

EAST RENFREWSHIRE COUNCIL  
AUDIT AND SCRUTINY COMMITTEE

18 August 2016

Report by Chief Executive

RISK MANAGEMENT PROGRESS

**PURPOSE OF REPORT**

1. This report provides the Audit and Scrutiny Committee with an update on the progress taken with risk management over the past year.

**RECOMMENDATIONS**

2. The Audit and Scrutiny Committee is asked to note the progress of risk management within the Council.

**RISK MANAGEMENT PROGRESS**

3. The Corporate Risk Management Group met several times over the past year with a focus on sharing best practice and key risks across the Council. In March 2016, the group discussed risks related to workforce planning. The group also discussed the challenges of delivering risk management with changing structures and potentially differing risk appetites.

4. In January 2016, Internal Audit published their audit report on risk management and corporate governance. Audit staff found evidence that each departmental management team had recently discussed their key risks. They suggested that each department should set out in advance their plans for reviewing risk registers with their management teams. Over the next year, the Corporate Business Manager will work with the Corporate Management Team to agree further methods to mainstream risk management into day to day operations.

5. All service areas have been reminded of the importance of regularly reviewing their risk registers and ensuring the correct template is used.

6. During the year, a valuable risk management workshop was held for senior management of the Integration Joint Board to develop a strategic risk register. Meanwhile in February 2016 all Head Teachers attended a customised risk management workshop to develop a new approach to recording and managing risk in schools. Finally, a customised training workshop was held for all corporate procurement staff to develop new ways to gather the risks associated with tenders and contracts.

7. Risk management training continues to be offered as part of the corporate training calendar with courses covering contract, project and partnership risk. All courses are delivered by Zurich International Ltd as part of the insurance contract arrangements. The Corporate Business Manager worked closely with Zurich to refresh course materials.

8. A new Insurance and Fraud Officer is now in post within the Corporate and Community Services Department and he provided historical information on claims. This information will be discussed at the next Corporate Risk Management Group on 23 August 2016 to understand if there are any relevant lessons learned which should be incorporated into risk control measures.

## **HIGH OPERATIONAL RISKS**

9. The main themes emerging from operational risk registers relate to loss of budgetary income with a rise in national and legislative requirements and emerging government initiatives. In some service areas, the requirement to take on additional tasks as a result of new legislation could potentially stretch existing resources beyond capacity. However, mitigation included continued planning, close monitoring of existing funding streams and effective business development activity to secure new and additional funds. Other mitigating factors included scaling back or modifying projects as necessary.

10. Overall risks continue to be managed across departments. A variety of improved control measures have reduced either the likelihood or the impact of risks.

## **STRATEGIC RISK REGISTER**

11. The strategic risk register which sets out the key council strategic risks will be considered by the Audit and Scrutiny Committee on 29 September 2016. The potential risks emerging from Britain leaving the EU will be considered within the next update.

12. The strategic risk register continues to align with the council's key outcomes and the current internal and external business environment. The risk register reflects the corporate risks associated with the current strategic change programme (MAP) of the council as well as those that are inherent in the day to day business of council.

## **RECOMMENDATIONS**

13. The Audit and Scrutiny Committee is asked to note the progress of risk management within the Council.

Lorraine McMillan, Chief Executive 20 July 2016

Report author: Jackie Martin, Corporate Business Manager 0141 577 8535,  
[Jacqueline.martin@eastrenfrewshire.gov.uk](mailto:Jacqueline.martin@eastrenfrewshire.gov.uk)

## **KEY WORDS**

This report provides the Audit and Scrutiny Committee with the latest progress on risk management within East Renfrewshire council.