ANGUS COUNCIL

SCRUTINY AND AUDIT COMMITTEE – 29 NOVEMBER 2022

DETAILED RISK REPORTING TO SCRUTINY AND AUDIT COMMITTEE

REPORT BY CATHIE WYLLIE – SERVICE LEADER INTERNAL AUDIT

ABSTRACT

This report presents detailed risk information to the Scrutiny and Audit Committee in line with the programme agreed by the Scrutiny and Audit Committee in June 2022 (Report 163/22/ refers) and confirmed in August 2022 (Report 207/22 refers).

1.   RECOMMENDATION

It is recommended that Committee:

(i)   Scrutinise and note the information presented about the Transforming for the Future risk.

2.   ALIGNMENT TO THE COUNCIL PLAN

The contents of this report, and the related presentation provide the Committee with a deeper understanding of a key corporate risk that may prevent achievement of the Council Plan, and the steps being taken to mitigate the risk.

3.   BACKGROUND

The following timetable for individual risk presentations, based on the Corporate Risk Register at 17 May 2022, was agreed for 2022/23:

S&A meeting date	Lead officer	Risk to be presented	Risk Score May 2022	Risk Target	Revision After May 2022
23 August 2022	Director of Finance	Financial Sustainability	20	9	
27 October 2022	Director of Strategic Policy, Transformation & Public Sector Reform	Partnerships	12	9	Revised in August Score 9 Target 6
29 November 2022	**Chief Executive**	**Transforming for the Future**	**9**	**6**	**Revised in November Score 15 Target 6**
31 January 2023	Director of HR, Digital Enablement, IT & Business Support	IT resilience & Cyber-attack (Business Continuity)	16	8	
9 March 2023	Depute Chief Executive	Health &Safety Compliance	12	6	

25 April 2023	Director of Vibrant Communities and Sustainable Growth	Climate Change	16	12	

4. CURRENT POSITION

4.1 There will be a short presentation on the Transforming for the Future risk. The related information from the Corporate Risk Register is included in Appendix 1.

4.2 With the exception of the update noted to the Transforming for the Future risk score there have been no significant changes to the Corporate Risks since this was last reported to the October Scrutiny & Audit committee in Report number 206/22.

5. FINANCIAL IMPLICATIONS

There are no direct financial implications.

6. EQUALITY IMPACT ASSESSMENT

An Equality Impact Assessment it not required, as this report does not impact on people. It does not impact on people because this report provides information about risks and their mitigation. Any people impact would be dealt with at other active stages of risk mitigation if applicable.


Background Papers

NOTE: No background papers as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing this report.

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List of Appendices:
Appendix 1- Corporate Risk Register – Transforming for the Future

Appendix 1

Impact / Likelihood
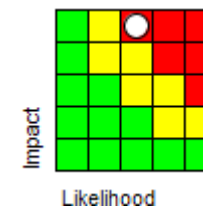
Risk Title

CORRR0002 Transforming for the Future

Risk Description

The council fails to transform its service delivery sufficiently to meet future demands and priorities while working within its budget constraints and rising costs.

Likelihood / Potential Impact

Likelihood	Potential Impact
Substantial transformation is being progressed by the council in the way services are delivered. There is a focus on strategic planning and prioritisation of outcomes. Significant work is underway to minimise risk by engaging in collaborative work across the Council partnerships. Our Council Plan has identified strategic priorities and resource and planning are aligned to these. There is a growing expectation that communities will do more for themselves. There is a risk that we will not empower communities to support the transformation agenda and control demand management.	Failure to deliver the transformational change could prevent the creation of sustainable services. This may result in a failure to modernise services, practice, attitude and behaviour. Council resources may not be properly and/or adequately targeted at achieving strategic change agenda to provide key frontline service requirements. The Council may fail to deliver on its priorities/outcomes and could spend beyond its available budget.

Existing Controls

Leadership	Strong resilient strategic leadership with a clear sense of purpose and change.
Approach to change	A number of strategies are in place from Service Design to Lean. Our Strategy on a Page (SOAP) developed in collaboration with staff and members must be followed to ensure we deliver the necessary change
Clear priorities established and agreed in line with key strategic plans	Our Community Plan, Council Plan, Financial Plan, Workforce Plan, Medium Term Budget Strategy and Change Programme. The follow through Action Plan to our Best Value Audit report to be completed.
Whole Council approach to change	The change programme is embedded in our corporate governance arrangements and the way we now operate as an organisation.
Clear change programme approach	includes defining the scope of the programme and delivering the various programmes/ projects.
Change programme links to strategic outcomes	Economy, People, Place and Our Council. Strategy on a Page. Recovery & Renewal work also connected to Change programme.

Change Programme Governance	Council has agreed governance arrangements for the change programme, including reporting to Change Board, Policy & Budget Strategy Group (PBSG), Policy & Resources Committee and Scrutiny & Audit Committee.
Programme Office team in place	to co-ordinate and support services with the delivery of the change programme.
Change Forum established	for project leads and other staff involved in change to share information, learning and support improvement.
Change programme planning and delivery cycle	Embedded in our corporate governance arrangements.
Weekly monitoring of the impact of COVID19	Including required changes to service delivery. This also links the Change Programme to recovery & renewal.
Change Programme risk register	reviewed quarterly and considered by the Change Board.
Challenge Panel workshops	Held with Directorates to identify opportunities for change via development of scenario plans
Service Design development work progressed including online training material	The Service Design change methodology has been progressed through 4 tests of change and is now part of our tools for delivering change projects

Risk Likelihood Score: 3

Risk Impact Score: 5

Overall Risk Score: 15

Additional Controls/Actions to Reduce Likelihood and/or Impact Scores

Controls/Actions		Due Date	Status	Desired Outcome	Owner	Latest Update	Date
AC-COR-00007 Continue to develop staff resources and skills.	To support delivering service transformation.	31-Mar-2023	In progress	Improvement in staff capability for delivering change.	Service Leader (Governance & Change)	A further two project management training sessions with our training partner QA have been completed with a further two scheduled by 31st March 2023. Options Appraisal training for staff and elected members has been completed by the development of an e-learning module. Implementation of this is imminent	07-Nov-2022
AC-COR-00008 Continue to develop approach to demand management across all services.		31-Mar-2023	In progress	Demand management as business as usual.	Director - Vibrant Communities and Sustainable Growth	Service Review of Vibrant Communities underway to align delivery of services and resources to need. New policy on engagement and consultation to go to committee in December for approval which will	03-Nov-2022

						ensure a more coordinated and targeted approach by all services. Collation and analysis of local data ongoing and review of previous work and actions eg charettes almost complete which will help shape approach to targeted interventions and future place based approach.	
AC-COR-00009 Ensure risk actions in Change Programme risk register are completed to deadlines.		31-Mar-2023	In progress	Change Programme risk register actions completed.	Service Leader (Governance & Change)	The risks in the Change programme risk register are monitored and updated regularly including the associated actions. The Risk Register is also reported to the Change Board for scrutiny, review and input where required.	07-Nov-2022
AC-COR-00025 Monitor impact of changes to service delivery as a consequence of COVID19	Decide whether change is an improvement to be continued post pandemic.	31-Mar-2023	In progress	More efficient service delivery including online approaches.	CLT	A lot of excellent cross council work going on to address service delivery improvements as a consequence of different delivery during the pandemic. Workstyles being agreed to reduce carbon footprint. More services to consider digital only provision.	07-Nov-2022
AC-COR-00083 Develop detailed Business Insights	support a more detailed understanding of Council spend versus performance and outcomes	30-Nov-2023	In progress	Evidence based decision making	Service Leader (Governance & Change)	Phase 1 has been completed to support the Challenge Panel workshops and phase 2 is being developed.	07-Nov-2022
AC-COR-00084 Develop new Council Plan with input from new elected members	identify priority areas of service delivery and where resources could be reduced or stopped	31-Mar-2023	In progress	Clear priorities to allocate resources to support new operating model	CLT	2 workshops held with elected members to help shape way forward.	07-Nov-2022
AC-COR-00085 Develop strategic plan for delivering change holistically across the organisation	establish a future operating model that is sustainable financially	31-Mar-2023	In progress	Strategic plan dovetails with MTBS	CLT	Initial reports being considered at CLT and being progressed to align with other development work.	07-Nov-2022

Target Likelihood: 2

Target Impact: 3

Overall Target Score: 6

Risk Owner:	Margo Williamson, Chief Executive

Latest Update	By	Date
Transforming services to reduce costs dominates this work. The magnitude of the financial challenge over the next 3 years is significant as set out in our latest Medium Term Budget Strategy which was considered by Council on 3 November. Our SOAP must be continually considered in any report where members are asked for a decision. Our Council priorities going forward must also be clear to ensure we allocate our resources appropriately. Potential Impact score increased to 5 to reflect this.	Gordon Cargill	08 Nov 2022