Midlothian

Risk Management, Update

Report by Chris Lawson, Risk Manager

Purpose of Report

1   The purpose of this report is to provide the Audit Committee with a review of the Strategic Risks, Issues and Opportunities facing Midlothian Council.

2   Background

Corporate Risks

2.1   Audit Committee have requested regular reporting on the Council's Strategic Risks. During Quarter 3 of 2015/16 the Council's Risk Manager has worked with Council Services to revise the Corporate Risk Register and establish a new Strategic Risk Profile. This has been achieved by creating a clear delineation between Future Risks, Risks specific to Single Midlothian Plan priorities, Current Issues and Opportunities.

2.2   The reason for creating this segregation between risk groupings is to allow a clearer view of those issues which the Council is currently dealing with separate to those risks or opportunities which have not yet been realised, thus enabling this information to better inform future Council decision making.

2.3   The Strategic Risk Profile report is attached as Appendix 1. The range of strategic risks has expanded from the previous quarterly report to reflect the views of the Corporate Management Team.

2.4   It is acknowledged that the Strategic Risk Profile requires regular updating to ensure it continues to reflect the operating context of the Council. The risks associated with the Single Midlothian Plan will be reviewed following the update to the Single Midlothian Plan due to be reported to the Council meeting on 22 March 2016.

2.2   The Strategic Risk Profile Summary

Strategic Risks	Likelihood	Impact	Score	Evaluation
Balancing budget in future years	4	4	16	High
Corporate change and transition	4	4	16	High
Climate change impacts	5	3	15	Medium
People risk	3	4	12	Medium
Strategic Risks	**Likelihood**	**Impact**	**Score**	**Evaluation**
Integration of health and social care	3	4	12	Medium
Governance and standards	3	4	12	Medium
Legal and regulatory compliance	3	3	9	Medium
Working with other to deliver outcomes	3	3	9	Medium
Asset condition	3	3	9	Medium
Internal control environment	3	3	9	Medium
Business continuity	2	4	8	Low
Corporate policies and strategies	2	3	6	Low
Single Midlothian Plan Risks	**Likelihood**	**Impact**	**Score**	**Evaluation**
Early years and child poverty	3	4	12	Medium
Positive destinations	4	3	12	Medium
Economic growth	2	4	8	Low
Issues	**Likelihood**	**Impact**	**Score**	**Evaluation**
Balancing budget 2016/17	5	5	25	Critical
Corporate change and transition	3	4	12	Medium
Integration of Health and Social Care	3	4	12	Medium
Strategic Opportunities	**Likelihood**	**Impact**	**Score**	**Evaluation**
Shawfair	5	4	20	High
Borders rail	5	4	20	High
Bush Development Penicuik	5	4	20	High
Review of Pay and Grading	4	4	16	High
City deal	3	5	15	Medium

2.3   Strategic Risks – Rated High

2.3.1 Balancing Budget in Future Years

The Council's Financial Strategy core objective is to secure the Council's continued financial sustainability during what is and will continue to be an extended period of significant public sector financial constraint coupled with increasing service demands and increasing customer expectations.

In response to these challenges the Council has a Financial Strategy covering the period to 2021. In order to ensure the Services provided meet the needs of service users and are as efficient as possible the Council are implementing the Delivering Excellence framework, which is intended to bring forward savings options in addition to ensuring service user needs are met.

The Council received a Financial Report at its meeting on 8 March 2016 with financial projections for 17/18 - 20/21 which incorporated future projections on grant settlements.

2.3.2 Corporate Change and Transition

Service areas continue to address the financial and service challenges the Council faces through the activity of the transformation programme and the Delivering Excellence framework. Both are clearly focused on reshaping services to deliver improved customer outcomes, achieve service efficiencies and create sustainable change across the Council. The Transformation programme and the Delivering Excellence framework is not without its challenges and success requires a sustainable shift in culture, more innovative, entrepreneurial and collaborative thinking across the Council underpinned by strong leadership.

2.4 Strategic Issues – Rated Critical and High

2.4.1 Balancing Budgets 2016/17

The financial position for 2016/17 is exceptionally challenging. Predicted expenditure for the year is £199.7m with income from government grant and council tax estimated at £192.1m. This leaves a budget shortfall of £7.6m.

Council was advised of a range of measures being taken to address the shortfall leaving a gap of £3.873m still outstanding at its meeting on 9 February 2016. At the special Council meeting on 8 March 2016 Council considered a series of savings proposals to address the remaining budget gap and to agree a budget for the financial year starting on 1 April 2016.

Strategic Opportunities

The opportunities arising from Shawfair, Borders rail, Easter Bush and City Deal are included within the strategic risk profile as they directly or indirectly support the delivery of the Council's key strategic priorities.

3   Report Implications

3.1   Resource

There are no direct resource implications in this report although individual risks will have associated resource implications which are considered within the Risk Registers.

3.2   Risk

Corporate Risks are generally those that impact on all parts of the Council. Service Managers recognise the presence of risk and action is being taken to manage and respond to risk on an ongoing basis.

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 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.

3.6   Involving Communities and Other Stakeholders

Consultation has taken place with Senior Managers responsible for corporate risk management.

3.7   Ensuring Equalities

There are no direct equalities issues arising from this report.

3.8   Supporting Sustainable Development

Senior Managers ensure the sustainability of the Council, which entails identifying, understanding and managing Corporate Risks.

3.9   IT Issues

No additional issues other than those relating to the Risk Register.

4   Recommendations

Audit Committee is invited to:

Note the Strategic Risk Profile update report and consider the current response to the risks and opportunities highlighted.

8 March 2016

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Background Papers: **Appendix 1** Strategic Risks Profile Report
Quarter 3 2015/16

Strategic Risk Perspective
Quarter 3 2015/16

Midlothian

Strategic 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	**Risk cause** Future Scottish Government grant settlements are expected to result in cash reductions. Policy decisions by UK and 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. **Risk event** Reduced grant settlement. Policies decisions at Government level not fully funded to Council's. Delay in project to achieve savings Cost pressures exceeding budget estimates **Risk effect** Gap in Council budget between budget commitments/ pressures and funding level.	Gary Fairley	1. The Financial Strategy to 2021. 2. Delivering Excellence framework in place to bring forward savings options. 3. Report to Council Spring 2016 with projections 17/18 - 20/21 which will incorporate future projections on grant settlements. 4. Maintaining reserves to deal with unforeseen or one off pressures.	4	4	🔴

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.IR.A.01a	Development of Saving Proposals for 2016/17	**Q3 15/16:** Through Delivering Excellence framework - saving in future years will be reported to Council 2016.	Gary Fairley	31-May-2016	🔺
SRP.IR.A.01b	Setting of 2016/17 budget (8 March 2016)	**Q3 15/16:** A special meeting of Council has been arranged for 8 March 2016 to consider savings proposals and to determine the Revenue Budget for 2016/17.	Gary Fairley	08-Mar-2016	🔺

SRP.RR.02 Corporate Change and Transition

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.02	**Risk cause** Lack of Strong Leadership Delays Cost creep **Risk event** Slow benefits realisation and budget savings **Risk effect** Objectives of changes not actually met Adverse impact on services Staff morale affected Government step-in	Nancy *Brown; Zoe Graham	1. Clear Leadership from Executive Team and Senior Leadership Group. 2. Project Boards for each of the key strands of Corporate Change and Transformation overseeing project delivery.	4	4	🔴

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
MC01-A08	Delivering Excellence	**Q3 15/16**: Heads of Service have been asked by the Chief Executive to set out when their Services are planning to work through the delivering excellence framework.	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent; Grace Vickers; Alison White	31-Mar-2017	▶

SRP.RR.03 Legal and Regulatory Compliance

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.03	**Risk cause** Current or new legislation applying to Midlothian Council **Risk event** Council and or Services not identifying all applicable legislation impacting Council activities and Service requirements. **Risk effect** Council failing to meet its statutory obligations resulting in a	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent; Grace Vickers; Alison White	1. Directors and Heads of Service responsible for identifying applicable legislation and propose Council or Service responses to CMT and Cabinet/Council as required. 2. Annual Assurance Statement. 3. Internal Audit testing of internal controls as part of risk based audit plan.	3	3	🔺

	potential negative impact for service users or employees. Reputational impact of not meeting statutory obligations.				

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RR.03.A 1	Legal and Regulatory Compliance	**Q3 15/16:** 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; Grace Vickers; Alison White	31-Mar-2016	▶

SRP.RR.04 People risks

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.04	**Risk cause** HR Policies and Employee Terms and Conditions not creating adequate flexibility to meet service needs and or employee desires. Employees not suitably qualified or developed for the roles required of them. Statutory health and safety - duty of care over services users and employees not met. Organisational transformation activities not informed by all key stakeholders ageing work force Voluntary redundancy as part of financial management approach to respond to budget pressures Employees unclear on expected behaviours. **Risk event** 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. Employees not engaged/consulted as part of organisational transformation. Experienced employees leaving the organisation Unacceptable behaviours demonstrated by employees	Chris Lawson; Marina Naylor	01 - Main internal controls centre on the approved People Strategy and supporting initiatives and Action Plan. 02 - HR related policies regularly reviewed 03 - Management of external factors that affect staff 04 - Significant stress awareness campaign 05 - Competency Framework 06 - Various initiatives to keep staff informed of change 07 - Absence Monitoring/Reporting. 08 - Health and Safety Risk Management/pro-action to Internal Audit recommendations/use of risk consultants for surveys/updating policies and link to PIs and day-to-day practice/specific improvements underway in driver training, down to casual users 09 - Adoption and management of a BT Project Risk Register, reviewed/updated quarterly 10 - Non-redundancy policy aimed at keeping employee base stable	3	4	⚠

Risk effect Negative impact on outcomes for customers/service users. Difficulties recruiting the right staff Challenges retaining quality staff Service users and employees exposed to hazards where statutory requirements exist. low skill levels low morale, especially during change non compliance with policy and procedure high absence rates Lose of experience in service areas. 'A Great Place to Grow' our values including respect ,collaboration, pride and ownership not realised	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
MC01 -A01-1	Policy Review program	**Q3 15/16:** The Policy review work is linked to the review of Pay and Grading for Non-Teaching staff and is expected to be concluded by June 2016.	Performance Officers; Marina Naylor	30-Jun-2016	▶
MC01-A01-2	Health and Safety Management Arrangement Development	**Q3 15/16:** The Management Arrangement development program is progressing positively with the following arrangements developed and now consulted through the 3 Divisional Consultative Groups: First Aid, Incident Reporting and Investigation, Control of Substances Hazardous to Health, Personal Protective Equipment, Hand Arm Vibration, Smoke Free, Manual Handling and Display Screen Equipment. These Management Arrangements will be presented to CMT in Q4 for formal approval.	Chris Lawson	10-Jul-2016	▶

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	**Risk cause** Partners not engaged or focused to deliver specific outcomes. Public Sector Reform Agenda. **Risk event** 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. **Risk effect** Delivery of outcomes delayed or not achieved	John *Blair; Mary *Smith; Eibhlin McHugh	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 and Social Care Integration) have developed and Strategic Plan.	3	3	⚠

	Officer time to support the assessment of unsustainable business cases.					

SRP.RR.06 Information Security

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.06	**Risk cause** 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. **Risk event** The Regulation is expected to be agreed in the first part of 2016 with a two year lead in period. **Risk effect** The Regulations are expected to 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.	Ian Wragg	1. Information Management Group	3	5	⚠️

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.R.06.A01	Regulation Gap Analysis	**Q3 15/16:** Once the text for the General Data Protection Regulation has been agreed and approved a Gap analysis will be required. The Information Management Group will carry out this exercise and report to CMT on the implications of the new Regulation. The actions arising from this will be reflected in the Information Management Groups Action Plan.			

SRP.RR.07 Integration of Health and Social Care

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.07	**Risk cause** The nature of many of the Services provided under the banner of Health and Social Care are demand led. Rising numbers of people requiring care and support together arising from demographic make up and improvements in treatment increase the number of people in receipt of long	Alison White	Midlothian IJB Strategic Plan - focussed on rebalancing care.	3	4	⚠️

term care packages. **Risk event** Unless the focus and balance of care shifts from acute treatment the costs of providing these services will continue to rise and not provide the best possible outcomes for individuals. **Risk effect** The reactive demand led service may become financially unsustainable.				

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
MC01-A13-3	Develop an IJB risk register	**Q3 15/16**: A draft register has been prepared with input from Midlothian Council and the NHS, this will be updated with input from the IJB following the Risk Management workshop.	Tom Welsh	31-Mar-2016	🔺
MC01-A13-4	Reviewing Service Plan	**Q3 15/16:** Adult and Social Care Service Plan 2016/17 being developed.	Alison White	29-Feb-2016	▶

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

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.08	**Risk cause** Many of the assets the Council own by there nature are in a position of on going deterioration through their normal use, e.g. roads - normal wear and tear, street lights and vehicles used to deliver services. **Risk event** Many assets will deteriorate under normal conditions although roads and street lights as an example can be damaged during more extreme weather events. **Risk effect** 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	Ricky *Moffat; Garry *Sheret; Gary Fairley	1. There is provisions in place within the capital plan for investment in the asset base. 2. Asset register 3. Conditional Survey 4. Understanding of future asset needs 5. Asset Strategy. 6. Roads asset management plan 7. Land register	3	3	🔺

	also the risk of two-tier accommodation, some high quality, some low.					

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RR.08.A1	Development of Digital Strategy	**Q3 15/16:** Digital Strategy under development.	Phil Timoney	30-Sep-2016	⚠️

SRP.RR.09 Business Continuity Management

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.09	**Risk cause** The Council not preparing and testing arrangements to respond to Civil Contingencies Incidents. **Risk event** 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. **Risk effect** 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	Chris Lawson	Potential sub risks include:- 01 – 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. 02 – Establishment based incident response plans in place and maintained locally. 03 – Emergency response plan setting out general approach to respond to a major emergency inline with key partner organisations. 04 – 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.	2	4	✅

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
MC01-A06	Preparation for Partnership Working	**Q3 15/16**: The Council Emergency Response Plan will be reviewed with a view to the future partnership working in Civil Contingencies.	Chris Lawson	31-Mar-2016	▶️

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	**Risk cause** Code of conduct and employee actions falling short of International Standards. **Risk event** Failure in openness, accountability, clarity. **Risk effect** Service, partnerships and project outcomes not achieved Non compliance with conduct standards and reduction in standards in public life	Alan Turpie	Potential sub risks include:- 01 Macro governance at the top – failure in openness, accountability, clarity; 02 Micro governance in services, partnerships and projects and outcomes not achieved 03 Non compliance with codes of conduct and reduction in standards in public life 04 Annual Assurance Statement.	3	4	⚠️

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
MC01-A02	International Governance Standards	**Q3 15/16**: Working Group to be established to review current governance arrangements against new International Governance standard developed by CIPFA and the International Federation of Accountants.	Alan Turpie	30-Jun-2016	▶️

SRP.RR.11 Corporate Policies and Strategies

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.11	**Risk cause** Policies may not be match the aspirations of the Council's Strategic priorities or cultural perspective. **Risk event** Policies not monitored may become out of date Policies not reviewed to ensure alignment with strategic priorities. **Risk effect** Policies not monitored could result in non compliance with legislation Policies not align to strategic priorities will inhibit the rather than support implementation fo strategic priorities.	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent; Grace Vickers; Alison White	1. Single Midlothian Plan providing overarching direction 2. Service plans aligned to Single Midlothian Plan. 3. Leadership team to ensure correct approaches are adopted to get the right results.	2	3	✅

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
MC01-A08	Delivering Excellence	**Q3 15/16**: Heads of Service have been asked by the Chief Executive to set out when their Services are planning to work through the delivering excellence framework.	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent; Grace Vickers; Alison White	31-Mar-2017	▶

SRP.RR.12 Internal Control Environment

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.12	**Risk cause** Work procedures/process inadvertently create the capacity for fraud and waste to occur. **Risk event** Persons exploiting opportunities to commit fraud Waste and errors **Risk effect** Waste and loss	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent; Grace Vickers; Alison White	Services have been prompted to consider fraud and waste within Service Risk Registers. Internal Audit examine internal control arrangements based largely on the risk registers.	3	3	⚠

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
MC01-A04	Annual Audit Plan	**Q3 15/16**: Audit team progressing with 2015/16 Audit Plan to test a range of internal controls as agreed and approved by Audit Committee.	Internal Audit	31-Mar-2016	⚠

SRP.RR.13 Climate Change Impacts

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.RR.13	**Risk cause** Council Services not adequately engaged, resourced or directed to fulfil the requirements of the Climate Change Act **Risk event**	Ian Johnson	Voluntary reporting on compliance with the climate change duties (this will be a statutory requirement from 30 November 2016 onwards). Council Carbon Management Plan Approval of a Corporate Climate Change and sustainable development action plan 2016/17	5	3	⚠

Council Services not responding to the Climate Change Act with sufficient pace. **Risk effect** Council failing to meet its obligation under the Climate Change (Scotland) Act 2009 and incurring the associated reputational damage.	

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.RR.13.A1	Adaptive Planning	**Q3 15/16:** Adaptive planning proposal to be brought forward to CMT.	Ian Johnson	31-Mar-2017	⚠️

SRP.SMPR.01 Economic Growth

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.SMPR.01	**Risk cause** Not planning to take advantages of the developments within and beyond Midlothian's boundary. **Risk event** Midlothian not capitalising on the regional competencies. **Risk effect** Midlothian's economy not growing as quickly as it has the potential to with impacts on its communities.	Ian Johnson	Midlothian have developed responses to key economic opportunities within Midlothian arising from: 1. SHAW Fair 2. Borders Rail 3. Easter BUSH 4. Growth of Midlothian City Deal	2	4	✅

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SPR.OP.02	Inward Investment Co-ordinator post	**Q3 15/16:** Preparation for post to support bringing in investment to help realise the financial/economic benefits from the rail link, particularly within priority communities.	Ian Johnson	31-Mar-2016	⚠️
SPR.OP.03	Tourism Development	**Q3 15/16:** Dedicated post in place to support and enhance the benefits arising from the introduction of the rail link.	Ian Johnson	31-Mar-2016	⚠️
SRP.OP.A05	City Deal submission	**Q3 15/16:** City Deal submission update made in December 2015.	Ian Johnson	31-Mar-2016	⚠️

SRP.SMPR.02 Positive Destinations

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.SMPR.02	**Risk Cause** Ready access to admin support **Risk Event** School Group Managers performing admin tasks **Risk Effect** Accuracy of SEEMIS figures School Group Managers detracted from main role	Grace Vickers	1. Specific post created to support Positive Destination activities. 2. Interventions where Young People are identified at risk. 3. Attitudinal shift on supporting Young People across the organisation. 4. Change to curriculum - pathway. 5. Strong Leadership 6. Working in partnership with colleges to follow up when Young Person leaves course early. 7. Opportunities for Midlothian Placements at Easter BUSH.	4	3	⚠️

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.SMPR.02.A1	Exploring admin support options	**Q3 15/16:** Head Of Education working with ISS team to address	Grace Vickers	31-Mar-2016	▶️

SRP.SMPR.03 Early Years and Child Poverty

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.SMPR.03	**Risk Cause** Competing priorities Increased caring duty with Children and Young People Act requiring provision for 16-21yrs **Risk Event** Direction on current work to reduce to create capacity Capacity within existing residential and MLC fostering. **Risk Effect** Capacity to support implications of Children and Young People Act Increase demand on private care placements at significantly higher cost.	Joan Tranent; Grace Vickers	1. Child Poverty Strategy. 2. Priority areas identified in Single Midlothian Plan. 3. Multi-agency working group preparing for 'Named Person' requirement. 4. Large voluntary sector support for families e.g. food banks, lunch clubs, Christmas hampers and presents, support to decorate and furnish homes. 5. Childcare Development Workers 6. Specific post created to support Positive Destination activities. 7. Interventions where Young People are identified at risk. 8. Attitudinal shift on supporting Young People across the organisation. 9. Change to curriculum - pathway. 10. Strong Leadership 11. Working in partnership with colleges to follow up when Young Person leaves course early. 12. Opportunities for Midlothian Placements at Easter BUSH.	4	3	⚠️

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.SMPR.03.A1	Preparation for Named Person	**Q3 15/16:** Arrangements are being developed to see Children's Service record all young people on SEEMIS 5+ where Named Person duty applies. All young people under 5 will be supported through the GIRFEC Co-ordinators.	Joan Tranent	30-Jun-2017	▶
SRP.SMPR.03.A2	SEEMIS	**Q3 15/16:** Development work of SEEMIS is underway as part of a national requirement affecting all Scottish LA's.	Joan Tranent; Grace Vickers	31-Aug-2016	⚠
SRP.SMPR.03.A3	GIRFEC Training	**Q3 15/16:** Arrangements underway to roll out training to schools to explain the wellbeing standards.	Joan Tranent	31-Jul-2016	⚠

Strategic Issues

SRP.IR.01 Balancing budget 2016/17

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.IR.01	**Risk cause** The reduced level of grant settlement offered to Midlothian Council and additional budgetary pressures including: Pay inflation, Pension reform, Demographics, Service demand. **Risk event** Scottish Government Grant settlement announcement on 16 December, Midlothian Council has identified the settlement to be £3.5M less than reported in previous budget projections. **Risk effect** To generate a balanced budget position for 2016-17 the Council must identify savings and or utilisation of reserves to meet the £3.87M remaining budget gap prior to setting the 2016-17 budget.	Gary Fairley	1. Financial Strategy reports activities to bring forward budget measures. 2. Senior Leadership Group brining forward savings proposals. 3. Special Council meeting 8 March 2016. 4. Headroom in reserves.	5	5	🛑

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.IR.A.01a	Development of Saving Proposals for 2016/17	**Q3 15/16:** Through Delivering Excellence framework - saving in future years will be reported to Council 2016.	Gary Fairley	31-May-2016	🔺
SRP.IR.A.01b	Setting of 2016/17 budget (8 March 2016)	**Q3 15/16:** A special meeting of Council has been arranged for 8 March 2016 to consider savings proposals and to determine the Revenue Budget for 2016/17.	Gary Fairley	08-Mar-2016	🔺

SRP.IR.02 Corporate Change and Transition

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.IR.02	**Risk cause** Lack of Strong Leadership **Risk event** Delayed progress in applying Delivering Excellence framework. **Risk effect** Slow or delayed proposals/savings arising from service redesign.	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent; Grace Vickers; Alison White	1. Delivering Excellence Framework 2. Delivering Excellence Management Tools to support the application of the framework	3	4	🔺

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.IR.02.A1	Applying Delivering Excellence	**Q3 15/16**: Heads of Service have been asked by the Chief Executive to set out when their Services are planning to work through the delivering excellence framework.	Ricky *Moffat; Garry *Sheret; Kevin Anderson; Gary Fairley; Ian Johnson; Joan Tranent; Grace Vickers; Alison White	31-Mar-2017	▶

SRP.IR.03 Integration of Health and Social Care

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.IR.03	**Risk cause** IJB not having enough flexibility to make changes Lack of clarity on additional funding from Government on IJB. **Risk event** Uncertainty on final financial settlement for IJB **Risk effect** Risk sharing protocol impacting the IJB's ability to deliver on planned changes	Eibhlin McHugh	IJB Strategic Plan setting out key transformational activity to shift the demands on services and improve outcomes for people of Midlothian.	3	4	🔺

Implied cost around threshold for charging £200-£350k could be deducted from £3.6m share of additional funding along with living wage etc resulting in around £1.8m for transformation activity in 16/17.						

Strategic Opportunities

SRP.IR.05 Review of Pay and Grading						
Risk Code	**Risk Identification**	**Managed by**	**Risk Control Measures**	**Likelihood**	**Impact**	**Risk Evaluation**
SRP.IR.05	**Risk cause** Investment to reduce in-work poverty need to improve flexibility and productivity. Update terms and conditions.	Gary Fairley	4. Working with Trades unions to reach a collective agreement. 5. Communications plan to ensure all employees know what is changing and how this will impact them and service delivery.	4	4	🔺

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.IR.05.A1	Negotiations on pay linked to policy changes and cultural change.	**Q3 15/16:** Negotiations on pay with the Trades Unions are on going - linked to changes in Council Policy with an emphasis on cultural change.	Gary Fairley	30-Jun-2016	▶

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 housebuilders, employers retail and commercial interests.	Ian Johnson	Shawfair Development Group. Legal agreement with developers Secured developer contributions (Section 75) Plan for entire community: 1. Business and industrial provision, including small business incubator space. 2. Circa 4000 new homes 3. A school campus comprising Early Years, Nursery, Primary, Secondary and Life Long Learning provision 4. A new Primary school	5	4	🔺

SRP.OP.02 Borders Rail

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.OP.02	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.	Ian Johnson	Designated Project Manager post. 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.	5	4	🔴

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SPR.OP.02	Inward Investment Co-ordinator post	**Q3 15/16:** Preparation for post to support bringing in investment to help realise the financial/economic benefits from the rail link, particularly within priority communities.	Ian Johnson	31-Mar-2016	🔺
SPR.OP.03	Tourism Development	**Q3 15/16:** Dedicated post in place to support and enhance the benefits arising from the introduction of the rail link.	Ian Johnson	31-Mar-2016	🔺

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	Planning in place around creating Secondary Schools as centres for excellence linked to STEM. Land allocated for expansion. Easter BUSH Development Board. Troubleshooting issues - Roads Access - tackling road access through proposal in the Local Plan.	5	4	🔴

SRP.OP.04 City Deal

Risk Code	Risk Identification	Managed by	Risk Control Measures	Likelihood	Impact	Risk Evaluation
SRP.OP.04	City deal provides access to Capital funding for projects aimed at accelerating economic growth to address inequalities.	Ian Johnson	1. Key projects identified. 2. Consortium submission made, including Midlothian Council in September 2015 with and update in December 2015.	3	5	⚠️

Related Action Code	Related Action	Related action latest note	Managed By	Due Date	Status
SRP.OP.A05	City Deal submission	**Q3 15/16:** City Deal submission update made in December 2015.	Ian Johnson	31-Mar-2016	⚠️