



Glasgow City Council

Finance and Audit Scrutiny Committee

Report by Chief Executive

Contact: Michelle Booth, Head of Corporate Policy and Governance

Item 7

20th November 2024

HALF YEARLY CORPORATE RISK MANAGEMENT REPORT

Purpose of Report:

To provide the Committee with an update on the Council's Corporate Risk Register and risk management activity.

Recommendations:

The Committee is asked to note the contents of this report and the attached Summary Corporate Risk Register.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ☐ consulted: Yes ☐ No ☐

PLEASE NOTE THE FOLLOWING:

Any Ordnance Survey mapping included within this Report is provided by Glasgow City Council under licence from the Ordnance Survey in order to fulfil its public function to make available Council-held public domain information. Persons viewing this mapping should contact Ordnance Survey Copyright for advice where they wish to licence Ordnance Survey mapping/map data for their own use. The OS web site can be found at <http://www.ordnancesurvey.co.uk> "

If accessing this Report via the Internet, please note that any mapping is for illustrative purposes only and is not true to any marked scale

1. Introduction

- 1.1 The Council's [Corporate Risk Management Framework](#)⁽¹⁾ requires that a Corporate Risk Register (CRR) is maintained to identify and manage strategic risks i.e. uncertainties that may impact the achievement of the Council's vision, strategic objectives and priorities.

2. Corporate Risk Register (CRR)

- 2.1 The CRR is a live document that is maintained by Corporate Policy and Governance (CP&G) and kept under review, and informed by, the Corporate Risk Management Forum (RMF), Corporate Management Team (CMT) Risk Board and risk owners. The RMF is chaired by CP&G and comprised of representatives from across the Council Family who review existing risks and consider changes and any new or emerging areas of risk.
- 2.2 Risk continues to be assessed in accordance with the Framework and the CRR includes 22 risks, each of which has been aligned to the four grand challenges within the Council's [Strategic Plan 2022 - 2027](#). A primary alignment is shown but, given their cross-cutting nature, a number of risks align to one or more grand challenges.
- 2.3 The Summary CRR is attached at **Appendix 1**. Details of the risk scoring and rating methodology are also attached at **Appendix 2**. Risk scores shown are residual risk scores which are a product of the probability and impact of risks occurring, after the application of control and mitigating actions.
- 2.4 Eleven risks have been rated as very high i.e. with a risk score of 15 and over, as listed in Table 1.

Table 1 – Very High Rated Risks	
Ref.	Risk Title
CRR0002	Fiscal uncertainty
CRR0007	Impact of Historic Abuse Inquiry
CRR1954	Impact of the rising cost of living
CRR2074	ICT security
CRR2288	Failure to successfully implement Pay and Grading Scheme
CRR0008	Failure of key, large scale contractors / service providers
CRR0009	Major incident/ service disruption
CRR0011	Significant industrial action
CRR0012	Failure to comply with Health and Safety Regulations
CRR0029	Educational Attainment
CRR0005	Failure to fulfil duty of care to children and vulnerable adults

(1) This document is available on the Council's intranet site.

- 2.5 Table 2 sets out the material changes to the CRR since the last reporting period in October 2023.

Table 2 – Changes in the Reporting Period			
Risk Ref.	Risk Title	Change	Comment
CRR004	Poverty and Inequality	Risk <u>DECREASED</u>	Decreased score from 4x5(20) to 4x3 (12), due to reduction in probability based on an increased City wide focus on anti-poverty initiatives.

- 2.6 Through the Risk Management Forum, officers continue to monitor emerging events and uncertainty.

3. Risks to the Council of the ALEO Structure

- 3.1 The Council has set up a number of ALEOs, including charities and Limited Liability Partnerships (LLPs). The risks that may arise from such a structure are monitored alongside the Corporate Risk Register. There are seven such risks, shown at the foot of **Appendix 1**.

4. Risk in Focus

- 4.1 On a regular basis, the Risk Management Forum selects a risk from the CRR for in-depth review. This is particularly suited to risks that are aligned to various grand challenges, the aim being to ensure the risk continues to be scoped, described and assessed appropriately and to consolidate details of control and mitigating actions.
- 4.2 In this period, the review focused on CRR00029 – Educational Attainment. Details of the review are attached at **Appendix 3**. This exercise informed refinements to the risk description, retained the risk score and consolidated a broad range of control and mitigating actions.

5. Business Continuity Management

- 5.1 The Council continues to apply the Corporate [Business Continuity Management \(BCM\) Framework](#)⁽²⁾ which provides a step by step guide on Services' responsibilities for all stages of the BCM lifecycle.
- 5.2 Through the Business Continuity Forum (BCF), an officer-led forum chaired by SIIT, the business continuity community continues to drive improvements in planning; share information and experiences, and support the Council's ability to sustain service delivery in the event of disruption. At the start of the year, membership of the BCF was formally expanded to include the ALEOs. Representation of the wider Council Family is allowing for broader engagement and participation and feedback on this approach has been positive.

⁽²⁾ This document is available on the Council's intranet site.

5.3 The 2024/25 business continuity workplan is in place and is progressing. Recent activity includes:

- Completion of the scheduled biennial review of the BCM Policy and Framework – with input from the BCF, updated materials were published in May 2024.
- Participation in Business Continuity and Resilience Awareness Week, which is a global initiative delivered annually by the Business Continuity Institute (BCI). This ran from 13 to 17 May 2024 and engagement/awareness raising was promoted through the free webinar programme.
- Focus has continued on the definition of corporate priorities and dependencies across the Council Family, to inform Service and ALEO BC planning and testing.

6. Policy and Resource Implications

Resource Implications:

<i>Financial:</i>	There are no new financial implications.
<i>Legal:</i>	There are no new legal implications.
<i>Personnel:</i>	There are no new personnel implications.
<i>Procurement:</i>	There are no new procurement implications.

Council Strategic Plan: Corporate risk management supports each of the four Grand Challenges in the Council Strategic Plan 2022 to 2027.

Equality and Socio-Economic Impacts:

<i>Does the proposal support the Council's Equality Outcomes 2017-22</i>	There is no specific risk-related outcome.
<i>What are the potential equality impacts as a result of this report?</i>	No new direct impacts.
<i>Please highlight if the policy/proposal will help address socio economic disadvantage.</i>	N/A

Sustainability Impacts:

Environmental: No new direct impacts.

Social, including opportunities under Article 20 of the European Public Procurement Directive: No new direct impacts.

Economic: No new direct impacts.

Privacy and Data Protection impacts: No new direct impacts.

7. Recommendations

- 7.1 The Committee is asked to note the contents of this report and the attached Summary Corporate Risk Register.

APPENDIX 1 – SUMMARY CORPORATE RISK REGISTER

Risk Ref	Risk Title	Residual Risk Score	Residual Impact x Probability	Strategic Plan Grand Challenges 2022-2027 Alignment	Change since May 2024	Previous Scoring		
						May-24	Nov-23	May-23
CRR0002	Fiscal Uncertainty	20	4x5	Delivery of essential services	N/A	20	20	20
CRR0007	Impact of Historic Abuse Inquiry	20	4x5	Reduce poverty and inequality	N/A	20	20	20
CRR1954	Impact of the rising cost of living	20	4x5	Increase opportunity/ prosperity	N/A	20	20	20
CRR2074	ICT Security	20	5x4	Delivery of essential services	N/A	20	20	20
CRR2288	Failure to successfully implement Pay and Grading Scheme	20	5x4	Delivery of essential services	N/A	20	20	-
CRR0008	Failure of key, large scale contractors / service providers	16	4x4	Delivery of essential services	N/A	16	16	16
CRR0009	Major incident / service disruption	16	4x4	Delivery of essential services	N/A	16	16	16
CRR0011	Significant industrial action	16	4x4	Delivery of essential services	N/A	16	16	16
CRR0012	Failure to comply with Health and Safety regulations	16	4x4	Delivery of essential services	N/A	16	16	16
CRR0029	Educational attainment - young people leaving education may not have achieved full potential	16	4x4	Increase opportunity/ prosperity	N/A	16	12	12
CRR0005	Failure to fulfil duty of care to children and vulnerable adults	15	5x3	Reduce poverty and inequality	N/A	15	15	15
CRR0001	Constitutional Uncertainty	12	3x4	Delivery of essential services	N/A	12	12	12
CRR0004	Poverty and Inequality	12	4x3	Reduce poverty and inequality	N/A	20	20	20
CRR0013	Failure to protect and govern information assets	12	4x3	Delivery of essential services	N/A	12	12	12
CRR0015	Lack of Knowledge, Capability and Capacity	12	3x4	Delivery of essential services	N/A	12	12	9
CRR0016	Deficiencies in Internal Control Environment	12	3x4	Delivery of essential services	N/A	12	12	12
CRR0909	Insufficient response to climate and ecological emergency	12	4x3	Climate Emergency	N/A	12	12	12
CRR0984	Failure to maximise Glasgow's cultural and sporting assets to aid the City's social and economic recovery and advance the health and wellbeing of Glaswegians	12	4x3	Reduce poverty and inequality	N/A	12	12	12
CRR0017	Failure to deliver the Capital Investment Programme	9	3x3	Increase opportunity/ prosperity	N/A	9	15	15
CRR0018	Significant asset failure, damage or loss	9	3x3	Delivery of essential services	N/A	9	9	9
CRR0024	Failure to deliver / manage regeneration of the city including major projects	9	3x3	Increase opportunity / prosperity	N/A	9	9	9
CRR0025	Failure in governance of the ALEOs	6	3x2	Delivery of essential services	N/A	6	6	6
Risks of the ALEO Model								
CRR0614	ALEO Financial Performance	12	3x4	Delivery of essential services	N/A	15	15	12
CRR0623	ALEO Delivery of Council Services	12	3x4	Delivery of essential services	N/A	12	12	12
CRR0615	ALEO Conflict of Interest	6	2x3	Delivery of essential services	N/A	6	6	6
CRR0616	ALEO Reputational Damage	6	3x2	Delivery of essential services	N/A	6	6	6
CRR0618	ALEO Organisational Instability	4	2x2	Delivery of essential services	N/A	4	4	4
CRR0621	ALEO Fitness for Purpose of the ALEO Model	4	4x1	Delivery of essential services	N/A	4	4	4
CRR0622	ALEO Loss of Charitable Status	3	3x1	Delivery of essential services	N/A	3	3	3

APPENDIX 2 – RISK ASSESSMENT METHODOLOGY

Risk Rating:		Very High	High	Medium	Low		
PROBABILITY	Almost certain	5	5	10	15	20	25
	Likely	4	4	8	12	16	20
	Possible	3	3	6	9	12	15
	Unlikely	2	2	4	6	8	10
	Rare	1	1	2	3	4	5
		1	2	3	4	5	
		Negligible	Minor	Moderate	Major	Critical	

ASSESSING PROBABILITY			
Score	Description	Occurrence (%)	Guidance
5	Almost certain	80 – 100%	Hard to imagine the event not occurring - event occurs regularly
4	Likely	60 – 79%	Probable - more likely to occur than not
3	Possible	35 – 59%	Reasonable chance of occurrence – the event may happen
2	Unlikely	15 – 34%	Not expected to occur and unlikely but still not exceptional
1	Extremely unlikely	0 – 14%	Hard to imagine the event happening, only in exceptional circumstances or once in every 10 years

ASSESSING IMPACT	
Score	Description of impact on ability to deliver defined objectives
5	Fundamental / catastrophic
4	Major
3	Moderate
2	Minor
1	Insignificant / negligible

Further detail and guidance is available within the [Corporate Risk Management Framework](#)

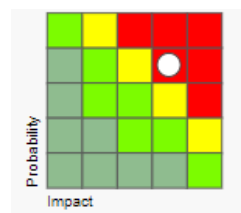
APPENDIX 3 – RISK IN FOCUS

<u>Risk Title:</u>	CRR0029 – Educational Attainment and Supporting Sustainable Destinations
---------------------------	---

<u>Risk Description:</u>	Risk:	Young people leaving Council education establishments may not have achieved their full potential in relation to their achievement and attainment or in securing future sustainable destinations.
	Cause:	Educational provision may fail to meet the diverse and challenging needs of young people; Maintaining pace and keeping up with technological demands, alongside resource provision may not be commensurate with deprivation and need.
	Effect:	Future workforce and skill sets may fall short of demand; economic viability may be compromised; lead to a skills gap and difficulties in attracting employers to locate within the city

<u>Inherent Risk Assessment:</u> (Before application of control and mitigating actions)	Impact: 5 (critical) Probability: 5 (almost certain) Risk score: 25 Risk rating: very high	<u>Residual Risk Assessment:</u> (After application of control and mitigating actions)	Impact: 4 (Major) Probability: 4 (likely) Risk score: 16 Risk rating: very high
---	--	--	---

<u>Risk Treatment Approach:</u> (treat / tolerate / transfer / terminate)	Treat
---	-------



Risk Owner:	Responsible Officer:	Primary Risk Category:
Douglas Hutchinson	Jean Miller	Reputational

CONTROL AND MITIGATING ACTIONS:
<ul style="list-style-type: none"> - Delivery of All learners All Achievement strategy and Skills Based Approach to ensure inclusive and quality education for all and lifelong learning. - Schools have support from Education Improvement Service and Glasgow's Improvement challenge to deliver and monitor improvements in Learning and teaching. An HMIE inspection on supporting improvement has just completed, and the outcome was very positive. - Towards better futures team and strategy which aim to ensure that every Glasgow pupil receives support to a Sustainable destination, Robust monitoring of School leaver positive destinations targets

CONTROL AND MITIGATING ACTIONS:

- Partnership with Developing the Young Workforce Glasgow (**DYW**) and Glasgow Chamber of Commerce to connect employers with Education for work placement and employment opportunities for young people.
- Local employability partnership, No one left Behind (**NOLB**) strategy to deliver a model of support that is more tailored and responsive to the needs of people who want help and support on their journey towards and into work
- Provision of employability support specific to young people from programmes delivered as part of Glasgow's Future Quality to enhance school leaver destinations
- Partnership with Universities/Colleges and Third Sector to promote further and higher education and maximise involvement in widening participation programmes to reduce attainment gap and increase qualification levels
- Community Learning and Development (**CLD**) Plan 2024- 27 - The impact of CLD on attainment in schools is evidenced. Young people engage in programmes and activities that support their wellbeing and develops skills that enhance their skill and confidence, raising aspirations, and supporting them into employment
- Use of multiple funding sources to support different strands of positive destination programmes and opportunities
- Use of Pupil Equity Funding (**PEF Funding**) to support school-based initiatives and programmes focused on closing the attainment gap

PLANNED NEXT STEPS AND FUTURE ACTIONS:

Continue to implement, monitor, and maintain the mitigating actions as outlined. Management reporting and performance reviews will be conducted through the relevant Committees and Boards.