenda for uniformity . Ensure the links are made for learning opportunity within the protection agenda. Develop a framework for reporting to the community planning partnership.	1	4	4
S	4.2	**Recent increases in acts of violence and intimidation, directed at some religious groups abroad, migrate to the Council area, thereby undermining the Council's Equality Outcome 6, "Members of equality groups live their lives, safe from discrimination, harassment, victimisation and violence" .**	A new Duty on public authorities under the Counter Terrorism and Security Act (2015) to have " due regard to the need to prevent people from being drawn into terrorism", in the exercise of their functions. The establishment of a working group represented by appropriate departments of the Council to support the development of an action plan that will satisfy the requirements of the Duty under the Counter Terrorism and Security Act (2015) . The development of links with the appropriate Services within Police Scotland to enable and facilitate training to support those officers of the Council who work with vulnerable people, including young people and to raise awareness of the Duty and its requirements amongst appropriate staff groups Joint monitoring of incidents between the Council, Police and relevant religious/community leaders. Liaising, as appropriate, with relevant national intelligence services. Working group and posts for refugee resettlement programme in place. Ensuring that our emergency procedures are in line with good practice.	2	4	8	Continuing to liaise, as appropriate, with relevant national intelligence services. Presentations to Head Teachers and East Renfrewshire's Child Protection Committee to raise awareness.	2	4	8
S	4.3	**Implementation of the Community Empowerment (Scotland) Act - failure to have statutory processes in place within required timeframes (such as Local Outcome Improvement Plan and Outcome Participation Requests process) and failure to meet community demands and expectations leading to negative impact on the reputation of the Council and the Community Planning Partnership.**	Presentations to Community Planning Partnership (CPP) Board and Performance and Accountability Review (PAR) to ensure partners aware of expectations. PAR has established a Strategic Working Group to focus on implementation of 2 key elements of the Act (Local Outcome Improvement Plan and Outcome Participation Requests). CPP Board has overall responsibility for ensuring CPP meets statutory duties through scrutiny and oversight at annual meetings. PAR has responsibility for monitoring CPP performance in relation to outcomes.	2	2	4	CPP has programme for the development of leadership and capacity building for staff across the Partnership to be able to respond to the requirements of the Act Programme of community participation around the development of the Local Outcome Improvement Plan will be developed and carried out.	1	2	2

SOA 5 Older people in East Renfrewshire are valued; their voices are heard and they are supported to enjoy full and positive lives for longer.

Risk status S/C/N (same, changed, new)	Risk No.	Risk (Threat/Opportunity to achievement of business objective)	Risk Control Measures currently in place	Assessment of Risk [As it is now]			Proposed Risk Control Measures	Assessment of Residual Risk [proposed]		
				Likelihood (Probability) [L]	Impact (Severity) [I]	Risk Score [L x I]		Likelihood (Probability) [L]	Impact (Severity) [I]	Residual Risk Score [L x I]
S	5.1	**Increase in older people due to demographic changes leads to an over demand on certain services and failure to meet legislation, overspend and negative publicity. Pressures from new national delayed discharge targets of 72 hours.**	Scottish Government -providing additional resources for Health and Social Care with emphasis on managing demographic pressures. ODP and HSCP strategic plans build on foundation of CHCP and wider council prevention and early intervention strategy for older people. Agile working for HSCP staff improves efficiency. Annual budget setting takes account of demographic projections. Fees and charges policy (concessions).	4	4	16	HSCP fit for the future review and redesign Partnership with various professional agencies and community/public to support hospital admission avoidance and safe hospital discharge for older people. has led to creation of various posts that refocus on preventions and early intervention. Community Led Support programme diverting people to community resources and building on own assets.	4	2	8

Customers, Efficiency and People

Risk status S/C/N (same, changed, new)	Risk No.	Risk (Threat/Opportunity to achievement of business objective)	Risk Control Measures currently in place	Assessment of Risk [As it is now]			Proposed Risk Control Measures	Assessment of Residual Risk [proposed]		
				Likelihood (Probability) [L]	Impact (Severity) [I]	Risk Score [L x I]		Likelihood (Probability) [L]	Impact (Severity) [I]	Residual Risk Score [L x I]
S	6.1	Reduced central government funding leading to failure to support the current level of service provision and the requirement to draw down council reserves to an unacceptable level, leading to public discontent and negative effect on the Council's reputation and increased pressure on future years' budgets.	Budget strategy group Corporate ownership Treasury management strategy Increase in council's reserves (met target of maintaining reserves at 4% of net revenue budget) 3 Year budget arrangements Early communication of likely impacts and issues affecting the Council (budget) Change to financial planning timetable to allow earlier budget deliberations and a realignment of budget with council outcomes. Close monitoring of expenditure/income against budget throughout year. Prioritisation of Modern Ambitious Programme and continual review of projects to ensure effective progress and business cases.	4	4	16	Achievement of targets and outcomes outlined in Modern Ambitious Programme. Long term budget and scenario planning. Outline Financial Plan to Council Feb 2017. Reserves policy paper to Council Feb 2017. Option to increase Council Tax from 2017/18.	3	4	12
C	6.2	Improvements to the reconciliation process for certain Health and Social Care Partnership client payments are not effective in preventing future overpayments to service providers.	Care cost invoices for all client groups are matched to client service agreements held within the CareFinance system. Agreed policy in place for variations. Annual reconciliations completed for 2015/16 to satisfy audit recommendation. Quarterly reconciliations are undertaken as standard. Schedule payments ceased March 2016. Restructured HSCP finance team and implementation of audit recommendations ensuring robust controls. Significant progress recognised and a number of recommendations closed, including all Audit Scotland audit actions.	3	3	9	Any open audit actions and progress are reported to every IJB Performance & Audit Committee Care Finance project at closure phase. Routine development work will continue to ensure we maximise system benefits and optimise the reporting functionality.	2	3	6
S	6.3	Lack of appropriately skilled workforce due to the combination of loss of experience from redundancy / retirement, difficulties recruiting due to temporary contracts and shortage of skills in market place leads to a reduction in service levels damaging council reputation.	New Leadership Competencies (which are linked to PRD) and the new Leaders of the Future Development Programme. Head of Service lead in each department on workforce planning with an active corporate workforce planning group. Use of organisational and financial business case when considering redundancies/ early retirals. Workforce planning strategy approved with improved recruitment and selection procedures. Succession planning toolkit available for managers. Develop a Career Long Professional Learning (CLPL) strategy and a programme to support teacher leadership at all levels. Actively support COSLA working groups to benchmark best practices in workforce planning. Full implementation of Leadership Competencies and Leaders of the Future Development Programme. New Modern Ambitious Programme (MAP) launched with core workstreams on OD, Digital, Data and Modernising.	2	3	6	Further workforce planning and review. Full implementation of Modern Ambitious Programme (MAP).	2	2	4
S	6.4	The drive to deliver our ambitious change programme has an adverse impact on our employees as they strive to balance a relentless pace and scale of change with day to day responsibilities, leading to slower delivery of benefits.	PSE programme closed after 5 years in reports to Cabinet in June/August 2015. New change programme launched (Cabinet June 2015 & August 2015) in form of Modern Ambitious Programme with core workstreams on OD, Digital, Data and Modernising. Use of Modernisation Fund to ensure projects are adequately resourced, including use of additional staff on temporary contracts. CMT oversight of key corporate resources e.g. HR, ICT, PMO, Accountancy through MAP Board. MAP governance in place to prioritise resource and ensure benefits are delivered. Development of change management skills across the Council using accredited Project Management Courses, agile courses, management training and yellow belt training to assist with service redesign and broader skills and capacity for change in house. Capital Bids required to demonstrate alignment to 5 capabilities and single outcome agreement Overall summary of cashable efficiency benefits produced as part of Annual Efficiency Statement. Discussion of benefits in Change Boards as part of project mandates, briefs and PIDS. Closer working with ICT using HOS and posts of Enterprise Architect and IT Business Relationship Managers.	2	3	6	Use of resource planning tools to determine impact of new and ongoing projects for key corporate resources (e.g. ICT, HR, PMO, Accountancy) Encouraging staff to develop project management and change management skills to support change in their departments. Consideration of flexible external assistance and skills when change projects require. Mapping of budget savings proposals to MAP and 5 Capabilities as part of budget process	1	3	3

		Risk	Current Controls	L	I	Score	Planned Actions	L	I	Score
S	6.5	Failure to reduce absence levels which will affect the Council's ability to provide high quality services and lead to additional cost.	Additional HR resource are coaching and mentoring managers on how best to tackle absence, especially complex issues particularly in hot spot areas. Continue to monitor the best practices and see which has the most impact. Improved reporting (now electronic automated reports available from the system) . Trigger reports are issued to managers. Increased accountability within departments for return to work and absence review meetings leading to increased adherence to policy and improved use of the capability policy. DMTs and CMT receiving regular absence reports and are reviewing absence levels closely. Revised maximising attendance policy implemented. New Occupational Health tender awarded to improve the support and service received. Absence management training improved with blended learning approach which allows more practical focus on case studies.	2	2	4		2	2	4
S	6.6	Failure to effectively manage the Council's information assets to comply with Information legislation, in particular the Public Records (Scotland) Act, the Freedom of Information (Scotland) Act, the Data Protection Act, the General Data Protection Regulations and the Public Service Network standard (PSN). This could result in legal action, financial penalty, damage to council reputation and/or inability to provide council services.	ISO27001 range of technology, policy, procedures, standards and training exists across the council which is reviewed regularly to ensure it remains consistent with changes in technology, working practices and emerging threats. IT Health Check and Information Security audit carried out annually to check compliance with recognised information security standards including PSN and PCI (see proposed measures on PCI). Security standards are reviewed and revised using a risk management approach. The Council is a member of several Information / Cyber Security groups to monitor emerging threats and risk and share security alerts. The CMT agreed that Information Security training should be mandatory to raise staff awareness of cyber threats and handling information securely. A policy and awareness of this is being developed. Development of the corporate electronic document & records management system.	2	4	8	Information as an Assett Board to take forward projects including Open Data, and the development of a corporate Information Assett Register. Achieve full PCI-DSS Compliance by meeting Merchant Bank requirements and delivering Cardholder Not Present compliance through the Core Corporate Project. Review of the Council's Records Management Plan. Review processes and procedures to ensure compliance with the new General Data Protection Regulations	2	3	6
S	6.7	Interruption to service or total inability to provide ICT Services due to the loss of the Barrhead Data Centre and/or other critical infrastructure components due to fire, vandalism, equipment malfunction (including environmental controls).	Ensure that a robust data back-up and protection schedule for data is in place. Perform complete review of all current back-up arrangements to optimise resilience. Ensure that the Council has up to date Business Continuity Plans. Ensure that equipment is regularly maintained and replaced as required. Ensure supplier(s) contracts support recovery activities. The Council is a member of several Information / Cyber Security groups to monitor emerging threats and risk and share security alerts. The CMT agreed that Information Security training should be mandatory to raise staff awareness of cyber threats and handling information securely. A policy and awareness of this is being developed.	3	4	12	Secure a co-located Data Centre or equivalent geographically different Disaster Recovery capability at a commercial or partner location to increase resilience and provide necessary service continuity. Undertake Critical Impact Assessments across all ICT delivered services to define priority for availability/recovery. Perform regular audited disaster recovery tests and rehearsals. Improve monitoring and alerting of hardware and environmental systems to provide a proactive response. Improve fire protection and monitoring systems in current Barrhead Data Centre. Undertake independent review of core infrastructure design and architecture to gain validation and assurance of both security and operational capability.	2	2	4
C	6.8	Failure to pay invoices within a specified timeframe (Local Government Benchmarking Framework indicator) or failure to pay invoices correctly (either through fraud or error), which could lead to cessation of supplies; risks to delivery of critical services; inappropriate payments; loss of funds to the Council; reputational damage to Council; issues with insurers; and possibly, in the extreme, legal action.	Successful implementation programme for EDRM system for invoice scanning, storage and retrieval to improve management of creditor payments underway. Centralisation of invoice delivery to Creditors implemented January 2017. Action plans in place to deal with Internal Audit recommendations. Regular sessions with departmental representatives to address progress. Progress reports to Audit and Scrutiny Committee in January and August 2017. Overtime and temporary staff being used to manage workloads and provide additional capacity for processing and evidence of performance improvements. Management of the service through Business Change & Revenues Service to enhance resilience for staff and fast-track the change programme. Weekly updates on departmental invoice performance given to department representatives to direct action on payments. Use of AP Forensics system to identify potential duplicate payments prior to each payment run. Use of finance networks to share information on potential frauds.	3	3	9	E-invoicing project commencing 2017/18. Monthly departmental breakdowns of invoice performance to be provided for Chief Executive and Directors. Ongoing supplier management as part of centralisation. Departments reminded of their obligations to pass invoices, correctly and timeously for processing and follow-up stakeholder engagement planned and regular department information passed back to ensure improved processes in departments Further report to Audit & Scrutiny Committee in February 2018. Use of AP Forensics to identify duplicate supplier codes. Recruitment of temporary Compliance Officer to work with the service on processes and procedures.	2	3	6
S	6.9	Outcome of EU referendum leads to economic uncertainty and detrimental impact on the Council budget.	Economic situation monitored via Directors of Finance network/ Liaison with Scottish Government via COSLA to keep up to date with likely developments on UK/Scottish settlements.	4	4	16	Budget Strategy Group to plan for range of financial scenarios. Outline Financial Plan to Council Feb 2017 takes cognisance of this.	4	3	12

S	6.10	**Impact of Living Wage on the council's, contractors and commissioned place providers salary scales with continuing pressure on the lower grades of the scale. Not maintaining differentials between grades.**	Supplement currently paid on Grade 1,2 and 3. COSLA paper has been prepared to share with Elected Members on the impact of living wage	4	3	12	A full review of the grading scheme could be required. There are two possible outcomes - maintain a supplement with low impact or a full salary grade review which could result in significant cost to the council.	4	2	8
S	6.11	**Inappropriate use of social media leads to information breaches compromising customer relationships leading to reputational damage, substantial fines or prosecution.**	Social media policy and guidelines for employees. Employee code of conduct. Handbook for social media business users. Approval required from Communications Team prior to setting up any new social media accounts. Social media training and resources.	2	2	4	Additional training/ reminders for staff, development of better digital skills for staff.	1	2	2