

# Report

Report to:	<b>Risk and Audit Scrutiny Forum</b>
Date of Meeting:	<b>1 November 2017</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>2016/2017 Year End Risk Management Report</b>
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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 2016/2017

## 2. Recommendation(s)

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

- (1) that the progress made by Resources in complying with the requirements of the Risk Management Strategy is noted
- (2) that the progress being made in delivering actions to mitigate top Council risks is noted

## 3. Background

3.1. The Council has in place a Risk Management Strategy, which details the approach to identifying, managing and mitigating risks faced by the Council. In line with best practice, the Strategy also outlines a number of risk management requirements that Resources are expected to meet.

3.2. The Council has in place a top risk register and top risk control plan. The Council's top risks are reviewed on an annual basis. The aims of the actions contained within the top risk control plan are to mitigate the risks and to strengthen existing control measures.

## 4. Resource Compliance with the Risk Management Strategy

4.1. 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 2016/2017 is summarised in the end of year compliance statement which is attached at Appendix One.

4.2. Following the review of the Council's Risk Management Strategy and supporting documents, the compliance statement was reviewed to ensure that the requirements reflect the latest version of the Strategy. This led to some new areas being included within the compliance statement.

4.3. Appendix One shows that Resources continue to demonstrate full compliance with the Strategy, having scored 42 out of 42.

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

5.1. On a quarterly basis, performance in completing actions on the Council's top risk control plan is reported through IMPROVe. As at 31 March 2017, the percentage of actions completed was 100 per cent against an overall target of 75 per cent.

5.2. The table below shows the overall status as at 31 March 2017 for all actions relating to the Council's top risk register.

**Completion of top risk control actions**

Action Status	Number of actions	Percentage of actions
Complete	9	100%
Outstanding as past due date	0	0
<b>Total</b>	<b>9</b>	<b>100%</b>

5.3. Three actions in the 2016/2017 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 2017/2018 top risk control plan.

5.4. New actions identified during this year's review of the Council's top risks will also be included within the 2017/2018 top risk control plan.

5.5. The findings of the Council's top risk review will be reported to the Forum in January 2018.

**6. Employee Implications**

6.1. The Central Risk Management team takes a corporate lead for strategic risk management arrangements and each Resource has a Risk Sponsor who is responsible for developing, challenging and supporting risk management activity at Corporate and Resource levels. Risk Management personnel, Risk Sponsors and other officers, as appropriate, are required to dedicate time to ensure risk management is embedded within Resources.

**7. Financial Implications**

7.1. There are no financial implications associated with this report.

**8. Other Implications**

8.1. Failure to implement risk management requirements within Resources and partnerships will impact on the Council's ability to comply with best practice guidance. The work of the Cross Resource Risk Sponsors Group and Resource Risk Groups mitigates against this risk.

8.2. There are no implications for sustainability in terms of the information contained in this report.

**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. Risk Sponsors were consulted on all items contained within this report.

**Paul Manning**  
**Executive Director (Finance and Corporate Resources)**

12 October 2017

**Link(s) to Council Values and Objectives**

- ◆ Values: Accountable Effective and Efficient

**Previous References**

- ◆ Report to RASF – Risk Management Year End Report 2016/2017 – 8 November 2016

**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**  
**2016/2017 Compliance with Risk Management strategic requirements**

**Key**

Score 3= Up to date and in line with requirement

Score 2= Work in progress

Score 1= Needs addressed

Requirement from Risk Management strategy	Community and Enterprise Resources	Education Resources	Finance and Corporate Resources	Housing and Technical Resources	Social Work Resources
Risk registers are updated on an annual basis	3	3	3	3	3
Delivery of Resource risk control actions and control actions for top risks lead by the Resource are progressed.	3	3	3	3	3
The risk register and risk control plan are approved annually by the Resource Management Team	3	3	3	3	3
The risk register is presented for noting; and assurance of delivery of actions is given to the Resource Committee on an annual basis.	3	3	3	3	3
Information held on Figtree reflects the latest Resource Risk Register and Risk Control Plan	3	3	3	3	3
The Council's agreed risk profile and risk tolerance level is adopted.	3	3	3	3	3
Risk evaluations are undertaken prior to the commencement of major projects, partnerships and organisational changes	3	3	3	3	3
Formal risk sharing agreements for major partnerships and contracts are in place	3	3	3	3	3
Major decisions are transparent and clearly show the following key elements: <ul style="list-style-type: none"> <li>• Full cost over life of proposal;</li> <li>• Funding source;</li> <li>• Savings or efficiencies;</li> <li>• Other benefits;</li> <li>• Associated risks and how they will be managed.</li> </ul>	3	3	3	3	3
Elected members are kept informed of risks by using the "Other Implications" section of the Committee report template. This section should include: <ul style="list-style-type: none"> <li>• The risks involved with the report's recommendations;</li> <li>• The potential positive and negative consequences;</li> <li>• How these risks are currently being managed (existing controls) or how they will be managed going forward (additional actions);</li> <li>• Link to risks on the Council's top risk register.</li> </ul>	3	3	3	3	3
Assurance is gained from contractors and sub-contractors, in line with procurement processes, of their adoption of recommended risk management practices, particularly that adequate insurance cover, safe health and safety practices, and equalities, sustainable development, business continuity and scrutiny procedures are in place.	3	3	3	3	3
Regular Resource Risk Management Group meetings (or alternative where risk management is a standing agenda item).	3	3	3	3	3
Liaison with Service Planners to ensure that risks associated with Council and Resource plans are identified and assessed; and that appropriate plans are put in place to manage these risks.	3	3	3	3	3
Management of insurance hotspots and required mitigating actions	3	3	3	3	3
<b>Total</b>	<b>42</b>	<b>42</b>	<b>42</b>	<b>42</b>	<b>42</b>
<b>Percentage compliance</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>