
To: Audit, Risk and Scrutiny Board

On: 14 November 2022

Report by: Director of Finance and Resources

Heading: Risk Report, October 2022

1. Summary

1.1 Each year the Board considers and approves the council's risks.

1.2 This paper sets out the latest position in managing the council's risks, as we have entered the third quarter of the new financial year. The appendices attached provide details of:

- 1: longer-term or imminent strategic and corporate risks (at 30 Sep 2022)
- 2: longer-term significant service risks (at 30 Sep 2022)
- 3: the list of 'business as usual' risks.

2. Recommendations

2.1 It is recommended that the Board approves the report, agreeing with the risks identified.

3. Background

3.1 The key areas of risk **previously** reported to the Audit, Risk & Scrutiny Board in **April 2022** were:

Strategic Risks:

Very High-Risk Economy
Very High-Risk Unemployment
Very High-Risk Reducing inequalities
High Risk Climate, sustainability & adaptability

Corporate Risks:

Very High-Risk Financial sustainability
High-Risk Cyber attack
High-Risk Financial stability
High Risk Regulatory services/ statutory activities
High Risk Commercial vehicle & operator's license

- 3.2 The strategic and corporate risk profile for the council in terms of its longer-term or imminent risks was as shown by the matrix below:

Evaluation:	Low	Moderate	High	Very High	Total
LT or Imm Strategic Risks:	00	00	01	03	04
LT or Imm Corporate Risks:	00	00	04	01	05

- 3.3 Risks are evaluated using the Council's adopted risk matrix; this involves multiplying the likelihood of a risk occurring by its potential impact. Risks are then evaluated as either 'low' (green), 'moderate' (yellow), 'high' (amber) or 'very high' (red).
- 3.4 It was noted that when the above risks were agreed, service departments had revisited their top 'significant' operational risks (i.e., those evaluated as high or very high) but all reported that any such risks were already captured by some strategic and/ or corporate risks.
- 3.5 The Corporate Risk Management Group has again reviewed the risk profile on behalf of the Corporate Management Team and the current information is now presented to Board by way of a mid-year update.
- 3.6 Changes since the 2022/2023 first quarter:

- Risks with scoring/ evaluation changed

Financial stability – on 29 September the Director of Finance and Resources presented [a report to Council](#) that brought into sharp focus the scale of the financial risk now faced by the council. In his paper, the Director advises that “The Council is facing a financial and economic environment characterised by rapidly increasing levels of risk; placing the Council's financial stability and ongoing sustainability under much greater pressure than that experienced over the past decade.” Accordingly, the risk score for the financial stability risk has been **increased from High to Very High**. The related risk for financial sustainability remains also at Very High. Key messages, however, must be that the council has a good track record in managing financial pressures, and that the ongoing commitment to capital investment and regeneration in the area continues as a priority.

- Risks added/ escalated from service/s to strategic or corporate

Tree Fall and Ash Die Back - The main trigger for this risk the outbreak of Ash Dieback in the UK resulting in a significant number of trees within Renfrewshire having to be felled. Tree management in Renfrewshire has historically been based around a risk-based response to any reporting of concerns, however with the presence of Ash Dieback there is also now a resulting increased potential for public injury and property damage, awards against the Council and reputational damage. While responsibility for management of the risk lies within Environment and Infrastructure Services, the risk meets the criteria for being escalated to the corporate risk register because of the need for corporate funding to address the risk.

- Risks added/ escalated from 'business as usual' to strategic or corporate

Asset management - In respect of council property/ buildings, responsibilities lie across three different service departments and the Corporate Risk Management Group has taken the view that it is beneficial to set out the asset management risk again within the corporate risk register with some associated actions that will be undertaken, to ensure there are no gaps in the corporate arrangements for managing the property-related risks. Actions will include work to develop CAMIS; the council's Corporate Asset Management Information System. When actions are completed, the risk will de-escalate back to business as usual.

- Risks removed/ de-escalated – nil.

3.7 With paragraph 3.6 in mind, the risk profile is therefore now as follows:

Evaluation:	Low	Moderate	High	Very High	Total
LT or Imm Strategic Risks:	00	00	01	03	04
LT or Imm Corporate Risks:	00	00	05	02	07

Strategic Risks:

Very High-Risk Economy
 Very High-Risk Unemployment
 Very High-Risk Reducing inequalities
 High Risk Climate, sustainability & adaptability

Corporate Risks:

Very High-Risk Financial sustainability
 Very High-Risk Financial stability
 High-Risk Cyber attack
 High Risk Regulatory services/ statutory activities
 High Risk Commercial vehicle & operator's license
 High Risk Tree Fall and Ash Dieback
 High Risk Asset Management

3.8 Horizon Scanning

While not included on risk registers as yet, there are some matters on the horizon that the Corporate Risk Management Group is keeping a watching brief on - including for example the potential for electoral/ referendum events.

3.9 Appendix 1 provides the detail for all 4 longer-term or imminent strategic risks. Appendix 2 provides the detail for all 7 longer-term or imminent corporate risks. Appendix 3 outlines our 'business as usual' risk areas and how we are progressing in the development of our new 'assurance' model for these risks¹.

Note, as was the case at the beginning of the year, all services report that any significant service risks are already captured in appendices 1, 2 or 3; and further (less significant) service risks are embedded in their service improvement processes.

¹ For 'business as usual' risks, the council takes a different approach. BAU risks are defined as those not generally related to corporate priorities or ambitions but rather are inherent by nature of our type of organisation. Essentially these are risks we have no option but to live with and manage and monitor.

Implications of the Report

1. **Financial**

Recurring costs associated with the measures in place for each risk are considered proportionate to the level of risk, and new planned actions are also considered to be cost effective.

The financial requirements to support the risks should be met within the budget of each relevant risk owner, nevertheless, any unplanned and unbudgeted cost pressures that arise in relation to any of the risks identified will be subject to review in consultation with the Director of Finance and Resources.

2. **HR & Organisational Development** – not relevant to report recommendations

3. **Community/Council Planning** – effective risk management supports the delivery of all community/ council plan outcomes

4. **Legal** – not relevant to report recommendations

5. **Property/Assets** – not relevant to report recommendations

6. **Information Technology** – not relevant to report recommendations

7. **Equality & Human Rights** – not relevant to report recommendations

8. **Health & Safety** – not relevant to report recommendations

9. **Procurement** – not relevant to report recommendations

10. **Risk** – as per the subject matter of this report

11. **Privacy Impact** – not relevant to report recommendations


12. **Cosla Policy Position** – not relevant to report recommendations






13. **Climate Risk** – not relevant to report recommendations






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Appendix 1: Strategic Risks, longer-term or imminent




• Reshaping our place, our economy and our future



Context	Risk Statement	Owned by	Current Controls	Likelihood	Impact	Evaluation
SRR.22.01.01 Economy The coronavirus pandemic has resulted in significant challenges for economies across the world. The UK and Scottish Governments invested billions to support businesses through lockdowns and furlough in order to keep businesses viable and retain people in employment. Renfrewshire's economy has well established strengths in transport (including Glasgow Airport), retail (including Braehead), manufacturing (including significant international exports) and construction. All these sectors and their wider supply chains have been impacted by the lockdown restrictions which have reduced supply and led to subdued demand for products and services. The construction sector is currently experiencing significant volatility in terms of labour, supply chains, prices, and construction inflation. This makes "building our way out of Covid" less attractive, coupled with a connected surge in construction claims and disputes.	Even before the COVID-19 crisis, the Scottish economy was facing several strategic challenges including climate change, Brexit and lower than average productivity. Likewise, Renfrewshire's economy was facing challenges such as: growing the working age population; more closely aligning the education and skills provision with the needs of local employers; and achieving a strong and inclusive economy. The risk therefore is that significant economic improvement and upskilling of local workforce is difficult to progress until the current landscape improves and our investment programmes are completed?	Head of Economy and Development Head of Finance & Business Services Programme Director – City Deal & Infrastructure	(1) Economic Recovery Plan (2) Capital investment such as investment in housing and heritage assets; supporting Scotland's prospectus for international investment by identifying and developing opportunities such as AMIDS and supporting local businesses seeking to export to new markets (3) Taking forward measures to counter any education learning loss (4) Developing skills interventions to address the risks of unemployment, in particular for those under 25 and making provision for people to re-skill and upskill.	05	05	25 V.High
Action Codes	Actions			Assigned To	Date	Status
CESIP22.01.02	Maximise funding for regeneration of Renfrewshire's places through grant submissions to external sources including UK and Scottish Governments. The Regeneration and Place Team have successfully been able to secure and receive funding through various external sources. Between 21/22 and 25/26 we have been allocated £5.2m from the Place Based Investment Fund for capital regeneration projects. Between 22/23 and 24/25 we have received £1.5m in funding for capital and revenue regeneration spend from the Shared Prosperity fund. We have consistently been successful in RCGF funding applications, with the most recent successful application receiving £800k in funding for the PACE theatre project. We have recently secured £35k funding from Visit Scotland to develop a strategic Tourism Infrastructure Development Plan for Clyde Muirshiel Regional Park. In July an application was submitted to the Levelling Up Fund for £20m to develop a new community hub in Renfrew, restoring two prominent listed buildings in the heart of the town. A decision on this application is expected by the end of October.			Head of Economy and Development	31-Mar-2023	

CESDP21 - 01 - 27	<p>Monitor benefits of City Deal Projects, including AMIDS, Clyde Waterfront and Renfrew Riverside and City Region wide employment programmes.</p> <p>Clyde Waterfront & Renfrew Riverside - 45%</p> <p>Community Benefits: 67 of 150 community benefits have been delivered to date. The remainder are on track/have been re-baselined to be completed as part of the project lifespan.</p> <p>Project Benefits: Project is at the early stages of its development with all expected benefits in terms of infrastructure, economy and wider regeneration on track.</p> <p>Glasgow Airport Investment Area - 95%</p> <p><u>Community Benefits:</u> 69 out of 70 community benefits have been delivered with the remainder relating to supply chain development ongoing.</p> <p><u>Project Benefits:</u> Enabling infrastructure benefits of the GAIA projects have largely been complete with some minor work remaining. The infrastructure in place has allowed the progression of the AMIDS site to take place with key link road throughout and new connecting bridges opened.</p>	Programme Director - City Deal and Infrastructure	31-Mar-2023	
CESDP21 - 01 - 13	<p>Deliver on the ambitions of our town centre strategies and specifically working with partners to transform Paisley Town Centre through the Paisley Town Centre Action Plan 2016-2026.</p> <p>The town centre action plan and the Paisley Vision for 2030, published in 2020, is catalysing new potentials for development in the town centre. A planning application for the redevelopment of the Paisley Centre has been approved in March 2022 with the developers intent on formalising development agreements to be on site in 2023. Further discussions on repurposing spaces for new uses are also underway with the owners of the Piazza Centre and the Liberal Club. New long term town centre visions will be created for other Renfrewshire towns during 2023</p>	Chief Economic and Regeneration Manager	31-Mar-2023	
CESDP21 - 01 - 26	<p>Work with partners to deliver the Advanced Manufacturing Innovation District – Scotland (AMIDS)</p> <p>The need for delivery of investment at AMIDS is recognised within the Renfrewshire Economic Strategy 2020-2030 where AMIDS is noted as a key component. This drive for investment continues with the anchor facilities of NMIS & MMIC planned to open in 2022. This success, in parallel with direct engagement with manufacturing companies and the launch of a procurement exercise for a joint venture development partner will see progress towards the primary outcomes for AMIDS.</p> <p>Success in achieving agreement with UK Gov on 90% Levelling Up Funding towards the AMIDS South project, will significantly aid the delivery of AMIDS, enhance work underway in Paisley Town centre and increase benefits for the wider area</p>	Programme Director, City Deal and Infrastructure	31-Mar-2023	
CESIP20 - 01 - 07	<p>Participate fully in all aspects of the new National Manufacturing Institute Scotland (NMIS) Governance arrangements and Medicine Manufacturing Innovation Centre (MMIC) delivery.</p> <p>RC have strong links with NMIS and MMIC as they are represented on the NMIS One Scotland Collaboration Group and chair the AMIDS Strategic Advisory Group with both organisations represented. CD&I team members work closely with both organisations daily and continue to assist with the commissioning of their buildings. MMIC building is already operational with NMIS expected to open in early 2023.</p>	Programme Director, City Deal and Infrastructure	31-Mar-2023	
CESIP22.02.01	<p>Progressing the AMIDS South project to maintain the programme requirements of the UK Government Levelling Up Fund award.</p> <p>Planning application submitted alongside liaison with stakeholder liaison and continuing development of detailed designs. Dialogue with UK Government agencies continuing</p>	Programme Director, City Deal and Infrastructure	31-Mar-2023	



Context	Risk Statement	Owned by	Current Controls	Likelihood	Impact	Evaluation
SRR.22.01.02 Unemployment	Skills and business support need to change to meet the scale of the anticipated economic challenge, otherwise there is a risk to ensuring that people are better placed to realise their potential, better able to find ways into paid work and to reduce inequality.	Head of Economy and Development	(1) Job creation programmes and demand led interventions (2) Focus on youth unemployment (3) Community benefit clauses (4) Enhanced and expanded employability services (5) Focused and targeted partnership working to ensure no-one is left behind	05	05	25 V.High
Experience from previous recessions demonstrates that some groups of people: those in lower paid jobs; younger people; the self-employed and those on temporary contracts – tend to be more affected than others. This impact can accentuate economic and social disparities that already exist within economies such as Renfrewshire. When fewer jobs are available generally, this results in those groups listed above being furthest from accessing them. It is currently challenging to establish the impact of Brexit on unemployment due to the impact of the pandemic. There is some data to show that employment is returning to pre-pandemic levels.						
Actions				Assigned To	Date	Status
CESIP22.01.01	Establish a programme of engagement work with communities on the Community Benefits that might be derived from the Council's procurement activity. The procurement team have an established relationship with Engage Renfrewshire which provides significant support in realising the Community Engagement and Supply Chain Opportunities (Business advice and support) Community Benefits offered within contracts. Engage has a member of staff on the Community Benefit Forum with particular responsibility for engaging with Social Enterprises in Renfrewshire to ensure the community benefits offered are delivered across the network in a fair and equitable way. Next steps to further our ambitions for community engagement include widening the range of organisations supported to include community groups and local clubs.			Strategic Procurement Manager	31-Mar-2024	
CESIP22.02.02	Actively engage with Renfrewshire suppliers to increase the percentage of procurement spend The procurement manager has been working closely with Economic Development to support local supplier events which will run at the end of November. These will provide an opportunity to place a spotlight on council spend and identify opportunities for local suppliers to bid for council contracts.			Strategic Procurement Manager	31-Mar-2024	
CESDP21 - 01 - 09	Promote a Renfrewshire Apprentice Framework that can be rolled out across local businesses wishing to participate The programme for ERIs has all but completed as has the City Region Chef Academy programme. Work with Education colleagues continues to support the marketing and information around Foundation apprenticeships and Modern Apprenticeships across Renfrewshire.			Economic Development Manager	31-Mar-2023	
CESDP21 - 01 - 02	Develop a refreshed employability programme for Renfrewshire (utilising Youth Guarantee and Kickstart funding) to reduce unemployment among young people (18-24 yrs.) and to support local businesses. The programme for ERIs has all but completed as has the City Region Chef Academy programme. Work with Education colleagues continues to support the marketing and information around Foundation apprenticeships and Modern Apprenticeships across Renfrewshire.			Economic Development Manager	31-Mar-2023	
CESIP22.03.11	Bring forward actions to reduce health inequalities, improving economic participation, more secure earnings and greater earning power. An ongoing action – health inequalities is a key element of employability work, and a number of actions are already in place. Further support from the UK SPF will follow in spring 2023.			Economic Development Manager	31-Mar-2023	

• Tackling inequality, ensuring opportunities for all

Context		Risk Statement	Owned by	Current Controls	Likelihood	Impact	Evaluation
SRR.22.03.03 Reducing inequalities in Renfrewshire		If we don't have a coordinated approach to tackling inequalities across Renfrewshire (including for example, the causes and consequences of poverty), this could jeopardise the effort in reducing both the short-term impacts on households but also have wider long-term consequences on attainment and health for people living on low incomes.	Head of Policy & Commissioning	(1) Fairer Renfrewshire Programme (2) Attainment Challenge (3) Strong partnership working (e.g. Community Planning Partnership (CPP). Advice Partnership, Empowering Communities Forum, Improving Life Chances, CPP Board (4) CPP have identified priorities e.g. Alcohol and Drugs, Social isolation etc. (5) Social Renewal Plan has been developed through a programme of analysis, research, and engagement. (6) Neighbourhood hub model in place to support local needs on a partnership basis in response to COVID	05	05	25 V.High
The Council plays a key role in tackling inequalities and providing the best possible services to our communities, particularly those who are experiencing the poorest outcomes. As well as our focus on health and wellbeing, we are also committed to support vulnerable individuals, groups or communities through early intervention and prevention, responding to poverty, supporting routes to employment as well as dealing with welfare reforms. The impact of COVID-19 is likely to have exacerbated existing inequalities in terms of for example educational attainment, health, poverty and mental health. There will be a significant focus on ensuring that people receive the economic and wellbeing support that is needed, with a real opportunity to work in a different way, and to tackle some of the existing inequalities across communities as we do this. In the short term, significant focus is on supporting food insecurity and supporting people on low incomes to maximise income and seek advice with income and debt management.							
Action Codes	Actions				Assigned To	Date	Status
CESIP22.03.01	Develop the new Fairer Renfrewshire programme. Work on the Fairer Renfrewshire Programme has commenced, with funding allocated to a number of projects to support residents with Cost-of-Living increases. The Fairer Renfrewshire Sub-Committee met for the first time in August.				Strategic Partnerships & Inequalities Manager	31-Mar-2025	
CESIP22.03.02	Develop and implement the action plan for the Trauma-Informed and Responsive Renfrewshire Programme. A coordinator post has been created to lead this programme of work going forward, with the coordinator starting in late October. The Trauma steering group has been established, and engagement with the Improvement Service and other local authorities has taken place. An initial action plan has been developed and presented to CMT, including actions such as reviewing the current training and development offer at a local and national level, reviewing recruitment and HR policies through a trauma informed lens, undertaking training/awareness sessions at leadership levels, and considering links to existing and emerging priorities such as The Promise, Our Values, Developing Communities, and Language Matters/Stigma				Head of Policy and Commissioning	31-Mar-2024	
CESIP22.03.03	Deliver the Stigma/Language Matters project. Partners are currently developing a Language Matters initiative, which will support them to challenge preconceptions and stigma around drug and alcohol use and promote positive conversations about recovery in Renfrewshire. Preliminary work has included developing a marketing and communications activity plan, with the following objectives: demonstrating leadership by ensuring that we do not use language that stigmatises people in public or in our communications •supporting staff to understand the power of language, be confident in their use of language and to challenge stigma by speaking up when people make negative or wrong comments •supporting national campaigns to help people in Renfrewshire understand the power of language.				Head of Policy and Commissioning	31-Mar-2024	

CESIP22.03.06	Develop and implement targeted interventions to supporting communities through the cost-of-living crisis, with a particular focus on food and fuel insecurity The Community Food Fund has supported community food provision across Renfrewshire. Funding allocated to the Fuel Insecurity Pilot continues to support fuel vouchers augmented with energy advice and the continuation of the Financial Insecurity Winter Payment supports households who are struggling to purchase essentials like food and fuel.	Strategic Partnerships & Inequalities Manager	31-Mar-2023	
CESIP22.03.09	Carry out an evaluation of the Tackling Poverty programme and develop a transition plan for mainstreaming this work.	Strategic Partnerships & Inequalities Manager	30-Sep-2023	







• Creating a sustainable Renfrewshire for all to enjoy



Context	Risk Statement	Owned by	Current Controls	Likelihood	Impact	Evaluation
<p>SRR.22.04.04 Climate, Sustainability & Adaptability</p> <p>Renfrewshire Council declared a Climate Emergency on 27 June 2019 and established a Climate Change Sub-Committee, now the Planning and Climate Change Policy Board to lead on this work. The actions required are potentially complex and multi-faceted and need to be supported by organisations across all sectors, and in partnership with local communities. Actions include: pledging to work proactively with others towards a net zero Renfrewshire by 2030, taking into account both production and consumption emissions; and assisting communities to become more resilient to the impacts of global warming, particularly to flooding and to drought.</p>	<p>The climate emergency brings a risk to Council and its communities in relation to increased extreme weather as well as food insecurity. We need to focus on mitigation and adaptation and ensure a just transition so no one is left behind and none is disadvantaged in the transition to net zero. The Council would need to take action and support those most disadvantaged. A key risk is that the Council is not in control of all of the levers, and cannot deliver everything required in isolation, so there is a risk that others do not contribute towards the 2030 target.</p>	<p>Head of Policy & Commissioning</p> <p>(Climate Change Working Group)</p>	<p>(1) The Council has used the Climate Change Assessment Tool – helps public sector organisations in Scotland self-evaluate their performance under the public sector duties of the Climate Change (Scotland) Act 2009</p> <p>(2) Renfrewshire's Plan for Net Zero has specific objectives to reduce emissions, and these are included in other key documents such as the Council Plan</p> <p>(3) Implementation of the Corporate Asset Management Strategy ensures that property assets are managed effectively and efficiently through the provision of relevant management and performance information</p> <p>(4) The Energy Management Team: ensure energy management initiatives are aligned to the capital investment programme and corporate asset strategy to optimise use of property estate and reduce overall running costs and energy consumption levels. Promote reductions in energy usage and advise employees and residents about energy efficiency</p> <p>(5) Through the Procurement Unit, sustainability and community benefits are considered in the development of all contract strategies</p> <p>(6) Governance through the Planning & Climate Change Policy Board</p> <p>(7) Launch of the Climate change action fund – to support a range of initiatives/feasibility to test new ways of working and to be ready to lever external funding</p> <p>(8) Climate Panel / Partnership Forum to support engagement and ensure all voices are heard, including traditionally underrepresented groups</p> <p>(9) Community Climate Fund – fund for community organisations to enable behaviour change and local green projects to make our communities more resilient</p>	04	04	16 High
Action Codes	New Actions			Assigned To	Date	Status
CESIP22.04.01	<p>Complete the District Heating Network at AMIDS, with supplies to NMIS and MMIC.</p> <p>Project continues towards completion with the majority of construction complete. Construction due to be finalised by November 2022 to then become operational. NMIS and MMIC have been formally notified that DHN is expected to become operational on 14th November 2022</p>			Programme Director, City Deal and Infrastructure	31-Mar-23	
CESIP22.04.02	<p>Develop the first stage of Renfrewshire's Plan for Net Zero</p> <p>The Plan for Net Zero was developed in partnership with other services, stakeholders and our citizens through Renfrewshire's Climate Panel. The Plan was approved by the Planning and Climate Change Policy Board on 23rd August.</p> <p>The next steps include the development of a child-friendly and an easy read versions of the Plan and a detailed phased road map, including quantified delivery plans.</p>			Strategy, Policy & Insight Manager	31-Dec-22	

Appendix 2: Corporate Risks, longer-term or imminent

• Working together to improve outcomes

Context	Risk Statement	Owned by	Current Controls	Likelihood	Impact	Evaluation
<p>CRR22.05.05 Financial Sustainability</p> <p>Financial recovery from Covid19 and ongoing Brexit impacts</p> <ul style="list-style-type: none"> - Rebuilding of financial resilience following unprecedented costs incurred in responding to the pandemic - Anticipated reduced income from NDR/CT over the medium term as full economic implications of the pandemic and cost-of-living crisis hit local businesses and communities - Pricing volatility and global supply issues leading to shortage of labour and materials <p>Best value report</p> <ul style="list-style-type: none"> - Recommendation in Best Value report to prioritise how services need to be provided in future to be funded from within available resources. <p>Cost and Income pressures</p> <ul style="list-style-type: none"> - Future grant settlements and the level of funding available. - Implications of national economic policy choices to protect certain services from real terms reductions in funding such as the Police and NHS - Future Local Government pay settlements and non-payroll related inflation - Demographics and demand pressures, such as an ageing population with increased associated service demands, and increases in demand for children's social care - Implications of welfare reform & poverty levels, including growth in Council Tax Reduction caseload. - Reductions in income from fee generating services such as local planning and parking; implications of the national economic recovery and 	<p>If significant cost pressures are not successfully planned for and managed effectively over the medium to longer term, this could jeopardise the financial sustainability of the council and result in a significant impact on availability and quality of front-line services and capital investment resources.</p>	<p>Head of Finance & Business Services</p>	<p>(1) Revised medium- to long-term Financial Outlook reassessed the various risks to the Council's short, medium- and longer-term financial sustainability. Refreshed report to Council on 29 September 2022 outlined the immediate financial concerns and plans to address these, including R4R savings (see 3 below), new financial sustainability workstreams, and utilising flexibilities agreed by the Scottish Government; however, as the position continues to develop and evolve close monitoring will be required to ensure Council manages costs in the short term and fully appreciates the longer term consequences of actions taken to address short-term risks. Committee reports of this nature cover a wide range of current and future financial and economic factors e.g., Strategic Economic and National Policy Context, Cost Pressures, Pressures on Income and Mitigation Strategies to deal with such uncertainties.</p> <p>(2) A well-developed and embedded budget planning, budget setting and budgetary control system is in place throughout the organisation, and this informs members and officers regarding financial performance and stability. This facilitates robust and transparent decision making and incorporates an escalation process with regards budget management issues which may arise.</p> <p>(3) In conjunction with the medium to longer term financial outlook and the Council's continued "Right for Renfrewshire (R4R) Programme", Renfrewshire Council has been pro-active in planning for the future by identifying and agreeing a planned release of resources. This is required to meet emerging budget pressures and is utilised in conjunction with the Council's long-term debt smoothing strategy to support the release of planned savings over a number of years; however, the pandemic has interrupted the planned delivery of savings under RFR, so the full programme has been reviewed. However, it remains the case that savings will continue to require be generated at scale in order to ensure the ongoing financial sustainability of the Council.</p> <p>(4) The Council approved a further suite of service reviews in the Financial Outlook update on 30 June 2022. These involve a number of Financial Sustainability Workstreams that are led by Directors and look to progress recurring revenue savings.</p> <p>(5) There is close financial monitoring of the agreed savings to ensure they are delivered within the agreed timescales or where this is not now possible, to understand and reschedule planned delivery to achieve the associated objectives. Monitoring is</p>	05	05	25 V.High








<p>associated risks/uncertainty in economic factors e.g., interest rates.</p> <ul style="list-style-type: none"> - Implications of third party provider financial stability, such as childcare providers in current economic climate - Liability for predecessor organisations, in light of the removal of the limitation period for historic child abuse claims 			<p>undertaken via a combination of financial and operational measures, actions and related update reports.</p> <p>(6) Regular updates and bespoke reports are provided to CMT and the Council with regards the national fiscal position, likely developments and the impact on the council through close liaison with national groups e.g., CIPFA DoFs, COSLA and the Scottish Government. This liaison remains critical in ensuring the Council is aware of potential financial developments and is in a position to influence these.</p> <p>(7) Levels of and use of reserves has been a key tool in addressing the costs of the pandemic, therefore the planned use of and rebuilding of reserves in the medium term, and the Council's Capital Investment and Treasury Management Strategy, are key to ensuring ongoing financial sustainability.</p> <p>Other controls</p> <p>(8) Reports and publications from Audit Scotland in relation to the Local Government financial outlook, financial planning and related developments and improvements are supplemented with a Renfrewshire context report, with both reports being submitted to the Council's Audit Risk and Scrutiny Board. Audit Scotland representatives have an open invite to these policy board meetings.</p> <p>(9) Utilisation and energy consumption has clarified priority areas for investment in the Council's estate and this has supported and informed investment decisions and the formulation of the Council's Capital and Revenue budgets.</p>			
Action Codes	Linked Actions	Latest Note		Assigned To	Due Date	Status
CRR22.05.05a	Strategic Property Review and new ways of working / Review of local policy positions	<p>Work on all of the financial sustainability workstreams is being progressed with updates presented to the Budget Strategy Group in October and November 2022, in advance of reporting and decision-making by individual service Boards. Agreed changes will then be incorporated into the General Fund Revenue Estimates for 2023/24 and beyond.</p>		Director of Environment and Infrastructure	28-Feb-2023	
CRR22.05.05b	Charging, fees and commercialisation / review of Council risk			Director of Finance and Resources	28-Feb-2023	
CRR22.05.05c	Strategic review of procurement			Chief Executive (Head of Policy and Commissioning)	28-Feb-2023	
CRR22.05.05d	Connected Communities / Review of Management grades and structures			Director of Communities and Housing	28-Feb-2023	
CRR22.05.05e	Digital Strategy			Director of Finance and Resources	28-Feb-2023	
CRR22.05.05f	Council Tax and Tax Policy			Director of Finance and Resources	28-Feb-2023	





Context	Risk Statement	Owned by	Current Controls	Likelihood	Impact	Evaluation
CRR22.05.07 Financial Stability Context: Imminent shorter-term risk for financial stability, recognising the immediate financial situation of the Council (note: the medium to longer-term financial position is captured under financial 'sustainability')	If significant short-term costs and income losses are not closely monitored and understood, this could destabilise the finances of the council to an extent beyond the financial resilience of the Council, resulting in a need for immediate cost control measures, or short-term savings which have an immediate impact on service delivery	Head of Finance & Business Services	(1) Initial cost/income loss information across both General Fund and HRA collated to inform national position across local government has been built on and refined over a number of iterations, and continues to be updated as informed by national developments (2) Cost data gathered has included key partners in Renfrewshire Leisure and the Renfrewshire IJB, as well as smaller bodies and other delivery partners (3) Revenue budget monitoring reports to Policy Boards focus on the forecast year-end outturn position rather than the historic periodic position, so that significant variances are reported early, and any mitigating steps can be taken. This is already highlighting severe price pressures across different services. The impact of pay inflation is also highlighted through this reporting mechanism. (4) Fundamental review of the Right for Renfrewshire programme has been undertaken in order to recalculate potential cost savings in year and to reprofile agreed savings, the delivery of which was interrupted by the pandemic (5) Expert treasury management advice sought in relation to the potential for the debt smoothing strategy to deliver any further savings in the short term which would support the Council's immediate financial stability; along with consideration of other technical accounting measures which may be utilised following agreement with the Scottish Government and COSLA (6) Clear analysis of the Council's reserves position and potential for reprioritisation or redirection; including the development of plans to rebuild financial resilience of the Council in the medium term (7) Ongoing discussion with CMT to agree the financial consequences of the pandemic for each service and how these will be managed; including the use of financial flexibilities permitted by the Scottish Government in the use of existing allocated resources (8) Review of capital plan and ongoing projects to ensure clear understanding of phasing of potential spend.	05	05	25 V.High
Action Codes	Linked Actions	Latest Note		Assigned	Due Date	Status
CRR22.05.07a	Investigate potential of Service Concession Flexibility allowed by Scottish Government	In conjunction with other local authorities and the CIPFA Directors of Finance group, a financial model has been prepared to calculate the effect of applying this flexibility in 2022/23. The Council has service concession contracts within schools and the Clyde Valley Waste facility.		Head of Finance and Business Services	31-Oct-2022	
CRR22.05.07b	Report to Council the financial impact of utilising the service concession flexibility	Planned to be included in Financial Outlook update to Council in December 2022 and Revenue Estimates report in March 2023		Director of Finance and Resources	31-Dec-2022	

Context	Risk Statement	Owned by	Current Controls	Likelihood	Impact	Evaluation
CRR22.05.06 Cyber Attack	While the council’s cyber protections are robust, cyber-attacks are becoming more and more frequent and sophisticated, and the council could be subject to an attack such as that on SEPA, with the risk of significant impact on council service provision.	CMT	For security reasons, controls are not published in the public domain	04	04	16 High
<u>Context:</u> ▪Review of the council’s cyber environment ▪Ever increasing criminal cyber activity ▪Increasing reliance on electronic systems						
Action Codes	Linked Actions		Latest Note	Assigned To	Due Date	Status
	As agreed by the Corporate Management Team					

Context	Risk Statement	Owned by	Current Controls	Likelihood	Impact	Evaluation
CRR22.05.08 Impact on Regulatory Services due to Covid-19 and EU withdrawal.	There is a risk, due to the shifting legislative landscape and rapidly increasing demands on Regulatory staff arising from COVID-19 and the EU Exit on 1 January 2021 that statutory duties may not be able to be met.	Head of Communities and Public Protection.	<div>(1) Continue with the Service restructuring as part of the Right for Renfrewshire programme. In particular, the re-modelling to ensure a strong and resilient workforce moving forward. This will also support the retention of skilled and qualified employees within the service.</div> <div>(2) Additional resource requested as part of financial planning process to support the service restructure process. This includes the request for £288 “unavoidables” to allow retention of key qualified employees to cover both Brexit and Covid duties.</div> <div>(3) Working with REHIS, Society of Chief Environmental Health Officers for Scotland and University West of Scotland, Renfrewshire Council has taken on a student from September 2021 as part of the first cohort of new trainees under a new Environmental Health course. This will lead to a larger number of EHOs to come through and replace an ageing workforce.</div> <div>(4) Full complement of staff who are authorised to work on all aspects of Covid-19.</div> <div>(5) Wider staff being trained in functions to release EHO/TSO to focus on Covid-19 or EU withdrawal work at Airport.</div> <div>(6) Discussions with Glasgow Airport to understand impacts of changes at Glasgow Airport from EU withdrawal.</div> <div>(7) Discussions with DEFRA & Food Standards Scotland on Import/Exports duties</div>	03	05	15 High
<u>Context:</u> Increased demands have been placed on Regulatory Services (Environmental Health and Trading Standards) due to Covid-19 and EU withdrawal.						
Resource and funding will be required to meet the current demands and ensure that statutory duties are not impacted.						
Linked Actions			Update	Assigned To	Due Date	Status
CRR20.05.04a	Training and authorisation of staff for Covid-19 related activity		On-going training and updates following changes to legislation and guidance. Additional permanent staff (Environmental Health Compliance Officers) recruited from Scottish Government Covid funding to manage some additional workload. Authorisations review with Scheme of Delegations being reviewed early in 2022.	Communities and Regulatory Manager	31-Mar-2022	✔
CRR20.05.04b	Sitting on EU withdrawal working group (Imports and Exports) with regards to Export Health Certificates and impacts		Regular meetings with appropriate bodies to understand landscape for EU withdrawal and impacts on Renfrewshire.	Communities and Regulatory Manager	31-Mar-2023	▶

Context		Risk Statement	Owned by	Current Controls	Likelihood	Impact	Evaluation
CRR22.05.09 Commercial vehicle and operator licence compliance		Renfrewshire Council requires its fleet of vehicles to be effectively managed, otherwise there could be sustained impact in several areas including community care, housing maintenance and repairs, streetscene operations and waste collection.	Head of Operations and Infrastructure	<u>Governance</u> (1) Training and Compliance Officer in post monitoring compliance performance and linking to inspection activity (2) Monitoring and tracking of vehicle servicing (3) Tachograph analysis system ensuring monitoring and compliance of driving staff (4) Operator Licencing Awareness Training (OLAT) conducted for all operational service managers (5) Full compliance audit report focusing on Operator Licence and Compliance completed in 2019 by Freight Transport Association (FTA) (6) Regular monitoring of Driver and Vehicle Standards Agency (DVSA) updates and controls (7) Quarterly attendance at Logistics UK (formerly FTA) and APSE Transport boards <u>Operational</u> (8) Reduction in average age of Council Fleet (9) Workshop equipment and tooling improvements	03	05	15 High
<u>Context:</u> The council's vehicle fleet, managed by Environment & Infrastructure Services, comprises around 500 vehicles including heavy and large goods vehicles, light vans and cars. The council implements a range of measures to ensure ongoing vehicle operator licence compliance.							
Action Codes	Linked Actions		Latest Note		Assigned To	Date	Status
(Presently monitoring compliance until such times as the risk can be reduced)							

Context		Risk Statement	Owned by	Current Controls	Likelihood	Impact	Evaluation	
CRR22.05.10 Asset Management		Effective governance and management of the council’s property assets is essential, otherwise there is a significant risk of harm, financial loss, service disruption, non-compliances, fines, rising energy costs and inability to recover losses via insurance proceeds	Director of Environment & Infrastructure; Director of Finance & Resources; Head of Economy & Development Services	<u>Corporately:</u> Key responsibilities with regards to the Estate span 3 specific service departments, but all 3 come together through a newly formed CAMIS Development Group (Corporate Asset Management Information System) which is taking forward a workplan to more effectively consolidate and oversee asset management risk <u>Heads of Service:</u> Effective asset management in practice on the frontline is included within the new Risk Assurance model being rolled out in 2023.	03	05	15 High	
<u>Context:</u> GOVERNANCE – roles and responsibilities - Estates (Leases – by and from the council, and on behalf of HSCP) - Hard/ Soft FM (security, housekeeping, statutory duties/ inspection, maintenance, repair, building fire risk assessment) - Property services (capital works, and CAMIS development) - All services (inspection inventories and response, people elements of fire risk assessment)								
Action Codes	Linked Actions		Latest Note		Assigned To		Due	Status
CRR22.05.10a	New CAMIS Development Group to appoint Joint Chairs/ Heads of Service		Head of Property Services and Head of Hard/ Soft FM Services have agreed to co-chair the group		CAMIS Development Group		30-Sep-2022	
CRR22.05.10b	Agree Terms of Reference for the CAMIS Development Group		On schedule		CAMIS Development Group		15-Nov-2022	
CRR22.05.10c	Undertake gap analysis to ascertain if any responsibilities in terms of governance are missing or unclear		On schedule		CAMIS Development Group		19-Dec-2022	
CRR22.05.10d	Undertake gap analysis to identify activities that take place outside of the CAMIS environment and consider if these can be brought into CAMIS by way of system development		On schedule		CAMIS Development Group		31-Jan-2023	
CRR22.05.10e	Explore data and status monitoring		On schedule		CAMIS Development Group		31-Jan-2023	
CRR22.05.10f	Develop a workplan for the group and prioritise areas of initial focus		On schedule		CAMIS Development Group		28-Feb-2023	
CRR22.05.10g	Agree the workplan for 2023/24		On schedule		CAMIS Development Group		31-Mar-2023	

Context		Risk Statement	Owned by	Current Controls	Likelihood	Impact	Evaluation
CRR22.05.11 Tree Fall and Ash Die Back & Larch Infection		Tree management in Renfrewshire has historically been based around risk-based response to any reporting of concerns, however with the emergence of Ash Die back in the UK there is now an increased potential for: - public injury and property damage; - awards against the Council; and, - reputational damage. - Statutory notices	Head of Operations and Infrastructure (Streetscene & Land)	Responses to customer / public complaints and enquiries Reactive surveys Visual inspections Statutory notices served – (Forestry Scotland)	05	03	15 High
<u>Context:</u> The main trigger for this risk a significant outbreak of Ash Dieback in the UK which will results in a significant number of trees within Renfrewshire having to be felled							
Action Codes	Linked Actions	Latest Note			Assigned To	Date	Status
CRR22.05.11a	Tree & woodland area formal inspections	Officers are undertaking a table-top Google assessment of Ash dieback and will follow up to clarify data.			Tree & Woodland Officer	31-Dec-2022	
CRR22.05.11b	Produce, disseminate and promote a formalised Ash Dieback Action Plan	Looking to adapt Tree Council for Scotland’s Ash Die back plan.			Tree & Woodland Officer	31-Dec-2022	
CRR22.05.11c	Further identify areas of larch trees and schedule removal	Need to secure internal funds top enable additional works to be scheduled			Tree & Woodland Officer	31-Dec-2022	
CRR22.05.11d	Accurately record findings and seek funding for replanting projects	Working with Clyde Climate Forrest and Trees for Cities to identify as many opportunities as possible for financing additional tree works			Tree & Woodland Officer	31-Dec-2022	

Appendix 3: Business-as-Usual Risks

The council has 12 areas of risk that it currently considers to be business-as-usual risk; those not generally related to corporate priorities or ambitions but rather they are inherent by nature of our type of organisation and services we deliver. The table below sets out what our business-as-usual risk areas are (in no specific order), and what they cover.

BAU RISK AREA	ENCOMPASSING	BAU RISK AREA	ENCOMPASSING
1. Community & public safety	Child and adult protection Serious and organised crime (external)	2. Asset management	Statutory compliance Arrangements for void properties Fleet and other infrastructure ICT hardware and software assets and responsibilities
3. People wellbeing & development	Staff health and wellbeing Training and development Corporate and local induction	4. Information handling	GDPR compliance Information asset management Information security Records management
5. Health, safety & managing adverse events	Staff incident recording RIDDOR arrangements Incident monitoring and trends analysis	6. Programme and project management	Governance Compliance with industry standards/ adopted methods
7. Organisation resilience	Business continuity: - Staffing resource - ICT and/ or power outages - Facility issue - Cyber security	8. Partnership management	Partnership registers Agreements Liabilities
9. Financial control and governance	Authorities and delegation Budgeting and accounting Conflict and whistleblowing Insider threat and crime Counter fraud	10. Service performance monitoring	Trends analysis Links to risk management and service improvement
11. Procurement and contract management	Standing orders Roles and responsibilities Monitoring & Performance Mgt	12. Complaints, comments and claims handling	Compliance Trends analysis Links to service improvement

Development work on the new risk assurance model for the above areas of risk is progressing well and a further update on the development will be provided to the Board in the new financial year within the Risk Management Annual Report 2022/23.