



REPORT TO: Grampian Valuation Joint Board on 19 June 2020

SUBJECT: Risk Management

BY: The Assessor & ERO

1. Reason for Report

1.1 To report to the Board on risk management.

2. Recommendation

2.1 **The Board note the risk register and the plans for future reviews.**

3. Background

- 3.1 The Board's Code of Corporate Governance requires the identification and prioritisation of risks to the organisation's aims and objectives; the evaluation of the risks being realised and the resultant impact and finally the management of risks.
- 3.2 The Risk Register is subject to ongoing review with reports submitted to the Board on an annual basis.
- 3.3 Apart from ongoing reviews by individual risk owners, the Management Team has an overall role in reviewing the register.

4.0 Current Position

4.1 The strategic risk register that is provided as an appendix was formally reviewed by the Management Team on 29 January 2020 and reflects the position as at 29 February 2020. Since mid-March then formalised Management, Technical and Administrative Team meeting cycle has been suspended with operational management of the organisation operating under contingency arrangements with the Covid Crisis Management Team (CCMT) meeting on a daily basis and focussing resources on business continuity.

4.2 A summary of the risk status is provided in the table below.

Risk Rating	2015	2016	2017	2018	2019	2020
High	2	3	3	4	3	4
Moderate	4	3	3	3	3	3
Low	2	3	4	4	5	5
Tolerable	14	12	12	12	12	12
Obsolete	8	9	9	9	9	9
Total number of live risks	22	21	22	23	23	24

4.3 “High” level risks

4.3.1 The number of high level risks increased from 3 to 4 over the last 12 months.

4.3.2 Risks 1g (the Banff server room environmental controls) and 6c (reliance on a small number of IT personnel) were reported previously and mitigation in terms of monitoring has continued over the last 10 months.

4.3.3 Risk 6a (inadequate numbers of trained/skilled staff to fulfil statutory functions) has increased from Moderate to High level to reflect the difficulties the organisation has faced in recruitment of surveying personnel.

4.3.4 Risk 5g was added following the outcome of the board meeting of 7 February and consultation with the Treasurer. This risk was however addressed when the Board held an extraordinary meeting on 20 March and the Management Team and Treasurer will review this risk in due course.

4.4 “Moderate” level risks

4.4.1 The number of risks with a ‘moderate’ overall rating has remained unchanged over the last 12 months.

4.4.2 Risks 5h and 5i concern business continuity planning and the introduction of electoral registration policy changes. These are both live issues and continue to challenge the organisation.

4.4.3 Risk 5e (strategic shift in taxation policy) has been re-assessed as Moderate rather than High level following the passage of the Non-domestic rates (Scotland) Bill.

4.5 “Low” level risks

4.5.1 There is little change to the assessed low level risks since April 2019.

5.0 Conclusion

- 5.1 The identification, evaluation and control of risk are continuous processes and remain live issues for the Management Team and the organisation as a whole. The risk rating profile over time reflects the challenges that face many public sector organisations along with the responses of the organisation to those challenges. The risk register provides a useful quantitative assessment that allows stakeholders to evaluate the capacity of the organisation to maintain operational effectiveness.
- 5.2 As the organisation adapts to meet the demands of the Covid-19 pandemic the risk owners and members of the Management Team are actively reviewing risk status and also seeking to identify and assess additional risks that impact on the organisation.

Author of Report: Ian H Milton