

Report

| | |
|------------------|---|
| Report to: | Risk and Audit Scrutiny Forum |
| Date of Meeting: | 15 September 2021 |
| Report by: | Executive Director (Finance and Corporate Resources) |

| | |
|----------|--|
| Subject: | Year End Risk Management Report (2020/2021) and Review of Council's Top Risks (2021/2022) |
|----------|--|

1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide the Risk and Audit Scrutiny Committee (RASC) with an update on progress with risk management activity undertaken during 2020/2021
- ◆ provide an update on the Council's top risk register following the review and consultation process

2. Recommendation(s)

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

- (1) that Resource compliance 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; and
- (3) that the updated Council top risks are noted.

3. Background

- 3.1. Annual reviews of the Council's top risks are undertaken, the findings of the last review reported to the RASC on 8 December 2020. This year's full review commenced in April 2021. The consultation involved views being sought from Heads of Service, Elected Members and Trade Unions on new areas of risk.
- 3.2. In 2020/2021 a mid-year year review of the Council's 'very high' scored risks was undertaken to ensure that these risks continued to be managed appropriately, given their significance. The only change of note at this time, was a reduction in the risk score on the 'Social Work Care Inspectorate Requirements' risk. Details of further amendments to this risk are noted in Appendix 3.
- 3.3. An informal benchmarking exercise was undertaken to review the Council's top risks against a neighbouring authority's risk register. This review established that the current South Lanarkshire Council top risk register is in the main reflective of the risks faced by our neighbouring authority. The intention is to expand this exercise further with additional local authorities for the 2022/2023 review.
- 3.4. The results of the work undertaken was considered and used to inform proposals for a refined set of top risks. The feedback was used to review risk descriptions, as required.

- 3.5. The content of this report provides the Committee with the findings of the review in respect of these risks.

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 2020/2021 is summarised in the end of year compliance statement which is attached at Appendix 1.
- 4.2. Appendix 1 shows that Resources continue to demonstrate full compliance with the Strategy, having scored 45 out of 45.
- 4.3. 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. Progress made in delivering actions to control the Council's top risks

- 5.1. As at 31 March 2021, the percentage of actions completed was 85 per cent against an overall target of 90 per cent. Some actions have been delayed and carried forward due to the COVID-19 pandemic.
- 5.2. Table 1 below shows the overall status as at 31 March 2021 for all actions relating to the Council's top risk register.

Table 1 – Completion of top risk control actions

| Action status | Number of actions | Percentage of actions |
|------------------------------|-------------------|-----------------------|
| Complete | 23 | 85% |
| Carried forward to 2021/2022 | 4 | 15% |
| Total | 27 | 100% |

- 5.3. Actions identified during this year's review have been included within the 2021/2022 top risk control plan. This contains a total of 19 actions.

6. Results of the review of the Council's top risks

- 6.1. To assist the review process, the following broad criteria were recommended as a guide to concluding what constitutes a top risk:-
- ◆ it threatens delivery of corporate objectives
 - ◆ it impacts on other services or partnerships
 - ◆ there are financial impacts or it impacts on other key priority strategies
 - ◆ there are impacts of a social or demographic context
- 6.2. When the Council's Risk Management Strategy was updated last year, a new 5x5 risk scoring matrix was introduced. The matrix used to score the risks noted in this report is attached at Appendix 2.
- 6.3. In line with previous years, the annual review tends not to result in wholesale changes to the top risk register. Risks from last year's review, as detailed in the report to RASC on 9 December 2020 were mostly deemed to be still valid, with the majority of these risks having been impacted upon by the COVID-19 pandemic.

- 6.4. The main changes to the top risks are summarised below with further details provided in Appendix 3:-
- ◆ the residual risk score for 'COVID-19 pandemic' has reduced from 20 to 16
 - ◆ a new risk has been added to the top risk register, 'The Council is materially affected by the recommendations arising from the independent review of Adult Social Care in Scotland'
 - ◆ the residual risk score for 'EU Exit' has reduced from 20 to 12
 - ◆ the risk 'Failure to evidence progress against Social Work Care Inspectorate Requirements' is no longer considered to be a Council top risk and as such has been removed from the top risk register. This follows acknowledgement by the Care Inspectorate of improvements made in the Hamilton and Rutherglen service areas.
 - ◆ the risk card for 'Potential liability arising from claims of historic abuse' has been re-written to reflect upon recent developments and changes to legislation
 - ◆ the risk 'Failure to adequately prepare for the national expansion in early years education and child care provision' is no longer considered to be a Council top risk and as such has been removed from the top risk register
 - ◆ the risk 'Failure to maintain the required pupil/teacher ratio' is no longer considered to be Council top risk and as such has been removed from the top risk register
 - ◆ the risk description for 'Death or injury to employees, service users or members of the public affected by Council operations' has been amended to capture wider health, safety and wellbeing issues
 - ◆ risk descriptions, controls and actions have been updated as required on individual risks, following discussion with risk owners
- 6.5. The Council's top risk register is monitored on an ongoing basis and updates are reported annually to this Committee. Risk scores and rankings may be amended if new information comes to light that allows the position to be reassessed.
- 6.6. As a result of the above changes and taking into account of revision of risk scores, the top risk register for 2021 is attached at Appendix 4.
- 6.7. Within Appendix 4, categories one and two relate to very high and high level risks. To maintain focus on the higher scored risks, those risks with a medium or low residual risk score have been excluded. These risks will continue to be monitored at a Resource level to ensure that they are adequately managed.
- 7. Horizon scanning**
- 7.1. Through wider analysis, several areas that could pose potential threats and risks or are emerging issues and opportunities that could affect the Council were identified. Areas identified are listed below, with full details noted at Appendix 5:-
- ◆ Education attainment
 - ◆ Community Wealth Building
 - ◆ Qualified One-Way Cost Shifting (QOCS)
 - ◆ Independent care services sustainability
- 7.2. These areas will continue to be monitored to ensure that the Council is adequately prepared to respond where required.

8. Three lines model

- 8.1. A model has been developed by the Institute of Internal Auditors which aims to provide assurance of the adequacy of control measures that are in place for strategic risks. It also assists in identifying areas of potential weakness.
- 8.2. 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
- 8.3. It is proposed that a Strategic Risk Assurance Map is created by Internal Audit over the course of the year, and that the three lines model is introduced as part of the top risk update for 2022/2023.

9. Scope and appetite for risk

- 9.1. The Council aims to be risk embracing, that is it will accept a tolerable level of risk in seeking service efficiencies and in agreeing control measures.
- 9.2. 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.
- 9.3. The Council's universal risk tolerance levels were updated as part of the review of the risk management strategy last year, with the ideal risk profile 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
- 9.4. Table 2 below shows the top risks heat map, that is, it details the total number of risks for each individual risk score. Table 3 notes the overall risk profile for the top risks.

Table 2 – Top risks heat map

| | | Impact | | | | |
|------------|---------------------|-----------------|------------|---------------|------------|-------------------|
| | | 1 Negligible | 2 Minor | 3 Moderate | 4 Major | 5 Catastrophic |
| Likelihood | 5 Almost certain | | | 1 | 1 | |
| | 4 Likely | | 1 | 4 | 2 | |
| | 3 Possible | | | 4 | 3 | |
| | 2 Unlikely | | | | 1 | |
| | 1 Rare | | | | | |

Table 3 –Top risks risk profile

| Risk category | Risk rating | Number of risks | Percentage of risks |
|----------------------|--------------------|------------------------|----------------------------|
| 1 | Very high | 4 | 24% |
| 2 | High | 13 | 76% |
| 3 | Medium | 0 | - |
| 4 | Low | 0 | - |

9.5. Despite the fact that the profile noted in Table 3 is out with the ideal universal risk exposure defined by the Risk Management Strategy, this risk exposure is reasonable as these are the highest-level risks currently being faced by the Council.

9.6. The main changes to the risk profile from last year are:-

- ◆ a new very high risk has been added to the top risk register 'The Council is materially affected by the recommendations arising from the independent review of Adult Social Care in Scotland'
- ◆ one risk that was scored very high, 'EU Exit' has reduced to high.
- ◆ the very high scored risk 'Failure to evidence progress against Social Work Care Inspectorate Requirements' has been removed from the top risk register

9.7. The number of very high risks has reduced from 5 to 4 from last year, with the vast majority of risks on the top risk register remaining in the high bracket. There are currently 13 risks scored at this level, one less than last year.

9.8. A number of risks that were noted as being at a low level at last year's review are no longer included within the risk profile, as these risks are now contained within the relevant Resource risk registers only.

10. Employee Implications

10.1. There are no direct employee implications relative to this report. There are proposed risks which are classified under the heading of employee. Where this is the case the appropriate controls and actions have been included in the risk control cards and progress will be monitored.

11. Financial Implications

11.1. There are no direct financial implications associated with the Council's top risks. There are a number of proposed risks which are classified under the heading of financial, including additional costs stemming from COVID-19. 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 can not only lead to avoidable financial loss but could also adversely affect delivery of services and could affect the Council's reputation. The work carried out to identify and review the Council's top risks and to determine the risks controls and actions necessary enables the Council to manage the impact.

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 an existing policy, function or strategy and, therefore, no impact assessment is required.
- 14.2. Consultation has taken place with Heads of Service, Risk Lead Officers, Elected Members, Trade Unions and Resource Risk Sponsors.

Paul Manning

Executive Director (Finance and Corporate Resources)

16 August 2021

Link(s) to Council values and objectives

- ◆ Values: Accountable, effective, efficient and transparent

Previous References

- ◆ Report to RASC – Review of Council's Top Risks/Year End Risk Management Report – 9 December 2020

List of Background Papers

- ◆ None

Contact for Further Information

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

Craig Fergusson, Head of Finance (Transactions)

Ext: 4951 (Tel: 01698 454951)

E-mail: craig.fergusson@southlanarkshire.gov.uk

Appendix 1 - 2020/2021 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, in line with the Council's Risk Management Strategy | 3 | 3 | 3 | 3 | 3 |
| Where appropriate, Council top risks are adequately reflected in the Resource risk register | 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"> • Full cost over life of proposal; • Funding source; • Savings or efficiencies; • Other benefits; • Associated risks and how they will be managed. | 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"> • The risks involved with the report's recommendations; • The potential positive and negative consequences; • How these risks are currently being managed (existing controls) or how they will be managed going forward (additional actions); • Link to risks on the Council's top risk register. | 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 |
| Total | 45 | 45 | 45 | 45 | 45 |
| Percentage compliance | 100% | 100% | 100% | 100% | 100% |

Appendix 2 – Risk scoring matrix and 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

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

The risk score is calculated as follows:
Likelihood score x Impact score = Risk score

Appendix 3 - Amendments to the risk register and developments with existing top risks

Pandemic Response

As reported last year, the pandemic has impacted on everything that the Council does and this remains one of only four risks scored in the very high risk category.

The risk score, however, has been reduced from 20 last year to 16 this year, which reflects the mitigations now in place and significant steps taken by the Council since the first lockdown in March 2020, in terms of reintroducing Council services, support to the local community and businesses and assistance with the Government's testing and vaccination programmes.

In the main, COVID-19 related issues are now being managed at Resource/Service level, with input from relevant services, such as resilience, Legal Services, Health, safety and Wellbeing, and Risk Management where required.

The Council continues to monitor national guidance; maintain ongoing resilience arrangements; and implement further measures as and when required in response to the pandemic.

As part of this work Council Services will continue to assess and amend their plans for a gradual, fuller introduction of services whilst taking account of the restrictions that remain in place, as well as other factors, including competing Council priorities for resources such as transport, facilities services and property assets. All plans will be the subject of ongoing review to ensure that they reflect current circumstances and will be adapted to suit the needs of the Council and its stakeholders.

At the time of writing this report, a number of significant relaxations have recently been permitted. The Council, however, is still impacted by restrictions on its operations to ensure compliance with safe systems of work.

At a national level, factors such as the roll out of the vaccination programme and developments with COVID variants are likely to be key considerations on restrictions going forward. As such, the implications of COVID-19 and the Council's response to it remains an ever-changing situation, with the risk and controls being kept under review and updated as required.

Independent review of adult social care

On 1 September 2020, the First Minister announced that an independent review of adult social care in Scotland was to be undertaken. The review was chaired by Derek Feeley (former Director General for Health and Social Care and Chief Executive of NHS Scotland).

The primary aim of the review, which was concluded in January 2021, was to make recommendations for improvements to adult social care.

The findings of the review were published in February 2021, with a total of 53 recommendations made which included the establishment of a new national care service.

Further details are awaited from the Scottish Government on exactly what is being proposed from the review and specifics on how and when recommendations are to be implemented. It is also expected that a Bill on reforms will be brought before the Scottish Parliament later in the year.

In light of these developments, a new risk has been added to the top risk register, 'The Council is materially affected by the recommendations arising from the independent review of Adult Social Care in Scotland'

The Council will continue to monitor developments in this area and develop appropriate control measures where required, once more detailed proposals from the Scottish Government are known.

Social Work Care Inspectorate requirements

A number of areas for improvement had previously been identified by the Care Inspectorate in respect of specific elements of the Social Work Registered Care at Home Service. Given the challenges of achieving these improvement actions, a new risk was added to the Council's top risk register last year in respect of 'Failure to evidence sufficient progress against Social Work Care Inspectorate requirements'. Service delivery in this area has been further challenged by COVID-19.

To address this risk and to respond to the Care Inspectorate Improvement Notice, a transformation and improvement programme was developed and is underway to address in the short term the specific requirements and to also take forward medium- and longer-term actions to remodel the entire service and improve governance arrangements.

As a result of the developments noted above and acknowledgement of improvements from the Care Inspectorate following recent inspections, this risk has been removed from the top risk register, but will remain on the Social Work Resources risk register and continue to be managed and monitored at that level.

The risk on the Social Work risk register has been amended to 'Failure to progress transformation of the Care at Home Service and maintain positive Care Inspectorate gradings'

EU Exit

When 'Brexit' was initially added to the Council top risk register in 2018, the risk was initially framed around a 'no deal' scenario, with potentially significant economic consequences to the UK, should that scenario arise.

Subsequently, when the UK did eventually leave the EU on 31 December 2020, a trade deal was agreed, and arrangements were put in place for imports and exports. There are, however, several remaining longer-term impacts which are likely to affect the Council and the wider economy. It will be difficult to fully unpick EU exit impacts from those arising from the pandemic in terms of potential job losses, investment, wage stagnation, supply of materials and trading costs.

Given that the UK has now left the EU with a trade deal in place, 'EU exit' is no longer considered a civil emergency risk, but remains a corporate risk, albeit with a lower-level risk ranking, with the residual risk score reducing from 20 last year to 12 for 2021.

Going forward, the Council will continue to engage with COSLA via regular EU exit meetings, with the majority of residual risks from 'EU exit' being managed at a Resource level.

Failure to adequately prepare for the national expansion in early years education and child care provision

As a result of an extended national deadline introduced due to the pandemic, Education Resources have continued to work on increasing the Early Years qualified workforce, expand physical assets and strengthen formal partnerships with private and third sector providers. As a result of this work, the Resource is confident that places can be offered to all eligible groups in line with the national expansion by the deadline of August 2021.

Given the above, the risk has been removed from the Council's top risk register, but will remain on the Education Resources register for the time being.

Failure to maintain the required pupil/teacher ratio

This risk relates to the Council being unable to successfully recruit teachers to maintain the pupil/teacher ratio set by the Scottish Government. Failure to meet the ratio could result in a potential fine and reputational damage to the Council. Education Resources has managed this risk for several years with strong controls in place to mitigate against any possible financial penalty imposed by the Scottish Government and any gaps in service delivery. More recently, the Resource has used additional funding provided by the Scottish Government to further strengthen these controls by increasing the number of teachers in our schools.

Given the current status of this risk, it has been removed from the top risk register, but will remain on the Education Resources risk register and continue to be managed/monitored at that level.

Fraud, theft, organised crime and cyber security

There are a number of fraud risks that have been potentially heightened as a result of the pandemic.

One of the Council's key mitigations is that relevant employees require to understand the particular fraud risks that exist and the anti-fraud controls required to mitigate these. Employee bulletins and social media have been utilised to raise awareness of the heightening fraud risk and these will continue to be used as required.

Internal data-matching exercises are being undertaken to minimise fraud and the Council is sharing and receiving data to minimise the risk Scotland-wide. Formal data-matching has been undertaken as part of the planned National Fraud Initiative (NFI) exercise and the Council will continue to participate in this by investigating returned matches.

Appendix 4: Council top risk register 2021

| Risk Category | Key risk | Inherent risk score | Residual risk score | Controls (Good, adequate, poor) |
|--------------------------|---|---------------------|---------------------|---------------------------------|
| Very high (15-25) | Reduction in external funding and fees/income received by the Council, as well as increased demand for services, results in savings difficulties. | 25 | 20 | Adequate |
| | The Council does not provide an adequate response to the effects of a global pandemic illness within communities; maintaining critical services; providing support to the community and business; deliver emergency response commitments as a Category One Responder; and protecting the wellbeing of employees and service users as far as reasonably practicable. Responding to a pandemic will impact on everything else the Council does. | 25 | 16 | Good |
| | The Council is materially affected by the recommendations arising from the independent review of Adult Social Care in Scotland | 16 | 16 | |
| | Failure to meet the Council's sustainable development and climate change objectives | 20 | 15 | Good |
| High (8-12) | The Council fails meet statutory and legislative duties in respect of public protection | 16 | 12 | Good |
| | Failure to fulfil emergency response commitments befitting the Council's status as a Category One (emergency) responder. | 25 | 12 | Adequate |
| | Historic Childhood Abuse | 16 | 12 | Good |
| | Fraud, theft, organised crime and cyber attacks | 20 | 12 | Adequate |
| | Information Governance not subject to adequate control | 20 | 12 | Adequate |
| | The Council does not fully deliver the strategic outcomes required of the IJB as outlined in their Strategic Commissioning Plan | 16 | 12 | Adequate |
| | The Council is significantly affected by the impact of the UK leaving the European Union | 25 | 12 | Adequate |
| | Procurement activity is affected by a lack of resources, non-compliance or legal challenge | 25 | 9 | Good |

| | | | | |
|--|---|----|---|----------|
| | IT development and functionality does not keep pace with changing service requirements | 20 | 9 | Adequate |
| | Lack of capacity and skills to meet increased service demands | 20 | 9 | Good |
| | Insufficient response to adverse weather events | 16 | 9 | Good |
| | Failure to ensure the health, safety and wellbeing of employees and the protection of service users and members of the public in the delivery of Council services | 20 | 8 | Good |
| | Failure to achieve the outcomes of the Community Plan | 20 | 8 | Adequate |

| | |
|-------------------------------|--|
| Removed from top risks | Failure to maintain the required pupil/teacher ratio |
| | Failure to adequately prepare for the national expansion in early years education and child care provision |
| | Failure to evidence sufficient progress against Social Work Care Inspectorate requirements |

Appendix 5 – Horizon Scanning

Education attainment

Education Resources has made significant efforts to minimise disruption to learning throughout the pandemic. The Resource, however, recognises the complexity of this issue and the need to look closely at the mid to longer term effects of recent societal disruption on the educational achievement and attainment of each child and young person in our care.

This will require an extensive range of targeted supports and interventions to be available to schools, children, young people and their families as well as close monitoring of progress. The Resource is working to align our recovery planning at all levels to national recovery frameworks and their associated additional funding streams. This area will remain under review.

Community Wealth Building (CWB)

The Council's draft Community Wealth Building Strategy was approved at the Executive Committee meeting of 10 March 2021.

Community Wealth Building is an alternative approach to traditional economic development, which seeks to develop resilient, inclusive local economies, with more local employment and a larger and more diverse business base.

The Strategy sets out high-level aspirations in relation to CWB. A detailed action plan will be developed to support the delivery of these aspirations over an appropriate time-period (three to five years).

Recognising that CWB could signal a fundamental shift in the Council's approach across a number of services, a robust risk assessment and register is being developed to accompany the detailed action plan.

The strategy and associated risk register are in the early stages of development at this point in time. As work in this area progresses, risk implications will be reviewed and controls updated as required. Once the CWB risk register has had time to mature, it is expected an overall risk will be added to the Council's top risk register.

Qualified One-Way Cost Shifting (QOCS)

QOCS was implemented in Scotland at the end of June 2021, as part of the Civil Litigation (Expenses and Group Proceedings (Scotland) Act 2018.

QOCS has been in force for personal injury claims in England and Wales since 2013 and serves to restrict the circumstances in which a claimant can be found liable for their opponent's costs.

This will make it considerably more difficult for successful defenders to recover any costs from claimants in Scottish proceedings.

This will impact on all personal injury civil litigation claims going forward after June 2021. The wider implications of QOCS are covered under an insurance fund risk on the Finance and Corporate Resources risk register, but also under the historic abuse risk on the top risk register.

Independent care services sustainability

Social Work Resources are responsible for 40 in house registered care services, ranging from care homes for older people; day care for older people; day care for adults with learning and

physical disabilities; care at home; to care homes for children and young people; fostering and adoption services.

Alongside our own registered care services we also commission services from the voluntary, private and independent sectors across the same range of registered care services. These services are regularly monitored via the Care Inspectorate data store, and Improve reports are presented on a quarterly basis to the Social Work Governance Group.

Recent monitoring activity has focussed on the sustainability of the independent care home sector.

Prior to the COVID-19 pandemic, the number of weekly vacancies of care home places (both residential and nursing care) was fairly high, often upwards of 150 places. Since the onset of the pandemic, overall demand has been further affected, with up to 300 places being available per week at present. Care homes are currently being supported through sustainability payments as part of maintaining a level of resilience and support for the sector in helping them to navigate through the problems presented by the pandemic. Sustainability payments will continue until March 2022.

Regular monitoring of care home vacancies has been in place for a number of years, together with engagement with the Care Inspectorate to ensure care standards continue to be met by these registered care services. Ongoing vacancy and financial monitoring of the sector will continue.

In the medium to longer term, work being undertaken to develop the next iteration of the South Lanarkshire Health and Social Care Strategic Commissioning Plan 2022-2025 will help to confirm future commissioning intentions and models of care required to meet the strategic outcomes detailed in the plan. The size and capacity required within the care home sector will form part of the strategic commissioning intentions in looking to the future. Furthermore, a new dedicated team for Quality Assurance and Commission is currently being recruited, this team will initially focus on supported living registered care services ensuring quality standards, and service user outcomes are achieved.