

Report

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Report to:	Risk and Audit Scrutiny Forum
Date of Meeting:	8 November 2016
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Risk Management Year End Report 2015/2016
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ provide an update on progress with risk management activity undertaken during 2015/2016.

2. Recommendation(s)

2.1. The Risk and Audit Scrutiny Forum is asked to approve the following recommendation(s):-

- (1) that the progress made to date in delivering the actions within the Risk Management Work Plan 2015/2017 is noted
- (2) that the progress made by Resources in complying with the requirements of the Risk Management Strategy is noted
- (3) that the progress being made in delivering actions to mitigate top Council risks is noted

3. Background

3.1. For the past seven years, the Council has developed an annual Risk Management Work Plan. Actions in the Work Plan generally arise from two main sources; suggestions from the cross Resource Risk Sponsors Group or gaps identified from assessment of risk management compliance with best practice standards.

3.2. Progress in delivering the actions in the Work Plan is reported as a performance measure.

3.3. The content of the Risk Management Work Plan for 2015/2017 was noted by the Risk and Scrutiny Forum on 19 January 2016.

4. Progress Made to Date with Risk Management Work Plan 2015/17

4.1. The 2015/2017 Risk Management Work Plan is attached at Appendix One.

4.2. The Work Plan covers the period 1 October 2015 to 31 March 2017.

4.3. The Work Plan includes an overall total of nine actions, eight of which were due for completion by 30 September 2016. One action has a target date in the future and completion will be reported at a later date.

- 4.4. The position as at 30 September 2016 was that 100 per cent of actions due have been completed (8/8).
- 4.5. Significant progress made during the last 12 months includes:-
- ◆ review and update of the Council's Risk Management Strategy and Methodology
 - ◆ risk management and insurance arrangements for the South Lanarkshire Integrated Joint Board have been put in place. This includes a Risk Management Strategy; risk register and action plan; and membership of the NHS' Clinical Negligence and Other Risks Indemnity Scheme (CNORIS).
 - ◆ review of the Council's top risks completed.
- 4.6. The Risk and Audit Scrutiny Forum is asked to note the progress made to date in the delivery of the actions due for completion by 30 September 2016 within the 2015/2017 Risk Management Work Plan.
- 4.7. The full Work Plan position, as at 31 March 2017, will be reported to the Risk and Audit Scrutiny Forum as part of the Risk Management Year End Report 2016/2017.

5. Resource compliance with the Risk Management Strategy

- 5.1. Risk Sponsors are required, on an annual basis, to assess their Resource's compliance with the Risk Management Strategy and provide supporting evidence. The information for 2015/2016 is summarised in the end of year compliance statement which is attached at Appendix Two.
- 5.2. There has been an overall improvement in compliance of 1.12 per cent since the Year End Risk Management Report for 2014/2015. Appendix Two shows that all Resources have scored 36 out of 36. This is the first year that full compliance has been achieved.
- 5.3. It is important that the current level of compliance is maintained to demonstrate effective risk management which contributes to robust service planning and improved decision making.
- 5.4. Following the recent review of the Council's Risk Management Strategy and supporting documents, the compliance statement will be reviewed by the Risk Sponsors' group to ensure that the requirements reflect the latest version of the Strategy. Resources' performance against the updated requirements will be reported to the Corporate Management Team as part of the Risk Management Year End Report 2016/2017.
- 5.5. The Risk and Audit Scrutiny Forum is asked to note the improved level of compliance across all Resources in meeting the requirements of the Risk Management Strategy.

6. Progress Made in Delivering Actions to Control the Council's Top Risks

- 6.1. On a monthly basis, performance in completing actions on the Council's top risk control plan is monitored and progress reviewed. Progress is reported on a quarterly basis through IMPROVe. As at 31 March 2016, the percentage of actions completed was 100 per cent against an overall target of 75 per cent. This is in line with last year's performance.
- 6.2. Table One below shows the overall status as at 31 March 2016 for actions relating to the Council's top risk register.

Table One – Completion of Top Risk Control Actions

Action Status	Number of actions	Percentage of actions
Complete	37	100%
Outstanding as past due date	0	0%
Total	37	100%

- 6.3. Ten actions in the 2015/2016 risk control plan have target dates in the future, therefore, they are not included in the table above. These actions will form the basis of the 2016/2017 top risk control plan.
- 6.4. A review of the Council's top risks has been completed this year. As part of this process, a review of risk wordings and control measures currently in place will be carried out and any further mitigation required to control the risk will be identified. Any new actions identified will be included within the 2016/2017 top risk control plan.
- 6.5. The findings of the top risk review will be reported to the Risk and Audit Scrutiny Forum in January 2017.
- 6.6. The Risk and Audit Scrutiny Forum is asked to note the progress made in delivering actions to mitigate the Council's top risks.

7. Employee Implications

- 7.1. Each Resource has a Risk Sponsor who is responsible for developing, challenging and supporting risk management activity at Resource and corporate levels. Sponsors and other officers, as appropriate, dedicate time to ensure risk management is embedded within Resources.

8. Financial Implications

- 8.1. There were no financial implications associated with the delivery of the work plan.

9. Other Implications

- 9.1. Failure to implement risk management requirements in Resources will impact on the Council's ability to comply with best practice guidance. The work of the Resource Risk Sponsors and Risk Groups mitigates this risk.
- 9.2. There are no implications for sustainability in terms of the information contained in this report.

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. There is no requirement to equality impact assess the update to the risk management work plan.
- 10.2. Risk Sponsors were consulted on all items contained within this report.

Paul Manning

Executive Director (Finance and Corporate Resources)

12 October 2016

Link(s) to Council Values and Objectives

- ◆ Governance and Accountability

Previous References

- ◆ Report to Risk and Audit Scrutiny Forum – 19 January 2016 – Risk Management Update

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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Appendix One

Risk Management Work Plan 2015/17

Activity type	Action number	Action	Who	Target date	Score
Strategic Management	1	Review of Risk Management Strategy	Insurance and Risk Management Adviser	March 2016	1
Strategic Management	2	Review content and carry out Resource compliance check on requirements detailed in the Risk Management Strategy	Insurance and Risk Management Adviser	March 2016	1
Strategic Management	3	Preparation of risk management strategy for integration of Health and Social Care	Insurance and Risk Management Adviser SLC Corporate Risk Manager NHS	December 2015	1
Strategic Management	4	Implement insurance arrangements for integration of Health and Social Care	Insurance and Risk Management Adviser	March 2016	1
Strategic Management	5	Preparation of strategic risk register for integration of Health and Social Care	Insurance and Risk Management Adviser SLC Corporate Risk Manager NHS	March 2016	1
Strategic Management	6	Preparation of action plan to address issues stemming from the Glasgow refuse vehicle Fatal Accident Inquiry	Health, Safety and Wellbeing Manager	March 2016	1

Strategic Management	7	Internal Audit of strategic risk management arrangements – compliance with the Public Sector Internal Audit standards	Audit and Compliance manager	June 2016	1
Strategic Management	8	Top Risk Review	Insurance and Risk Management Adviser Risk Sponsors	September 2016	1
Strategic Management	9	Complete review of insurance programme	Insurance and Risk Management Adviser	March 2017	5

Key

1 = Complete/Achieved

2 = On course to achieve target date

3 = Minor slippage

4 = Major slippage

5 = To be reported later

Position as at 30 September 2016

	Number	Percentage
Number of actions completed or achieved	8	100%
Number of actions outstanding (minor slippage)	0	0%
Number of actions due to be completed by 30 September 2016	8	100%

Appendix Two

Summary of current compliance with Risk Management strategic requirements - 2015/16

Key

Score 3= Up to date and in line with requirement

Score 2= Work in progress

Score 1= Needs addressed

Risk management requirement from strategy	Community and Enterprise Resources	Finance and Corporate Resources	Education Resources	Housing and Technical Resources	Social Work Resources	Average across all
Up to date risk registers	3	3	3	3	3	3
Risk assessed for all Connect actions assigned to the Resource	3	3	3	3	3	3
Risk register and risk control plan reported to Resource Management Team at least once per annum	3	3	3	3	3	3
Risk register and risk control plan reported to Committee at least once per annum	3	3	3	3	3	3
Risk evaluations prior to major projects and changes	3	3	3	3	3	3
Formal risk sharing partnerships	3	3	3	3	3	3
Evidence behind major decisions shows formal identification and evaluation of risk	3	3	3	3	3	3
Risk information in Committee papers under "other implications" section	3	3	3	3	3	3
Pro-actively monitoring delivery of risk controls	3	3	3	3	3	3
Contractors' assurance that risk controls in place, e.g. insurance, health and safety practices, equalities, sustainable development	3	3	3	3	3	3
Use of Figtree for risks and action tracking	3	3	3	3	3	3
Regular risk group meetings	3	3	3	3	3	3
Overall total and average end 2015/16	36 3	36 3	36 3	36 3	36 3	36 3
Comparative total and average at end 2014/15	36 3	36 3	35 2.92	36 3	35 2.92	35.6 2.96
Level of improvement	0%	0%	+2.85%	0%	+2.85%	+1.12%