Governance, Risk and Best Value Committee

10.00am, Tuesday, 8 June 2021

Corporate Leadership Team Risk Register as at 30 April 2021

Item number	
Executive/routine	**Executive**
Wards	**All**
Council Commitments	

1.   Recommendations

It is recommended that the Committee:

1.1   notes the Council's current strategic risk profile;

1.2   notes that five strategic risks are currently outwith agreed risk appetite ranges;

1.3   notes that the current strategic risk profile may increase in the event of further individual or concurrent resilience events in the current Covid-19 operating environment; and

1.4   notes the proposed phased approach to implementation of the Council's refreshed operational risk management framework.

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Report

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Corporate Leadership Team Risk Register as at 30 April 2021

2.   Executive Summary

2.1   The purpose of this paper is to present the Council's current strategic risk profile, and highlight those risks where further action is required (where realistic and possible) to ensure that they are brought within approved strategic risk appetite levels.

2.2   It is important to note that this paper currently presents a predominantly 'top down' Corporate Leadership Team (CLT) view of the Council's current strategic risk profile, pending implementation of the refreshed operational risk management framework.

2.3   Five of the Council's eleven strategic risks are currently outwith approved risk appetite ranges, mainly due to the ongoing impacts of Covid-19, with Health and Safety (including public safety) remaining the most significant current risk for the Council, which continues to be assessed as critical.

2.4   The Council's strategic delivery current risk has increased from moderate to high in the last quarter, reflecting need to confirm that there is sufficient capacity and funding available to support delivery of Business Plan priorities.

2.5   The Council's resilience current risk has decreased from high to moderate, reflecting the effectiveness of the Council's Covid-19 resilience response.

2.6   This paper also highlights that the Council's current risk profile is likely to further increase in the event that six (potentially likely) resilience events occur either individually or concurrently in the current Covid-19 operating environment. This outcome is based on the consolidation of individual assessments performed by each Council directorate.

2.7   The Council's refreshed operational risk management framework has now been designed; however implementation has been delayed to ensure effective alignment with other significant organisational changes. In the interim, a three month pilot will be performed across divisions to confirm the effectiveness and ease of implementation of the framework and its impact on current resources.

3. Background

Covid-19 impacts

3.1 Quarterly CLT and Directorate risk committees were paused during Covid-19 to enable focus on the Council's Covid-19 resilience response. Both CLT and Directorate risk quarterly committees have now been reinstated.

3.2 Appropriate risk management arrangements have been established to support ongoing identification; assessment; recording; and management of the new Covid-19 risks faced by the Council. These new risks are recorded together with mitigating actions in the Covid-19 Risk Management Plan (RMP) that is regularly reviewed and refreshed and presented monthly to the Council's Incident Management Team (CIMT) for review and discussion.

Risks Associated with Concurrent Resilience Events

3.3 The seven scenarios detailed below were considered by each directorate in advance of winter 2020/21, and the outcomes consolidated to provide both individual and concurrent risk impact assessments. Appropriate plans to mitigate these risks were established as part of the Council's ongoing scenario planning activities:

1. further Covid-19 wave or local outbreak
2. winter flu epidemic
3. severe weather
4. care for displaced people
5. civil disorder
6. a 'no deal' Brexit
7. death of the Monarch in Scotland

Refreshed Operational Risk Management Framework

3.4 Plans for the phased implementation of the Council's refreshed operational risk management framework across the next three years were also presented to GRBV in November 2020. This report highlighted the need to implement the following actions to ensure effective alignment with the 'Three Lines' model and address the findings raised by Azets in their June 2020 Risk Management IA report:

3.4.1 ensure that all relevant strategic; operational; and thematic risks flow effectively and consistently through relevant risk registers and into the CLT risk register;

3.4.2 implement a refreshed thematic risk hierarchy that supports assessment and identification of the Council's most significant original (inherent) and current (residual) risks for inclusion in the CLT risk register by consolidating lower level sub-risks across directorates and divisions using a simple scoring methodology; and,

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3.4.3 further embed risk appetite by adopting target risk as a proxy for setting risk appetite at a more granular level; discussing and assessing target risk at divisional, directorate and CLT risk and assurance committees; and recording target risks (where possible) in risk registers.

Directorate and Divisional Risk Registers

3.5 The refreshed operational risk management proposals included plans to update directorate and CLT risk registers by June 2021 to ensure that they include new and emerging risks escalated from divisions and directorates and thematic Council wide risks.

3.6 Whilst directorate and divisional 'business as usual' operational risk registers require to be updated in line with the Azets' audit recommendations, the Council's most current significant risks have also been recorded and are currently managed through the Covid-19 RMP; Adaptation and Renewal; and the refreshed CLT risk registers.

Refreshed Risk Management Arrangements

3.7 The Council's Enterprise Risk Management Policy (ERMP) and Risk Appetite Statement were refreshed and approved by the Policy and Sustainability Committee in October 2020, and presented to the Governance, Risk, and Best Value (GRBV) Committee in November 2020.

4. Main report

Current Strategic Risk Profile

4.1 As noted above, this paper currently presents a predominantly 'top down' Corporate Leadership Team (CLT) view of the Council's current strategic risk profile, as processes that will support comprehensive and combined both 'top down' (CLT) and 'bottom up' (service delivery; divisional; and directorate) reporting will be implemented as part of the refreshed operational risk management framework.

4.2 Consequently, there may be some risk exposures across the Council that have not been reflected in this current assessment of the Council's most significant risks.

4.3 Details of strategic risk descriptions and their potential impacts are included at Appendix 1.

4.4 A summary of the Council's current strategic risk profile, and its movement in comparison to quarter 4, is included at Appendix 2. This assessment includes all current Covid-19 strategic risks; Adaptation and Renewal Programme risks; and other relevant current risks identified by the CLT, and is based on management's view of the effectiveness of thematic controls established to manage these risks, and consideration of relevant assurance outcomes.

4.5 The current strategic risk profile highlights that five risks (strategic delivery; health and safety; technology and information; governance and decision making; and regulatory and legislative compliance and reputational) are presently outwith

approved risk appetite ranges. This is mainly due to the ongoing impacts of Covid-19, with the remaining six risks being within the set risk appetite range. Supporting rationale for those risks outwith appetite is noted below, and details of actions currently being taken (where possible) to address these risks are also included at Appendix 2.

4.6   The current strategic risk heatmap included at Appendix 3 illustrates the significance of each of the Council's eleven strategic risk, and confirms that the Council's most significant current risk is health and safety (including public safety).

4.7   The rationale supporting the current risk assessment ratings for the Council's eleven strategic risks is detailed below, together with their current risk ratings (critical ● ; high ● ; moderate ● ; low ●) and confirmation of whether they are currently within (⬌) or outwith (⬇) agreed risk appetite ranges.

    4.7.1   ● ⬇ **Strategic delivery**– this risk has increased from moderate to high in the last quarter and is currently outwith appetite. This assessment reflects the need to confirm that there is sufficient capacity and funding available to support delivery of Business Plan priorities following implementation of the senior management restructure, and the need to support current CLT oversight of Business Plan delivery with implementation of the refreshed performance framework that will be implemented by July 2021.

    4.7.2   Whilst national progress is evident with the phased reduction of Covid-19 protection levels, and infection rates across the City continue to reduce, it is not yet possible to fully determine when the Council and the City will return to a normal operating environment. Consequently, the Council continues to prioritise the safety of employees and citizens whilst continuing to deliver vital services during the pandemic, and it is acknowledged that this could potentially impact progress with strategic delivery.

    4.7.3   As highlighted in the report provided to the Committee in March 2021, the Council has also implemented actions to support clear definition of its post Covid-19 strategy, including ongoing consideration of all potential opportunities for service and operational redesign as part of the Adaptation and Renewal programme

    4.7.4   ● ⬌ **Financial and budget management** – this medium current risk remains unchanged from the last quarter, reflecting that the Council has confirmed that a balanced budget can be achieved for financial years 2021/22 and 2022/23. However, it is also acknowledged that ongoing focus is required to address the Council's longer term financial position, with particular focus on capital budgets due to potential delays with delivery of capital projects; overall affordability of the capital programme; and to ensure that forecast timeframes for both revenue and capital budgets are more closely aligned.

4.7.5 🔴 ⬌ **Programme and project delivery** – this high rated current risk remains unchanged from the previous quarter and reflects the Covid-19 impacts on delivery of major projects as a number of these were put on hold as part of the Council's pandemic response. Additionally, extended delivery timeframes and costs associated with capital projects that were paused during the March 2020 lockdown are reflected in this risk assessment.

4.7.6 This risk assessment also reflects the known challenges associated with identification and delivery of savings initiatives to support delivery of a balanced budget, and the requirement to address assurance outcomes highlighting the need to consistently and effectively manage first line projects delivered outwith the major projects portfolio.

4.7.7 Actions in progress to mitigate these risks include consolidation of all major projects (including the capital programme) into the Adaptation and Renewal Programme, and ongoing review by the CLT to ensure that all major projects being delivered across the Council remain aligned with the Council's Business Plan, and remain on track for delivery on time and within agreed budgets.

4.7.8 ⚫⬇ **Health and safety (including public safety**) – this critical current risk remains unchanged from the last quarter and is currently outwith appetite, predominantly reflecting the ongoing impacts of Covid-19 on the health, safety, and wellbeing of citizens living in the City and / or in Council care, and our employees.

4.7.9 This risk also reflects the capacity challenges associated with the safe resumption of Council services in line with the phased reduction of Covid-19 protection levels, most notably the Council's capacity to support enhanced cleaning and infection control requirements, and the risks associated with safe use of community centres. It also highlights the challenges associated with maintaining the condition of the Council's operational properties and infrastructures, and ensuring that Council drivers continue to be legally and / or medically fit to drive.

4.7.10 Whilst a significant number of mitigations have already been implemented to address this risk, it is important to note that public protection and safety is also largely dependent on the adoption of relevant Scottish Government and Health Protection Scotland guidance by citizens.

4.7.11 Some of the mitigations that have been implemented to manage this risk include:

- testing in care homes and schools;
- implementation of mobile asymptomatic testing centres;
- out of hours support arrangements to manage positive cases in schools;
- deep cleaning across open Council buildings and implementation of social distancing measures;

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- implementation of the employee wellbeing strategy and supporting initiatives; and

- ongoing engagement with Police Scotland and other partners.

4.7.12 Whilst the mitigation actions highlighted above support the ongoing management of Health and Safety risk and it is expected that the significance of this risk will reduce as infection rates continue to reduce and vaccination rates increase, a number of additional actions are also in progress. These include:

- ongoing monitoring of infection levels and compliance with Scottish Government guidance;

- adopting a risk and priority based approach to service resumption in line with Scottish Government and Public Health Scotland guidance;

- refresh of the current property asset management strategy and procurement of new planned preventative maintenance contractors;

- reviewing adequacy of capital budgets for infrastructure assets and prioritising urgent repairs; and

- reviewing the Council's current approach in relation to employee legal and medical fitness to drive.

4.7.13 ● ⬌ **Resilience -** this risk has reduced from high to moderate in the last quarter and is now within appetite, reflecting the overall effectiveness of the Council's Covid-19 resilience response.

4.7.14 This is supported by the positive feedback received from residents in the Capital Residents Survey, with 80% satisfied with the services that the Council has delivered during the pandemic.

4.7.15 Additionally, the Council has also responded to and managed concurrent resilience events (for example care home and school Covid-19 outbreaks; severe weather; and pockets of civil disorder) effectively.

4.7.16 It is acknowledged that new and concurrent resilience events may still occur during the pandemic, and that actions are still in progress to implement open resilience assurance findings, however established resilience processes should ensure that an appropriate and effective resilience response is implemented if a further resilience event occurs.

4.7.17 ● ⬌ **Supplier, Contractor and Partnership Management** – this high rated current risk remains unchanged from the last quarter, reflecting the potential risks associated with open assurance findings highlighting the need to ensure consistent and effective application of the Council's established supplier management framework by first line contract managers.

4.7.18 It is important to note that the risks in relation to the Covid-19 and Brexit impacts on supply chains has reduced, although this position will continue

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to be closely monitored. Additionally, provision has been included in the budget to support ongoing provision of increased levels of personal protective equipment for our employees.

4.7.19 ● ⬇ **Technology and information** - this high current risk remains unchanged from the last quarter and is currently outwith appetite, reflecting the increased technology and information risks associated with remote working, notably cyber and data security risks and the risks associated with manual records; and connectivity issues in some schools associated with supporting digital learning.

4.7.20 This risk also reflects the known security and information challenges associated with use of externally hosted cloud based applications and end user computing models.

4.7.21 A number of actions are currently being implemented by Digital Services, in partnership with CGI, to further enhance the security of the Council's networks and connectivity issues will be addressed as part of a school by school health check being undertaken as part of the Empowered Digital Learning programme.

4.7.22 ● ⬇ **Governance and decision making** - this moderate current risk remains unchanged from the last quarter and is currently outwith appetite. This assessment reflects the requirement for timely decision making in response to both Scottish Government and Public Health Scotland Covid-19 regulations and guidance as protection levels are gradually reduced; the risks associated with delayed implementation of the refreshed operational risk management framework; and the need to refresh established governance and assurance arrangements across the Council to support improvements in both service delivery and assurance outcomes.

4.7.23 It is also important to note that there has been effective preparation (including consideration and mitigation of all relevant risks) to support the safe delivery of the Scottish Parliament elections.

4.7.24 Mitigations established to address this risk include ongoing engagement with the Scottish Government, COSLA, NHS Lothian, and other partner organisations to discuss any planned changes; regular Council Incident Management Team meetings to discuss and agree responses and actions required; and ongoing engagement and reporting to relevant Council executive committees.

4.7.25 Additionally, plans to refresh established governance and assurance arrangements across the Council have been designed and are currently being considered my management.

4.7.26 ● ⬌ **Service delivery** – this high current risk remains unchanged from the last quarter, reflecting the ongoing Covid-19 impacts on the Council's ability to deliver services in the current operating environment. The main challenges are evident in areas such as the necessary capacity within

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Facilities Management to deliver enhanced cleaning and infection prevention regimes within schools and also support service resumption in other areas; Regulatory Services who are supporting the operation of mobile asymptomatic testing centres and worked hard to process significant volumes of licences to support the reopening of the hospitality sector; teams in both the Resources and Place directorates that continue to manage allocation of Scottish Government grant funding in addition ongoing service delivery responsibilities; and Communities and Families provision of out of hours contact arrangements to support positive case management. It is important to note that appropriate mitigating actions, for example workforce planning, have been implemented to manage these risks.

4.7.27 Consequently, it is considered likely that a number of 'business as usual' service delivery operational controls are not being consistently and effectively applied, as detailed in the outcomes of completed Internal Audit reports.

4.7.28 Whilst it is acknowledged that there are some ongoing resourcing challenges, a well-defined service resumption triage process has been established that will assess each service resumption request based on priorities; risks; and support required from other services, for example cleaning and hygiene requirements, prior to their presentation to the Council's Incident Management Team (CIMT) for approval.

4.7.29 ●⬇ **Regulatory and Legislative Compliance** – This moderate current risk remains unchanged from the last quarter and is currently outwith appetite. This continues to reflect that whilst no significant breaches have occurred, it is not possible in the current Covid-19 resilience environment to confirm that all regulatory and statutory compliance obligations are being consistently and effectively achieved.

4.7.30 ●⬌ **Reputational** – This moderate current risk remains unchanged from the last quarter and is currently outwith appetite. This assessment mainly reflects the potential risks associated with alignment of the Council's service resumption response with both political and public expectations as Covid-19 protection levels are gradually decreased; and the need to improve the controls supporting use of social media across the Council to engage with citizens.

4.7.31 It is important to acknowledge that with some exceptions the Council's response to Covid-19 has generally been positively regarded as highlighted in the outcomes of the Capital Residents Survey, with 80% satisfied with the services that the Council has delivered during the pandemic

Risks Associated with Concurrent Resilience Events

4.8 The Council still faces exposure to the potential risks associated with the following previously identified resilience events that could occur simultaneously:

4.8.1 further Covid-19 wave or local outbreak – with the easing of restrictions there may still be an increase in infections and outbreaks, notably across the population of citizens who have not yet been vaccinated. This risk is mitigated with the increased availability of lateral flow test kits; implementation of asymptomatic mobile testing centres; and testing performed in schools and care homes;

4.8.2 severe weather – whilst generally seasonal and experienced in winter, severe weather can also include heatwaves; flooding; and other extreme unanticipated weather events;

4.8.3 care for displaced people – this risk should be further mitigated following implementation of the rest centre plan that is currently being developed by the Health and Social Care Partnership;

4.8.4 civil disorder – as restrictions ease, citizens will be permitted to gather in larger groups, and we may see increased numbers of demonstrations;

4.8.5 Brexit – ensuring that all relevant Council employees have applied for EU Settlement Scheme to ensure that they can continue to live and work in the UK after 30 June 2021; or

4.8.6 The death of the Monarch in Scotland.

4.9 No new significant and potentially concurrent resilience events have been identified that could adversely impact the Council's ongoing Covid-19 resilience response and service delivery.

Refreshed Operational Risk Management Framework

4.10 The refreshed operational risk management framework has now been designed and is ready to be piloted prior to implementation. The refreshed framework is designed to enhance the current risk management processes applied across the Council; remove subjectivity when assessing risks; improve consistency; and enable aggregation of risks to provide a more comprehensive 'bottom-up' and 'top down' view . Azets has also reviewed the framework and have provided positive feedback on its design.

4.11 The CLT has decided that implementation of the refreshed framework should be delayed reflecting the need to prioritise other significant changes across the Council (for example the Council's response to the easing of lockdown restrictions; implementation of the new senior management restructure; and progressing delivery of the new Business Plan).

4.12 This delay also recognises the key dependency upon, and provides time for, the implementation of the Council's new governance and assurance model. The model has been designed and is currently being considered by management.

4.13 In the interim, a three month pilot will be performed across a sample of divisions to confirm the effectiveness and ease of implementation of the framework.

4.14 The risks associated with delayed implementation of the framework (including the inability to address the risk management IA findings raised by Azets within agreed timeframes) were discussed at the CLT Risk Committee in April 2021, and have been reflected in the CLT risk register under the governance and decision making risk category.

5. Next Steps

5.1 Complete the pilot of the operational risk management framework across a sample of divisions.

5.2 Provide an update on the pilot outcomes to the CLT in August 2020, and agree next steps in relation to implementation across the Council.

6. Financial impact

6.1 There are no direct financial impacts directly arising from this report, although effective management of risks is part of good financial management and failure to manage them appropriately may have financial consequences.

7. Stakeholder/Community Impact

7.1 Effective risk management will support achievement of strategic objectives; effective service delivery; and appropriate responses to resilience events.

8. Background reading/external references

8.1 [Enterprise Risk Management Policy – Policy and Sustainability Committee October 2020 – item 7.11](#)

8.2 [Risk Appetite Statement - Policy and Sustainability Committee October 2020 – item 7.12](#)

8.3 [Operational Risk Management Framework – Governance, Risk, and Best Value Committee November 2020 – item 8.6](#)

9. Appendices

9.1 Appendix 1 Strategic Risk Descriptions and Impact Statements

9.2 Appendix 2 Current Strategic Risk Summary and Trends

9.3 Appendix 3 Current Strategic Risk Heatmap

9.4 Appendix 4 Refreshed Operational Risk Management Framework – Progress with Design and Implementation

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Appendix 1: Strategic Risk Descriptions and Impact Statements

Ref	Risk	Risk Description	Impact Statment
R1	**Strategic Delivery**	Inability to design and / or implement a strategic plan for the Council.	Lack of clarity regarding future direction and structure of the Council impacting quality and alignment of strategic decisions
R2	**Financial and Budget Management**	Inability to perform financial planning; deliver an annual balanced budget; manage cash flows; and confirm ongoing adequacy of reserves	Council is unable to continue to deliver services and implement change in line with strategic objectives; inability to meet EIJB financial directions; adverse external audit opinion; adverse reputational consequences
R3	**Programme and Project Delivery**	Inability to delivery major projects and programmes effectively, on time and within budget	Inability to deliver Council strategy; achieve service delivery improvements; and deliver savings targets
R4	**Health and Safety (including public safety)**	Employees and / or citizens (including those in the Council's care) suffer unnecessary injury and / or harm	Legal; financial; and reputational consequences
R5	**Resilience**	Inability to respond to a sudden high impact event or major incident	Disruption across the City; to service delivery; and serious injury or harm to employees and / or citizens.
R6	**Supplier, Contractor, and Partnership Management**	Inability to effectively manage the Council's most significant supplier and partnership relationships	Inability to deliver services and major projects within budget and achieve best value
R7	**Technology and Information**	Potential failure of cyber defences; network security; application security; and physical security and operational arrangements	Inability to use systems to deliver services; loss of data and information; regulatory and legislative breaches; and reputational consequences
R8	**Governance and Decision Making**	Inability of management and elected members to effectively manage and scrutinise performance, and take appropriate strategic and operational decisions	Poor performance is not identified, and decisions are not aligned with strategic direction
R9	**Service Delivery**	Inability to deliver quality services that meets citizen needs effectively and in line with statutory requirements	Censure from national government and regulatory bodies; and adverse reputational impacts
R10	**Regulatory and Legislative Compliance**	Delivery of Council services and decisions are not aligned with applicable legal and regulatory requirements	Regulatory censure and penalties; legal claims; financial consequences
R11	**Reputational Risk**	Adverse publicity as a result of decisions taken and / or inappropriate provision of sensitive strategic, commercial and / or operational information to external parties	Significant adverse impact to the Council's reputation in the public domain

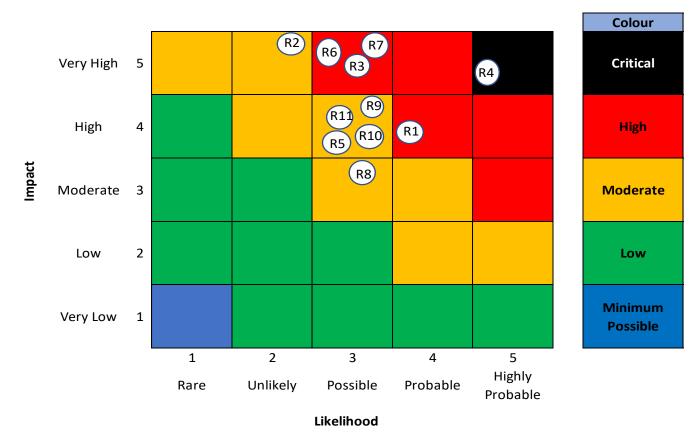# Appendix 2 – Current Strategic Risk Summary and Trends

Risk	Original Risk	Current Risk Trend			Risk Appetite Range		Action Required	Actions In Progress	Target Date
		Q3	Q4	Q1					
R1. Strategic Delivery	● (black)	● (red)	● (red)	● (red)	● (green)	● (orange)	↓	Development and implement new performance framework	June 21
								Post Covid service redesign and implementation of new ways of working	Ongoing
								Monitor alignment between budgets and business plan	Ongoing
								Ensure sufficient capacity to support business plan delivery	Ongoing
								Implement senior management restructure	Sept 21
R2. Financial and Budget Management	● (black)	● (black)	● (orange)	● (orange)	● (green)	● (orange)	↔	Ongoing monitoring of the financial position with focus on financial years 2023/2024 onwards.	Ongoing
								Continue to explore all potential externally available funding sources	Ongoing
								Ongoing monitoring of capital costs in comparison to budget	Ongoing
								Improved governance and focus on identifying and delivery savings	Ongoing
R3. Programme and Project Delivery	● (red)	● (orange)	● (red)	● (red)	● (green)	● (red)	↔	Consolidation of all major projects into the A&R Programme	Ongoing
								Review of project management capacity and skills	Ongoing
								Monitoring availability of funding	Ongoing
R4. Health and Safety (including Public Safety)	● (black)	● (black)	● (black)	● (black)	● (blue)	● (green)	↓	Implementation of Life Safety audit actions	Ongoing
								Improved asbestos management	Ongoing
								Covid-19 employee response including focus on wellbeing	Ongoing
								Corporate (2nd Line) Health and Safety recruitment	June 21
								Refresh asset management strategy and implement new preventative maintenance framework with new suppliers	June 2021
								Review adequacy of capital budgets for infrastructure assets and prioritise urgent repairs	TBC
								Committee paper being prepared to revisit Council's approach to drivers.	TBC

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Risk	Original Risk	Current Risk Trend			Risk Appetite Range		Action Required	Actions In Progress	Target Date
		Q3	Q4	Q1					
R5. Resilience	⚫ (black)	🔴 (red)	🔴 (red)	🟠 (orange)	🟢 (green)	🟠 (orange)	↔	Refresh of Corporate Resilience Framework, with focus on concurrent risks, and clarity on responsibility and accountability	TBC
R6. Supplier, Contractor, and Partnership Management	⚫ (black)	🔴 (red)	🔴 (red)	🔴 (red)	🟢 (green)	🔴 (red)	↔	Understand impacts of the new Brexit legislation on significant (Tier 1 and 2) contracts	Ongoing
								Monitor potential price inflation and reflect in budgets	Ongoing
								Monitor supplier sustainability and reflect in procurement frameworks.	Ongoing
								Refreshed ALEO governance and oversight framework	TBC
R7. Technology and Information	🔴 (red)	🟠 (orange)	🔴 (red)	🔴 (red)	🟢 (green)	🟠 (orange)	↓	Resolution of vulnerability scanning outcomes	Ongoing
								Implementation of ongoing phishing simulation	Ongoing
								Restricted access to personal e mail via Council networks	June 21
								Review of flexible VPN arrangements	TBC
								Protection of established Council domain names	TBC
								Enhanced data loss prevention through Office 365	TBC
								Prevent use of non-approved devices on Council networks	TBC
								Enhanced network password controls	March 21
								Implementation of Council wide refreshed user access management framework	July 21
R8. Governance and Decision Making	🔴 (red)	🟠 (orange)	🟠 (orange)	🟠 (orange)	🔵 (blue)	🟢 (green)	↓	Implementation of refreshed operational risk management framework	TBC
								Implementation of new governance and assurance models	TBC
								GRBV Committee Effectiveness Review	June 21
R9. Service Delivery	🔴 (red)	🔴 (red)	🔴 (red)	🔴 (red)	🟢 (green)	🔴 (red)	↔	Implementation of first line governance and assurance models	TBC
								Transition planning for VERA leavers	Ongoing
								Workforce monitoring and planning	Ongoing

Risk	Original Risk	Current Risk Trend			Risk Appetite Range		Action Required	Actions In Progress	Target Date
		Q3	Q4	Q1					
								Service resumption process being designed that will prioritise based on capacity of resources (operational estate and workforce) and commercial viability and Scottish Government and Public Health Scotland requirements	May 21
R10. Regulatory and Legislative Compliance	🔴	🟢	🟠	🟠	🔵	🟢	⬇	Actions currently being defined.	
R11. Reputational	🔴	🟠	🟠	🟠	🟢	🟠	⬌	Implementation of Social Media assurance actions	Ongoing
								Implement diversity and Inclusion framework	Ongoing
								Ongoing engagement with Elected Members and citizens on resumption of services as lockdown restrictions ease	Ongoing

Appendix 3 - Current Strategic Risk Heatmap

Strategic Risks			
R1	Strategic Delivery	R7	Technology and Information
R2	Financial and Budget Management	R8	Governance and Decision Making
R3	Programme and Project Delivery	R9	Service Delivery
R4	Health and Safety (including Public Safety)	R10	Regulatory and Statutory Compliance
R5	Resilience	R11	Reputational
R6	Supplier, Contractor, and Partnership Management		

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Appendix 4 - Refreshed Operational Risk Management Framework – Progress with Design and Implementation

Ref	Activity	Target Date	Status	Completion Date	Comments
1	**High Level Operational Risk Management Framework Design Approved by CLT**	**Sep-20**	**Complete**	**Jun-20**	
1a	Refresh First and Second Line Risk Management Responsibilities	Sep-20	Complete	Jun-20	
1b	High Level Operational Risk Management Framework Design approved by GRBV	Nov-20	Complete	Nov-20	
1c	High Level Operational Risk Management Framework Shared Across the Council	Nov-20	Complete	Nov-20	
2	**CLT Risk Committee Terms of Reference**	**Oct-20**	**Complete**	**Jan-21**	**Includes requirement for quorum to ensure attendance across all Directorates**
3	**Head of Legal and Risk attendance at CLT and Change Board**	**Oct-20**	**Complete**	**Dec-20**	
4	**Refresh Enterprise Risk Management Policy**	**Sep-20**	**Complete**	**Sep-20**	
5	**Refresh Risk Appetite Statement**	**Oct-20**	**Complete**	**Oct-20**	
5a	Wider Leadership Team (WLT) Risk Appetite Training	N/A	Complete	Jan-21	
5b	Elected Member Risk Appetite Training	N/A	Complete	Oct-20	
6	**Corporate Risk Team Attendance at HSCP Risk Committees**	**Dec-20**	**In Progress**		**Engagement with HSCP ongoing**
7	**Identification and Escalation of Risks through Risk Forum**	**Dec-20**	**In Place**	**Apr-20**	
8	**Publish quarterly Risk Matters newsletter**	**Dec-20**	**In Place**	**Jan-21**	
9	**Design and Implement Refreshed Operational Risk Management Framework**	**Mar-21**	**Complete**		
9a	Risk hierarchy / library - consistent definition of risks across the Council	Mar-21	**Complete**		
9b	Standard risk register structure for divisions and directorates	Mar-21	**Complete**		
9c	1st Line guidance /criteria to assess and score risk incl target risk / risk appetite	Mar-21	**Complete**		
9d	Risk accumulation and escalation process	Mar-21	**Complete**		
9e	Risk management methodology for projects	Mar-21	**Complete**		
9f	Identify training attendees	Mar-21	**Complete**		
9g	Deliver operational risk management framework training	Apr-21	**TBC**		
9h	Refresh structure of CLT and GRBV risk reports	Mar-21	In Place	Mar-21	**Refreshed March report presented to GRBV.**
10	**Refresh Divisional and Directorate Risk Registers (incl target risk)**	**Jun-21**	**Not Started**		
11	**Completion Operational Risk Management Framework Pilot**	**Aug-21**	**In Progress**		**New Action Added**
12	**Implement 2nd Line Risk Management Assurance across 1st Line Risk Activities**	**Oct-21**	**Not Started**		
13	**Risk Management System**	**Mar-23**	**In Progress**		
13a	Specification	Sep-21	In Progress		
13b	Procurement	Dec-21	Not Started		
13c	Implementation	Jun-22	Not Started		
14	**Assurance Mapping**	**Mar-23**	**Not Started**		

Governance, Risk, and Best Value Committee, 8 June 2021