SOUTH
LANARKSHIRE
COUNCIL

Report

Report to:	**Enterprise Resources Committee**
Date of Meeting:	**2 February 2011**
Report by:	**Executive Director (Enterprise Resources)**

Subject:	**Annual Update on Resource Risk Register and Risk Control Plan**

1. Purpose of Report
1.1. The purpose of the report is to:-

   ♦ provide details of the system and controls in place within the Resource to control and minimise risks
   ♦ provide details of Enterprise Resources' current Risk Register

2. Recommendation(s)
2.1. The Committee is asked to approve the following recommendation(s):-

   (1) that the system and controls in place to monitor risks within the Resource be noted.

3. Background
3.1. The Council's Risk Management Strategy promotes consideration of risk in service delivery, planning and decision making processes. The strategy requires Resources to record and review risks and control actions regularly. Enterprise Resources follows the Council guidance in developing, monitoring and updating the Risk Register on an ongoing basis.

3.2. The purpose of the Register is to ensure that the Resource is fully aware of the main risks that it has, prioritise these risks and have controls in place to eliminate or minimise the impact of the risk.

3.3. The Resource scores the risks in accordance with the Council scoring mechanism which scores risks based on likelihood and impact of risk. This results in risks being scored between 1 – 9 (low – high).

3.4. Risks are scored on their inherent risk (risk if we do nothing) and their residual risk (risk after applying controls).

4. Resource Risk Register
4.1. The Resource Risk Management Group has responsibility for the promotion and management of risk and each service is represented on the group by a senior manager. The group is chaired by the Support Manager who acts as the Resource Risk Sponsor. The Resource Risk Register is monitored on an ongoing basis by the group to allow new risks to be added and for the control measures and scores of the

existing risks to be reviewed in light of new information. The Risk Register is maintained within the Corporate Risk Management system, Figtree.

4.2.   Risks can result from internal or external influences, with examples being the impact of projected funding cuts, legislative changes or the impact of internal service changes.

4.3.   The development process for the Resource Plan and specific service plans allows the impact on the Resource Risk Register to be considered and all actions in the Resource/Service plans have a corresponding risk within the Risk Register.   These risks and control measures are updated following the information collated for the Service Plan quarterly monitoring exercise and where necessary, additional actions are identified and included in the risk control action log.

4.4.   The central Risk Management section provides regular reports on the number and cost of insurance claims made to the council. This information is analysed and insurance hotspots are reported to Resource Risk Sponsors.   The hotspots identified during 2009/10 for Enterprise Resources were –

- Public Liability Claims - damage or injury due to potholes or slip, trip, fall.
- Motor Claims - Multiple collisions,   reversing collisions
- Property claims – break ins/thefts

Various actions control measures/initiatives for each of the hotspots are included within the risk register.

4.5.   The Resource partnership register contains details of 18 partnership arrangements and all 18 partnerships have been assessed in accordance with the guidance and have been included in the Resource Risk Register. The following 3 partnerships scored high –

- Clyde Gateway Partnership
- Changing Places
- Community Regeneration Partnership

A full risk assessment is required for the partnerships that scored high where the Council is the lead partner and of the 3 listed above only 2 fell into this category, namely the Community Regeneration Partnership and Changing Places. It should be noted that both these partnerships are sub-partnerships of the overarching Community Planning Partnership for which a full risk assessment was completed in March 2010. The Council is not the lead partner for the Clyde Gateway Partnership, however, assurance has been sought that a rigorous risk assessment has been carried out. The remaining 15 Resource partnerships all scored low and require no further action.

4.6.   Risks scored 7 – 9 are considered high risks and these are monitored closely. Appendix 1 lists the top ten risks detailed on the Resource Risk Register with a residual score of 7 – 9.

The top risk identified for each of the operational services is as follows:

<u>Roads & Transportation</u>
- Weather – storms, flood, severe cold weather. This risk has been identified as one of the Councils top risks and the Resource has joint responsibility with Corporate Resources for the management of this risk.

<u>Planning & Building Standards</u>
- Reduction in Planning/Building Standards income

<u>Regeneration</u>
- Failure to achieve Capital Receipts

5.   Next Steps
5.1.   The Resource Risk Group will continue to review and update the Risk Register and Risk Action Log on an ongoing basis. An update report will be provided to members on an annual basis.

6.   Employee Implications
6.1.   None.

7.   Financial Implications
7.1.   There are no financial implications related to the management of Resource risks other than employee time.

8.   Other Implications
8.1.   There are no implications for sustainability in terms of the information contained in this report.

8.2   Failure to properly manage and raise awareness of the key risks could have a negative impact on future service delivery.

8.3.   Failure to adequately control some risks could result in financial loss.

9.   Equality Impact Assessment and Consultation Arrangements
9.1.   This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore, no impact assessment is required.

9.2   There was no requirement to undertake any consultation in terms of the information contained within this report.

Colin McDowall
Executive Director (Enterprise Resources)

6 January 2011

Link(s) to Council Objectives/Improvement Themes/Values
- Accountable, effective and efficient

Previous References

None

List of Background Papers

None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:- Linda Burnett, Support Manager, Enterprise Resources

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Risk Description	Inherent Risk Score	Control Measures	Residual Risk Score
Loss of income from Planning & Building Standards applications	9	Regular monitoring of planning income –v- budget projections. Ongoing review of filling of staff vacancies and control of general spending.	8
Failure to achieve five year programme of Capital Receipts	9	Individual projects risk assessed. Fortnightly meetings held on progress of achieving capital receipts. Low risk projects included in target. Co-ordination between all relevant services in the disposal process.	8
Failure to respond to an extreme weather event eg: storms, flood, severe cold weather **(Council Top Risk)**	9	Winter maintenance - Contract in place for weather forecast provider - forecasts received both planned and changing weather conditions. Improved processes utilising new technology including increased climatic domains. Formal mobilisation of Enterprise and other Resource manpower in place where required. Contractual arrangements for delivery of salt. Ongoing monitoring of salt usage. Review of salt min/max levels completed. Flooding risk management Dedicated Flood Officer in post. Scheduled timetable of flood scouting takes place to lessen impact of flooding. Ongoing promotion of flood prevention schemes. Flood prevention programme in place. Emergency planning.	7
Failure to agree and implement derelict/contaminated land programme	9	Work ongoing on a Council contaminated land strategy. Increased in house expertise gained when addressing contaminated land problems	7
Failure to manage the road network efficiently resulting in increasing costs for public liability claims for slip/trip/fall etc **(Hotspot)**	9	Areas where public liability claims have occurred highlighted to the Roads Service for inspection, remedial works carried out/scheduled. Quarterly reports submitted to R&T Operations Manager giving details of claims received and remedial works instructed following receipt of claims. £126m Roads Investment Programme ongoing to improve road network	7
Failure to deliver flood protection schemes as part of the capital programme	9	Programme of flood scouting in operation. Flood cameras installed in high risk areas. Regular inspection regime when rainfall anticipated to be above identified intensity levels (25mm in 24hr period)	7
Detrimental impact on service delivery due to failure to comply with Operators license. (Fleet compliance)	9	Drivers carry out daily vehicle checks and complete drivers' checklist. Safety flash and tool box talks given by all depot managers/ supervisors supported by TU safety reps highlighting implications for individuals of non-compliance with fleet procedures. Additionally spot checks on fleet are undertaken by depot managers/supervisors and TU safety rep. Regular Weighbridge checks are carried out.	7
Failure to adequately plan for	9	Resource contingency plan and operational	7

Risk Description	Inherent Risk Score	Control Measures	Residual Risk Score
Business Continuity/Emergency Planning		working practices in place. Business Continuity plans for all priority 1 functions drafted.	
Lack of IT resources to address business requirements	8	I.T service plan closely monitored and progress reports issued to the Resource's Management Team on a regular basis.	7
Lack of key staff/personnel as a result of staff leaving the Council and not being replaced	8	Staff development and training ongoing. Priorities/resources realigned where required.	7