

South Ayrshire Council

Report by Head of Legal and Regulatory Services
to Cabinet
of 25 April 2023

Subject: Strategic Risk Management

1. Purpose

1.1 The purpose of this report is to update Cabinet on the reviewed Strategic Risk Register (Appendix 1) in line with the agreed reporting framework.

2. Recommendation

2.1 It is recommended that the Cabinet:

2.1.1 considers the reviewed Strategic Risk Register (Appendix 1) updated by Chief Officers; and

2.1.2 notes the 15 key risks and endorses the work currently being undertaken or proposed by risk owners to mitigate these risks.

3. Background

3.1 The Strategic Risk Register is reported in accordance with the framework within the Corporate Risk Management Strategy.

3.2 The Strategic Risk Register was reported to the Audit and Governance Panel of 22 March 2023 for scrutiny and is now referred to Cabinet for endorsement.

3.3 Risk Management is also undertaken at Directorate level and within the Health and Social Care Partnership.

4. Proposals

4.1 The Strategic Risk Register has been reviewed by Chief Officers / Risk Owners and updates provided on progress against implementation of proposed risk mitigations. Risks are referenced against the themes of Governance, Protection and Resources. 15 Strategic Risks are managed and these are listed as follows:

	<i>Risk</i>	<i>Theme</i>
1.	Decision Making and Governance	Governance
2.	External Factors including Contingency Planning	Governance

	Risk	Theme
3.	Strategic Planning	Governance
4.	Integrity	Governance
5.	Internal Audit Actions	Governance
6.	Child and Adult Protection	Protection
7.	Public/ Employee Protection	Protection
8.	Sustainable Development and Climate Change	Protection
9.	Financial Inclusion	Protection
10.	Ash Tree Die Back	Protection
11.	Financial Constraints	Resources
12.	Employee Absence	Resources
13.	Workforce Planning	Resources
14.	ICT – Digital Resilience, Protection and Capability	Resources
15.	Management of Assets	Resources

- 4.2 Full detail of strategic risk management arrangements is provided within the register (Appendix 1). Ownership is assigned to ensure there is clear accountability and responsibility in terms of risk management. The cause, potential effect, risk score and current mitigations are also recorded.
- 4.3 Proposed risk mitigations have a target completion date and their progress is outlined by use of a percentage completion bar in the report. A status icon is also included which indicates whether or not the specific initiative is on target.
- 4.4 Members are requested to note that the Health and Social Care Partnership (HSCP) provide information on the risk management of Child and Adult Protection within the Council's Strategic Risk Register. HSCP also develop and report on wider Partnership risk issues within their own bespoke Strategic Risk Register which is provided on a 6 monthly basis for scrutiny to the HSCP Performance and Audit Panel. A link to the HSCP's risk register is provided on pages 7 and 8 of Appendix 1.
- 4.5 Following a request from Members, risk information has been included to reflect Internal Audit processes via the 'Governance' theme. Risk 5 (page 6) outlines the risk mitigations which are in place or planned to ensure that there is additional accountability where identified internal audit actions are not progressed within a reasonable timeframe.
- 4.6 It has also been considered appropriate to specifically include risk management arrangements around the Cost-of-Living Crisis due to the impact this has on both South Ayrshire Communities and employees. Information is provided on Risk 9 – Financial Inclusion - under the theme of 'Protection' on page 11.
- 4.7 Further to a request via the Service and Performance Panel, information relating to the management of Employee Absence is now covered at Risk 12 under the theme of 'Resources' on page 14.

4.8 Members are also requested to note that Chief Officers regularly consider new or emerging risks and there is a process whereby significant operational risks, managed at directorate level, can be elevated to strategic level as required.

4.9 It is anticipated that Members will consider the strategic risk management arrangements outlined within this report and be assured that there is a robust system in place for identifying and managing those threats which could have a significant impact on the successful delivery of the Council's objectives.

5. Legal and Procurement Implications

5.1 The recommendations in this report are consistent with legal requirements.

5.2 There are no procurement implications arising from this report.

6. Financial Implications

6.1 There are no cost implications associated with the recommendations in this report.

7. Human Resources Implications

7.1 There are no human resource implications associated with the recommendations in this report.

8. Risk

8.1 Risk Implications of Adopting the Recommendations

8.1.1 Risks have been identified and assessed in line with the Council's Risk Management process. This report seeks to confirm that risk mitigation at Strategic level is ongoing and risks are being managed at a tolerable level.

8.2 Risk Implications of Rejecting the Recommendations

8.2.1 Rejecting the recommendations may give rise to external criticism, breach of statute or legal challenge.

9. Equalities

9.1 The proposals in this report allow scrutiny of performance. The report does not involve proposals for policies, strategies, procedures, processes, financial decisions and activities (including service delivery), both new and at review, that affect the Council's communities and employees, therefore an equality impact assessment is not required.

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to the delivery of all Council priorities/ outcomes.

13. Results of Consultation

13.1 Consultation has taken place with Councillor Martin Dowey, Portfolio Holder for Corporate and Strategic, and the contents of this report reflect any feedback provided.

14. Next Steps for Decision Tracking

14.1 If the recommendations above are approved by Members, the Head of Legal and Regulatory Services will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Adopt recommended approach to Strategic Risk Management	30 April 2023	Service Lead – Risk and Safety
















Background Papers **Report to Audit and Governance Panel of 22 March 2023 – [Strategic Risk Management](#)**

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Date: 14 April 2023



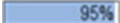


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South Ayrshire Council has identified the following risks of strategic significance in line with the themes of Governance, Protection and Resources.

Risk Themes and Title		
Governance	Protection	Resources
1. Decision Making and Governance 	6. Adult and Child Protection 	11. Financial Constraints 
2. External Factors including Contingency Planning 	7. Public and Employee Protection 	12. Employee Absence 
3. Strategic Planning 	8. Sustainable Development and Climate Change 	13. Workforce Planning 
4. Integrity 	9. Financial Inclusion 	14. ICT – Digital Resilience, Protection and Capability 
5. Internal Audit Actions 	10. Grounds Maintenance - Ash Tree Die Back 	15. Management of Assets 
<p>Input is provided by Risk Owners identified at Strategic level to ensure clear responsibility in terms of their management. Detail is provided on risk mitigations – both current and proposed. Target dates are recorded in respect of the achievement of the proposed mitigations. The successful mitigation of these risks will support the delivery of the Council Plan.</p>		

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Risk 1	Risk Title – Decision Making and Governance				Risk Theme - Governance	
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Accountable – ELT Responsible - CLT Risk Owner – Head of Legal and Regulatory Services	1. There is a risk that key decisions are taken on behalf of the Council which may contradict agreed Council Plan objectives or increase risk exposure to the organisation.	Updates to Government legislation and advice. Changes to political structure. Levels of scrutiny.	Lack of compliance. Failure to meet statutory requirements. Poor best value audit. Reputational damage.		1. Members are supported by a range of training programmes to ensure effective Panel participation and good decision making. 2. Service Leads ensure there is full consultation with PFH's on Panel reports. 3. Webcasting/live broadcasting solution that allows both hybrid meetings and public access now live and fully operational. External public website now has an area dedicated to this where meetings can be live streamed, the future meeting schedule is visible and recordings of the meeting archive can be viewed.	
Proposed Mitigations (with dates)					Status	Progress Bar
1. Members are supported to deliver good decision making through training and briefings. The Service Lead – Democratic Governance - reviewed arrangements for briefings for Member and Committee Services in discussion with the Leader. Induction training and bespoke Panel training sessions took place in May/June 2022. Specific recommendations were made for one-to-one meetings with new Members to assess training needs and produce an individualised plan. These take place by request from Members utilising the Improvement Service's Political Skills Self- Assessment tool and this allows Members to consider particular areas that they would benefit from training on. (June 2023).						 Increased from 90%
2. The new Council Plan and accompanying governance arrangements are currently under development. Further mitigations will be identified once approved by Council in March 2023. (Cross reference - Risk 3 - Strategic Planning).						 New

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Risk 2

Risk Title – External Factors including Contingency Planning

Risk Theme - Governance

Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Accountable – ELT Responsible - CLT Risk Owner – Head of Legal and Regulatory Services	There is a risk that a range of external factors out with the Council's control such as pandemic, Brexit, Ukraine, cost of living crisis, inflation, industrial action, disruptive weather or other, may adversely impact on ability to fulfil Council objectives and deliver critical services.	Adverse incidents or Civil Emergencies. Factors imposed upon the Council such as legislative change, Government policy change, cost-of-living crisis, implications of Brexit, Ukraine, political change nationally or locally. Unanticipated updates to Government legislation and advice.	Requirement to re-allocate resources, failure to deliver services to an acceptable level or drive desired improvements. Restrictions on budget, reputational damage.	<p>6 x 2 = 12</p>	<ol style="list-style-type: none"> 1. Continued Horizon scanning to anticipate and respond to risks – four main civil contingencies risks identified for Ayrshire. 2. Watching brief and continual discussion on funding requirements for any unanticipated emergencies. 3. Dissemination of information to officers and members around CoSLA and Chartered Institute of Public Finance and Accounting (CIPFA). 4. The Ayrshire Civil Contingencies Team (ACCT) supports the Ayrshire Local Resilience Partnership (ALRP). The structure of the Practitioner and Strategic ALRP was refined to respond more efficiently to Ayrshire Risks. Chief Executive attends Strategic ALRP. 5. The Level of Interaction between Health / Councils and partners has increased and allows for more efficient collaboration in emergency planning. The HSCP Risk and Resilience Forum is well established. 6. 24/7 on call service in place via Civil Contingencies to respond to, and coordinate, Council emergency response to major incidents. 7. Staffing and resourcing arrangements are in place to support those individuals and families arriving in South Ayrshire from Ukraine. 8. <i>Cross reference to mitigations at Risk 9 – Financial Inclusion.</i> 	
Proposed Mitigations (with dates)						
1. Practitioner Ayrshire Local Resilience Partnership (ALRP) and Strategic Ayrshire Local Resilience Partnership meet with required frequency to co-ordinate individual responses from all agencies to major incidents or adverse events. Ayrshire wide Tactical Groups are established where circumstances dictate, recently including a specific focus on contingency arrangements and additional actions deemed necessary to manage increasing numbers of refugees from Ukraine and the Cost-of-Living Crisis. Additionally, the Ayrshire ALRP identifies and manages 4 concurrent civil contingencies risks to support an Ayrshire response. These are 1. Pandemic or Emerging Infectious Diseases, 2. Marauding Terrorist Attack, 3. Disruptive Weather and 4. National Electricity Transmission System (NETS) Failure (Power Resilience/Black Start) (ongoing)						<p style="color: red; font-weight: bold;">Increased from 85%</p>
2. Risk and Safety Team and the Ayrshire Civil Contingencies Team continue to support SAC civil contingency and business continuity arrangements. SAC civil contingencies response plan has been updated and Council Incident Officer training is being rolled out to key Chief Officers, operational Service Leads and Coordinators. Council Managers undertake a rolling review of Service Business Continuity Plans on 6 monthly basis. Civil Contingencies exercises to test plans continue to be developed and rolled out (ongoing).						<p style="color: red; font-weight: bold;">Increased from 85%</p>

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Risk 3		Risk Title – Strategic Planning			Risk Theme - Governance	
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Accountable – ELT Responsible - CLT Risk Owner – Service Lead – Policy and Performance	1. There is a risk that the Council fails to fulfil strategic objectives in light of the recent pandemic, cost of living crisis and related pressures, and that current service, financial and resource planning is therefore not aligned.	Recent pressures may have contributed to delays in Corporate and Directorate Planning processes.	Failure to deliver on Corporate and Directorate Plans or achieve priority outcomes Failure to meet expectations of the public, partners, service users, local businesses Reputational damage	 4 x 2 = 8	1.Recovery and Renew Framework from pandemic in place. 2.Plans developed from each Council Service Lead to take account of future operational delivery models 4.Existing Council Plan with clearly defined priorities is in place. 5.Delivering Good Governance framework and reporting in place. 6.Robust financial governance in place. 7.The Future Operating Model has been implemented and the Council is now operating its new ways of working.	
Proposed Mitigations (with dates)					Status	Progress Bar
1. Budget monitoring ongoing to measure full year financial impact (ongoing monthly)					▶	 <i>Increased from 75%</i>
2. The new Council Plan and accompanying governance arrangements are currently under development. Further mitigations will be identified once approved by Council in March 2023.					▶	 <i>New</i>

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Risk 4

Risk Title – Integrity

Risk Theme - Governance

Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Accountable – ELT Responsible - CLT Risk Owner – Head of Legal and Regulatory Services	1. There is a risk that the integrity of the Council is breached through a range of failures such as Information / Asset Security, Cyber Crime, non-compliance with the General Data Protection Regulations (GDPR), Procurement Fraud, Contractual Failures, Vetting or Financial Irregularities. 2. There is a risk of failure to maintain sources of assurance and levels of scrutiny.	Existing Council Policy or systems may be ineffective or inconsistently implemented. Lack of training or communication. Difficulty to respond timeously to FOI and GDPR requests. Additional levels of Cybercrime and Fraud because of external global events.	Reputational damage, financial loss, fines, prosecution, civil liability.	<p style="color: red; font-weight: bold;">4 x 2 = 8</p>	1. Current policies / encryption / firewalls, specifically mandatory online Data Protection training, robust processes for reporting and dealing with data breaches. 2. Adherence to the Records Management Plan that has been agreed with the Keeper and is being implemented. 3. Standing Orders relating to Contracts and to Meetings, Scheme of Delegation, Financial Regulations, Council Procurement Policy. 4. SAC Code of Conduct, range of HR, H&S, Fleet policies, employee vetting processes. 5. Fraud Officers, Fidelity Guarantee Insurance Policy and National Fraud Initiative. 6. Internal Audit activity. 7. Establishment of Integrity Group / management of Integrity Group Risks. 8. Additional Communications with Staff and Public with advice re Cyber Crime and Fraud.	
Proposed Mitigations (with dates)					Status	Progress Bar
1. The actions referred to above are progressed by an Integrity Group, which monitors existing risks and identifies any new and emerging risks for SAC. The Group monitors and develops appropriate mitigations. The Chief Executive chairs the group and officers responsible for each key heading report on the risks. Various Service Leads attend and report on their operational areas as they relate to integrity. (ongoing).						<p style="color: red; font-weight: bold;">Increased from 85%</p>
2. The reporting process of the risks from Integrity Group to Members is being reviewed. Reporting mechanisms to Members by other authorities is being considered and then a paper will be taken to next integrity group - any good practice that is identified will be implemented (June 2023)						<p style="color: red; font-weight: bold;">Increased from 30%</p>

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Risk 5		Risk Title – Internal Audit Actions			Risk Theme - Governance	
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Accountable – ELT Responsible - CLT Risk Owner – Chief Internal Auditor and Service Leads	<p>There is a risk that actions identified by Internal Audit are not progressed within agreed timeframes.</p> <p>The position at 17/01/23 was as follows;</p> <p>a/ No overdue actions.</p> <p>b/. 19 actions due for completion in next 6 months – (cross ref App 2 Q3 IA Progress Report).</p> <p>c/. Extension to due date requested for 1 action.</p>	<p>Staffing resources</p> <p>Delays in implementation of corporate systems e.g. oracle fusion</p>	<p>Service Governance arrangements are compromised.</p> <p>Depending on the significance of the outstanding action the Council may be exposed to risks relating to statutory compliance, public or employee safety, financial loss, reputational damage, legal challenge.</p>	<p>3 x 2 = 6</p>	<p>1 The Audit Plan is formulated on an annual basis. There is also a mid-year review and approval is sought from Audit and Governance Panel for any changes.</p> <p>2. Follow up Audits are undertaken for all 'red' reports as well as a sample of 'amber' reports, where resources permit.</p> <p>3. Internal Audit 'test' 100% completion feedback from Services to ensure it is evidence based.</p> <p>4. The Chief Internal Auditor is able to grant 2 extensions to due dates for actions.</p> <p>5. Progress against actions is included in Internal Audit update reports the Audit and Governance Panel.</p>	
Proposed Mitigations (with dates)					Status	Progress Bar
1. Service Leads are required to attend Audit and Governance Panel to explain any 'red' reports, any overdue or outstanding actions from these and further explanation of requests for more than 2 extensions to due dates. They may be required to bring a formal report to Panel if deemed appropriate. (Ongoing)						 New
2. Service Leads are required to record and monitor progress on Internal Audit reports within the relevant risk register. They are requested to ensure that they maintain and are able to retrieve information gathered to provide assurance that actions are fully complete. (Ongoing).						 New

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Risk 6

Risk Title - Adult and Child Protection

Risk Theme – Protection

Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations
<p>Accountable – ELT</p> <p>Responsible - CLT</p> <p>Risk Owner – Director of Health and Social Care and Chief Social Work Officer (CSWO).</p>	<p>1. There are increased levels of hidden harm in our community as a result of Covid and reduced community presence of services.</p> <p>2. There is a risk of failure to provide adequate protection and the necessary level of support to vulnerable adults and children.</p> <p>3. There are additional risks facing the HSCP and these are being managed, monitored and reviewed via the HSCP Strategic Risk Register which is reported and scrutinised at the HSCP Performance and Audit Panel.</p>	<p>COVID-19</p> <p>More complex family and adult needs</p>	<p>Potential harm to clients and vulnerable service users.</p> <p>Potential for litigation, financial loss or reputational damage.</p>	<p>5 x 2 = 10</p>	<p>1. There are quarterly Chief Officer Group (COG) meetings to monitor the impact of Covid or other external factors on public protection matters.</p> <p>2. There are quarterly Public Protection subgroups (Child Protection; Adult Protection; Violence Against Women/Criminal Justice and Alcohol and Drugs Partnership) reporting into COG that are monitoring the operational context and responding in a coordinated way to issues.</p> <p>3. HSCP Directorate Management Team meets regularly to provide leadership and oversight.</p> <p>4. Established governance in place via Clinical and Care Governance, Social Work Governance and Adult Governance Groups.</p> <p>5. APC and CPC meet regularly and review business plans</p> <p>6. Multi Agency Public Protection Arrangements (MAPPA) including Management Oversight Group and Strategic Oversight Group) are in place and report quarterly to COG.</p> <p>7. The Community Services Oversight Group supports in house and commissioned services and provides assurance on a range of issues to key local and national stakeholders.</p> <p>8. Initial Referral Data (IRD) activity is now audited to provide scrutiny and assurance in relation to this key activity. There are now annual Child Protection 'Trend Analysis' produced for the CPC and COG to reflect on the changing culture in South Ayrshire towards Child Protection and to invite scrutiny of annual data.</p> <p>9. Adult Support Protection Lead Officer engages first line managers in developing our response to vulnerable adults</p> <p>10. CSWO engages with operational staff in relation to complex cases in both adult and children's services where there are complex risk factors</p> <p>11. Care First implemented across all children and adult social work teams.</p> <p>12. CPC/APC subgroup structure now established and the Policy and Performance Subgroup is leading this review work and reports progress at each meeting</p> <p>13. Governance on new policy and procedure is via CPC/APC through to COG.</p> <p>14. Development of Practice Standards in Social Work is in progress to support the policy framework.</p> <p>15. The quality assurance framework is operational providing triangulated information to the Community Services Oversight Group from a range of sources in order to ensure minimum standards are met across all commissioned services.</p> <p>16. HSCP strategic and operational risk registers are complete and approved by HSCP Performance and Audit Committee.</p>

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Risk 6	Risk Title - Adult and Child Protection (Continued)	Risk Theme – Protection	
Proposed Mitigations (with dates)		Status	Progress Bar
1. Learning reviews have been commissioned in relation to the ADP, Public Protection and Adult Social Work services that will identify areas for improvement. (June 2023)			<div style="display: flex; align-items: center;"> <div style="width: 80%; height: 10px; background-color: #4a86e8; margin-right: 5px;"></div> 80% </div> <p style="color: red; font-size: small; margin-top: 2px;">No change</p>
2. The ADP Is developing a framework in relation to risk around drug related deaths. (31.12.22)			<div style="display: flex; align-items: center;"> <div style="width: 90%; height: 10px; background-color: #4a86e8; margin-right: 5px;"></div> 90% </div> <p style="color: red; font-size: small; margin-top: 2px;">No change</p>
3. The implementation of the transformational work within Children and Families which has been supported by the Council. Belmont family support has commenced and the implementation of Signs of Safety is progressing in partnership with the National Signs of Safety organisation. (June 2023)			<div style="display: flex; align-items: center;"> <div style="width: 85%; height: 10px; background-color: #4a86e8; margin-right: 5px;"></div> 85% </div> <p style="color: red; font-size: small; margin-top: 2px;">No change</p>
4. The Adult Protection Self Evaluation Improvement Plan is reviewed regularly and a review of the impact of actions implemented in response to the Adult Support and Protection Inspection (Oct-Dec 2021) will be completed by March 2023.			<div style="display: flex; align-items: center;"> <div style="width: 50%; height: 10px; background-color: #4a86e8; margin-right: 5px;"></div> 50% </div> <p style="color: red; font-size: small; margin-top: 2px;">New</p>
5. A new structure within Adult Services aims to improve professional leadership and oversight, including for ASP and will be implemented by June 2023.			<div style="display: flex; align-items: center;"> <div style="width: 30%; height: 10px; background-color: #4a86e8; margin-right: 5px;"></div> 30% </div> <p style="color: red; font-size: small; margin-top: 2px;">New</p>
<p>Further explanation on progress to date in terms of implementation of the above mitigations can be found by cross-referencing to the HSCP Strategic Risk Register .</p> <p>Additional information is also provided within this document on a range of other risks being managed by the Partnership including; Climate Change & Sustainability, Communication and Reputation, External Factors including Contingency Planning, Financial Position, Good Governance, Strategic Planning and Business Resilience, ICT, Population, Premises, Provider Organisations, Service Quality, Workforce Protection and Workforce Capacity and Capability</p>			

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Risk 7 **Risk Title - Public and Employee Protection** **Risk Theme – Protection**

Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations
Accountable – ELT Responsible - CLT Risk Owners – Service Lead – Risk and Safety and Service Lead – Asset Management	1. There is a risk of failure to provide the agreed standards of protection to the Public and Council Employees in line with Scottish and UK Government and Health and Safety Executive legislation and guidance. 2. There is a risk that health & safety risk assessments in some areas may not currently identify adequate mitigations to safeguard employees / service users from hazards such as Violence and Aggression. 3. There is a risk that proposals by Scottish Fire and Rescue Service to reduce response to fire alarms will impact people safety and property protection.	Staffing resourcing pressures. Budget constraints across Services. Ambiguity around responsibilities or inconsistent application of policy. Lack of training.	Accident, incident, injury or ill health to employees /service users. Prosecution and Civil litigation. Damage to Council's reputation. Financial impact of claims, increased premiums or fines.	 5 x 2 = 10	1. Existing H&S Policies and procedures. Sample H&S Risk Assessments developed for Service use. H&S Guidance prepared and issued. Range of resources, information, links and training on H&S CORE page and Learn Pro platform. 2. Central H&S team undertake H&S Audits and Fire Risk Assessments (FRA) over a 3-year rolling programme. Risk Assessment self-evaluation process rolled out. 3. The PDR process identifies key H&S training requirements for all Council employees. 4. Risk Assessment Training & Support, plus Council Standard and a range of courses on Management of Actual or Potential Aggression, Dealing with Difficult Behaviour, De-escalation etc. 5. V&A measures across services including a Customer Security Officer, Campus Police Officers, '2 to attend' protocols, panic buttons in offices, modifications to office design. 6. Review of causes of unwanted Fire Alarm signals complete – processes in place to tackle via FRA programme.

Proposed Mitigations (with dates)	Status	Progress Bar
1. Review and refresh a range of health and safety policies, guidance, sample risk assessments and work procedures. Development of new online health and safety training modules for managers / employees. (June 2023)		 Increased from 20%
2. Asset Management team continue to review and action, based on risk priority, compliance and/or property related issues raised through Fire Risk Assessments, Health and Safety Audits and Vacant Property Inspections. (ongoing).		 Increased from 75%
3. All duty holders / building managers monitoring and updating outstanding H&S actions via Pentana (ongoing)		 Increased from 80%
4. Utilise self-evaluation method to ensure all Services have identified significant hazards and fully developed their H&S risk assessments – (Internal Audit Action). (ongoing).		 Increased from 60%
5. Working with SFRS to agree alternative solutions to non-attendance of Fire Appliances following automated alarm signals. Action Plan prepared and progressing – SFRS have now deferred implementation to July 2023 (June 2023)		 Increased from 50%

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Risk 8		Risk Title - Sustainable Development and Climate Change			Risk Theme - Protection	
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Accountable – ELT Responsible - CLT Risk Owner/s; Service Leads – Policy and Performance, Asset Management (buildings) and Neighbourhood Services (for Fleet)	There is a risk of failure to meet climate change duties, reduce emissions and support the community to adapt and mitigate risks in relation to climate change. Risk of failure to ensure a just transition and a green recovery.	Services do not necessarily recognise the role they need to play, lack of input and accountability by services leaving key areas inadequately addressed. Decisions and infrastructure while meeting short term goals are currently not fit for the future. Actions in place are currently not fully coordinated across services.	Reduction in emissions not achieved to 1.5 degrees scenario therefore accelerating the pace of climate change. United Nations Sustainable Development Goals not adequately addressed. South Ayrshire may not be climate resilient. Effect may be further detriment to those already disadvantaged, increasing inequalities and exacerbating deprivation. Communities may be unprepared for a low carbon future.	 4 x 2 = 8	1. Council approved Sustainable Development and Climate Change Strategy 2. Baseline data on Sustainable Development and Climate Change now assembled to allow future progress to be measured. 3. Proposals endorsed by the MOWG agreed at Cabinet and assigned for implementation. 4. Carbon budgeting system in place.	
Proposed Mitigations (with dates)					Status	Progress Bar
1. Fully implement Climate Change Strategy (target date 2024, at which point strategy will be reviewed). Mid-term review to be undertaken and adopted by May 2023 to ensure delivery of strategy outcomes in a changed landscape, increased national targets and new national duties.						 No change
2. Review as part of refresh, the development of the mechanism for cross cutting implementation of Strategy by embedding within Council policy making, as well as service planning. To be completed by May 2023.						 No change
3. Investigation of scope 3 accounting methodologies for Council procurement emissions to develop existing carbon budgeting process. (May 2023)						 No change
4. A Net Zero Estate Strategy review was completed in November 2021. Following this a Net Zero Board group was established in 2022 to drive forward this agenda. The Board has 6 workstreams and progress is being made in all areas. (TBC)						 Increased from 10%
5. Adopt fleet decarbonisation strategy in line with council policy, targets and duties alongside ULEV infrastructure strategy for both fleet and public charging. (December 2021)						 No change
6. Assess the Council against Scotland's Adaptation Capability Framework and set out priority actions. (May 2023)						 Increased from 10%
7. Adopt a green recovery communications plan and climate literacy training plan. (May 2023)						 No change

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Risk 9							Risk Title – Financial Inclusion		Risk Theme – Protection	
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations					
Accountable – ELT Responsible - CLT Risk Owner - Director of Strategic Change and Communities	There is a significant risk that the cost-of-living crisis, rising inflation and the current economic climate is having a detrimental impact on the local community, both public and employees.	Rising energy and food costs. Economic uncertainty. War in Ukraine.	Specific low-income groups are hardest hit. Current crisis is bringing unaccustomed hardships to groups who have previously managed financially. Impact on lowest paid Council staff.	<p>4 x 3 = 12</p>	<p>Measures in place at National level;</p> <p>Energy Price Guarantee (EPG) until April 2023. Withdrawal of the National Insurance increase.</p> <p>Measures in place at Scottish Government level;</p> <p>Increasing the Scottish Child Payment to £25 per week from 14 November 2022 Winter Heating Payments. Rent Freeze Bill - 'Protecting Tenants during Cost-of-Living Crisis Bill' temporary powers to protect tenants and landlords. Bridging Payments. Best Start Grants. 'One stop shop' website to help those struggling financially. National media campaign.</p> <p>Measures in place at local level;</p> <p>The Community Planning Partnership has a Financial Inclusion Strategic Delivery Group (SDP) who provide direction, identify any gaps in support and direct resources to areas of most need and demand. They consider themes linked to food, energy, money and community wellbeing.</p> <p>A Member Officer Working Group for the Cost-of-Living Crisis has been established. Discussions with the Chair and the Members have taken place around broadening the remit of this MOWG to reflect the SDP referred to above. An update on this work is being brought to Panel in February with the proposed change in title and remit.</p>					
Proposed Mitigations (with dates)								Status	Progress Bar	
Implement a Cost-of-Living Communications Campaign, including distribution of information covering the themes above and providing online access to a range of resources and information. (March 2023)										
Agree outcomes to include approval for support and/or funding for a range of local initiatives such as; community larders, food delivery, lunch clubs, provision of warm community spaces, money advice, support to energy 'inefficient' households, business grants, additional capacity for wellbeing or consideration to augment the financial assistance offered at SG level. (March 2023)										

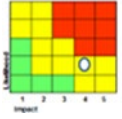



SOUTH AYRSHIRE COUNCIL - STRATEGIC RISK REGISTER (draft February 2023) Appendix 1



Risk 10		Risk Title - Ash Tree Dieback		Risk Theme - Protection	
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations
<p>Accountable – ELT</p> <p>Responsible- CLT</p> <p>Risk Owner – Assistant Director - Housing and Operations</p>	<p>There is a risk of injury / damage to SAC residents and infrastructure as a result of Ash Dieback – a disease proliferating through SAC woodland. Disease has been identified and is spreading.</p>	<p>Principle cause is the spread of Ash Dieback throughout South Ayrshire /Scotland.</p> <p>Neighbourhood Services is currently not resourced to manage the extent of Ash Die Back.</p>	<p>Potential for fatality / injury to residents / employees.</p> <p>Potential for damage to property, listed structures, headstones, power / phone lines</p> <p>Potential of falling Ash trees/limbs on roads/pavements/ footpaths within public open space and schools and associated obstruction to roads</p> <p>Increased liability to Council in respect of above potential incidents</p> <p>Financial pressure in terms of significant increased expenditure to mitigate risk including costs for replanting, cost of recruiting skilled operatives. Availability of skilled operatives likely to be restricted by market demand - this is a national problem.</p> <p>Potential for increased flooding risks for changes in waterways e.g. banking failures due to tree failure.</p> <p>Loss of Ecosystems- air quality, biodiversity loss, increases in noise levels adjacent to roads, loss of visual screens.</p> <p>Increased liability and insurance premiums for residents due to property risks.</p> <p>Risk to European protected species (roosts/ food source). Loss of biodiversity of species dependant on Ash.</p>	<p>5 x 2 = 10</p>	<p>1.Survey of trees within lands managed by Neighbourhood Services has commenced.</p> <p>2.Communication with ARA has taken place and regular meetings have been set up.</p> <p>3.An Ash Dieback Plan is currently being developed</p>
Proposed Mitigations (with dates)				Status	Progress Bar
<p>1.Ash Dieback plan is currently being developed which includes an inspection programme which will roll forward to highlight any ongoing deterioration. It will also contain proposed cost information for full implementation. Plan is complete but report to Cabinet has been deferred to 14 March 2023.</p>					
<p>2.On conclusion and approval of above mitigation, a communication plan will be developed for South Ayrshire area. (March2023)</p>					

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Risk 11		Risk Title – Financial Constraints			Risk Theme – Resources	
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Accountable – ELT Responsible - CLT Risk Owner – Head of Finance and ICT	1. There is a risk that current, planned or expected levels of service cannot be delivered.	UK and Scottish Government reductions in funding over a number of years. This is now more significant given the recent Scottish Govt Spending Review. Impact of inflation on Council cost base.	Failure to deliver key services or meet change in service demands.	 4 x 2 = 8	1. Annual 2023/24 budget prepared and approved in March 2023. 2. Maintain pressure on Scottish Government to agree settlements which reflect Local Authority needs through participation in CoSLA groups. 3. A ten year Long Term Financial Outlook and three year Medium Term Financial Plan approved by Leadership Panel in October 2021. 4. Updated Medium Term Financial Plan approved by Cabinet in November 2022 5. Annual Treasury Management Strategy prepared and approved by Council March 2023. Details credit and counterparty risk. 6. Treasury Management Practices (TMP's) updated annually to reflect Treasury risk such as credit and counterparty risk management, liquidity risk management, interest rate risk management and exchange rate risk management. 7. £2.5m Inflation reserve established in February 2023 to mitigate inflationary impact during 2023-24	
Proposed Mitigations (with dates)					Status	Progress Bar
1. Lobby Scottish Government through discussions via CoSLA, Directors of Finance and Solace to ensure required funding continues to be made available to Local Government (ongoing).						
2. Rolling annual update of three year Medium Term Financial Plan to be implemented (next update due October 2023)						
3. Bi-annual update of ten-year Long Term Financial Outlook to be implemented (next update due October 2023)						

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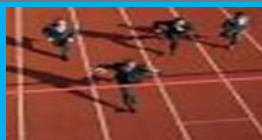
SOUTH AYRSHIRE COUNCIL - STRATEGIC RISK REGISTER (draft February 2023) Appendix 1



Risk 12		Risk Title – Employee Absence			Risk Theme - Resources	
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Accountable – ELT Responsible - CLT Risk Owner – Chief HR Adviser	1. There is a risk that employee absence levels fall below the standards which can be sustained by the organisation. 2. There is a risk that the cost of staff absence significantly increases the financial risk and budgetary constraints already impacting on the achievement of Council objectives. In 2020/21 – for LGE - the direct 'cost of absence' was £3,851,547 (50% more than 2020/21 when the cost of absence was £2,550,800). In 2020/21 – for Teachers - the direct 'cost of absence' was £1,224,774 (71% more than 2021/22 when absence cost was £714,310) 3. There is a risk that the impact of employee absence creates an unsustainable burden and significant extra pressure on colleagues at all levels who are required to assume additional workloads as a result. 4. There is a risk that employee absence has an adverse effect on workforce planning arrangements.	Key reasons reported for employee absence; Psychological Musculoskeletal Cardiovascular Respiratory Gastrointestinal Impact of employee 'culture' Further statistical information via report to S&P Employee Absence 2021/2022	Additional risk to Service Users, gaps in Service delivery, slippage on achievement of targets. Additional cost of temporary, agency, supply staff or other additional unbudgeted spend. Adverse impact on health of 'attending' employees.	 3 x 3 = 9	1. Maximising Attendance Framework 2. Occupational Health Support 3. Counselling Services including Cognitive Behavioural Therapies 4. Physiotherapy Services 5. Employee Self-Referral Options to 'Access to Work' – fully funded initiative for non-medical intervention, support & sign posting. 6. Range of flexible working and family friendly HR policies. 7. Access for managers and employees to Mentally Healthy Workplace training online.	
Proposed Mitigations (with dates)					Status	Progress Bar
1. Review of maximising attendance framework and related policies in conjunction with Service leads and TU colleagues. Roll out mandatory training for managers in managing absence. (June 2023)						 Increased from 0%
2. Cross reference to work activity progressing via other services; Trauma Informed Officer rolling out Mental Health First Aid training and linked initiatives (3-month pilot commenced), re-introduction of Employee Lifestyle Screening via Risk and Safety, Workforce Planning Strategy with managers' toolkit should support employee experience. (ongoing)						 Increased from 0%
3. HR, in conjunction with Trauma Informed Officer, developing a Staff Wellbeing Strategy. (June 2023)						 New

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Risk 13		Risk Title – Workforce Planning			Risk Theme - Resources	
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Accountable – ELT Responsible - CLT Risk Owner - Service lead – Organisational Development and Customer Services	<p>1. There is a risk that workforce planning arrangements may not be consistent across Council Services and the recent Best Value Assurance report identified the requirement for the Council to make improvements in relation to workforce planning.</p> <p>2. There is no identified link between workforce planning and the Council's priorities.</p> <p>3. There is a risk that workforce recruitment and retention issues are creating pressure on Service delivery in key areas.</p>	<p>No recognised corporate WFP methodology</p> <p>Limited data maturity (lack of consistent workforce data provision and collation)</p> <p>Workforce planning is not specified/referenced within the service planning process</p>	<p>Services may not be delivered effectively or in line with statutory requirements or agreed standards.</p> <p>Additional unbudgeted spend may be incurred.</p> <p>Reliance on specialist or external organisations and contractors.</p> <p>Limited succession planning</p>	<p>3 x 3 = 9</p>	<p>1. A corporate workforce plan is now in place which runs to 2025. It links to the Council's strategic priorities and improvement areas in relation to Best Value.</p> <p>2. The following activities were completed in 2022:</p> <p>WFP training for CLT and Service Leads from the Local Government Association. Sessions for Co-ordinators being delivered in January 2023.</p> <p>Drop-in sessions for Service Leads and Co-ordinators confirming workforce planning process.</p> <p>Updated workforce profiles and digital skills survey results issued to all Service Leads.</p> <p>Progress of the HSCP workforce plan.</p>	
Proposed Mitigations (with dates)					Status	Progress Bar
1. The Workforce Plan for 2022-25 was approved by Service and Performance Panel and Cabinet in October and November 2022. An update will be provided to Cabinet following review in Q4 2023. (December 2023)						<p>60%</p> <p><i>Increased from 50%</i></p>
2. The Corporate Leadership team will ensure consistent use of an agreed workforce planning template across services. The template has been drafted for embedding within Service Plans (as per direction from Audit Scotland). Confirmation is awaited on the self-evaluation process proposed for Q1 this year. (June 2023)						<p>70%</p> <p><i>Increased from 50%</i></p>

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Risk 14					Risk Title – ICT Digital Resilience, Protection and Capability	Risk Theme - Resources
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Accountable – ELT Responsible - CLT Risk Owner/s – Service Leads - ICT	There is a risk that major or widespread ICT failure will adversely affect delivery of Council services. ICT failure risks include non-compliance, failure of business systems, cyber-attack, and failure of ICT equipment.	Lack of corporate ICT planning in a robust and consistent manner. Cyber intrusion. Outdated / obsolete equipment and systems. The Business Continuity Plans of some Services lack effective arrangements for ICT loss.	Inability to provide key services and recover quickly. Reputational damage, financial loss, litigation.	 4 x 2 = 8	1. Resilient infrastructure in place with dual data centres, duplicated network communication paths, internet links, and server hardware. 2. External contracts established with service providers for technical support and expertise across critical technologies. 3. Existing Disaster Recovery Plan (DRP) in place for critical systems. SAC Data Centre's services will be migrated to cloud data centres, with the first phase scheduled to occur by April 2023. Cross authority hosting was preferred, however there was no partner appetite for a project to be initiated. 4. A bespoke ICT Risk Register in place, which is subject to review as part of standard operating practice. 5. The Integrity Group meets regularly to consider cyber security issues and develop further mitigations as required. 6. Compliance standards established as part of technology and process governance framework.	
Proposed Mitigations (with dates)					Status	Progress Bar
1. Live services will be moved to McCall's Avenue Data, which has enterprise facilities management services, with County Buildings being used for resilience purposes (TBC)						 95% Increased from 85%
2. Engagement with partner authorities on shared data centre was not productive, therefore concluded. Works are underway to migrate services to a Cloud Data Centre with phase 1 scheduled to complete by April 2023.						 70% Increased from 60%
3. ICT continue to work with a Cyber Security partner to assess and improve the overall security of the Council's ICT infrastructure. Security Operations Centre (SOC) is fully operational and Egress Defend and Protect have also been introduced to alert/protect against phishing emails and help prevent data loss and emails going to wrong recipient. Submission for PSN accreditation was submitted December 2022 and is now being considered by Cabinet Office. (February 2023)						 80% Increased from 75%
4. All Service BC plans to include arrangements for resilience in respect of ICT failure – engagement with service areas continues and updates to all BC plans are requested on a 6 monthly basis. (Ongoing – 6 monthly)						 90% Increased from 85%
5. ICT Asset Management function being established to ensure currency of technology assets is maintained. Rolling replacement plans are in place for a number of technology towers. (Ongoing)						 95% No change

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Risk 15	Risk Title – Management of Assets				Risk Theme – Resources	
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Accountable – ELT Responsible - CLT Risk Owner – Service Leads – Asset Management and Professional Design Services	<p>1. There is a risk that the pandemic may have impeded progress of the Asset Management Plan and intended Asset Rationalisation.</p> <p>2. There is a risk of delay to projects within the General Services capital programme due to hyperinflation of construction costs which could impact on deliverability of the programme.</p> <p>3. There is a risk that Energy projects, for example LED lighting, that help to reduce the Council's carbon footprint are delayed leading to an inability to achieve some of the outcomes detailed in the Council's Sustainable Development and Climate Change Strategy.</p>	<p>COVID-19 Inflation Cost of Living Crisis</p>	<p>Impact on efficient recovery of Council services. Failure to deliver Asset Management Plan. Project delay or additional costs. Adverse incidents and compliance failure. Damage to Council's reputation.</p>	<p style="color: red; font-weight: bold;">3 x 2 = 6</p>	<p>1. SAC Recovery Plan developed which provides a prioritised list of returning Services / Premises and is subject to Chief Officer Recovery Group approvals.</p> <p>2. Property Project Team has completed works on Future Operating Model and fully implemented New Ways of Working across the operational property estate.</p> <p>3. Professional Design Services to continue to monitor construction costs and contractor's ability to progress and deliver works.</p> <p>4. Design work on energy projects has continued to ensure that some projects were able to commence once Scottish Government restrictions were eased.</p>	
Proposed Mitigations (with dates)					Status	Progress Bar
1. Review Asset Management Plan (AMP), consult with stakeholders and Chief Officers prior to submitting to Council for approval. (March 2022). The AMP was not reviewed in March 2022 as it requires to take into account the Transforming our Estate Report. A new proposed date for the review of the Asset Management Plan (Land and Buildings) is TBC.						<div style="border: 1px solid #ccc; width: 50px; height: 15px; background-color: #add8e6; margin-bottom: 2px;"></div> <div style="border: 1px solid #ccc; width: 50px; height: 15px; background-color: #fff; margin-bottom: 2px;"></div> <div style="color: red; font-size: small;">No change</div>
2. There was a new capital plan prepared and presented to Council in March 2022 which reviewed and amended the Programme and resulted in a 12-year capital plan being approved. Ongoing review will take place through quarterly monitoring reports to Cabinet. (ongoing)						<div style="border: 1px solid #ccc; width: 50px; height: 15px; background-color: #add8e6; margin-bottom: 2px;"></div> <div style="border: 1px solid #ccc; width: 50px; height: 15px; background-color: #fff; margin-bottom: 2px;"></div> <div style="color: red; font-size: small;">Increased from 50%</div>
3. A number of Energy projects have commenced, including LED lighting upgrades at several schools. Other recent works have included the installation of a new software system which improves remote access to building heating controls giving energy and carbon savings. Design work for future projects is also continuing. (TBC)						<div style="border: 1px solid #ccc; width: 50px; height: 15px; background-color: #add8e6; margin-bottom: 2px;"></div> <div style="border: 1px solid #ccc; width: 50px; height: 15px; background-color: #fff; margin-bottom: 2px;"></div> <div style="color: red; font-size: small;">Increased from 25%</div>

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Guidance - Recording Risks

Risk No. x		Risk Title - xxxx		Risk Theme – Resources / Protection / Governance		
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Who is accountable and responsible for managing the risk?	What could go wrong?	What may have caused this risk?	Possible outcomes or adverse effects?	 3 x 3 = 9	What is already in place to manage the risk?	
	S	A	M	P	L E	
Proposed Mitigations (with dates)					Status	Progress Bar
1. What is planned to mitigate the risk further? (and when it is due to be completed) <enter date>						 Increased from...?

A status icon (Figure 3) is displayed along with a calculation from Risk Owners on percentage completion of the mitigating actions. This information is closely scrutinised by Chief Officers via CLT and Elected Members through the Audit and Governance Panel and Cabinet and this assists in determining decisions on reducing or increasing risk ratings utilising the matrix at Figure 1.

New risk identification is considered against a broad range of risk types and these are represented at Figure 2. Risk types are cross-cutting and not considered in isolation.






Further explanation of SAC Council Risk Management Methodology is available within the Corporate Risk Management Strategy [RM Strategy](#)

Fig 1

Risk Themes			
Governance	Protection	Resources	
Risk Rating			
Impact		Likelihood	
1	Minor	1	Unlikely
2	Moderate	2	Possible
3	Major	3	Likely
4	Critical	4	Very Likely
5	Catastrophic	5	Almost Certain

Fig 2



Fig 3 Status	
	Completed
	On Target
	Not on target – some concerns
	Not on target – major concerns
	Not yet started