



**Title:** Risk Management Progress Report -  
Quarter 2 2016/17

**Status:** For Publication

**Report to:** Audit and Governance Committee

**Date:** 6<sup>th</sup> December 2016

**Cabinet Member:** Cabinet Member for Finance

**Director:** Director of Resources

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**Key Decision:** No

**Comments from Statutory Officers:**

**Monitoring Officer:** Yes/  
**Section 151 Officer:** Yes/

## **1 Purpose of Report**

1.1 This report summarises Risk Management activities during Quarter 2 2016/17.

## **2 Recommendations**

2.1 Report for information.

## **3 Background**

3.1 This report is to enable the Audit and Governance Committee, in accordance with their work programme and overall responsibility for governance, to scrutinise Risk Management activities. The work of RBC Risk Management is an ongoing requirement from the Accounts and Audit Regulations to produce an Annual Governance Statement (AGS), with Risk Management processes being an integral part of the AGS.

### **Alternatives considered**

3.2 Not applicable.

## **4 Financial Implications**

4.1 There are no financial implications arising from this report.

## **5 Legal Implications**

5.1 There are no legal implications arising from this report.

## **6 Personnel Implications**

6.1 There are no personnel implications arising from this report.

## **7 Corporate Priorities**

7.1 This report supports the Council's overall corporate objectives of ensuring that governance arrangements remain strong across the Council, particularly throughout this period of significant change.

## **8. Risk Assessment Implications**

8.1 All of the issues described within points 10–12 below include Risk implications.

## **9. Equalities Impacts**

### **9.1 Workforce Equality Impacts Assessment**

There are no workforce equality issues arising from this report.

### **9.2 Equality/Community Impact Assessments**

There are no equality/community issues arising from this report.

## **10 Corporate Risk Register**

### **10.1 Reviews of Leadership Risks and Controls**

The risks held within the Corporate register are those viewed as potential threats to the delivery of the overarching objectives for the whole Council (identified in the Corporate Plan).

The entire register has now been reviewed by the various Directors identified as Risk or Control Owners and Leadership Team (see the updated Corporate Risk Register in Appendix A below). There has been no change to the 10 risks identified or the risk scoring.

Risk ownership has been updated to reflect structure/role changes. Risk controls have been altered to reflect any changes to risk mitigation methods or changes to working practices.

Further review dates have been set for 2017 as appropriate.

## **11 Service Risk Management**

### **11.1 Risk Management Self Assessments**

Risk Management self-assessments are completed annually by all Service areas. to understand how risk management principles are embedded into the operation of each RBC Service. The final percentage of criteria met across all services was calculated at 76.0% - with this considered to be a positive result by the Risk Manager.

Self-assessment results are provided to Directors/senior managers to enable them to act on any improvements required within their areas of responsibility. The progress will be reported to Leadership Team during December 2016.

### **11.2 Aon Risk Review Process**

Our insurance brokers – Aon UK Ltd – are carrying out a Risk Review project under the direction of the Corporate Project Coordinator in Legal Services. The intention of the project is to provide an independent review of how insurable risk is managed and insured within the Council. This will assist in preparation for the tender process for the insurance contract which is due for renewal on 1<sup>st</sup> June 2017.

Risk clinics were completed in September 2016 where Directors/ senior managers discussed their risk management processes. The final report from Aon is still awaited.

### 11.3 Revised Risk Register System

Training has been delivered to 59 Risk Champions and key users to date on the new system, with plans to arrange further training sessions in December.

The Risk Register system is an essential tool for officers to coordinate their risk management work and will lead to more effective risk management processes.

### 11.4 Highways Maintenance

The new DfT 'Well Managed Highways – Code of Practice' was published on 28<sup>th</sup> October 2016. The new Code can either be adopted straightaway by authorities or by a final deadline of October 2018.

Councils are being asked to adopt a risk-based approach to the maintenance function across the full range of its asset inventory (roads, footways, gullies, street lights, retaining walls and other structures). The new approach will help councils achieve delivery of best value in terms of service provision. Therefore having a strong awareness of highways asset inventory and condition data, as well as robust inspection policies will be fundamental in achieving the outcomes of the code.

In this context Rochdale BC is in a good position regarding upkeep of the asset inventory. The Highways service is also aligning itself to the recommendations outlined in the DfT self-assessment questionnaire. Incentive funding is awarded to each local highway authority through a needs-based funding formula, through which Rochdale is aiming for band 3 status. Band 3 status is awarded when the key areas of maintenance good practice have been in place for some time and outcomes from this can be evidenced.

The Highways Maintenance Team Leader is confident that by adopting an approach of thorough planning, gap analysis and periodic reviews then the recommendations of the updated code will be implemented within the specified timescales. Progress in this area will reduce the risk of vehicle damage or injury to members of the public, and therefore control the scale of future public liability insurance claims.

## 12 Risk Management Results.

12.1 The table below shows the Risk Management results reported to the Leadership dashboard for Quarter 2 2016/17.

<b>Leadership Dashboard – Risk Management</b>	<b>Result Q1 2016/17</b>	<b>Result Q2 2016/17</b>	<b>Target 2016/17</b>
1. Number of Corporate Register Risks	10	10	Statement only
2. Number of Red risks on Corporate Register	0	0	0
3. Number of Red risks on Service Registers	0	0	0
4. Number of Risks where risk score has increased in last Quarter	0	0	0

There are no Red category risks to report at this time.

**13 Priorities for the Next Quarter**



- 1) Risk Manager to prepare briefing paper to provide updated guidance to the Services on the structure of risk registers.
- 2) Risk Manager to participate in audit interviews with both HM Revenues & Customs (HMRC) and Information Commissioners Office to provide confidence in RBC risk management procedures.
- 3) Risk management inspections of sample of schools to be completed by Risk Consultants from Zurich Insurance as part of their School Risk Ranking exercise.

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>
None	

# Appendix A



## Wider Leadership Team - Corporate Risk Register Risk Summary

**CRR0001 - Failure to maintain or gaps within corporate governance lead to risk of litigation, fraud/ malpractice, poor decision making or judicial review, causing serious service and financial failure (Compliance/ Legal) - (Operational)**

Next Review Officer	Risk Owner	Risk Status	Impact	Likelihood	Score	Risk Score	Risk Review Date	
David Wilcock	David Wilcock	Active	Inherent	4	4	16		30 Jun 2017
			Residual	3	2	6		



Controls	Control Owner	Status	Adoption Date	Review Date
* CRR1001 Oversight and challenge by an effective Audit and Governance Committee	Ian Corbridge	Control - In Place	23 Jun 15	30 Jun 17
* CRR1002 Code of Corporate Governance communicated, understood and followed	David Wilcock	Control - In Place	23 Jun 15	30 Jun 17
* CRR1003 Risk Management Strategy embedded and supports all decision making	Ian Corbridge	Control - In Place	23 Jun 15	30 Jun 17
* CRR1004 Governance Board providing challenge to and co-ordination of all governance issues	David Wilcock	Control - In Place	23 Jun 15	30 Jun 17
* CRR1005 Independent assurance provided by Internal Audit	Ian Corbridge	Control - In Place	23 Jun 15	30 Jun 17
* CRR1006 Independent assurance provided by External Audit	Pauline Kane	Control - In Place	23 Jun 15	30 Sep 17
* CRR1007 Independent assurance provided by external assessors (Ofsted, Care Quality Commission etc.)	Steve Rumbelow	Control - In Place	23 Jun 15	30 Jun 17
* CRR1008 Anti-fraud and Corruption Strategy communicated, understood and followed	Ian Corbridge	Control - In Place	23 Jun 15	30 Jun 17
* CRR1009 Scheme of delegation which is clear, understood and being followed	David Wilcock	Control - In Place	23 Jun 15	30 Jun 17
* CRR1010 Contract procedure rules which are clear, understood and being followed	Pauline Kane	Control - In Place	23 Jun 15	30 Jun 17
* CRR1011 Codes of Conduct for Members and Officers which are clear, understood and followed	David Wilcock	Control - In Place	23 Jun 15	30 Jun 17
* CRR1012 Performance Management system which promotes accountability and outcome monitoring is embedded	Mark Dalzell	Control - In Place	23 Jun 15	31 Mar 17
* CRR1013 Information Governance Framework which supports compliance with all data control requirements is embedded	Mark Dalzell	Control - In Place	23 Jun 15	31 Mar 17

**CRR0002 - A catastrophic event and lack of organisational resilience leads to inability to deliver our services, to then support and protect the wider community and to rebuild the infrastructure (Operational) - (Operational)**

Next Review Officer	Risk Owner	Risk Status	Impact	Likelihood	Score	Risk Score	Risk Review Date	
Mark Dalzell	Mark Dalzell	Active	Inherent	5	4	20		31 Mar 2017
			Residual	4	3	12		

Controls	Control Owner	Status	Adoption Date	Review Date
* CRR2001 Corporate business continuity plan, refreshed and checked for accuracy quarterly	Mark Dalzell	Control - In Place	23 Jun 15	31 Mar 17
* CRR2002 Service level business continuity plans, refreshed and checked for accuracy quarterly	Steve Rumbelow	Control - In Place	23 Jun 15	31 Mar 17
* CRR2003 Periodic training and briefing to service business continuity leads undertaken	Mark Dalzell	Control - In Place	23 Jun 15	31 Mar 17
* CRR2004 Periodic corporate business continuity plan dry run exercises	Mark Dalzell	Control - In Place	23 Jun 15	31 Mar 17
* CRR2005 Emergency plan, refreshed quarterly, communicated and understood	Mark Dalzell	Control - In Place	23 Jun 15	31 Mar 17
* CRR2006 Themed plans (i.e. rest centres, flooding, Turner Brothers site) for specific purposes	Mark Dalzell	Control - In Place	23 Jun 15	31 Mar 17
* CRR2007 Training, briefing and exercises carried out for Silver and Forward Incident officers	Mark Dalzell	Control - In Place	23 Jun 15	31 Mar 17
* CRR2008 Multi-agency resilience forum in place to debrief incidents and conduct exercises	Mark Dalzell	Control - In Place	23 Jun 15	31 Mar 17
* CRR2009 Review procedures for testing of ICT system to improve processes and resilience	Mark Dalzell	Control - In Place	23 Jun 15	31 Mar 17
* CRR2010 Risk Management Strategy embedded and supports all decision making	Ian Corbridge	Control - In Place	23 Jun 15	30 Jun 17



**CRR0003 - Budget reductions required do not leave enough budget to deliver statutory services and to achieve balanced budget in 2016/17 and 2017/18 leading to a failure in legal duty (Strategic) - (Operational)**

Next Review Officer	Risk Owner	Risk Status	Impact	Likelihood	Score	Risk Score	Risk Review Date	
Pauline Kane	Pauline Kane	Active	Inherent	4	4	16		30 Jun 2017
			Residual	3	3	9		

Controls	Control Owner	Status	Adoption Date	Review Date
* CRR3001 Medium Term Financial Strategy updated annually and approved by Cabinet and Council	Pauline Kane	Control - In Place	23 Jun 15	01 Oct 17

* CRR3002 Regular reports to Leadership, Cabinet and Overview and Scrutiny, Council on budget position locally and nationally	Pauline Kane	Control - In Place	23 Jun 15	01 Oct 17
* CRR3003 Budget monitoring embedded which pro-actively highlights financial challenges	Pauline Kane	Control - In Place	23 Jun 15	01 Oct 17
* CRR3004 Treasury Management Policy embedded and adhered to	Pauline Kane	Control - In Place	23 Jun 15	01 May 17
* CRR3005 Corporate Plan established which provides strategic direction for services	Steve Rumbelow	Control - In Place	23 Jun 15	30 Jun 17
* CRR3006 Organisational Development Strategy in place which aligns strategy, people and processes	Margo Kane	Control - In Place	24 Jun 15	30 Jun 17
* CRR3007 s151 Officer Report presented to Council annually prior to budget setting	Pauline Kane	Control - In Place	23 Jun 15	01 Apr 17
* CRR3008 Risk Management Strategy embedded and supports all decision making	Ian Corbridge	Control - In Place	23 Jun 15	30 Jun 17
* CRR3009 Corporate approach to addressing budget challenges (offices and Members working together)	Pauline Kane	Control - In Place	23 Jun 15	01 Apr 17
* CRR3010 External audit financial resilience assessment	Pauline Kane	Control - In Place	23 Jun 15	01 Sep 17

#### CRR0004 - Ineffective financial management and resilience leads to the Council significantly overspending the annual budget (Strategic) - (Operational)

Next Review Officer	Risk Owner	Risk Status	Impact	Likelihood	Score	Risk Score	Risk Review Date	
Pauline Kane	Pauline Kane	Active	Inherent	4	4	16		30 Jun 2017
			Residual	3	2	6		

Controls	Control Owner	Status	Adoption Date	Review Date
* CRR4001 Medium Term Financial Strategy updated annually and approved by Cabinet and Council	Pauline Kane	Control - In Place	23 Jun 15	01 Oct 17
* CRR4002 Regular reports to Leadership, Cabinet and Overview and Scrutiny, Council on budget position locally and nationally	Pauline Kane	Control - In Place	23 Jun 15	01 Oct 17
* CRR4003 Budget monitoring embedded which pro-actively highlights financial challenges	Pauline Kane	Control - In Place	23 Jun 15	01 Oct 17
* CRR4004 Treasury Management Policy embedded and adhered to	Pauline Kane	Control - In Place	23 Jun 15	01 May 17
* CRR4005 Corporate Plan established which provides strategic direction for services	Steve Rumbelow	Control - In Place	23 Jun 15	30 Jun 17
* CRR4006 Organisational Development Strategy in place which aligns strategy, people and processes	Margo Kane	Control - In Place	23 Jun 15	30 Jun 17
* CRR4007 s151 Officer Report presented to Council annually prior to budget setting	Pauline Kane	Control - In Place	23 Jun 15	01 Apr 17
* CRR4008 Risk Management Strategy embedded and supports all decision making	Ian Corbridge	Control - In Place	23 Jun 15	30 Jun 17
* CRR4009 Corporate approach to addressing budget challenges (officers and Members working together)	Pauline Kane	Control - In Place	23 Jun 15	01 Apr 17

\* CRR4010 External audit financial resilience assessment



Pauline Kane

Control - In Place

23 Jun 15

01 Sep 17

**CRR0005 - Failure of, or lack of compliance with, health and safety systems leads to harm to an individual and a corporate manslaughter/ homicide conviction (Compliance/ Legal) - (Operational)**

Next Review Officer	Risk Owner	Risk Status	Impact	Likelihood	Score	Risk Score	Risk Review Date	
Sheila Downey	Sheila Downey	Active	Inherent	4	3	12		30 Jun 2017
			Residual	4	2	8		

Controls	Control Owner	Status	Adoption Date	Review Date
* CRR5001 Corporate Health and Safety Policy is clear, understood and being followed	Margo Kane	Control - In Place	23 Jun 15	30 Jun 17
* CRR5002 Learning and development provided to whole workforce, primarily through e-learning	Margo Kane	Control - In Place	23 Jun 15	30 Jun 17
* CRR5003 Comprehensive health and well-being policies in place and adhered to	Margo Kane	Control - In Place	23 Jun 15	30 Jun 17
* CRR5004 In house team of Health and Safety Advisers who link into the Central Health and Safety Committee	Margo Kane	Control - In Place	23 Jun 15	30 Jun 17
* CRR5005 Liaison with Health and Safety Executive to ensure risk and issues highlighted and addressed	Margo Kane	Control - In Place	23 Jun 15	30 Jun 17
* CRR5006 Member training regularly updated, fully attended and understood	Margo Kane	Control - In Place	23 Jun 15	30 Jun 17
* CRR5007 Risk Management Strategy embedded and supports all decision making	Ian Corbridge	Control - In Place	23 Jun 15	30 Jun 17

**CRR0006 - Risk that Council and Devolution Manchester priorities are not fully aligned - (Operational)**

Next Review Officer	Risk Owner	Risk Status	Impact	Likelihood	Score	Risk Score	Risk Review Date	
Steve Rumbelow	Steve Rumbelow	Active	Inherent	4	3	12		30 Jun 2017
			Residual	4	2	8		

Controls	Control Owner	Status	Adoption Date	Review Date
* CRR6001 Chief Executive is a member of AGMA WLT (Meeting of GM Chief Executives)	Steve Rumbelow	Control - In Place	14 Jul 15	30 Jun 17
* CRR6004 Officer representation on working groups dealing with CA/AGMA/Devolution issues as appropriate	Steve Rumbelow	Control - In Place	14 Jul 15	30 Jun 17
* CRR6002 Leader is a member of formally constituted GM Combined Authority with other Council Leaders and Interim Mayor	Steve Rumbelow	Control - In Place	14 Jul 15	30 Jun 17



\* CRR6003 Elected members from Rochdale BC sit on Scrutiny Panel



Steve Rumbelow

Control - In Place

14 Jul 15



30 Jun 17

**CRR0007 - Risk of a breakdown in community stability (Operational) - (Operational)**

Next Review Officer	Risk Owner	Risk Status	Impact	Likelihood	Score	Risk Score	Risk Review Date	
Mark Dalzell	Mark Dalzell	Active	Inherent	4	4	16		30 Apr 2017
			Residual	4	3	12		

Controls	Control Owner	Status	Adoption Date	Review Date
* CRR7001 Community and Cohesion Strategy communicated and embedded	Mark Dalzell	Control - Being Developed	23 Jun 15	30 Apr 17
* CRR7002 Community Cohesion Pledge signed by elected Members and Community Representatives	Mark Dalzell	Control - In Place	23 Jun 15	30 Apr 17
* CRR7003 Extensive partnerships developed and maintained enabling networking and intelligence sharing eg. Active citizens and multi-faith forums.	Sajjad Miah	Control - In Place	23 Jun 15	30 Apr 17
* CRR7004 Joint working with Greater Manchester authorities to monitor and mitigate risks	Sajjad Miah	Control - In Place	23 Jun 15	30 Apr 17
* CRR7005 Interfaith Networks Group in place	Sajjad Miah	Control - In Place	23 Jun 15	30 Apr 17
* CRR7006 Multi agency forums/ networks sharing intelligence	Sajjad Miah	Control - In Place	23 Jun 15	30 Apr 17
* CRR7007 Cohesion Hub and Consequence Management process in place	Sajjad Miah	Control - In Place	23 Jun 15	30 Apr 17
* CRR7008 Weekly tension monitoring and trigger plans in place	Sajjad Miah	Control - In Place	23 Jun 15	30 Apr 17
* CRR7009 Risk Management Strategy embedded and supports all decision making	Ian Corbridge	Control - In Place	23 Jun 15	30 Jun 17



**CRR0008 - Risk of serious harm to or death of a child due to the act or omission by Council employees (Compliance/ Legal) - (Operational)**

Next Review Officer	Risk Owner	Risk Status	Impact	Likelihood	Score	Risk Score	Risk Review Date	
Gail Hopper	Gail Hopper	Active	Inherent	5	4	20		30 Apr 2017
			Residual	5	3	15		

Controls	Control Owner	Status	Adoption Date	Review Date
* CRR8001 Local Safeguarding Children Board in place which provides robust challenge	Gail Hopper	Control - In Place	23 Jun 15	30 Apr 17
* CRR8002 Independent Ofsted inspections	Sandra Bowness	Control - In Place	23 Jun 15	31 Jan 17

* CRR8003 Regional Support and Challenge including Peer Reviews	Gail Hopper	Control - In Place	23 Jun 15	30 Apr 17
* CRR8004 Performance/ Quality Assurance Framework is fully embedded	Gail Hopper	Control - In Place	23 Jun 15	30 Apr 17
* CRR8005 Ongoing and robust management of external/ commissioned service providers	Gail Hopper	Control - In Place	23 Jun 15	30 Apr 17
* CRR8006 Effective management oversight and supervision of staff	Gail Hopper	Control - In Place	23 Jun 15	30 Apr 17
* CRR8007 Early Help Strategy is refreshed and re-launched	Sandra Bowness	Control - In Place	23 Jun 15	30 Apr 17
* CRR8009 Critical Incident Reporting Framework in place and embedded	Gail Hopper	Control - In Place	23 Jun 15	30 Apr 17
* CRR8010 Workforce Development Strategy - training and support provided to staff	Gail Hopper	Control - In Place	23 Jun 15	30 Apr 17
* CRR8011 Local Authority provides advice/ monitoring and training on safe practice in schools	Gail Hopper	Control - In Place	23 Jun 15	30 Apr 17
* CRR8012 Risk Management Strategy embedded and supports all decision making	Ian Corbridge	Control - In Place	23 Jun 15	30 Apr 17

**CRR0009 - Risk of serious harm to or death of a vulnerable adult due to the act or omission by Council employees (Compliance Legal) - (Operational)**

Next Review Officer	Risk Owner	Risk Status	Impact	Likelihood	Score	Risk Score	Risk Review Date	
Sheila Downey	Sheila Downey	Active	Inherent	5	4	20		30 Apr 2017
			Residual	5	3	15		

Controls	Control Owner	Status	Adoption Date	Review Date
* CRR9001 Adult Safeguarding Board in place which provides robust challenge	Sheila Downey	Control - In Place	23 Jun 15	30 Apr 17
* CRR9002 Independent reviews by the Care Quality Commission (CQC)	Dianne David	Control - In Place	23 Jun 15	30 Apr 17
* CRR9003 Quality assurance checks	Dianne David	Control - In Place	23 Jun 15	30 Apr 17
* CRR9004 Effective management and supervision of staff	Steven Blezard	Control - In Place	23 Jun 15	30 Apr 17
* CRR9005 Adult Care Safeguarding Policy is communicated and followed	Steven Blezard	Control - In Place	23 Jun 15	30 Apr 17
* CRR9006 Robust and regular safeguarding and case file audits	Steven Blezard	Control - In Place	23 Jun 15	30 Apr 17
* CRR9007 Robust quality assurance/ contract management procedures	Dianne David	Control - In Place	23 Jun 15	30 Apr 17
* CRR9008 Regional support and peer challenge	Sheila Downey	Control - In Place	23 Jun 15	30 Apr 17
* CRR9009 Recruitment and retention plan for qualified social workers	Sheila Downey	Control - In Place	23 Jun 15	30 Apr 17
* CRR9010 Ongoing sharing of intelligence information with CQC and other partners	Dianne David	Control - In Place	23 Jun 15	30 Apr 17
* CRR9011 Training and development plans for staff	Steven Blezard	Control - In Place	23 Jun 15	30 Apr 17



\* CRR9012 Risk Management Strategy embedded and supports all decision making Ian Corbridge

Control - In Place

23 Jun 15

30 Jun 17

**CRR0010 - Failure to take opportunities for growth leading to a lack of investment in the Borough and lower levels of regeneration and prosperity - (Operational)**

Next Review Officer	Risk Owner	Risk Status	Impact	Likelihood	Score	Risk Score	Risk Review Date	
John Searle	John Searle	Active	Inherent	4	4	16		30 Apr 2017
			Residual	3	3	9		

Controls	Control Owner	Status	Adoption Date	Review Date
* CRR10001 Medium Term Financial Plan is comprehensive and regularly updated	Pauline Kane	Control - In Place	23 Jun 15	01 Oct 17
* CRR10002 Oversight and challenge of major projects and decisions by Corporate Overview and Scrutiny Committee	Mark Robinson	Control - In Place	23 Jun 15	30 Apr 17
* CRR10003 Programme/ project management principles are applied consistently	Mark Robinson	Control - In Place	23 Jun 15	30 Apr 17
* CRR10004 Asset Management Plan is established, monitored and regularly updated	Peter Gregory	Control - In Place	23 Jun 15	30 Apr 17
* CRR10005 Risk Management Strategy embedded and supports all decision making	Ian Corbridge	Control - In Place	23 Jun 15	30 Jun 17
* CRR10006 Maximise opportunities for good news	Susan Ayres	Control - In Place	23 Jun 15	31 Jan 17
* CRR10007 Early warning protocol agreed for identifying potential bad news	Susan Ayres	Control - In Place	23 Jun 15	31 Jan 17