**SOUTH LANARKSHIRE COUNCIL**

# Report

| Report to: | **Social Work Resources Committee** |
|---|---|
| Date of Meeting: | **27 September 2023** |
| Report by: | **Director, Health and Social Care** |

| Subject: | **Update on the 2022/23 Risk Register and Risk Control Plan** |
|---|---|

## 1. Purpose of Report

1.1. The purpose of the report is to:-

♦ Provide an update on risk management arrangements and the Risk Register for Social Work Resources

## 2. Recommendation(s)

2.1. The Social Work Resources Committee is asked to approve the following recommendation(s):-

**(1)** that the contents of the report be noted;

**(2)** that the set of top risks for Social Work Resources be approved; and

**(3)** that an additional two Social Work risks be approved.

## 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. Social Work Resources follow the guidance in developing, monitoring and updating the Risk Register on an ongoing basis.

3.2. The purpose of the Risk Register is to ensure that Social Work Resources is fully aware of its top risks; that these risks are prioritised; and that controls are in place to eliminate or minimise the impact of the risks.

3.3. The Resource scores these risks in accordance with the Council's corporately agreed scoring mechanism, based on likelihood and impact. This results in risks being scored between one and twenty-five (low – very high). Risks are scored on their inherent score (risk if we do nothing) and their residual risk (risk after applying controls). Further detail on the Council's scoring matrix and approach to risk appetite is outlined in appendix one.

3.4. Each Resource has a Resource Risk Management Group which has responsibility for the promotion and management of risk. The Social Work Resources Risk Management Group continues to meet on a regular basis to provide operational oversight of all risks impacting on the delivery of social care services.

3.5. This particular report provides an update to Social Work Resources Committee on a number of interrelated pieces of work that have been undertaken with regards to risk in the context and how these impact on the delivery of social care services. Notably, this report will cover the following areas:

- A reviewed list of top risks impacting on social care as per agreement at Social Work Resources Committee on 28 June 2023
- A review of the Council's top risks for 2023/24

**4.    Review of the Top Risks Impacting on Social Care Services**

4.1.   At its meeting of 28 June 2023, Social Work Resources Committee agreed the top five risks impacting on the delivery of social care services.   It is evident that these risks continue to have a significant impact and therefore remain valid as the agreed top risks.

**Table 1 – Social Work Resources Top Risks**

|     | Top Risk | Risk Level |
| --- | --- | --- |
| 1. | Funding and Budgetary Pressures | Very high |
| 2. | Workforce availability and capacity | Very high |
| 3. | Public Protection and Legislative Duties | Very high |
| 4. | Market and Provider Capacity | Very high |
| 5. | Winter demands and pressures | Very high |

4.2.   It is further proposed that two new risks are added to the register. These include:

o   **Failure to comply with or meet the expected standards, scrutiny levels, or improvement as identified by regulatory bodies**
The Care Inspectorate is the independent scrutiny body that supports improvement in social care and social work.  It registers care services in Scotland and inspects them to ensure that the quality of care meets the health and social care standards.  It also has the authority to issue improvement notices and can seek authorisation through the courts to close a registered service that has failed to comply with or meet expected standards, scrutiny levels, or self-evaluated criteria.

The consequence of service closures or variations to service is an intensive response by the council and its partners, ensuring the immediate safety and wellbeing of people in receipt of support.  Meanwhile, other high risks for social work are compounded such as failure to meet statutory and legislative duties in respect of public protection; the ability to fully deliver the strategic outcomes required of the Integration Joint Board; an impact on market and provider capacity; and additional pressure on funding and budgetary gaps.

o   **Implications of the Scottish Fire and Rescue Service Unwanted Fire Alarm Signals Policy within the council's non-domestic estate**
The Scottish Fire and Rescue Service (SFRS) will no longer respond to automatic fire alarm call outs to commercial business and non-residential workplaces from a single smoke detector unless the presence of a fire has been confirmed through investigation by workplace employees on site.  The changes implemented on 1 July 2023 are in response to the high number of unnecessary callouts to single smoke alarms.  All other automatic alarms will continue to be responded to as normal by SFRS.

4.3.   A number of factors continue to impact directly on the top risks relating to funding and budgetary pressures and market/provider capacity. Although these do not alter the risk scoring of the others at this stage, they do emphasise further challenges which require to be accounted for in a risk context.

Of note and for information, these additional challenges are related to:

- unanticipated costs related to the outcome of the South Lanarkshire Council care at home job evaluation process
- ongoing budgetary pressures within the children's element of the Children and Justice budget
- financial pressures affecting the stability of the external provider market

4.4.    Appendix 2 provides further detail on each of the top risks, alongside the inherent and residual risk scores and sample controls.

4.5.    Whilst these top risks are the primary focus of the Resource in terms of oversight, monitoring and management, there remain 13 other risks rated as high but deemed to be of lesser impact at this point in time.  The Resource continues to monitor these risks and contribute to by way of mitigation, some of which are wider organisational risks that require all departments of the council to respond to by working together corporately.  The list below provides some additional detail in this regard:

1.  Deliver Strategic Commissioning Plan Outcomes required by IJB
2.  Achieve standards and scrutiny levels identified by regulatory bodies (New)
3.  Cost of living crisis
4.  Implications of the SFRS Unwanted Fire Alarm Signals Policy (New)
5.  Business continuity, response and recovery
6.  IT developments and functionality
7.  Fraud, theft organised crime and cyber attacks
8.  National Care Service
9.  Sustainable development and climate change objectives
10. Historic Child Abuse
11. Refugee resettlement and asylum seeker dispersal programme
12. Disruption to council services due to industrial action

4.6.    From a risk appetite and tolerance perspective, the Council aims to be risk embracing, in that it will accept a tolerable level of risk in seeking service efficiencies and in agreeing control measures. The level of risk facing the Council is measured both before (inherent risk) and after (residual risk) consideration of controls.  The Council should never carry a very high residual risk exposure as this would indicate instability, but a low residual risk exposure should also be avoided as this indicates lack of innovation.

4.7.    The Council's universal risk tolerance levels are outlined within the Council's Risk Management Strategy 2020, and this is expected to be reviewed over the next year. The current ideal risk profile is defined as:
- No more than 10 per cent of residual risks at a very high level
- No more than 15 per cent of risks at a high level
- Around 50 to 60 per cent of residual risks at a medium level
- No more than 30 per cent of residual risks at a low level

4.8.    The Social Work Resources risk profile is detailed in Table 2, in respect of the 18 risks referred to in sections 4.1 and 4.3.  The profile currently exceeds the ideal universal risk exposure levels defined by the Risk Management Strategy detailed above; however, it is reflective of the environment which the service currently operates within and mirrors the highest level risks currently facing the Council.

**Table 2 - Top risks risk profile**

| Risk category | Risk rating | Number of risks | Percentage of risks |
|---|---|---|---|
| 1 | Very high | 10 | 56% |
| 2 | High | 8 | 44% |
| 3 | Medium | 0 | - |
| 4 | Low | 0 | - |

4.9. Risk will remain a standing item on Social Work Resources Committee and the Risk Register and reporting of risk will be a dynamic process, with Committee receiving updates on any changes to levels of risk or new risks which may evolve over time.

**5. Reviewing the Council's Top Risks for 2023/24**

5.1. An annual review of the Council's top risks began in April 2023 with views sought from Heads of Service, Senior Managers, Elected Members and Trade Unions.

5.2. The review will support the systematic identification and assessment of top risks and cross cutting themes across the council which will be monitored through individual resource risk registers.

5.3. Details of the finalised top risks in ranking order will be presented to the Risk and Audit Scrutiny Committee on 31 October 2023, with presentation following at Social Work Resources Committee on 6 December 2023.

**6. Three lines model**

6.1. The Council has introduced the 'three lines of defence model,' developed by the Institute of Internal Auditors, to provide greater assurance of the adequacy of control measures in place for strategic risks.

6.2. The intention of the model is to ensure that top risks are mitigated through 'three lines of defence', which are:

Line 1    Control by operational management
Line 2    Control and compliance by functions that have an oversight role (for example Risk Management)
Line 3    Independent assurance

6.3. The development of this model has been underway across each resource throughout 2022/23 and will continue during 2023/24.

**7. Major projects, partnerships, or change**

7.1. Within Social Work Resources, 13 partnerships have been identified. Highlighted risks for partners include the current unprecedented financial challenges and workforce pressures faced by health and social care.

7.2. The South Lanarkshire Integration Joint Board (IJB) has an approved risk management strategy and a risk register in place which details the organisation's approach to risk and how it will identify and manage risks to mitigate against subsequent impact.

The IJB has identified 8 risks including:
- 4 very high/high risks – demand pressures; workforce availability; financial sustainability; external provider resilience
- 4 medium/lower risks – public protection; public sector duties; transformation; National Care Service

7.3.    IJB members are currently engaged in discussions with partners regarding transformational change across health and social care to address budgetary pressures and recurrent funding gaps whilst continuing to protect staff and support those most vulnerable within our communities.

## 8.    National Risk Register
8.1.    The latest version of the National Risk Register was published on 3 August 2023, identifying the most serious risks facing the United Kingdom and assisting responders, businesses and members of the public to plan, prepare and respond to risk. It focuses on 9 risk themes, these are:

- Terrorism
- Cyber
- State threats
- Geographic and diplomatic
- Accidents and systems failures
- Natural and environmental hazards
- Human, animal and plant health
- Societal
- Conflict and instability

8.2.    In terms of social care, the document highlights the risks faced by local authorities in relation to cyber-attacks, severe weather, and complex major provider failure, which has the potential to impact on market capacity across multiple local authority areas and directly affect individuals with care and support needs. The full document can be accessed at: National Risk Register - 2023

## 9.    Next steps
9.1.    The Resource Risk Management Group will continue to meet on a regular basis. The Risk Register will be reviewed on an ongoing basis by the group to ensure that risks remain valid for the appropriate service areas and to identify new areas of risk that affect the Resource.  An update report will be provided regularly to Committee.

9.2.    Moreover, future reports and proposals brought before Social Work Resources Committee will show the correlation and read across with the top risks to assure Committee that such proposals are geared towards providing further levels of mitigation.

9.3.    A further report on the outcome of the review of the Council's top risks will be provided at the next meeting.

## 10.    Employee Implications
10.1.  Time will be required for the Resource Risk Management Group to manage the Resource Risk Register and Risk Control Plan.

**11. Financial Implications**

11.1. There are no direct financial implications associated with the Resource's top risks. There are a number of proposed risks which are classified under the heading of financial. Where this is the case, the appropriate controls and actions have been included in the risk control cards and progress will be monitored.

**12. Climate Change, Sustainability and Environmental Implications**

12.1. Sustainable development issues are included within the Council's top risk register through being linked directly to the Council Plan objective 'make communities safer, stronger and sustainable'

**13. Other Implications**

13.1. Failure to demonstrate that risk is actively considered and managed cannot only lead to avoidable financial loss but could also affect delivery of services and the reputation of the resource.

**14. Equality Impact Assessment and Consultation Arrangements**

14.1. This report does not introduce a new policy, function or strategy or recommend a change to existing policy, function or strategy and therefore, no impact assessment is required.

14.2. Consultation on the content of this report has been undertaken with the Resource Management Team.

**Professor Soumen Sengupta**
**Director, Health and Social Care**

22 August 2023

**Link(s) to Council Values/Priorities/Outcomes**

♦ Accountable, effective, efficient and transparent

**Previous References**

• Social Work Resources Committee – 28 June 2023

**List of Background Papers**

• None

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-
Ciana Stewart, Planning and Performance Manager
Ciana.stewart@southlanarkshire.gov.uk

# Appendix One – Risk scoring matrix, likelihood and impact definitions

**Likelihood**

| Score | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| **Description** | Rare | Unlikely | Possible | Likely | Almost certain |
| **Likelihood of occurrence** | 1 in 10 years | 1 in 3 years | 1 in 2 years | Annually | Monthly |
| **Probability of occurrence** | The event may occur in certain circumstances | The event could occur | The event may occur | The event will probably occur | The event is expected to occur or occurs regularly |

**Impact**

| | Reputation | Financial | Service delivery/ Time to recover | Compliance | Safety |
|---|---|---|---|---|---|
| **1 Negligible** | Public concern restricted to local complaints | <£50,000 per annum | No impact to service quality; limited disruption to operations. | No external interest | Minor injury – no lost time |
| **2 Minor** | Minor adverse local/public/media attention and complaints | £50,000-£250,000 per annum | Minor impact to service quality; minor service standards are not met; short term | Very minor attention from legislative /regulatory body | Minor injury – resulting in lost time |
| **3 Moderate** | Adverse national media Public attention | £250,000 to £500,000 per annum | Significant fall in service quality; major partnership relationships strained; serious disruption in service standards | Short-term attention from legislative/ regulatory body | Major injury or ill health resulting in lost time |
| **4 Major** | Serious negative national or regional criticism | £500,000 to £1million per annum | Major impact to service delivery; multiple service standards are not met; long term disruption to operations; multiple partnerships affected | Medium-term attention from legislative/ regulatory body | Fatality; Or injuries to several people |
| **5 Catastrophic** | Prolonged international, regional and national condemnation | >£1million per annum | Catastrophic fail in service quality and key service standards are not met; long term catastrophic interruption to operations; several major partnerships are affected | National impact with rapid intervention of legislative/ regulatory body | Multiple fatalities; Or injuries to large number of people |

The assessments for impact and likelihood combine to provide an overall inherent risk score on the scale of between 1 and 25, using the council's recognised risk matrix.

**Risk matrix**

| | | 1<br>Negligible | 2<br>Minor | 3<br>Moderate | 4<br>Major | 5<br>Catastrophic |
|---|---|---|---|---|---|---|
| **Likelihood** | **5**<br>Almost Certain | 5 | 10 | 15 | 20 | 25 |
| | **4**<br>Likely | 4 | 8 | 12 | 16 | 20 |
| | **3**<br>Possible | 3 | 6 | 9 | 12 | 15 |
| | **2**<br>Unlikely | 2 | 4 | 6 | 8 | 10 |
| | **1**<br>Rare | 1 | 2 | 3 | 4 | 5 |
| | | **Impact** | | | | |

The risk score is calculated as follows:

***Likelihood score x Impact score = Risk Score***

Risks scored 15 to 25 are considered to be very high risks and risks scored 8 to 12 are considered to be high risks. Very high and high risks are monitored closely.

**Appendix Two**

**Social Work Resources Risk Register (August 2023)**
**Extract of risks with residual score category of Very High**

| | Risk Category | Key Risk | Inherent risk score | Sample of Controls | | | Residual Risk Score |
|---|---|---|---|---|---|---|---|
| | | | | 1st line of defence: Operational management | 2nd line of defence: Corporate functions (not internal audit) that oversee or who specialise in compliance or the management of risk (CMT) | 3rd line of defence independent assurance (internal/external audit and any other scrutiny or regulatory body) | |
| 1 | 1 Very High (15-25) | **Funding and Budgetary Pressures Description** <br> • Risk that services have to re-prioritised as a result of reductions in budgets <br> • Reduction in early intervention and prevention activity as a result of having to respond to statutory duties such a public protection | 25 | Budget holder responsibility and monitoring. <br><br> Care Packages linked to finance module <br><br> Voluntary Sector commissioned services can lever additional funding to the area | Revenue and Capital budget monitoring reports to SW Committee <br><br> Four weekly monitoring and reporting of financial performance to CMT | COSLA role in support of LA's and links to Scottish Government <br><br> Audit Scotland reports and briefings | 20 |

| 2 | 1<br>**Very High**<br>**(15-25)** | **Workforce Availability and Capacity**<br><br>**Description**<br>• Lack of capacity and skills to meet increased service demands.<br>• National shortage of skilled workforce across all sectors<br>• Recruitment, selection, and retention of Social Care Staff challenging<br>• Growing demographic and post pandemic service demands<br>• Workforce profile shows an ageing workforce within social care<br>• Competition with other industry sectors and Local Authorities | 25 | Prioritising of workloads and escalation processes within the management team<br><br>Social Care and Social Work Critical Functions Framework<br><br>Care at Home social media recruitment campaign (Everyday heroes) | Workforce Monitoring reports to SWC<br><br>Personnel targeted recruitment campaigns<br><br>Increase use of social media to recruit<br><br>Care Academy | Workforce Strategy for Health and Social Care Scotland<br><br>SSSC (Scottish Social Services Council) registration requirements | 2 | 20 |

| 3 | 1 Very High (15-25) | **Meeting Public Protection and Legislative Duties** **Description** • Ability to meet increased demands and risks with regards Public Protection (Child Protection, Adult Support and Protection, MAPPA and Gender Based Violence) • Meeting all legislative duties pertaining to assessment, support planning and reviews | 25 | System of prioritisation agreed and operational across areas such as child protection Readily available operational and strategic management information regarding compliance with timescales/targets for Public Protection ASP decision making support tool for staff. Wellbeing portal for all staff to access. Risk Assessment for Service Users PPE support to all who require | A risk assessment is part of care management function. Mandatory training and LOL courses for all staff, specific legislation LOL's available. Workforce updates to all SW Committee Meetings. Serious Incident recording and action | Previous inspections reports by CI: SDS, Children's Services and ASP inspection. All registered care services have oversight by Care Inspectorate Other inspection: Mental Welfare Commission reviews | 3 | 20 |

| 4 | 1<br>**Very High**<br>**(15-25)** | **Market and Provider Capacity**<br><br>**Description**<br>• Capacity within the market of social care providers to meet rising demand and complexity<br>• Supply chain challenges within the social care market, for example workforce availability impacting on available capacity<br>• Social care providers ability to maintain compliance with national standards and quality of service delivery<br>• Annual contractual discussions with regards to agreeing rates for social care providers | 25 | Quality Assurance & Commissioning Team in place<br><br>Fieldwork teams aligned to local providers as point of contact<br><br>Procurement Network Oversight meetings in place<br><br>Mapping tool developed in support of care at home service | Oversight of all social care registered providers operating within South Lanarkshire<br><br>Corporate procurement support to ensure social care providers comply with agreed frameworks and contracts | Care Inspectorate regulation of all care services<br><br>Scottish Care support of independent, private, voluntary care providers.<br><br>Social Work Scotland Care Market intelligence shared. | 4 | 20 |

| 5 | 1 Very High (15-25) | **Winter Demand Pressures Description**<br>• Increased service demand beyond normal levels as a result of the impact of seasonal Flu, other respiratory conditions and increased unwellness in the population<br>• Impact on workforce availability due to potential increases in sickness/absence<br>• Impact of adverse weather on service delivery | 25 | Planning for Winter 2023/2024 commenced in July 2023<br><br>All social care staff offered flu and COVID 19 vaccines.<br><br>Covid and Flu Vaccine Programme for public<br><br>Care at home mapping of all cases geographically to assist with scheduling and prioritisation | Maximising Planned Date of Discharge, Discharge Without Delay and Home First<br><br>The Council has a multi-agency approach across Lanarkshire with key partners in terms of responding winter demand. Key partners include North Lanarkshire Council, NHS Lanarkshire and the two IJBs for North and South.<br><br>The annual Winter Plan for Lanarkshire outlines key actions in responding to increases in demand. | NHS Scotland, Public Health Scotland, Healthier Scotland driving forward Winter 2023 Vaccines programme.<br><br>Overall Resilience Planning across Lanarkshire and nationally | 20 |