

**Risk Management, Update for 1 January 2018 – 31 March 2018****Report by Chris Lawson, Risk Manager****1 Purpose of Report**

Audit Committee has requested regular reporting on the Council's Strategic Risks. The Strategic Risk Profile seeks to provide a strategic look at the current issues, future risk and opportunities facing the Council.

The purpose of this report is to provide Audit Committee with the 2017/18 quarter 4 strategic risk management update, covering the period 1 January 2018 to 31 March 2018.

**2 Background**

Midlothian Council continues to face challenges particularly around delivering a wide range of services to local communities with reducing budgets. The Council has done much to reduce spend while continuing to deliver services to our local communities. Transformational change has, and continues to be increasingly important to the Council as it seeks to improve local outcomes with less money. Implementing successful transformation programmes is not easy, with audit work carried out in 2014 and a follow up audit action report in 2017 identifying areas for improvement.

The Accounts Commission report, Local government in Scotland – 'Challenges and Performance 2018' suggests that Midlothian Council has low general fund reserves and high savings targets for the transformation plans which will be challenging to meet. Not delivering expected savings could mean the general fund reserve falls.

Another challenge facing the Council is the changing landscape in which it operates. These include the UK decision to leave the European Union, which could have a significant impact, however details are not yet known. The Scottish Government's review of education and of local governance could have significant impacts on the role of the Council, the details of these are not yet evident.

The creation of economic partnerships could impact on each Council's role in the important area of economic regeneration and growth.

Last year was the first full operational year of Midlothian's Integrated Joint Board. The Council and their IJB partners have a significant task in providing social care and support for those who need it. The impact of increasing social care demands from a rising ageing population on the Council's budget is clear and means a higher proportion of Council money being spent on social care services.

Councillors and Senior Management, working closely with communities, will continue to be faced with difficult decisions on where limited resources should be allocated. It is therefore important the impact of these decisions on communities are transparent and understood.

Following the announcement Midlothian Council's Chief Executive is to leave the Council in July 2018 the Council has embarked on a recruitment campaign. There is the potential during the period up to the appointment of a new Chief Executive to impact decision making.

During this period the Council became aware of a potential incident of fraud through its whistleblowing arrangements. The Council have since initiated an internal audit investigation which has reported to Audit Committee on 15 May 2018. This initial audit investigation has been followed up by a report to the Police and further independent investigation work conducted by the Council's independent Auditors, Ernest and Young. This case has the potential to damage the Council reputation.

## 2.1 Strategic Risk Profile update

The on-going risk associated with financial stability and balancing the budget in future years remains, with the change programme the most significant factor in seeking to identify and deliver on the reduction in expenditure and increased income generation needed to ensure the Council can balance its budget in future years.

2.2 The Scottish Governments new Education (Scotland) Bill 2017 continues to be consulted through COSLA with the potential to significantly change the education landscape ahead.

2.3 Following the UK decision to leave the European Union the Council were advised of potential impacts in a report taken to Council with a focus on EU funding, broader economic impacts, societal, environmental and regulatory issues.

## 2.4 Strategic Risk Profile Summary

The Top Strategic Issues are summarised in table 1.

Top Issues	Likelihood	Impact	Score	Evaluation	
Financial Stability	5	4	20	High	
Welfare Reform	5	4	20	High	
The Change Programme	3	5	15	Medium	

The Strategic Risks for the Council are summarised in table 2 below.

Strategic Risks	Likelihood	Impact	Score	Evaluation	
Growing Council	4	5	20	High	
Scottish Abuse Inquiry	5	4	20	High	
Historic Abuse Claims Project	4	5	20	High	

Strategic Risks	Likelihood	Impact	Score	Evaluation	
Balancing budget in future years	4	4	16	High	
The Longer Term Change Programme	4	4	16	High	
Review of Pay and Grading	4	4	16	High	
Climate change	4	4	16	High	
Information Security	3	5	15	Medium	
Health and Safety	3	5	15	Medium	
Political uncertainty – Education Governance Review	3	4	12	Medium	
Integration of health and social care	3	4	12	Medium	
UK decision to leave the EU	3	4	12	Medium	
Governance and standards	3	4	12	Medium	
Employee performance	3	4	12	Medium	
Emergency planning and business continuity	3	4	12	Medium	
Legal and regulatory compliance	3	3	9	Medium	
Working with other to deliver outcomes	3	3	9	Medium	
Asset management	3	3	9	Medium	
Internal control environment	3	3	9	Medium	
Corporate policies and strategies	2	3	6	Low	

The Strategic Opportunities for the Council are summarised in table 3.

Strategic Opportunities	Likelihood	Impact	Score	Evaluation	
Growing Council	5	5	25	Critical	
Shawfair	5	4	20	High	
Borders rail	5	4	20	High	
Easter Bush - Penicuik	5	4	20	High	
City deal	3	5	15	Medium	

## 2.6 STRATEGIC ISSUES – RATED CRITICAL AND HIGH

### 2.6.1 Financial Stability

The Strategic Leadership Group proposals were presented to Council on 13 February 2018 at which the Council were able to approve a balanced budget. The Chief Executive has instructed the Directors to bring forward further reductions for 2018/19 following this Council meeting. Work continues with the Strategic Leadership Group to ensure financial sustainability.

## **2.6.2 The Change Programme**

The balanced budget approved on 13 February 2018 incorporated a range of savings which form the Change Programme and the delivery of the 2018/19 outturn within the approved budget which is highly dependent on the delivery of the Change Programme.

Monitoring the oversight of the Change Programme is delivered through dashboard reporting prepared by each Head of Service and reported (6 weekly) to the Business Transformation Board and the Business Transformation Steering Group. This is in addition to continued quarterly financial reporting by Financial Services.

## **2.6.3 Welfare Reform**

Universal Credit Full Service was rolled out in Midlothian from the 22 March 2017. The Universal Credit Programme closed gateways for legacy benefits, so existing benefits are no longer eligible as Universal Credit rolls out and there are plans for the migration of those remaining claimants on current benefit types once the digital rollout is complete for all of Great Britain. Awareness, advice and assistance is being provided by the Council, this risk continues to be monitored by the Council.

## **2.7 STRATEGIC RISKS – RATED CRITICAL/HIGH**

### **2.7.1 Balancing budget in future years**

To enable the Council to deliver balanced budgets in future years the Council are developing and implementing a Change Programme to ensure the long term financial sustainability.

The updated Financial Strategy is due to be presented to Council 26 June 2018 which will set out the timetable to bring forward further Change Programme proposals for 2019/20 to both allow engagement and allow Council to set its budget before 11 March 2019.

Maintaining and ensuring sustainability of growth in the asset base will see a draft Capital Strategy report will be presented to Council on 26 June 2018.

### **2.7.2 Growing Council**

Midlothian Council has been identified in 2018 as the fastest growing Council in Scotland with a projected population growth of 26% between 2014 -2039. This would see the population of Midlothian grow from 86,220 – 108,369 by 2039. The growth is expected to see the 0-15 population increase by 20%. The fastest rate increase is expected in the 75+ population with a projected 106% increase between 2014 and 2039. Failure to resource and plan for these rises will significantly impact the Councils ability to fulfil its statutory obligations in relation to these groups.

To plan for the impact this growth will have on the school estate, Education have developed a Learning Estate Strategy to address the expected pressures from this and other known Government policies which will impact on capacity requirements within schools. Any delays in delivering the Learning Estate Strategy could impact on the Council's ability to respond effectively to future pupil growth projections.

### **2.7.3 Scottish abuse inquiry and Abuse Claims**

On 1 October 2016 the Scottish Government set up the Scottish Child Abuse Inquiry. The inquiry will report back to Scottish Government Ministers within 4 years with recommendations for the future to improve the law, policies and practices in Scotland.

The Council have set up an Abuse Inquiry Project Team and a Claims Project Team to support the Council to prepare for information requests to support the Inquiry and in preparation of any claims that may arise. The Claims Project has been added to the Strategic Risk Profile report as a Risk in its own right as there does not have to be an association with the Scottish Abuse Inquiry for a civil claim to be made, the period which claims can be made now extends back to 1964, creating scope for historic claims.

The Claims Project Team have put in place a process for dealing with potential historic child abuse claims.

A communications plan and training plan are in place. A web page is available to provide information on the Limitation (Childhood Abuse) (Scotland) Act 2017 and guidance for childhood abuse survivors on claiming compensation.

### **2.7.4 Review of pay and grading**

During 2016 Midlothian Council made an investment of £2.67million to reduce in-work poverty. While enabling the Council to achieve a position where all employees were paid at or above the national living wage, there was a desire to secure improvements in flexibility, productivity and service quality as a result of this investment.

While the employee grades, terms and conditions altered by these changes have now taken place, the risk to the Council is that following this substantial investment it does not realise the return in improved productivity and or flexibility across the workforce. The impact of pay and grading review is being kept under review by the Investing in our Workforce Project Board which is chaired by the Chief Executive, with a focus on securing the gains.

### **2.7.5 The Longer Term Change Programme**

The strands of work that will continue to be necessary to address the projected budget shortfalls in the medium term, encompassing:-

- Delivering Excellence,
- Enterprising with Communities,

- Entrepreneurial Council,
- Digital Customer,
- Integrated Health and Social Care, and
- Shared Services.

### **2.7.6 Climate change**

There is a risk that Council Services are not adequately engaged, resourced or directed to fulfil the requirements of the Climate Change Act. This could result in the Council failing to meet its obligation under the Climate Change (Scotland) Act 2009 and incurring the associated reputational damage. A recent Internal Audit report has identified measures the Council need to take.

## **2.8 STRATEGIC OPPORTUNITIES**

### **2.8.1 Shawfair**

The Shawfair development with its new Rail link provides a major incentive for house builders, employer's retail and commercial interests including opportunities to secure a low carbon community through district heating from Zero Waste.

### **2.8.2 Borders Rail**

Regeneration of priority communities of Midlothian through which the railway passes.

The line provides ready access to education/training at Edinburgh College, Borders College and Queen Margaret University with improved access to the labour markets in Edinburgh and the Borders. Also an opportunity to encourage sustainable travel by residents of major new housing developments in the rail corridor.

Ensuring Midlothian secures appropriate levels of Blueprint funding from the multi-agency Borders Rail 'Blueprint' funding group.

### **2.8.3 Easter Bush**

Fast growing opportunities in Science Technology Engineering and Mathematics (STEM) with opportunities to link with education. Partnership links to schools and university sector at the 'Bush' to promote STEM.

### **2.8.4 City Deal**

South East Scotland Region City Deal - a bid for funding to Scottish and UK Governments to accelerate economic growth through investment in infrastructure/ housing/ skills and innovation.

## 2.8.5 Fastest Growing Council

Midlothian Council has been identified in 2018 as not only the fastest growing Council in Scotland in recent years, but projections show it will remain so, possibly for a further ten years.

This brings the opportunity to support the Council vision of being 'A Great Place to Grow'. As a growing Council this brings the opportunity to redevelop parts of Midlothian, improve infrastructure with a focus on area targeting, improving economic opportunities, improving education and health outcome.

This growth creates the opportunity to meet the housing need with 25% of new homes being built in the affordable housing sector, in addition to the expansion in Council House building. This construction will directly support employment in construction and will see a steady increase in the volume of Council tax received over time.

## 3 Report Implications

### 3.1 Resource

There are no direct resource implications in this report although individual risks will have associated resource implications.

### 3.2 Risk

The Strategic Risk Profile seeks to articulate the significant risks facing the Council at a specific point in time. The Risks reported are generally those that impact on all parts of the Council and the strategic priorities of the Council. It appears that the presence of risk is understood and action is being taken to manage and respond to risk on an ongoing basis by officers.

The risks referred to in this report are set out within the Council's Strategic Risk Profile, attached as Appendix 1.

### 3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

### 3.4 Impact on Performance and Outcomes

The purpose of the Council's risk management approach is to support a level of risk awareness, to inform decision making and support the Council to deliver on its key outcomes by highlighting and taking steps to mitigate potential disruption to delivery of services.

### **3.5 Adopting a Preventative Approach**

The Risk Management approach being taken by the Council is founded on a preventative approach to managing risks, where appropriate and more generally to decision making with far greater risk awareness.

### **3.6 Involving Communities and Other Stakeholders**

Consultation has taken place with Senior Managers responsible for leading responses to key Strategic Issues, Risk and Opportunities.

### **3.7 Ensuring Equalities**

There are no direct equalities issues arising from this report.

### **3.8 Supporting Sustainable Development**

Senior Managers must ensure the sustainability of the Council, which entails identifying, understanding and managing Strategic and Service level Issues, Risks and Opportunities.

### **3.9 IT Issues**

No additional issues other than those relating to the Strategic Risk Profile.

## **4 Recommendations**

Audit Committee is invited to:

Note the quarter 4 2017/18 Strategic Risk Profile report and consider the current response to the issues, risks and opportunities highlighted.

**Date:** 23 May 2018

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**Background Papers:**      **Appendix 1** Strategic Risks Profile  
Quarter 4 2017/18

## Strategic Risk Profile

### ISSUES



#### SRP.IR.02 The Change Programme

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.IR.02	<p><b>Risk cause</b> Change programme that doesn't address the budget shortfall; The Change Programme does not achieve the projected savings</p> <p><b>Risk event</b> Delayed progress in applying various strands of the Change Programme including the Delivering Excellence framework.</p> <p><b>Risk effect</b> Slow or delayed proposals/savings arising from service redesign. Potentially further eroding reserves or requiring short term service reductions which impact on the Council's ability to deliver against its priorities.</p>	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent; Grace Vickers; Alison White	<p>1. Change Programme including Delivering Excellence framework which addresses projected budget shortfalls.</p> <p>2. Delivering Excellence Management Tools to support the application of the framework.</p> <p>3. Section 95 Officer has sought assurance from Heads of Service that the 2018/19 saving proposals are deliverable:</p> <ul style="list-style-type: none"> <li>Financial Strategy.</li> <li>Leadership from Executive Team and Senior Leadership Group.</li> <li>Appropriated governance in place across the Change Programme.</li> <li>Links between Change Programme and Workforce Plans</li> <li>Resilience planning.</li> <li>Senior Leadership Group regularly considering Change Programme and budget position.</li> <li>Capacity to deliver change.</li> </ul>	3	5	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.IA.02.01	<p>Developing and implementing a Change Programme to ensure long term financial sustainability.</p> <p>SLG proposals were presented to Council on 13 February 2018.</p> <p>Development of a robust framework to effectively monitor the activity of the Change Programme.</p>	<p><b>Q4 17/18:</b> The Council approved a balance budget on 13 February 2018 which incorporated a range of savings which form the Change Programme and the delivery of the 2018/19 outturn within the approved budget and is highly dependent on the delivery of the Change Programme.</p> <p>Monitoring the oversight of the Change Programme through the Change Programme Dashboard prepared by each Head of Service and reported (6 weekly) to the Business Transformation Board and the Business Transformation Steering Group. Supported in addition to continued quarterly financial reporting by Financial Services.</p>	John *Blair; Ricky *Moffat; Garry *Sheret; Mary *Smith; Kevin Anderson; Gary Fairley; Ian Johnson; Allister Short; Joan Tranent; Grace Vickers; Alison White	26-Jun-2018	

		Strategic Leadership Group proposals were presented to Council 13.02.2018 to allow engagement. The Chief Executive has instructed the Directors to bring forward further reductions for 2018/19 following this Council meeting. Continued work with Strategic Leadership Group to ensure financial sustainability.			
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### SRP.IR.06 Welfare Reform

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.IR.06	<p><b>Risk Cause:</b> New Universal Credit scheme introduced by UK government replacing legacy benefit schemes with a single scheme.</p> <p><b>Risk Event:</b> Universal Credit (UC) Live Service was introduced in Midlothian for newly unemployed single claimants, with or without housing costs, in Dalkeith and Penicuik Jobcentres from 27 April 2015. Universal Credit Full Service is being rolled out in Midlothian on 22 March 2017.</p> <p><b>Risk Impact:</b> The Universal Credit Programme will close gateways for legacy benefits, so existing benefits will no longer be eligible, as Universal Credit rolls out as plans for the migration of those remaining claimants on current benefit types once the digital rollout is complete for all of Great Britain. Potential for larger numbers of people/families falling in to arrears on rent and those requiring discretionary payments.</p>	Kevin Anderson;	<ol style="list-style-type: none"> <li>1. Applying discretionary housing payment to offset full impact of under occupancy charge (also known as bedroom tax)</li> <li>2. Work with 3rd sector to mitigate individual case circumstance were applicable.</li> <li>3. Scottish welfare fund available for hardship cases, emergency food packs available a relevant council offices. Food banks in operation within Midlothian.</li> <li>4. Protocol established and in operation where families with children fall into arrears.</li> </ol>	5	4	

### SRP.IR.07 Financial Sustainability

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.IR.07	<p><b>Risk cause</b> Reduction in long term funding from Scottish Government Increasing ageing population of over 75's Increasing population of 0-15 age group Rising customer expectations</p> <p><b>Risk event</b> Change Programme and the flexibility available to Councils as part of the grant settlement does not address future</p>	Gary Fairley	<ol style="list-style-type: none"> <li>1. Medium term Financial Strategy and multi-year Change Programme.</li> <li>2. Maintaining a level of reserves to deal with unforeseen or one off cost pressures.</li> <li>3. Sustainable Capital Strategy.</li> <li>4. Continued work with Strategic Leadership Group to ensure financial sustainability.</li> <li>5. Programme monitoring - continual reassessment of grant settlement prospects by the Finance Team.</li> <li>6. Review of Capital Strategy, General Services Capital Plan and</li> </ol>	5	4	

	years projected budget gaps  <b>Risk effect A shortfall and or slow</b> or delayed savings arising from the Change Programme. Potentially further eroding reserves or requiring short term service reductions which impact on the Council's ability to deliver against its priorities.		Reserves Strategy. 7. Working through COSLA to influence government spending decisions to influence Scottish Government's budget allocation to Councils.			
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Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.IA.02.01	<p>Developing and implementing a Change Programme to ensure long term financial sustainability.</p> <p>SLG proposals were presented to Council on 13 February 2018.</p> <p>Development of a robust framework to effectively monitor the activity of the Change Programme.</p>	<p><b>Q4 17/18:</b> The Council approved a balance budget on 13 February 2018 which incorporated a range of savings which form the Change Programme and the delivery of the 2018/19 outturn within the approved budget and is highly dependent on the delivery of the Change Programme.</p> <p>Monitoring the oversight of the Change Programme through the Change Programme Dashboard prepared by each Head of Service and reported (6 weekly) to the Business Transformation Board and the Business Transformation Steering Group. Supported in addition to continued quarterly financial reporting by Financial Services.</p> <p>Strategic Leadership Group proposals were presented to Council 13.02.2018 to allow engagement. The Chief Executive has instructed the Directors to bring forward further reductions for 2018/19 following this Council meeting. Continued work with Strategic Leadership Group to ensure financial sustainability.</p>	<p>John *Blair; Ricky *Moffat; Garry *Sheret; Mary *Smith; Kevin Anderson; Gary Fairley; Ian Johnson; Allister Short; Joan Tranent; Grace Vickers; Alison White</p>	26-Jun-2018	

## RISKS

### SRP.RR.01 Balancing Budgets in future years/Impact of Budget Cuts/Financial Strength of Council

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.01	<p><b>Risk cause:</b> Reduction in long term funding from Scottish Government Increasing ageing population of over 75's Increasing population of 0-15 age group Population growth and time lag to fund pressures on public services. Policy decisions by UK &amp; Scottish Governments which are not fully funded. Non or delayed savings from planned activities. Future year pay award settlements and implications of living wage increases. Inflation, interest rates, tax, income levels, service demand Rising customer expectations</p> <p><b>Risk event:</b> Reducing grant settlement. Policies decisions at Government level not fully funded to Council's. Securing the extent of change required in order to deliver financial sustainability and a change program that recognises the size of the challenge. Cost pressures exceeding budget estimates.</p> <p><b>Risk effect:</b> Gap in Council budget between budget commitments / pressures and funding level and inadequate options presented to address this, resulting in a structural deficit</p>	Gary Fairley	<ol style="list-style-type: none"> <li>1. The Financial Strategy to 2022-23</li> <li>2. Delivery and expansion with further options presented to Council autumn 2018. Change Programme including the Delivering Excellence framework developed for the new Council Administration.</li> <li>3. Maintaining a level of reserves to deal with unforeseen or one off cost pressures.</li> <li>4. Draft Capital Strategy to June Council</li> <li>5. Working through COSLA to influence government spending decisions to influence Scottish Government's budget allocation to Councils.</li> <li>6. Consider a lobbying strategy with government to recognise the unique position Midlothian Council is in.</li> </ol>	5	4	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RA.01.01	Developing and implementing a Change Programme to ensure the long term financial sustainability. Updated Financial Strategy to be presented to Council 26 June which will set out the timetable to bring forward further Change Programme proposals for 2019/20 to both allow engagement and allow Council to set its budget before 11 March 2019.	<b>Q4 17/18:</b> Updated Financial Strategy presented to Council 13.02.2018 which includes details of Change Programme to allow engagement.	Gary Fairley	26-Jun--18	

SRP.RA.01.0 2	Maintaining and ensuring sustainability of growth in asset base. Draft Capital Strategy report to Council June 2018.	<b>Q4 17/18:</b> Fundamental review of Capital Strategy and Capital Plan report to Council June 2018	Gary Fairley	26-Jun-18	
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### SRP.RR.02 The Longer Term Change Programme

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.02	<p><b>Risk cause</b> A change program that doesn't address the budget shortfall or contextual factors relating to the Midlothian area Reduced resources Leadership fit for the future Lack of clarity or clear compelling vision for the future Delay or shortfall in securing savings Lack of or not securing transformational change in service provision</p> <p><b>Risk event</b> Delayed progress in applying various strands of the Change Programme including Delivering Excellence Framework Slow benefits realisation and budget savings Cuts in service provision rather than service transformation</p> <p><b>Risk effect</b> Objectives of change not actually met Adverse impact on services Slow or delayed proposals/savings arising from service redesign. Potentially further eroding reserves or requiring short term service reductions which impact on Council's ability to deliver against its priorities. Staff morale negatively affected, Government step-in Short term savings instead of transformation</p>	Gary Fairley	<ol style="list-style-type: none"> <li>1. Financial Strategy and Change Programme</li> <li>2. Leadership from Executive Team and Senior Leadership Group.</li> <li>3. Links between Change Programme and Workforce Plans</li> <li>4. Resilience planning.</li> <li>5. Senior Leadership Group regularly considering Change Programme and budget position.</li> <li>6. Capacity to deliver change.</li> </ol>	4	4	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RA - 02.02	Continue to provide medium term financial projections to Council. Updated Financial Strategy to be presented to Council 26 June which will set out the timetable to bring forward further Change Programme proposals for 2019/20 to both allow engagement and allow Council to set its budget before 11 March 2019.	<b>Q4 17/18:</b> Updated Financial Strategy presented to Council 13.02.2018 which includes details of Change Programme to allow engagement.	Gary Fairley	13-Feb-2018	

	Consultation ongoing on a revised Managing Change Policy which is expected to be implemented in March 2018	<b>Q4 17/18:</b> New Change Policy in place	Gary Fairley	31-Mar-2018	
SRP.RA.02.03	Developing Workforce Plans and Workforce Strategy aligned to the Change Programme	<b>Q4 17/18:</b> Finalised Workforce Strategy approved and Workforce Plans continually updated to reflect the ongoing change activity	Gary Fairley	31-Mar-2018	
SRP.RA-02.01	Developing and implementing a Change Programme to ensure the long term financial sustainability.	<b>Q4 17/18:</b> Approved in February 2018 and arrangements to monitor through service dashboards  Agreement with SLG on 9 May 2018 to refine and expand the Change Programme to reflect future years budget shortfalls	Gary Fairley	26-Jun-2018	
SRP.RA.02.04	Digital led transformation	<b>Q4 17/18:</b> New CRM system to support digital led transformation. Scoping out exercise involving all services.	Gary Fairley, Kevin Anderson	30 September 2018	

### SRP.RR.03 Legal and Regulatory Compliance

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.03	<p><b>Risk cause</b> Current or new legislation applying to Midlothian Council</p> <p><b>Risk event</b> Council and or Services not identifying all applicable legislation impacting Council activities and Service requirements.</p> <p><b>Risk effect</b> Council failing to meet its statutory obligations resulting in a potential negative impact for service users or employees. Reputational impact of not meeting statutory obligations.</p>	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent; Grace Vickers; Alison White	<ol style="list-style-type: none"> <li>1. Directors and Heads of Service responsible for identifying applicable legislation and propose Council or Service responses to CMT and Cabinet/Council as required.</li> <li>2. Annual Assurance Statement.</li> <li>3. Internal Audit testing of internal controls as part of risk based audit plan.</li> <li>4. External Audit.</li> <li>5. Statutory Inspection.</li> <li>6. Local Scrutiny Plan - Report to Council 8 May 2018.</li> </ol>	3	3	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RA.03.01	Legal & Regulatory Compliance	<b>Q4 17/18:</b> Heads of Service ensuring compliance with statutory obligations and making CMT, Cabinet/Council aware as required.	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent;	31-Mar-2019	

			Grace Vickers; Alison White		
SRP.RA.03.0 2	Governance Statement and Annual Assurance arrangements	<b>Q4 17/18:</b> Completion of Annual Governance Statement and Directors and Heads of Service Annual Assurance questionnaires.	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent; Grace Vickers; Alison White	31 May 2018	
SRP.RA.03.0 3	Demographic Growth	<b>Q4 17/18:</b> The Council has prepared a Learning Estate Strategy to reflect the projected growth in demand through to 2040.Capital Strategy will set out infrastructure required to meet those demographic pressures a draft of which will be presented to Council June 2018	Grace Vickers; Garry *Sheret;	31 Jul - 2020	
SRP.RA.03.0 5	Participatory Budgeting	<b>Q4 17/18:</b> Development of a strategy or action plan to comply with requirements.	Ian Johnson	31-Mar-2021	
SRP.RA.03.0 6	Education Act 2000 to be repealed.	<b>Q4 17/18:</b> Education Service have implemented the Education Act 2016 which requires mandatory reporting on closing the attainment gap, duty to collaborate in new regional collaborative.	Grace Vickers	31-Mar-2018	

#### SRP.RR.04 Employee performance

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.04	<p><b>Risk cause</b> Employees not suitably qualified or developed for the roles required of them. limited availability of qualified practitioners in certain sectors Change program not informed by all key stakeholders Ageing work force Employees unclear on expected behaviours. Employees constrained to innovate as a result of management practice Employee productivity rate below the required level because of ineffective use of the People Policies particularly Maximising Attendance</p> <p><b>Risk event</b> Employees not engaged/consulted as part of organisational</p>	Marina Naylor	<ol style="list-style-type: none"> <li>1. Focus on having the right people here, performing, behaving and healthy</li> <li>2. 'A Great Place to Grow' our values including respect ,collaboration, pride and ownership</li> <li>3. Effective and progressive People Policies in place P</li> <li>4. Making performance matter</li> <li>5. A range of initiatives to keep staff informed of change (In brief, Staff Magazine, Espresso Sessions for Managers on new People Management Policies)</li> <li>6. Workforce planning</li> <li>7. Investing in our workforce board</li> <li>8. Healthy Working Lives Gold Award</li> <li>9. Occupational Health provision in place</li> <li>10. Employee Assistance and Physio therapy services to support employee health and attendance</li> <li>11. Forward looking and progressing People Policies</li> <li>12. Workforce strategy action plan</li> </ol>	3	4	

	<p>transformation. Experienced employees leaving the organisation Unacceptable behaviours demonstrated by employees Stated organisational culture not consistently reinforced by managers Poor employee performance will stifle transformational change</p> <p><b>Risk effect</b> Difficulties recruiting the right staff Challenges retaining quality staff Low skill levels Low morale, especially during change High absence rates, loss of experience in service areas. 'A Great Place to Grow' our values including respect ,collaboration, pride and ownership not realised, potentially resulting in missing the opportunity to capitalise on the abilities, experience and ideas of team members. Poor employee performance will Exacerbate the financial challenge</p>					
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Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RA.02.03	Workforce Strategy approved by council December 2017 Service Workforce Plans continually updated to reflect Change Programme and action plan to develop Workforce Strategy	<b>Q4 17/18:</b> Workforce Strategy Delivery Programme being complied with input from key stakeholders following approval of workforce strategy by Council in December 2017.	Gary Fairley	31 Mar 2018	
SRP.RA.02.04	Developing Wellness Strategy	<b>Q4 17/18:</b> Wellness Strategy developed with engagement session planned for Leadership Team.	Gary Fairley	30 Jun 2018	

### SRP.RR.05 Working with others to deliver outcomes

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.05	<p><b>Risk cause</b> Partners not engaged or focused to deliver specific outcomes. Public Sector Reform Agenda.</p>	John *Blair; Mary *Smith; Allister Short	<p>1. Key partners engaged in planning and delivery of Service outcomes, e.g. Midlothian Community Planning Partnership have developed a Single Midlothian Plan. Midlothian Integrated Joint Board (Adult &amp; Social Care Integration) have developed and Strategic Plan.</p> <p>2. Approved integration scheme.</p>	3	3	

	<p><b>Risk event</b> Partners prioritising activity in areas not inline with delivery of defined outcomes. Community groups afforded legal right to make case to operate vacant properties for community use.</p> <p><b>Risk effect</b> Delivery of outcomes delayed or not achieved Officer time to support the assessment of unsustainable business cases.</p>		3. Service Directions in Place.			
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### SRP.RR.06 Information Security

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.06	<p><b>Risk cause</b> General Data Protection Regulation is a new piece of legislation currently being formulated by the European Commission. It is expected to be agreed in the first part of 2016 with a two year lead in period. The public sector cyber security requirements</p> <p><b>Risk event</b> The Regulation has been agreed with implementation due on 25 May 2018.</p> <p><b>Risk effect</b> The Regulations will bring about a number of requirements on the Council including mandatory reporting of all data breaches, appointment of a Data Protection Officer and the potential for fines ranging to 4% of turnover or 20million Euros which ever is greater.</p>	Ian Wragg	<ol style="list-style-type: none"> <li>1. Information Management Group</li> <li>2. Public Sector Network Compliance.</li> <li>3. Meta Compliance</li> <li>4. Information Management, awareness raising program (Private-i)</li> <li>5. General Data Protection Regulation Project Plan.</li> <li>6. Public sector cyber security compliance</li> </ol>	3	5	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RA.06.03	<p>General Data Protection Regulation Project Plan information security</p> <p>PSN accreditation and public sector cyber security accreditation</p>	<p><b>Q4 17/18:</b> Steady progress being made towards target of making Council General Data Protection Regulation compliant. Project team actively engaged with all areas of Council in recording processing of personal information, ensuring staff are appropriately trained and raising awareness via existing communication channels. Regular reports on project progress, including appointment of a Data Protection Officer being taken to CMT. PSN accreditation obtained through to March 2019 and public sector cyber security plus secured for the corporate estate</p>	Phil Timoney	25-May-2018	

### SRP.RR.07 Integration of Health & Social Care

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.07	<p><b>Risk cause</b> Internal and External providers of Care at Home services unable to meet service and quality requirements as a result of a lack of capacity.</p> <p>Deliverability of Integrated Joint Board. Funding of set aside services. Risk exposure of money – operation of Integration Scheme in respect of set aside services will limit the IJB to reshape services and deliver its services which increases Council risk</p> <p><b>Risk event</b> Capacity of Community Support outstripped by demand</p> <p><b>Risk effect</b> There is a risk that patients will have their discharge delayed because there is insufficient community supports to enable timely discharge leading to deterioration in their health, beds being blocked and elective operations potentially being cancelled.</p>	A Short	<ol style="list-style-type: none"> <li>1. Care at Home improvement action plan in place and near compaction</li> <li>2. Appointment to Team Lead posts to support Complex care to enhance local leadership at operational level</li> <li>3. New Framework agreement in place with significant improvement in quality from Providers</li> <li>4. Flow management planning in development to maximise Care at Home capacity going forward</li> <li>5. Weekly provider meetings in place</li> <li>6. Additional locum team members recruited to for contingency cover</li> <li>7. New Leadership model in place</li> <li>8. Daily discharge meeting with Multidisciplinary and Multi-agency team planning to plan and coordinate discharge to ensure care at home support in place</li> </ol>	3	4	

**SRP.RR.08 Asset Management – buildings, vehicles, roads and Digital assets/networks**

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.08	<p><b>Risk cause</b> Many of the assets the Council own by their nature are in a position of on going deterioration through their normal use, e.g. roads - normal wear and tear, street lights and vehicles &amp; buildings used to deliver services.</p> <p><b>Risk event</b> Many assets will deteriorate under normal conditions although buildings, roads and street lights as an example can be damaged during more extreme weather events or as a result of a lack of maintenance.</p> <p><b>Risk effect</b> In the case of Roads Services there is a real risk of increased potholes and insurance claims, reduced skid resistance leading to higher accident potential and building up of higher costs in the future. In respect of vehicles, increased breakdowns, service failures, greater maintenance inevitable, higher short-term hire costs. In terms of property, health and safety issues arise, failure to meet current standards and higher running costs. There is also the risk of two-tier accommodation, some high quality, some low.</p>	Ricky *Moffat; Garry *Sheret; Gary Fairley	<ol style="list-style-type: none"> <li>1. There is provision in place within the capital plan for investment in the asset base.</li> <li>2. Asset register</li> <li>3. Conditional Survey</li> <li>4. Understanding of future asset needs</li> <li>5. Asset Strategy: <ul style="list-style-type: none"> <li>. Roads</li> <li>. Land</li> <li>. Fleet</li> <li>. Digital Service Network</li> <li>. Digital Service hardware</li> </ul> </li> <li>6. Capital program - investment in estate.</li> <li>7. On going monitoring of properties by: Maintenance Surveyors, Facilities Management and Property Users.</li> <li>8. Introduction of Capital Plan and Asset Management Board</li> </ol>	3	3	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RA.08.0 2	Appropriate investment in capital works and remedial maintenance over the lifespan of each property asset.  Development of robust Asset Management Plans and associated investment needs for all categories of assets At SLG on 9 May 2018 the Chief Executive instructed the asset management leads for each asset management strand to ensure that robust asset management plans were in place by 30 September 2018	<b>Q4 17/18:</b> Prioritise needs of assets against available spend. On-going need to assess, needs of assets, informed by conditional surveys. Capital spend works carried out during summer.	Garry *Sheret	31-Mar-2018	
SRP.RA.08.0 3	Review of Capital Plan.	<b>Q4 17/18:</b> Draft Capital Strategy for June Council 2018	Gary Fairley	26-Jun-2018	

### SRP.RR.09 Emergency Planning and Business Continuity Management

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.09	<p><b>Risk cause</b> The Council not preparing Emergency Plans and testing arrangements to respond to Civil Contingencies Incidents</p> <p><b>Risk event</b> There are a wide range of potential events the Council may be expected to respond to e.g. Severe weather incident, Pandemic, Utility disruption etc.</p> <p><b>Risk effect</b> Censure through non compliance with the Civil Contingencies Act Not adequately recovering from the loss of major accommodation (eg secondary school, main offices), computer systems and staff Not able to respond to a major emergency in the community Fatal Accident Inquiries</p>	Chris Lawson	<p><u>Potential</u> sub risks include:-</p> <ol style="list-style-type: none"> <li>1. Civil Contingencies Risk Register used to highlight key risks and record response, - Council's plans developed and maintained in response to identified risks, - Contingency Planning Group support development, peer review and roll out of plans.</li> <li>2. Establishment based incident response plans in place and maintained locally.</li> <li>3. Emergency response plan setting out general approach to respond to a major emergency in-line with key partner organisations.</li> <li>4. As part of the Council's Emergency response plan the importance of recording decisions made and information available at the time is highlighted as this would be scrutinised in the event of an FAI.</li> </ol>	3	4	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RA.09.02	Development of Emergency Planning Improvement Plan	<b>Q4 17/18:</b> Emergency Planning Improvement Plan drafted, key focus within plan will be Business Continuity Management. Exploratory work carried out to establish what benefits could be gained from using technology systems to support the development and interrogation of Business Continuity application during an incident.	Chris Lawson	31-Jun-2018	

### SRP.RR.10 Governance and Standards in Public Life

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.10	<b>Risk cause</b>	Alan Turpie	<u>Potential</u> sub risks include:-	3	4	

	Code of conduct for Members and employees actions falling short of International Standards.  <b>Risk event</b> Failure in openness, accountability, clarity.  <b>Risk effect</b> Service, partnerships and project outcomes not achieved Non compliance with conduct standards and reduction in standards in public life		1. Macro governance at the top – failure in openness, accountability, clarity; 2. Micro governance in services, partnerships and projects and outcomes not achieved 3. Non-compliance with codes of conduct and reduction in standards in public life 4. Annual Assurance Statement.			
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### SRP.RR.11 Corporate Policies and Strategies

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.11	<p><b>Risk cause</b> Policies may not match the aspirations of the Council's Strategic priorities or cultural perspective.</p> <p><b>Risk event</b> Policies not monitored may become out of date Policies not reviewed to ensure alignment with strategic priorities.</p> <p><b>Risk effect</b> Policies not monitored could result in non compliance with legislation Policies not align to strategic priorities will inhibit the rather than support implementation of strategic priorities.</p>	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent; Grace Vickers; Alison White	<p>1. Single Midlothian Plan providing overarching direction</p> <p>2. Service plans aligned to Single Midlothian Plan.</p> <p>3. Leadership team to ensure correct approaches are adopted to get the right results.</p> <p>4. Strategic housing investment plan, submitted to Scottish Government in December 2016, positive feedback with allocated funding.</p> <p>5. Community Safety Strategic assessment completed.</p> <p>6. Financial Strategy</p> <p>7. Workforce Strategy</p> <p>8. Digital Strategy</p> <p>9. Procurement Strategy in place</p> <p>10. Capital and Reserves Strategy</p> <p>11. Control of land use and promotion of development through Midlothian Local Development Plan.</p> <p>12. Strategic plan for integration of Health and Social Care commissioning being updated.</p>	2	3	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RA.11.04	Review of Capital and Reserves Strategy	<b>Q4 17/18:</b> Report to Council in June 2018.	Gary Fairley	26-Jun-2018	

### SRP.RR.12 Internal Control Environment

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
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SRP.RR.12	<p><b>Risk cause</b> Work procedures/process inadvertently create the capacity for fraud and waste to occur. Internal Controls requiring more time, effort or cost than the risk being managed. Mangers failing to follow procedures and keep systems updated with accurate information</p> <p><b>Risk event</b> Persons exploiting opportunities to commit fraud Waste and errors</p> <p><b>Risk effect</b> Waste and loss Risks over managed with risk controls costing more than the potential loss being managed.</p> <p>Increased opportunity for fraud or financial loss has direct impact on management information. Has adverse effect on service performance</p>	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent; Grace Vickers; Alison White	<ol style="list-style-type: none"> <li>1. Services have been prompted to consider fraud and waste within Service Risk Registers.</li> <li>2. Risk Management Guide, provides direction on the need to balance time, effort and cost against benefit of risk controls.</li> <li>3. Internal Audit examine internal control arrangements based largely on the risk registers.</li> <li>4. Whistleblowing Policy.</li> <li>5. Internal and external assurance.</li> </ol>	3	3	
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### SRP.RR.13 Climate Change

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.13	<p><b>Risk cause</b> Council Services not adequately engaged, resourced or directed to fulfil the requirements of the Climate Change Act</p> <p><b>Risk event</b> Council Services not responding to the Climate Change Act with sufficient pace.</p> <p><b>Risk effect</b> Council failing to meet its obligation under the Climate Change (Scotland) Act 2009 and incurring the associated reputational damage.</p>	Ian Johnson	<ol style="list-style-type: none"> <li>1. Statutory requirement to report on compliance with the climate change duties.</li> <li>2. Council Carbon Management Plan</li> <li>3. Approval of a Corporate Climate Change and sustainable development action plan</li> <li>4. Implementation of provisions of Internal Audit report approved by Audit Committee 1 May 2018.</li> </ol>	4	4	

### SRP.RR.14.1 Scottish Abuse Inquiry

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.14.1	<p><b>Risk Cause:</b> Midlothian Council and its legacy organisations, predating the creation of Midlothian Council in 1996, have been involved in the provision of care of children going back to living memory. During this time there is the likelihood that the care children received fell below standards of care now in place. There is the further potential the some people in the care of Midlothian Council and its legacy organisations were subject to abuse by those who were employed to care for them.</p> <p><b>Risk Event:</b> The Scottish Government began an Inquiry into cases of Child Abuse occurring prior to 17 December 2014, the intention of this enquiry is to identify historic case of abuse which have to date gone unreported.</p> <p><b>Risk Effect:</b> If the inquiry finds historic cases of abuse in Midlothian this could damage the reputation of the Council and could place doubt in the eyes of the public as to the safety of these currently in care. There is significant scope for a substantial financial impact arising from claims of historic abuse. Some existing employees may be affected by the inquiry and subsequent claims of abuse.</p>	Joan Tranent	<p>The Council have set up an Abuse Inquiry Project Team to support the Council to prepare for information requests to support the Inquiry. In addition we have now set up a Claims Project Team to map out how claims will be made to the Local Authority and how we shall then manage them</p> <p>The Project Team have established a Project Plan covering:</p> <ol style="list-style-type: none"> <li>1. Residential establishments, List D Schools and Foster Carers: identifying Children's homes, Foster Carers and any List D Schools in Midlothian over the last 100 years and researching historic records.</li> <li>2. Record Audit: reviewing the Council's existing paper and electronic recordkeeping systems to identify relevant records and map them to residential establishments. This also includes, where possible, noting the Council's historic recordkeeping policies, such as retention schedules.</li> <li>3. Cataloguing/Indexing: checking and updating existing recordkeeping systems for accuracy and consistency, enabling effective information retrieval when requested by the Inquiry.</li> <li>4. Ascertaining the succession and insurance position in relation to potential historic child abuse claims.</li> <li>5. Ascertaining and agreeing Midlothian Council's legal position/ approach in dealing with the potential historic child abuse claims.</li> <li>6. Identifying the need for guidance, protocol, templates etc should/if any claims be made against the council.</li> <li>7. Consideration to identifying if additional staffing will be required as expected deluge of FOI's SAR's in 2018 from solicitors of potential claimants.</li> </ol>	5	4	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RA.14.0 1	Implementation of Project Plan	<b>Q4 17/18:</b> A project team has been established. Project Plan identifying what actions are required to be undertaken and by whom. Fortnightly meetings to progress project plan.	Joan Tranent	31-Mar-2019	

### SRP.RR.14.2 Historic Abuse Claims Project

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.14.2	<p><b>Risk Cause:</b> Midlothian Council may receive claims as a result of the Limitation (Childhood Abuse) (Scotland) Act 2017 coming into force on 4th October 2017. The Limitation (Childhood Abuse) (Scotland) Act 2017 means survivors of child abuse no longer face the time-bar that requires person injury actions for civil damages to be made within three years of the related incident. The new limitation regime will have retrospective effect (up to including 1964)</p> <p><b>Risk Event:</b> Midlothian Council has established a Claims Working Group to prepare for the management of any claim that is received (including support for victims). The Claims Working Group has established a process ('Claims Procedure') for dealing with the claims.</p> <p><b>Risk Effect:</b> There is potential risk of reputational damage to the Council should any claims be made. In addition there is a financial risk should we have to either defend or pay out for any claims</p>	Joan Tranent, Alison White	1. Regular updates to Council to keep them abreast of the current situation and potential implications around staffing and future financial costs.	4	5	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RA.14.2-1	Training staff	<b>Q4 17/18:</b> Training additional staff in anticipation that many solicitors will make initial contact with Midlothian Council via a Freedom of Information Request or a Subject Access Request. Ensuring that we have an understanding of our insurance position in relation to potential historic child abuse claims.	Joan Tranent	31-Mar-2019	
SRP.RA.14.2-2	Communications Strategy	<b>Q4 17/18:</b> Having a communication strategy and ensuring that our websites have up to date information relating to claims and support for survivors. It is planned to take a report to Council in quarter 4 outlining how the Council will manage claims.	Joan Tranent	31-Mar-2019	

### SRP.RR.15 Review of Pay & Grading

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.15	<p><b>Risk cause</b> Investment to reduce in-work poverty need to improve flexibility, productivity and service quality.</p> <p>Many current policies and terms and conditions, including pay arrangements have been constructed around a Monday - Friday, 9 - 5 working week, with many services requiring to deliver services 7 days a week beyond 9-5.</p> <p><b>Risk event</b> Council does not see improvements in productivity and flexibility across the workforce. Council services are not competitive against the voluntary 3rd or private sector.</p> <p><b>Risk effect</b> Investment in pay and grading not translating into positive productivity gains for the Council.</p>	Gary Fairley	<ol style="list-style-type: none"> <li>Investing in our Workforce Project Board focussed on securing the gains.</li> <li>Governance on the 4 strands of work from Council: Life Long Learning, Policy, Pay, Non Financial Benefits.</li> <li>Launch of new People Policies on 1st March 2017.</li> <li>Communications plan to ensure all employees know what is changing and how this will impact them and service delivery.</li> </ol>	4	4	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RA.15.01	Secure further improvements in productivity and flexibility across the workforce.	<b>Q417/18:</b> Investing in our Workforce Board chaired by the Chief Executive focussed on securing these gains.	Gary Fairley	31-Mar-2019	

### SRP.RR.16 Growing Council

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.16	<p><b>Risk cause</b> Population growth in Midlothian over the next 10 - 15 years will see Midlothian become one of the fastest growing Council in Scotland. . 0-15 population increase, projected at 20% and 75+ population increase projected to increase by 100% between 2014 and 2039.</p> <p><b>Risk event</b> Failure to resource and plan for these rises will significantly impact the Councils ability to fulfil its statutory obligations in relation to these groups.</p>	John *Blair; Mary *Smith; Allister Short	<ol style="list-style-type: none"> <li>Local development plan</li> <li>Services planning future service provision on the basis of anticipated service demands</li> <li>The change programme</li> <li>Learning Estate Strategy</li> <li>Capital Strategy</li> </ol>	4	5	

	<p><b>Risk effect</b>                  Inadequate capacity within the school estate to cope with the projected increase in pupil numbers. In sufficient provision to support an aging population placing costly inefficiencies on other parts of the care sector. General population increase placing additional demand on infrastructure including GP services. Increased pressure on infrastructure, services e.g. waste collection and growth of road network as new development roads are adopted.</p>					
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**SRP.RR.17 UK Decision to leave the EU**

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.17	<p><b>Risk cause</b>                  UK vote to leave the European Union</p> <p><b>Risk event</b>                  UK leaving the European Union</p> <p><b>Risk effect</b>                  The impacts associated with the UK's decision to leave the UK have yet to be realised and will only become clear as negotiations progress following the triggering of article 50. There are some direct potential impacts such as an end to EU funding of Council co-ordinated projects and indirect impacts on industries undertaken within the geographical area which have relied on EU funding, such as agriculture. There are wider potential implications arising from uncertainty regarding the resident status of EU nationals, post any exit agreement, and the availability of workers from outside the UK accessing the job market here in the future. These factors have the potential to impact on the availability of the right people with the right skills being available to help grow the economy here in Midlothian. One area this could affect the Council could be in the delivery of future building projects within Midlothian which could curtail further economic growth.</p>	John *Blair; Mary *Smith; Allister Short	<p>1. The Council will monitor the implications of the UK's decision to leave the EU on the Council through its risk management approach and will develop approaches to respond to specific risks as further clarity on impact becomes clearer.</p>	3	4	

### SRP.RR.18 Political uncertainty - Education Governance Review

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.18	<p><b>Risk cause</b> Delivering Excellence and Equity in Scottish Education: A Delivery Plan for Scotland and new Education (Scotland) Bill 2017.</p> <p><b>Risk event</b> Future decision by Scottish Government on the outcome of governance review, which seeks a move to regional based Education.</p> <p><b>Risk effect</b> Midlothian Council recognises that closing the attainment gap is not a task which can be achieved by schools or the Education Service alone but requires a total Midlothian approach. The delivery plan has made a commitment to regional working although is limited in detail on what this would look like. In the event the approach taken impedes the total Midlothian approach this could inhibit rather than support the efforts to close the attainment gap.</p>	Grace Vickers	<ol style="list-style-type: none"> <li>1. Midlothian Council has made a formal response to the Scottish Government on its consultation.</li> <li>2. Council has been kept informed of the Midlothian's response to the consultation</li> </ol>	3	4	

### SRP.RR.19 Health & Safety

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.19	<p><b>Risk cause</b> Failing to identify and rectify non compliance with Health and Safety regulations.</p> <p><b>Risk event</b> Employees required to undertake tasks they are not competent to. Statutorily driven health and safety protective arrangements for service users and employees not implemented correctly. non compliance with policy and procedure not undertaking audits and inspections and the risk</p> <p><b>Risk effect</b> Negative impact on outcomes for customers/service users.</p>	John *Blair; Mary *Smith; Allister Short	<ol style="list-style-type: none"> <li>1. Suite of Health and Safety Management Arrangements developed setting out council response to statutory obligations</li> <li>2. Comprehensive range of Health &amp; Safety Management &amp; Assessment based development opportunities for line managers</li> <li>3. Use of Health &amp; Safety Management Information System to enhance information transfer and organisational efficiency</li> <li>4. Audit plan approved to monitor implementation of all approved Management Arrangements</li> </ol>	3	5	

	Service users and employees exposed to hazards where statutory requirements exist. Statutory health and safety - duty of care over services users and employees not met.					
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Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RA.19.0 1	Health & Safety Management Arrangement Development	<b>Q4 17/18:</b> The development of the Council's Health and Safety management system has reached the Check stage of the Plan - Do -Check - Act framework. A range of Audit and review tools have been developed to provide assurance of compliance with the Management Arrangements and associated legislation. A proposed Audit and Review programme was reported to CMT and approved.	Chris Lawson	31-Mar-2018	

## OPPORTUNITIES

### SRP.OP.01 Shawfair

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.OP.01	The Shawfair development with its new Rail link provides a major incentive for house builders, employers retail and commercial interests including opportunities to secure a low carbon community through district heating from Zero Waste.	Ian Johnson	<ol style="list-style-type: none"> <li>1. Shawfair Development Group.</li> <li>2. Legal agreement with developers to secure developer contributions (Section 75)</li> <li>3. Plan for entire community:</li> <li>4. Business and industrial provision, including small business incubator space.</li> <li>5. Circa 4000 new homes</li> <li>6. A school campus comprising Early Years, Nursery, Primary, Secondary &amp; Life Long Learning provision</li> <li>7. New Primary schools</li> </ol>	5	4	

### SRP.OP.02 Borders Rail

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.OP.02	<p>Regeneration of priority communities of Midlothian through which the railway passes.</p> <p>The line provides ready access to education/training at Edinburgh College, Borders College and Queen Margaret University with improved access to the labour markets in Edinburgh and the Borders. Also an opportunity to encourage sustainable travel by residents of major new housing developments in the rail corridor.</p> <p>Ensuring Midlothian secures appropriate levels of Blueprint funding from the multi-agency Borders Rail 'Blueprint' funding group.</p>	Ian Johnson	<ol style="list-style-type: none"> <li>1. Designated Project Manager post.</li> <li>2. Maximising the Impact: A blueprint for the Future - published by the blueprint group involving Scottish Government, Scottish Borders, Midlothian and City of Edinburgh Council, Transport Scotland, Scottish Enterprise and Visit Scotland. The document sets out the ambitions of the partners to realise the full potential of the new Railway.</li> <li>3. Dedicated Tourism Development post.</li> <li>4. Timely submission of bids for approval by the Blueprint Group.</li> <li>5. Implementation of the 'Gorebridge Connected' project.</li> <li>6. Implementation of the Stobhill, Newtongrange town centre master plans.</li> <li>7. Completion of the extensively public funded track to train project and Newtongrange Station.</li> <li>8. Supporting the National Mining Museum of Scotland in maximising the benefits of the new railway.</li> </ol>	5	4	

### SRP.OP.03 Easter Bush - Penicuik

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.OP.03	Fast Growing opportunities in Science Technology Engineering and Mathematics (STEM) with opportunities to link with education. Partnership links to schools and university sector at the 'Bush' to promote STEM. Link to City Deal	Ian Johnson	<ol style="list-style-type: none"> <li>1. Planning in place around creating Secondary Schools as centres for excellence linked to specialisms including STEM.</li> <li>2. Land allocated for expansion.</li> <li>3. Midlothian Science Zone.</li> <li>4. Troubleshooting issues - Roads Access - tackling road access through proposal in the Local Plan and City Deal.</li> </ol>	5	4	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.OP.03.A 1	A702 Trunk Road Improvements	<b>Q4 17/18:</b> Priority attention required to address the current strategic road access constraints, Council Officers to work with the Easter Bush Board, Transport Scotland and others, to define funding and timing.	Ian Johnson	30-Jun-2018	

### SRP.OP.04 City Deal

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.OP.04	South East Scotland Region City Deal - a bid for funding to Scottish and UK Governments to accelerate economic growth through investment in infrastructure/ housing/ skills and innovation.	Ian Johnson	<ol style="list-style-type: none"> <li>1. Key projects identified.</li> <li>2. Heads of terms agreed by partners (the six Councils of the region together with the private sector business community and higher/further education sectors) in July 2017.</li> <li>3. Ensuring Midlothian's 'voice' is heard in the finalisation of the full City Deal programme of projects.</li> </ol>	3	5	

### SRP.OP.05 Growing Council

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.OP.05	<p>Midlothian Council has been identified in 2018 as not only the fastest growing Council in Scotland in recent years, but projections show it will remain so, possibly for a further ten years.</p> <p>This brings the opportunity to support the Council vision of being 'A Great Place to Grow'. As a growing Council this brings the opportunity to redevelop parts of Midlothian, improve infrastructure with a focus on area targeting, improving economic opportunities, improving education and health outcome.</p> <p>This growth creates the opportunity to meet the housing need with 25% of new homes being built in the affordable housing sector, in addition to the expansion in Council House building. This construction will directly support employment in construction and will see a steady increase in the volume of Council tax received over time.</p>	Ian Johnson	<p>1. Action by the Council and its Community Planning partners to address infrastructure pressures where possible to be embodied within the work of the partnership and implementation of the Single Midlothian Plan.</p> <p>2. Programming of resource allocation and implementation by the Integrated Joint Board to address the demand for services arising from population growth.</p> <p>3. Implementation of the provisions of the adopted Midlothian Local Development Plan, together with these associated supplementary guidance on developer contributions and affordable housing.</p>	5	5	

**Risk Management report Key:**

Very low risk	
Low risk	
Medium risk	
High risk	
Critical risk	

**Action Key:**

In progress	
Complete	
Overdue	