

To: Finance, Resources and Customer Services Policy Board

On: 14 September 2023

Report by: Director of Finance and Resources

Heading: Organisational Development programme and Risk Management review

1. Summary

- 1.1 The paper notes the proposals for a leadership development programme which acknowledges the significant change in senior leadership across the council, the impact of the pandemic on opportunities for professional development, and addresses the themes identified in the Review.
- 1.2 It also notes specific work underway to review risk management within the context of service-led projects, and notes that a revised corporate risk register will be considered at the November meeting of the Audit, Risk and Scrutiny Board.
- 1.3 Both of these areas were noted as actions which will address two of the recommendations flowing from the external review into the provision of education in Dargavel.

2. Recommendations

- 2.1 It is recommended that elected members:
 - a) Note the progress to date detailed in this report.

- b) Note that risk management is a delegated function of the Audit, Risk and Scrutiny Board and specific updates on risk management will be presented to that Board.

3. Background

- 3.1 In June 2023, Council received the final report of the Dargavel Primary School External Review, which made eight recommendations to address the issues relating directly to the provision of education for Dargavel and wider issues identified by the independent reviewer.
- 3.2 At the same meeting, Council also received a report from the Chief Executive accepting all eight recommendations and outlining the actions the organisation will take in response to the recommendations.
- 3.3 This report provides elected members with an update on progress against the two recommendations within the remit of the Director of Finance and Resources.

4. Corporate Working and Organisational Culture

- 4.1. Recommendation 5 of the External Review stated:

“The Council needs to consider a significant change programme, not just on the of issue of corporate working and personal responsibility, but also its organisational culture and values. It needs plans to build a stronger organisation where constructive challenge is welcomed and there is a clarity of what is expected of all of those in a leadership role.”

- 4.2 In his initial response to the External Review, the Chief Executive noted the considerable changes to the Council’s senior leadership in the last two years and advised that the historic corporate ways of working described in the Review did not reflect how the organisation or senior leaders operate today. Nonetheless, his report made clear a commitment to continuous improvement and to learning from the findings detailed in the Review, particularly in relation to developing senior leaders and delivering major projects. The Chief Executive is the Lead Officer for delivering on the recommendation, supported by the Director of Finance and Resources and the Head of Human Resources and Organisational Development.

- 4.3 The Council had already begun to develop a programme of work focused on corporate support and governance in recognition of the scale of change and turnover within the senior leadership team in recent years, as well as a relative lack of opportunities for professional and corporate development due to the impact of the pandemic. This was to consider the operation of programme and project governance within the Council, and how these link appropriately with the Council's professional support functions.
- 4.4 In response to the review, the programme has been enhanced to include specific organisational development in relation to corporate working across the senior leadership team both generally and specifically within the context of major corporate projects.
- 4.5 The Council has approached Solace to co-design and deliver a leadership development programme over the next 12 – 18 months. The programme will have two levels – an intensive programme for Chief Officers and a series of masterclasses for senior managers. The themes for both programmes will include governance, commercial risk management, leadership, culture, and performance management. Officer – member working and relationships will also be a focus.
- 4.6 The programme for Chief Officers will amount to six days and commence later this year, with completion anticipated by April 2024. The programme for senior managers is likely to comprise several masterclass sessions and will likely commence in late 2023.

5. Risk Management

- 5.1 Recommendation 6 of the External Review stated:

“The Council needs to review how it both identifies risk and manages it.”

- 5.2 In his response, the Chief Executive notes that the handling of risks in relation to the Dargavel Village work is not representative of the Council's current practice in managing large scale projects or those which potentially involve commercial risk. There are well-established risk management approaches deployed and supported by project and risk management specialists as well as multi-disciplinary teams, and external support and expertise is utilised where this is appropriate. These approaches are well-established in centrally-managed projects and programmes.
- 5.3 The Council has robust arrangements in place for managing corporate, strategic and business-as-usual risks, and there is a clear governance

framework in place with 6-monthly reporting to the Audit, Risk and Scrutiny Board, which has delegated authority for risk management matters.

However, in order to make best use of the learning from the Review, officers are progressing a number of actions that would further strengthen our approach.

5.4 The key actions being (or indeed already) progressed include:

- A belt and braces review of risk profiles across all service departments to ensure visibility of all risks and confirmation of where certain risks are being monitored if outwith the standard Risk Reports to the Audit, Risk and Scrutiny Board (i.e., Health and Safety Planning Groups, Service Improvement Plans etc)
- A review of the 'service risk representative' roles in each service department to ensure the representatives who sit on the Corporate Risk Management Group are sufficiently involved in risk matters within the service, to feed this into the Corporate Risk Management Group and that they also have authority within the service to provide challenge as a 'critical friend.'
- Delivery of a project risk management workshop specific to the planned new primary school in Dargavel (complete)
- Delivery of project risk management training with all PMU colleagues (in a train the trainer format) so colleagues are delivering this as part of project kick-offs to support a more risk focussed culture in the organisation
- Undertaking a 'healthcheck' of project management arrangements across the council to ensure governance, management, reporting and risk management is appropriate to the scale of the project
- An update to the risk management course on iLearn and consideration of whether it should be a mandatory course
- Embedding risk management training into the new leadership development programme that is currently under development, particularly in relation to commercial risk
- Reviewing governance documents to ensure delegations in relation to liability caps are clear and unambiguous

5.5 Progress on improvement actions relating to risk management will be included in the regular schedule of risk reports to the Audit, Risk and Scrutiny Board.

Implications of the Report

- 1. Financial** – The cost of the leadership development programme will be met from existing revenue budgets over the course of 2023/24 and 2024/25.
- 2. HR & Organisational Development** – The report notes a programme of workforce development.
- 3. Community/Council Planning** – The planned workforce development links to themes identified in the Council Plan and to the Council's values.
- 4. Legal** – None
- 5. Property/Assets** - None
- 6. Information Technology** – none
- 7. Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only. Any projects arising from this report will carry out impact assessments in line with council policy.
- 8. Health & Safety** –none
- 9. Procurement** – none
- 10. Risk** – This report details improved actions for risk management practice arising from the Dargavel External Review.
- 11. Privacy Impact** - none
- 12. COSLA Policy Position** – none.
- 13. Climate Risk** – none

List of Background Papers: None

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