

South Ayrshire Council

**Report by Head of Legal and Regulatory Services
to Cabinet
of 26 September 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 14 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 last reported to the Audit and Governance Panel of 6 September 2023 for scrutiny and the content was approved by Members. Councillor McGinley commended the report but observed that the scrutiny process could be enhanced at future Panels by the presence of those risk owners identified as having the responsibility to manage each of the Strategic Risks. He also requested consideration to presenting risks in order of rating, to allow greater focus on those of most significance to the organisation.

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. 14 Strategic Risks are managed and these are listed as follows:

| | Risk | Theme |
|-----|---|--------------|
| 1. | Decision Making and Governance | Governance |
| 2. | External Factors including Contingency Planning | Governance |
| 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. | ICT – Digital Resilience, Protection and Capability | Resources |
| 14. | 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 Unless considered ‘ongoing’ throughout the life of the risk register, 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 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 The removal of the former ‘Workforce Planning ‘ risk was requested following the approval and implementation of the South Ayrshire Council Workforce Plan 2022-2025. The Corporate Leadership Team agreed to ensure a consistent workforce planning approach across all Services and the workforce planning template is also embedded within Service Plans. Any residual workforce planning risks identified within specific Service areas are noted and managed within Directorate Risk Registers.
- 4.6 It has also been considered appropriate by the Head of Finance, ICT and Procurement to increase the risk rating as reflected within the Financial Constraints Risk 11 (page 13) which is acknowledged to be caused by UK and Scottish

Government reductions in funding over a number of years and the impact of inflation on the Council cost base.

4.7 Members are 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.

4.8 It is proposed that Cabinet considers 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 strategic objectives.

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 Leadership Panel in the 'Council and Leadership Panel 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 September 2023 | Service Lead – Risk and Safety |















Background Papers **Report to Audit and Governance Panel of 6 September 2023 – [Strategic Risk Management](#)**

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Date: 14 September 2023

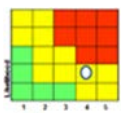



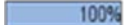
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South Ayrshire Council has identified the following risks of strategic significance in line with the themes of Governance, Protection and Resources.

| 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. ICT – Digital Resilience, Protection & Capability  |
| 4. Integrity  | 9. Financial Inclusion  | 14. Management of Assets  |
| 5. Internal Audit Actions  | 10. Grounds Maintenance - Ash Tree Die Back  | |
| <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, unless agreed as ‘ongoing’. The successful mitigation of these risks will support the delivery of the Council Plan.</p> | | |

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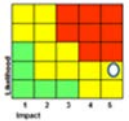
| Risk 1 | Risk Title – Decision Making and Governance | | | | Risk Theme - Governance | |
|--|---|---|--|--|---|--|
| Ownership | Potential Risk | Cause | Potential Effect | Risk Score | Current Mitigations | |
| Accountable – ELT Responsible - CLT Risk Owner – Head of Legal and Regulatory Services | 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 on information made available or provided. | Lack of compliance. Failure to meet statutory requirements. Poor best value audit. Financial Impact Reputational damage. |  4 x 2 = 8 | 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 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. 4. Reports outline key headings on legal, procurement, financial, HR, risk, equalities and sustainable development implications of decision making. 5. The new Council Plan is complete and approved, as are the associated Service Plans across all Directorates. (Cross reference - Risk 3 - Strategic Planning). | |
| 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 – has 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 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. There are now also 3 clear strands utilised to keep Members informed and engaged. There are two types of briefing – written notes and video updates which can be accessed when convenient. In addition, structured training continues for provision of key skills to meet statutory requirements. This work in mitigation of the risk is classified as ongoing. Separately, ICT are developing an online mechanism to accurately record member participation. (Sept 2023) | | | | |  |  Increased from 90% |
| 2. The new Council Plan is complete and approved. (Cross reference - Risk 3 - Strategic Planning), as are the individual Service Plans. Governance is included, and the enhanced requirement for performance measures and targets underpins this. | | | | |  |  Increased from 0% |



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Risk 2 **Risk Title – External Factors including Contingency Planning** **Risk Theme - Governance**

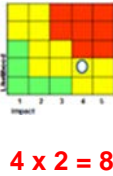



| Ownership | Potential Risk | Cause | Potential Effect | Risk Score | Current Mitigations |
|--|--|--|--|--|---|
| Accountable – ELT Responsible - CLT Risk Owner – Head of Legal and Regulatory Services | There is a risk that a range of external factors out with the Council's control such as pandemic, 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. |  6 x 2 = 12 | <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) briefings. 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 assist in coordinating a 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. A more formal team structure, including a manager, in place for 12 months from May 2023. 8. <i>Cross reference to mitigations at Risk 9 – Financial Inclusion.</i> |

| Proposed Mitigations (with dates) | Status | Progress Bar |
|--|---|----------------|
| 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. 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) |  | <i>Ongoing</i> |
| 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 is updated for 2023 and Council Incident Officer training has been rolled out to key Chief Officers, operational Service Leads and Coordinators. Council Managers undertake a rolling review of Service Business Continuity Plans on a 6 monthly basis. Civil Contingencies exercises to test plans continue to be developed and rolled out (ongoing). |  | <i>Ongoing</i> |

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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 agreed strategic objectives in light of the cost-of-living crisis, staffing, budgetary or external pressures and therefore current service, financial and resource planning is not aligned. 2. There is an associated risk that corporate and service targets and performance measures may be adversely impacted. | 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 |  <p>4 x 2 = 8</p> | 1.Existing Council Plan with clearly defined priorities is in place. 2.Plans have been developed by each Council Service Lead to take account of future operational delivery models. These include workforce planning considerations. 3.Delivering Good Governance framework and reporting in place. 4. Robust financial governance, linked to the Council Plan and priorities, is in place. 5.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. The new Council Plan is complete and approved, as are the individual Service Plans. Governance is included and underpinned by the enhanced requirement for performance measures and targets. Actions will be reported to the Service and Partnerships Panel over 2023/24 as part of the Council Plan 23-28 Performance Management Framework; and performance against the Council Plan will also be the subject of an annual report to Council. (Dec 2023 and June 2024) | | | | |  |  |
| 2. Quarterly budget monitoring continues and is reported by Financial Services in order to measure impact. (ongoing) | | | | |  | <i>Ongoing</i> |

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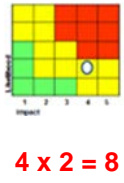


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Risk 4

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), CCTV Governance, 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 ownership, 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. 9. CCTV governance is set out in established policy. Duty Holders in relevant premises are responsible for compliance with GDPR as it relates to CCTV. | |
| 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). | | | | |  | <i>Ongoing</i> |
| 2. The reporting process of the risks from Integrity Group to Members has been reviewed. Reporting mechanisms include regular briefings from relevant Chief Officers or Service Leads on pertinent integrity matters to assist in Member awareness and further support good decision making. This is considered to be an ongoing mitigation through the life of the integrity group. (ongoing) | | | | |  | <i>Ongoing</i> |

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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 | There is a risk that actions identified by Internal Audit are not progressed within agreed timeframes and improvements to the control environment not achieved. The position at 02/08/23 was as follows; a/ 6 overdue actions. b/. 23 actions due for completion in next 6 months – (cross ref App 2 Q3 IA Progress Report). c/. Extension to due date requested for 1 action. | Staffing resources Delays in implementation of corporate systems eg. oracle fusion | Service Governance arrangements are compromised. 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. | 3 x 2 = 6 | 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. 2. Follow up Audits are undertaken for all 'red' reports as well as a sample of 'amber' reports, where resources permit. 3. Internal Audit 'test' 100% completion feedback from Services to ensure it is evidence based. 4. The Chief Internal Auditor is able to grant 2 extensions to due dates for actions. 5. Progress against actions is included in Internal Audit update reports the Audit and Governance Panel. | |
| 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) | | | | | | <i>Ongoing</i> |
| 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). | | | | | | <i>Ongoing</i> |

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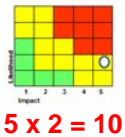
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Risk 6

Risk Title - Adult and Child Protection

Risk Theme – Protection

| Ownership | Potential Risk | Cause | Potential Effect | Risk Score | Current Mitigations |
|---|---|---|---|---|---|
| Accountable – ELT Responsible - CLT Risk Owner – Director of Health and Social Care and Chief Social Work Officer (CSWO). | 1. There are increased levels of hidden harm in our community as a result of Covid and reduced community presence of services at the time. 2. There is a risk of failure to provide adequate protection and the necessary level of support to vulnerable adults and children. 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. | Legacy from COVID-19 More complex family and adult needs | Potential harm to clients and vulnerable service users. Potential for litigation, financial loss or reputational damage. |  <p>5 x 2 = 10</p> | 1. There are quarterly Chief Officer Group (COG) meetings to monitor the impact of Covid or other external factors on public protection matters. 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. 3. HSCP Directorate Management Team meets regularly to provide leadership and oversight. 4. Established governance in place via Clinical and Care Governance, Social Work Governance and Adult Governance Groups. 5. APC and CPC meet regularly and review business plans 6. Multi Agency Public Protection Arrangements (MAPPA) including Management Oversight Group and Strategic Oversight Group) are in place and report quarterly to COG. 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. 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. 9. Adult Support Protection Lead Officer engages first line managers in developing our response to vulnerable adults 10. CSWO engages with operational staff in relation to complex cases in both adult and children's services where there are complex risk factors 11. Care First implemented across all children and adult social work teams. 12. CPC/APC subgroup structure now established and the Policy and Performance Subgroup is leading this review work and reports progress at each meeting 13. Governance on new policy and procedure is via CPC/APC through to COG. 14. Development of Practice Standards in Social Work is in progress to support the policy framework. 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. 16. HSCP strategic and operational risk registers are complete and approved by HSCP Performance and Audit Committee. |

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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 completed in relation to the ADP, Public Protection and Adult Social Work services. A thematic summary has been developed as part of the improvement plan which has identified new mitigations. These will be presented to COG in September. Progress will be updated to 100% at that point. (September 2023) | | | <i>Increased from 80%</i> |
| 2. The ADP is developing a framework in relation to risk around drug related deaths. A thematic summary has been developed as part of the improvement plan which has identified new mitigations. These will be presented to COG in September. Progress will be updated to 100% at that point. (September 2023) | | | <i>No change</i> |
| 3. This relates to the implementation of the transformational work within Children and Families which has been supported by the Council. The Belmont Family First model is embedded and further support to cluster secondaries is available through the Small Steps to Wellbeing Initiative. Signs of safety is embedded into Children and Families practice. | | | <i>Increased from 85%</i> |
| 4. The Adult Protection Self Evaluation Improvement Plan has been reviewed regularly along with the impact of actions implemented in response to the Adult Support and Protection Inspection (Oct-Dec 2021). The implementation of the new structure in relation to the sub committees of our Adult Protection Committee sees the regular review of the improvement plan arising for the ASP, Evaluation and Improvement Group. | | | <i>Increased from 50%</i> |
| 5. A new structure within Adult Services aims to improve professional leadership and oversight, including for ASP. Team Around the Locality Model has been established and majority of posts to support the new structure have been recruited. Pilot work is taken place within the Troon Locality to establish front doors that will promote preventative and early intervention work building on the strength of our community resources and partnership and ensure that robust systems are in place in cases that require intensive / statutory involvement. The model has been aligned with the locality planning model being progressed by SAC and Community Planning Partners New staffing structure will be fully in place by September. (September 2023) | | | <i>Increased for 30%</i> |
| <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 Health and Safety Executive and Scottish Fire and Rescue Service 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 | 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. | <p>5 x 2 = 10</p> | 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 1,2 and 3-year rolling programme. Risk Assessment self-evaluation process rolled out. 3. The PDR process allows for identification of 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 range of security systems, Campus Police Officers, '2 to attend' protocols, panic buttons in offices, modifications to office design. 6. Review of causes of 'Unwanted Fire Alarm Signals' (UFAS) complete – processes in place to tackle via FRA programme. 7. Revised guidance has been issued along with new online training modules to reflect the changes implemented by SFRS on 1 July 2023. | |
| 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. (December 2023) | | | | | | |
| 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). | | | | | | <i>Ongoing</i> |
| 3. All duty holders / building managers monitoring and updating outstanding H&S actions via Pentana (ongoing) | | | | | | <i>Ongoing</i> |
| 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) | | | | | | <i>Ongoing</i> |
| 5. In light of revised SFRS protocols Asset Management team are rolling out bespoke fire panel training to all Council Duty Holders. (Sept 2023) | | | | | | |

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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 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 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 adopted to ensure delivery of strategy outcomes in a changed landscape with increased national targets and new duties. (revised to Dec 2023). | | | | | | No change |
| 2. Review the means of ‘cross cutting’ the Strategy by embedding within Council policy making, as well as service planning. This is now going forward as part of the integrated impact assessment led by Performance, Policy and Community Planning. (revised to Sept 2023). | | | | | | No change |
| 3. Investigation of scope 3 accounting methodologies for Council procurement emissions to develop existing carbon budgeting process. A final decision on this has been deferred pending the outcome of national research which may influence the course of action. (December 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. (March 2024) | | | | | | Increased from 40% |
| 5. Adopt fleet decarbonisation strategy in line with targets and duties alongside ULEV (Ultra Low Emission Vehicles) infrastructure for both fleet and public charging. A progress report on the South Ayrshire Council Fleet Strategy 2021-26 was submitted to the Service and Partnerships Performance Panel (SPPP) on 18 April 2023 outlining some of the challenges and proposing that officers review the transition for small vehicles to an electric fleet and submit a future paper to Cabinet as well as providing annual updates on progress to the SPPP. (date TBC) | | | | | | No change |
| 6. Assess the Council against Scotland’s Adaptation Capability Framework and set out priority actions. Action complete and assessment included in refreshed Strategy. (May 2023) | | | | | | Increased from 30% |
| 7. Adopt a green recovery communications plan and climate literacy training plan. Action complete and assessment included in refreshed Strategy. (May 2023) | | | | | | Increased from 50% |

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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 - Assistant 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; Withdrawal of the National Insurance increase.</p> <p>Measures in place at Scottish Government level; 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. Funding for Scottish Welfare Fund (Crisis Grants & Community Care Grants) and Discretionary Housing Payments</p> <p>Measures in place at local level; 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 range of Council services provide support to people most affected by the cost of living crisis. These include Thriving Communities, Housing Services, the Information and Advice Hub and Revenues and Benefits. Cabinet approved a report on 23 May 2023 Financial Inclusion - Cost of Living Crisis which outlined trends identified and the provision of current help available across all Council Services to support residents. There was also a Cabinet paper in January Food Pantries and then again in May Food Pantries that provided information on the food pantries and projects that SAC has funded.</p> <p>A Member Officer Working Group for the Cost-of-Living Crisis has been established to consider the activities being undertaken by the Council to mitigate the impact of the cost-of-living crisis</p> | |
| Proposed Mitigations (with dates) | | | | | Status | Progress Bar |
| On 23 May 2023, Cabinet approved the development of a Strategy and Action Plan to address the agenda on Financial Inclusion - Cost of Living Crisis. This work is aligned to the Member / Officer Working Group and will report back to Cabinet following recess. (September 2023) | | | | | | |

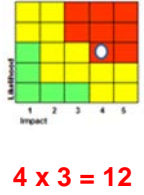
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| Risk 10 | | Risk Title - Ash Tree Dieback | | Risk Theme - Protection | |
|--|--|---|---|--------------------------|--|
| Ownership | Potential Risk | Cause | Potential Effect | Risk Score | Current Mitigations |
| <p>Accountable – ELT</p> <p>Responsible- 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 eg. 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 has been developed and approved by Cabinet.</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 and approved.</p> | | | | | <p>100%</p> <p><i>Increased from 90%</i></p> |
| <p>2. SAC is collaborating with recognised arboricultural bodies on managing this disease. A communication plan is being developed to reflect the SAC Ash Dieback plan. Proposed text is with the Tree Council and the Forestry Commission for review and will form the basis of standard text to be used by a number of authorities. (December 2023).</p> | | | | | <p>60%</p> <p><i>Increased from 50%</i></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, ICT and Procurement | 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. Impact of inflation on Council cost base. | Failure to deliver key services or meet change in service demands. |  <p style="color: red; font-weight: bold;">4 x 3 = 12</p> | 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). | | | | | | <p style="color: red; font-size: small;">Increased from 75%</p> |
| 2. Rolling annual update of three-year Medium Term Financial Plan to be implemented (next update due October 2023) | | | | | | <p style="color: red; font-size: small;">Increased from 50%</p> |
| 3. Bi-annual update of ten-year Long Term Financial Outlook to be implemented (next update due October 2023) | | | | | | <p style="color: red; font-size: small;">Increased from 0%</p> |
| 4. Assess the impact/outcomes from the new deal between Local Government and the Scottish Government signed in June 2023 (Verity House Agreement) and the associated new Fiscal Framework is being developed. (March 2024). | | | | | | <p style="color: red; font-size: small;">New</p> |

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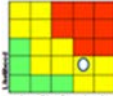
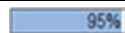


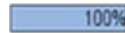


| Risk 12 | | Risk Title – Employee Absence | | | Risk Theme - Resources | |
|--|---|--|---|----------------------|---|-------------------------------|
| Ownership | Potential Risk | Cause | Potential Effect | Risk Score | Current Mitigations | |
| Accountable – ELT Responsible - CLT Risk Owner – Chief 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 2019/20 when the cost of absence was £2,550,800). In 2021/22 – for Teachers - the direct 'cost of absence' was £1,224,774 (71% more than 2020/21 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. (March 2024). | | | | | ▶ | 20% <i>No change</i> |
| 2. Cross reference to work activity progressing via other services; Trauma Informed Officer rolling out Mental Health First Aid training and linked initiatives, re-introduction of Employee Lifestyle Screening via Risk and Safety, Workforce Planning Strategy with managers' toolkit should support employee experience. (March 2024). | | | | | ▶ | 30% Increased from 20% |
| 3. HR, in conjunction with Trauma Informed Officer, developing a Staff Wellbeing Strategy. (March 2024) | | | | | ▶ | 15% No change |

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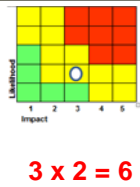





| Risk 13 | | Risk Title – ICT Digital Resilience, Protection and Capability | | | Risk Theme - Resources | |
|--|---|--|--|--|--|---|
| Ownership | Potential Risk | Cause | Potential Effect | Risk Score | Current Mitigations | |
| Accountable – ELT Responsible - CLT Risk Owner/s – Service Leads - ICT | 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 may 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 completed in April 2023. 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. 7. Service BC plans include some level of ‘manual work around’ for resilience in respect of ICT failure. Updates to all BC plans are requested on a 6 monthly basis. | |
| Proposed Mitigations (with dates) | | | | | Status | Progress Bar |
| 1. Live services being moved to McCall’s Avenue Data Centre, which has enterprise facilities management services, with County Buildings being used for resilience purposes. Work is 98% in terms of live services being moved from County Buildings to McCall’s Avenue, with low volume items remaining which have longer term timelines. (December 2023) | | | | | ▶ |  <i>Increased from 95% to 98%</i> |
| 2. Works are underway to migrate services to a Cloud Data Centre with phase 1 completed in April 2023. Planning works for phase 2 have commenced and migration is scheduled to be completed by December 2023. | | | | | ▶ |  <i>Increased from 70%</i> |
| 3. PSN accreditation now achieved for entire Council network. Egress Defend and Protect now fully operational. ICT will now continue to work with a Cyber Security partner to assess and improve the overall security of the Council’s ICT infrastructure as new threats and technologies emerge. (ongoing) | | | | | ▶ | <i>Ongoing</i> |
| 4. In light of services migrating to a cloud data centre, work is required with all services to redefine the ICT element of their Business Continuity Plans. Engagement from ICT will take place to define priority applications which align to future plans for application rationalisation/replacement based on off-premises data centre provision. (timescale TBC). | | | | | ⚙️ |  <i>New</i> |
| 5. ICT Asset Management function established to ensure currency of technology assets is maintained. Additional capacity created. Rolling replacement plans are now in place for technology towers. | | | | | ✔️ |  <i>Increased from 95%</i> |

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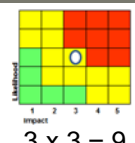



| Risk 14 | | Risk Title – Management of Assets | | | Risk Theme – Resources | |
|---|---|--|--|---|---|---|
| Ownership | Potential Risk | Cause | Potential Effect | Risk Score | Current Mitigations | |
| Accountable – ELT Responsible - CLT Risk Owner – Service Leads – Asset Management and Professional Design Services | 1. Delivery of the agenda linked to Transforming the Estate may be impacted by a range of factors which could delay any resulting financial gains. 2. There is a risk of delay to projects within the General Services capital programme due to inflation of construction costs which could impact on deliverability of the programme. | Decisions re asset rationalisation, delays on asset disposal, staff placing logistics. Inflation Cost of Living Crisis | 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. |  | 1. The Transforming the Estate project is underway and has superseded the former Asset Management Plan. 2. Professional Design Services continue to monitor construction costs and contractor's ability to progress and deliver works. | |
| Proposed Mitigations (with dates) | | | | | Status | Progress Bar |
| 1. The Asset Management Plan (AMP) has now been superseded by the 'Transforming Our Estate' Project. The proposed approach to the rationalisation of Council assets was approved by Cabinet on 23 May 2023. It has been agreed to note the strategic recommendations following conclusion of an external consultant's review and undertake further work to review the proposals for each asset type and validate cashable benefits and costs for the Council. Progress is being made on the delivery of an outline work plan and a report outlining the achievements will be taken to Cabinet in June 2024. | | | | |  |  |
| 2. There was a new Capital Plan approved by Council on the 1 st March, 2023, covering the twelve financial years 2023/24 through to 2034/35. Quarterly Capital Monitoring Reports will be presented to Cabinet (August & October 2023, February & June 2024), and will include any issues required to be highlighted and any adjustments to be requested. | | | | |  | <i>Ongoing</i> |

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Guidance - Recording Risks

| Risk No. x | | Risk Title - xxxxx | | 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? S | What may have caused this risk? A | Possible outcomes or adverse effects? M |  P | What is already in place to manage the risk? 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> | | | | |  | <input style="width: 50px;" type="text" value="33%"/> <i>Increased from...?</i> |

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 |