WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Lead – People & Technology

Corporate Services Committee: 13th February 2019

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Subject: Strategic Risks 2017-22

1.   Purpose

1.1   To provide an update on the strategic risks for 2017-22.

2.   Recommendations

2.1   It is recommended that the Committee note:

- The strategic risks as detailed at Appendix 1; and
- The next steps to further develop risks, aligned with the delivery plans.

3.   Background

3.1   Since the Council first developed and published strategic risks in 2008, they have been incrementally refined in line with strategic plans.   The appended risks were reviewed in 2017 and are re-assessed bi-annually before being reported to this committee.

4.   Main Issues

Strategic Risk

4.1   In line with the Council's Risk Management Framework, a re-assessment of the strategic risks has taken place as detailed within Appendix 1. Each risk is managed through internal controls, linked actions and associated milestones with the objective being to reduce or stabilise the level of risk through completion of linked actions over a period of time and / or ensure mitigation factors are adequate should the risks actually materialise.

4.2   Table 1 represents a risk dashboard that includes information on the original, current and target ratings for each strategic risk, as well as an assessment of the current risk status. Each strategic risk is identified and supported by more detailed information available on a "drill-down" basis in Appendix 1.

Table 1 Key Strategic Risk Information

Strategic Risk	Original Risk 2017	Current Risk 2019	Target Risk 2022	Risk Status Rationale
SR 001 Financial Funding.				
SR 002 School improvements.				
SR 003 Council Assets.				
SR 004 Information Technology.				
SR 005 Partnerships.				
SR 006 Citizens and Communities.				
SR 007 Health and Safety of Employees and Others				
SR 008 Cyber Attack.				
SR 009 Early Years Agenda.				
SR 010 Resourced Workforce.				

Risk Methodology and Reporting

4.3   Each strategic risk is now populated in Pentana in terms of the following template:

- Risk title and code;
- Description;
- Ownership;
- Potential effect;
- Measures of impact;
- Risk factors;
- Internal controls;
- Risk opportunity; and
- Linked actions.

4.4   Each risk has been scored using a "4 x 4" matrix for likelihood and impact in relation to:

- Current risk (with review dates set at pre-determined intervals); and
- Target risk (i.e. 31 March 2022 - the duration of the Strategic Plan).

The risk descriptors used in the "4 x 4" matrix are as follows:

Likelihood

Score	Descriptor
1	Unlikely
2	Likely
3	Very likely
4	Certain

Impact

Score	Descriptor
1	Minor
2	Moderate
3	Significant
4	Critical

4.5   For ownership, each strategic risk is "Managed By" a Strategic Lead and "Assigned To" a Service Manager. Strategic risks are reported on a bi-annual basis to the Performance & Monitoring Review Group and Corporate Services Committee.

Service Risk

4.6 The Section Head – Risk and Health & Safety has completed a series of meetings with strategic leads within REG to provide guidance and assistance in identifying service owned, operational risks (following the methodology in 4.3 to 4.4 above) and developing corresponding risk registers on Pentana.

4.7 A fundamental benefit exists in developing and managing service risks, namely that the identification and consequent mitigating actions serve to protect the organisation by ensuring that appropriate considerations have been made to minimise or remove any risk.

4.8 The Section Head – Risk and Health & Safety is currently exploring the risks associated with Britain's exit from the EU and potential impact on services. The appropriateness of a further strategic risk has yet to be confirmed.

Strategic Risk Management Training

4.9 As reported to committee in August 2018, a strategic risk management session was delivered to the Strategic Leadership Group. This session was developed in conjunction with the Council's third party insurance/risk administrator, Gallagher Basset, at no cost to the Council and. included an overview of strategic risk management; considered risks from a strategic management perspective; offered an opportunity to discuss roles and responsibilities as strategic managers; and explored the Council risk management methodology.

4.10 A commitment has also been made to deliver a similar session, through Gallagher Basset, to members of Community Planning West Dunbartonshire. This will be built into the 2019/20 schedule for the partnership. A more tailored session will be delivered for procurement shortly after March 2019.

5. **People Implications**

5.1 There are no people implications associated with this report.

6. **Financial and Procurement Implications**

6.1 There are no financial and/or procurement implications.

7. **Risk Analysis**

7.1 Failure to progress on risk management is likely to result in the Council being criticised by External Audit for not having an integrated approach to embedding risk management within the authority with the result that a "no scrutiny required" status will not be achieved.

7.2 Progressing with risk management will demonstrate that the Council is taking ownership of risk management so that effective measures will be put in place

for the management of risk. The ability to demonstrate risk ownership should benefit the Council in terms of:

- Understanding risk and its potential impact on the Council's priorities and objectives;
- Reducing insurance premiums going forward by recognising that a mature approach to risk management will contribute to a reduction in the number and value of claims across a range of insurance classifications;
- Contributing towards incident prevention based upon post-incident investigation;
- Meeting statutory/regulatory requirements; and
- Ensuring better partnership working with external and internal partners.

8. Equalities Impact Assessment (EIA)

8.1 An equalities screening was undertaken that identified no impact on a particular protected group.

9. Consultation

9.1 The strategic risks have been discussed with the Strategic Leads and Directors.

10. Strategic Assessment

10.1 At its meeting on 25 October 2017, the Council agreed that its five main strategic priorities for 2017 - 2022 are as follows:

- A Strong local economy and improved employment opportunities;
- Supported individuals, families and carers living independently and with dignity;
- Meaningful community engagement with active empowered and informed citizens who feel safe and engaged;
- Open, accountable and accessible local government; and
- Efficient and effective frontline services that improve the everyday lives of resident

10.2 The strategic risks in 4.1 have been identified to complement the main strategic priorities.

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Appendices: Appendix 1: Detailed Strategic Risk List

Background Papers: Report to Council on 25 October 2017 - West
                         Dunbartonshire Council Strategic Plan 2017-22
                         Risk Management Framework