

# Governance, Risk and Best Value Committee

10:00am, Tuesday, 20 February 2024

## Corporate Leadership Team Risk Report as at 8 January 2024

Executive/routine  
Wards

### 1. Recommendations

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- 1.1 It is recommended that the Committee notes:
  - 1.1.1 The Council's risk profile as at 8 January 2024, the most significant risks facing the Council and the key actions being taken by the Council in response to those risks.
  - 1.1.2 The seven enterprise risks which currently exceed the Council's Risk Appetite levels and the measures being taken in these areas.

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# Corporate Leadership Team Risk Report

## Corporate Leadership Team Risk Report as at 8 January 2024

### 2. Executive Summary

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- 2.1 The purpose of this report is to present the Council's risk profile as at 8 January 2024, highlight the most significant risks facing the Council, and identify key actions being taken in response to those risks.
- 2.2 Risk assessments within this paper are based on management's view of the internal and external environments within which the City of Edinburgh Council operates, with subsequent actions considered in the context of the Council's risk appetite.
- 2.3 The Council's overall risk profile is set out in Section 4.4 of this report, with appendix 2 setting the organisational response to enterprise risks out with risk appetite, the context around each of these risks and the current response.

### 3. Background

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- 3.1 This report is to provide the Governance, Risk and Best Value Committee with an update on the most significant risks the City of Edinburgh Council has identified and assessed as at 8 January 2024.

### 4. Main report

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- 4.1 This report contains the most significant risks discussed at the CLT Risk Committee on 8 January and the risk assessment of the Council's thirteen enterprise risks. This is based on the aggregated risk scores from directorates, overlaid with council-wide risks. Appendix 1 provides a summary of key risk mitigations this quarter.
- 4.2 The Council's enterprise risk descriptions and potential impacts are set out within the Council's Risk Appetite Statement. An overview of the Council's current enterprise risk profile and trending overtime is set out in Appendix 2. The key drivers for current risk ratings and associated mitigations are set out in Appendix 1.
- 4.3 Risk assessment within this paper are based on management's view of the internal and external environments within which the Council operates, with subsequent actions considered in the context of the Council's risk appetite.

4.4 The Council's 13 enterprise risks have been rated as follows:

CEC Risk Profile	CLT risk ratings		
	Q3 2023	Q4 2023	Risk Appetite
01 Strategic Delivery	High	High	Moderate
02 Financial and Budget Management	High	High	Moderate
03 Programme and Project Delivery	Moderate	Moderate	High
04 Health & Safety	Moderate	Moderate	Low
05 Resilience	Moderate	Moderate	Moderate
06 Supplier, Contractor, and Partnerships Management	Moderate	Moderate	High
07 Technology and Information	High	High	Moderate
08 Governance and Decision Making	Moderate	Moderate	Low
9 Service Delivery	High	High	High
10 Workforce	High	High	Moderate
11 Regulatory and Legislative Compliance	Moderate	Moderate	Low
12 Reputational Risk	Moderate	Moderate	Moderate
13 Fraud and Serious Organised Crime	Moderate	Moderate	Moderate



4.5 Since last quarter the overall risk profile for the Council remains static with no changes to the risk qualification categories.

4.6 A summary of the drivers for being out with risk appetite and actions being taken to bring risks back within risk appetite is set out in Appendix 1. The longer-term risk trend position across the council's Enterprise risks is set out in Appendix 2.

4.7 The factors driving the current risk ratings and actions are not an exhaustive list of issues affecting, or which could affect, the City of Edinburgh Council. Those factors are often referenced and scrutinised within existing committees as part of business as usual activity e.g., budget management within Finance & Resources Committee. Section 10 of this report contains links to relevant committee report and references, which can be used for further contextual information and detail as required.

- 4.8 The Council's 2022/23 Internal Audit Annual Report and Opinion provides a wider detail appraisal of the current control environment, and was presented to GRBV Committee on 19 September 2023.
- 4.9 During the Governance, Risk and Best Value Committee on 16 January 2024 a risk management workshop with Elected Members was agreed. It is planned this will take place before the summer recess 2024 to provide an overview of the Council Risk Management framework and to contribute to the annual review of the Risk Management Policy and Risk Appetite.
- 4.10 The Policy and Sustainability Committee approved the Risk Management Policy and Risk Appetite Statement on the 24 October 2023 which had been reviewed. The policy now reflects more clearly the role the Governance, Risk and Best Value Committee play in the Council's risk management approach. The Risk Appetite has been refreshed, including removing the increased appetite ratings applied during the pandemic.
- 4.11 The Corporate Risk Management team for the Council now comprises of a Chief Risk Officer and Senior Risk Advisor. An additional Senior Risk Advisor post is being recruited for currently to form the full team.
- 4.12 This report also provides an overview of Risk Management developments across Directorates as discussed at the CLT Risk Committee on 8 January 2024, this is set out in Appendix 3.

## **5. Next Steps**

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- 5.1 Resultant actions from the risks identified in this report are being acted on as reported and will continue to be monitored within directorate and CLT risk committees and will be subject to further scrutiny by GRBV committee.

## **6. Financial impact**

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- 6.1 There are no direct financial impacts directly arising from this report, although there may be resource implications associated with managing individual risks. Effective management of risks is part of good financial management and failure to manage them appropriately may have a range of financial consequences, including potentially serious negative financial consequences.

## **7. Equality and Poverty Impact**

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- 7.1 This report does not directly impact on equalities or poverty impact, although not suitably identifying and responding to these risks could cause an impact. This report and the approach to risk management more generally should support these important areas.

## **8. Climate and Nature Emergency Implications**

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- 8.1 This paper does not directly impact the climate or nature emergency, although not suitably identifying and responding to some risks would likely cause an impact. This Risk Management Policy and the approach to risk management more generally should support the effective management across these important areas.

## **9. Risk, policy, compliance, governance and community impact**

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- 9.1 This report highlights the Strategic risk for the City of Edinburgh Council, as it seeks to set out the current assessment of risk against the Enterprise Risk Categories and response specifically where risks are assessed as out-with appetite.

## **10. Background reading/external references**

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- 10.1 [Risk Management Policy](#)
- 10.2 [Risk Appetite Statement](#)
- 10.3 [Sustainable Capital Budget Strategy 2023-2033](#)
- 10.4 [Financial Strategy and Medium-Term Financial Plan](#)
- 10.5 [Adult Support and Protection and Social Work & Social Care Inspection Improvement plans](#)
- 10.6 [Sustainable Procurement Strategy Annual Report - 2023](#)
- 10.7 [Scotland's Labour market Trends June 2023](#)
- 10.8 [Workforce Dashboard.pdf \(edinburgh.gov.uk\)](#)
- 10.9 [Revenue Monitoring 2023-24 - Month Three Report update](#)
- 10.10 [MTFP and Financial Update.pdf \(edinburgh.gov.uk\)](#)
- 10.11 [2022-23 Internal Audit Annual Report and Opinion.pdf \(edinburgh.gov.uk\)](#)

## **11. Appendices**

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- 11.1 Appendix 1 – Enterprise Risk outwith risk appetite – context and Response/Mitigation
- 11.2 Appendix 2 - Current Enterprise Risks status and risk trend
- 11.3 Appendix 3 - Summary of Risk Management developments by Directorate as Discussed at the CLT Risk and Assurance Committee 8 January 2024

## Appendix 1

### Enterprise Risk outwith risk appetite – context and response/mitigations

#### High Rated Risks

##### Workforce

###### Context

The Scottish Government 'Scotland's Labour Market Trends June 2023 [report](#) highlights the estimated unemployment rate in Scotland is low (3.1%) by historical standards, there has been a significant increase in the estimated economically inactive in Scotland (22.9%) following the COVID-19 pandemic. The estimated employment rate for people aged 16 to 64 years in Scotland was 74.6% in February to April 2023. This is 0.7 percentage points down on December 2019 to February 2020 (pre-pandemic). This backdrop of low unemployment and higher rate of economically inactive has an impact on the number of people actively within the jobs market.

Against this backdrop a wide range of Council Services have been reporting workforce as a high to critical risk arising from difficulties recruiting to vacancies.

###### Response/mitigations

The strategic approach to tackle the recruitment challenges faced by the Council to ensure that we have the right people, with the right skills and in the right place will be the focus of the next People Strategy and Strategic Workforce Plan for 2024-2027.

A report was approved by the Policy and Sustainability Committee on 22 August 2023 which detailed the timeline and process for the development of the refreshed Strategy, including the communication and engagement plans. Alongside the development of the People Strategy, the Council's Workforce Plan will also be reviewed. In addition a Lead Consultant for Workforce Planning has been appointed to support this as well as service workforce plans and support/guidance and training for managers in this area going forwards. This will be supported by the implementation of the new HR/Payroll system, which will provide effective data to inform this more effectively and set out areas for action and focus to ensure a resilient and competent future workforce as well as introducing a new recruitment platform during 2024. The current Workforce Plan is available to view on the Council [Orb](#).

In response to the immediate recruitment challenges, the Council has adapted the way we engage with potential recruits. The approach of advertising through the national public sector recruitment portal myjobscotland has in the past provided suitable recruitment pools from which to make appointments. Recognising this alone is no longer providing the number and quality of applicants necessary, officers have extended this to include focused targeted recruitment campaigns using different forms of engagement, such as face to face open days, extensive social media and app communications as well as local promotion such as lamppost wraps and posters in community venues.

This has been captured in a campaign toolkit which will allow this to be used across the Council. This is now available to all recruiting managers. The outcome of this type of initiative within Facilities Management, for example, led to the filling of 64% of vacancies across all locations where this was previously around 10%. Other examples of recruitment approaches being adopted successfully are set out in the '[Workforce Deep](#)

[Dive -Hard to Fill Roles report](#)' presented to the Finance and Resource Committee on 20 June 2023.

As part of the Workforce Deep Dive report, the report acknowledges the need to revisit the planned review of terms and conditions of employment which was put on hold during the pandemic – 'Your Total Reward'. This piece of work, together with the Workforce Plan, will include analysis and benchmarking of pay against other local authorities and the private sector to consider what changes may be required to tackle problems of workforce retention and recruitment.

The Partnership continue to deliver a range of recruitment events and a city-wide advert for all Social Work vacancies (including roles within the Partnership) is now in place. The Partnership continue to work to fill its vacancy gaps, with success in filling several existing social work and social care vacancies which has reduced our social work waiting lists. The vacancy rate within locality assessment and care management teams has reduced from 42.2 WTE in August 2023 to 37.25 in December 2023 with 22 agency staff covering vacant posts.

Between October to December 2023, the following staff were recruited: 1, Senior Social Worker, 7 Social Workers, 1 Senior Occupational Therapist, 1 Occupational Therapist, 2 Community Care Assistants and 1 Mental Health Officers. Work continues to progress the streamlining of the process for recruiting graduate Social Work and Occupational Therapists.

The Student Hub continue to provide practice placements for Social Work students with 16 placements offered in August 2023 and a further 6 placements offered in October 2023. Work is underway to identify and provide suitable placements for 34 students throughout 2024.

However, there are still challenges in recruiting to Occupational Therapists and Community Care Assistants and this is having an impact on both those waiting lists. Therefore, until this recruitment challenge in relation to those posts are resolved, the risk remains at critical at this time.

The Partnership continue to restructure the operations management division, and this will provide the organisation with stability as currently several Service Managers have been in seconded posts for a significant period which exposes the Partnership to additional risk.

Whilst the Partnership are filling posts within key teams, there does remain workforce gaps across Occupational Therapists and Community Care Assistants (CCA) and this will still affect service delivery and increase waiting lists, therefore at this time the risk remains at critical.

The Finance and Resources Committee currently receives quarterly Workforce Dashboard reports. The [report](#) presented to Committee on 21 September 2023 shows, the level of vacancies advertised over the quarter was 2,873 which is an increase from previous quarter of 458 as outlined below:

- 43% Children, Education and Justice Directorate
- 38% Place

- 10% Edinburgh Health and Social Care Partnership
- 8% Corporate Services

Of the 992 colleagues onboarded within the quarter, 45% were internal and 55% were external candidates. Over the quarter 153 apprentices were supported. This is against a backdrop of 310 leavers during the period.

The report also reflected a reduction in sickness absence for the same period amounting to 7,688 days.

Its recognised the rating of high risk is still out-with risk appetite and that further progress on recruiting to vacancies is required, making full use of the measures outlined above.



## Service Delivery

### Context

This risk relating to service delivery is inextricably linked to having appropriate staffing resource to be able to deliver the services the citizens of Edinburgh rely on the Council for.

The Service Delivery risk had a further dimension This related to the outcome of a Joint inspection of adult support and protection in the city of Edinburgh partnership.

Challenges continue in relation to workforce, capacity challenges and increased demand for health and care services. There are challenges in relation to the impact and capacity of the workforce to deal with a range of competing priorities and significant demands for services. There is a risk around the ability for the Partnership to manage a range of conflicting priorities including, implementing the recommendations from two improvement plans, service improvement identified in change portfolio, disinvestments to achieve budget savings, the demands on SROs. Challenges also continue in relation to access with primary care services. Progress against several strands of work to address the findings from the Adult Social Work and Social Care inspection and the Adult Support and Protection Inspection continues.

There is a potential significant shortfall in Scottish Government funding to implement the new *Scottish Recommended Allowance* for children in kinship and foster care.

Foster Carers with settled children in placements are being offered better rates by independent fostering agencies. This can lead to an impact for children in the care of the City of Edinburgh Council and increased costs.

No recourse to public funds and unaccompanied asylum seekers which are two risks where demand is high, with limits on supply accommodation to support young people and families.

### Response/mitigations

In response to this element, the Edinburgh Integration Joint Board has developed and approved Adult Support and Protection and Social Work & Social Care Inspection Improvement plans.

There are several strands of work to address the findings from the Adult Social Work and Social Care inspection and the Adult Support and Protection Inspection and this has been contained with the report to Policy and Sustainability Committee.

The workstreams will drive service improvements and improve delivery of services and are at various stages of completion, and will be reported through Policy and Sustainability Committee and the EIJB Performance and Delivery.

The Partnership will continue to review and revise its assumptions around the risk rating as these workstreams are completed and understand the impact these have on improving service delivery and driving down the risk.

## Improvement and Voids Plans

Continue to engage with the market via the Flexible Purchasing System seeking additional accommodation.

Continue to develop innovative models of accommodation as set out in Rapid Rehousing Transition Plan.

Children, Education and Justice have increased fees and allowances for Foster Carers by 5% in mitigation of the higher rates being offered by independent foster agencies to encourage and support retention of carers. The Council will continue to monitor the Scottish Government National recommended allowances, monitor number of carers and review fees and allowances in comparison with other Local Authorities. Backdated payment being planned, however, given challenges with SWIFT there is likely to be an added administrative burden to apply this.

While this rating is on risk appetite work continues to further manage elements linked to this enterprise risk category.

## **Strategic Delivery**

### **Context**

The Strategic Delivery risk across all Directorates has an element of interdependency related to finance and the Council's financial risk position.

The Edinburgh Integrated Joint Board Strategic Plan will be influenced by the current operating environment in terms of the current financial position and the recommendations from the two inspection reports (Adult Support and Protection and Adult Social Care and Social Work). Challenges remain regarding workforce and the ability to manage demands within the available capacity. This is impacting the ability to deliver on strategic objectives linked to Programme and Project Delivery.

The [End Poverty in Edinburgh Annual report](#) was presented to the October 2023 Policy and Sustainability Committee. This highlighted the good work being undertaken by the Council in relation to poverty. However as shown by the cost of living crisis this is not enough. A poverty prevention team could progress more quickly if it had dedicated programme management support.

Delivering on the ambitious 2030 climate target will require significant capital investment as well as additional resource across all service areas. Financial prioritisation will be key to enable further emissions reductions. The [Council Emissions reduction plan – Annual Progress report](#) was presented to Policy and Sustainability Committee together with [the public bodies Climate Change Duties report 2022/23](#)

### **Response/Mitigation**

The production of the Draft EIJB strategic plan has been delayed to March 2024 to ensure alignment with the current operating environment – response to recent social care inspections and budget savings proposals.

Development of one overarching change programme and creation of Change Board that that will help support the move to an early intervention and prevention model.

The provision of resourcing in support of the poverty prevention programme will be considered as part of the Medium-Term Financial Plan. Other controls include, work with Partners to deliver poverty and prevention actions through community planning structures. Seek opportunities for external funding for poverty and prevention actions. Work with Partners to share responsibilities for implementing the Climate Strategy City Programme. Reframe the Council programme governance and Council delivery plans for Sustainability to focus on fewer priorities.

Three new posts have been filled in Corporate Climate and Sustainability team; two Senior Policy Officers and a Partnerships and Programme Manager. A further officer is being recruited to lead on Communications and Engagement and is expected to be in post by January 2024.

A review of the Council's Emission Reduction Plan (CERP) actions will be undertaken to enable prioritisation of actions to support investment decisions.

## Financial and budget

### Context

This risk has two dimensions one is the in year budget position which is managed at a Service level.

A more detailed analysis of the drivers behind these in year budget pressures is set out in the [Revenue Monitoring Report](#) presented to Finance and Resource Committee on 25 January 2024. Further in year budget pressure risks include uncertainty on the Employee Pay award (2023/24), Inflationary pressures, Brunstane Primary School – investigation works and decant, Reinforced Autoclave Aerated Concrete (RAAC) Panel – remedial costs and 2023/24 Savings delivery.

Following the City of Edinburgh Council's agreement to fund a (£14m) in-year deficit, the Edinburgh Integration Joint Board (EIJB) is now forecasting a year end shortfall of £6.2m (due to increased spend on the purchasing budget). This is a deterioration of £4m since the last report and the Chief Officer is working with senior leaders to continue identifying and implementing immediate mitigating actions. It is possible that these actions will have an impact on capacity and service delivery as we approach the busy winter period. This is being monitored via a daily resilience meeting.

The updated Medium Term Financial Strategy (MTFS) for the EIJB was presented to the EIJB on 12 December 23. The underpinning assumptions were reviewed in conjunction with NHSL and CEC finance teams. The opening savings requirement for 2024/25 is estimated at £67.6m. Offsets (additional funding of £5m/£13m from the Council/NHSL respectively and an assumption relating to the Scottish living wage of £4m) would reduce this to £45.1m. Taking account of the full year impact of the agreed 23/24 savings and recovery programme would leave a balance of £26.4m still to be identified.

Failure for the Council to break-even in 2023/24 would increase the savings requirement in 2024/25.

Current planning assumptions identify significant incremental funding gaps exist in subsequent years, £36.7m in 2024/25, £92.8m in 2026/27, with indicative annual gaps of around £30m thereafter. This is detailed in the [Financial Strategy and Medium-Term Financial Plan \(MTFP\)](#) reported to Finance and Resource Committee on 20 June 2023.

### Response/Mitigations

Executive Directors and the Chief Officer of the Edinburgh Health and Social Care Partnership are actively managing pressures, risks and savings delivery shortfalls within their respective core budgets and review all discretionary expenditure to ensure a balanced position is achieved by year end.

The EIJB have identified a range of themes, each led by a named SRO and the supporting plans are being tested through a series of finance workshops. It is unlikely however that these will be sufficient to bridge the gap without a detrimental impact on services and outcomes for people.

The financial strategy that underpins the Medium Term Financial Plan (MTFP) recognises that there is no single panacea to addressing the financial challenges the Council faces. The strategy is therefore based on a combination of savings initiatives that collectively close the gap in 2024/25 and over the three-year MTFP period. It also recognises that a mix of short- term and longer-term initiatives will be required, some of which will not deliver early benefits because they require longer lead times. Finally, to deliver the financial strategy will require a Change Programme to deliver the longer term,

cross-cutting and structural initiatives. This is detailed in the [Financial Strategy and Medium-Term Financial Plan \(MTFP\)](#)

## **Technology and Information**

### **Context**

The National Cyber Security Centre report that over the last year, the cyber security threat to the UK has evolved significantly. The threat from ransomware was ever present – and remains a major challenge to businesses and public services in the UK. This year, 18 ransomware incidents required a nationally co-ordinated response, including attacks on a supplier to NHS 111, and a water utility company, South Staffordshire Water. Evolving state threats and the proliferation and commercial availability of cyber capabilities continued and is likely to expand the threat to the UK. It is expected that further malicious and disruptive cyber tools will be available to a wider range of state and non-state actors, and will be deployed with greater frequency and less predictability.

This rating reflects reliance on essential legacy systems, including but not limited to iTrent and SWIFT, and the continued risk of cyber-threats which set out in detail by National Cyber Security Centre and Scottish Gov Cyber Resilience.

### **Response/Mitigations**

The Cyber threat is real and consideration to future investment in systems should be high on members' agenda, in order to ensure the organisations data is protected and we have the most up to date and secure systems. Consideration should be given to an annual investment as part of the Capital programme. Mitigation in relation to loss of data is also being considered. Completion rates of mandatory cyber-security training are monitored on a regular basis, with non-compliance highlighted to services by the Cyber and Information Security Steering Group (CISSG). This monitoring has been stepped up with monthly reports being provided to CLT, with a detailed breakdown being provided to service areas on request. Service responsiveness to a successful cyber attack is scheduled to be reviewed as part of the 2023/2024 audit plan, and is expected to have business continuity oversight from the Council Resilience Group. It is likely this risk will remain out-with appetite until all necessary systems have adequate funding and have been successfully implemented. A scenario testing session took place in January 2024 to look at Business Continuity responses. Further sessions with service representation are planned. Monthly meetings take place to review the Cyber Security Ecosystem and currency plan. Improvements identified from the Cyber Security training are also review and converted into actions. Further details can be found within the GRBV Digital Services Quarterly Status Update.

The acquisition of a new HR system has been approved by Council, and is scheduled to be implemented by April 2025. A replacement for the SWIFT, with the aim to set up a project and to commence a 2 year deployment from January 2024.

The Social Care System Replacement business case is finalised and a report will be taken to F&R committee for approval on the 25<sup>th</sup> of January 2024.

## Medium Rated Risks

### Health and Safety

#### Context

Following incidents involving reinforced autoclaved aerated concrete (RAAC) the Department for Education and Local government Association made building owners aware of potential component failures. This was widely reported in the media in August 2023 as schools in England were due to return after the summer break and where the DfE had taken the decision some schools and parts of schools could not open given the risk associated with the buildings. Similar potential risks were applicable in Scottish schools.

The City of Edinburgh Council have an obligation under the Fire (Scotland) Act 2005 to assess fire risk within facilities it operates (relevant premises). These assessments have been carried out by Duty Holders previously, however, following an action arising from the Life Safety Audit carried out in 2020 it was agreed that an exercise should be carried out to have Fire Risk Assessments carried out by specialist fire risk assessors.

The City of Edinburgh hosts a large number of public events with significant numbers of people gathering to enjoy a range of events and activities. There is a known risk relating to hostile vehicle attacks arising from a number of high-profile incidents in the UK and abroad.

As a result of the Internal Audit Health & Safety Findings only report, the need to confirm health and safety performance across the organisation has been reinforced.

#### Response/Mitigations

The City of Edinburgh Council through its Sustainable Development Division have led and co-ordinated a programme of building assessments to assess where RAAC may have been used and then to determine appropriate remedial action. This has resulted in areas being taken out of use in some school sites, library and a community facility. Details are reported and updated on the [Council's website](#) to inform the citizens of Edinburgh.

Council facilities have been subject to assessment by specialist fire risk assessors with the support of Mitie and Skanska. These assessments are now being reported on. Following a quality assurance process these assessments are being provided to Duty Holders as the current record of fire risk assessment, with actions arising from these allocated to Duty Holders and Property Facilities Management as appropriate.

The Council are continuing to make provision for stakeholder advice in relation to the hostile vehicle threat and mitigation advice also included as part of the Event Planning and Operations Group (EPOG) process.

While the Internal Audit Health & Safety Findings only report reflects work which was being developed as a result of the Health and Safety Strategy 2023-2028, additional monitoring will be co-ordinated by the Council Health and Safety Team to provide reassurance and where necessary to drive action as appropriate.

## **Governance and Decision Making**

### **Context**

Given the wide range of health and safety statutory obligations placed on the Council, greater clarity is required on how these regulatory requirements are to be met and monitored.

Legal Services not always engaged early enough in decision making process; Legal advice and potential risks not made fully clear to decision makers by services.

Workforce pressures has been a contributing factor to the embedding of these frameworks as is unplanned demands for officer time, while balancing competing priorities.

Motions and amendments creating capacity demands.

### **Response/Mitigations**

Review opportunities to embed consideration of Legal & Regulatory impacts within CLT decision making, through internal promotion of support available, and safeguarding of decisions through standardised risk reporting.

New Health and Safety Strategy with work plan to refresh current policy and guidance material with a consistent framework to guide and measure performance against.

Areas for development have been identified within the Governance team with the purpose of supporting decision making from officers which may have regulatory compliance or legal implications.

The Resilience framework requires further embedding throughout 2024, and the need to strengthen governance over the Council's Arm's Length External Organisations (ALEOs) has been recognised.

Enhanced elected member engagement where possible



## Regulatory and Legislative Compliance

### Context

Education and Facilities Management plan for potential business disruption each year, which would cause a regulatory compliance impact in relation to the statutory provision of Education. In advance of this years winter period Education and Facilities Management have planned for the response to a heating breakdown, as part of ready for winter contingency planning.

The use of temporary accommodation in response to the Ukraine crisis continues to be reviewed under the statutory Unsuitable Accommodation Order. Performance reporting of statutory care and education services is being monitored closely due to workforce pressures versus demand.

The Council identified the need for remedial work on some heating plant to facilitate the inspection of equipment.

School accomodation pupil capacity,potential not to clear waiting lists to provide education in the event of insufficient pupil places.

## Appendix 2 - Current Enterprise Risks status and risk trend

The Council's 13 enterprise risks have been rated as follows:

CEC Risk Profile	trending						CLT risk ratings	
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q2 2023	Q3 2023	Q4 2023	Risk Appetite
01 Strategic Delivery								
02 Financial and Budget Management								
03 Programme and Project Delivery								
04 Health & Safety								
05 Resilience								
06 Supplier, Contractor, and Partnerships Management								
07 Technology and Information								
08 Governance and Decision Making								
9 Service Delivery								
10 Workforce								

11 Regulatory and Legislative Compliance									
12 Reputational Risk									
13 Fraud and Serious Organised Crime									



## Appendix 3

### Summary of Risk Management developments by Directorate as Discussed at the CLT Risk and Assurance Committee 8 January 2024

#### **Childrens and Justice Services**

Children's Services - developing KPI monitoring measures and assurances as part of the Improvement Plan. Early engagement undertaken in advance of a full Service review.

Children's Services - Edge of Care Service pilot, including progressing creation of an Emergency Reception House and a focused approach on placements for young people.

Justice Services - Implementation of new structure following service review and upcoming review of Drug Treatment Testing Order (DTTO) Service.

Justice Services - Regular meetings with Finance colleagues as continued pressures on ring-fenced Section 27 budget.

The Swift replacement project is due to start at the end of April 2024 with an anticipated two year implementation period.

#### **Corporate Services**

The objective of the service is to ensure budget is in the right places.

Cyber and technology training are being promoted to ensure organisational compliance.

Prevention is a key objective of the Council Business Plan and investment is key through the change delivery resource (budget).

#### **Place**

There are pressures in terms of capacity to co-ordinate and support large events in the city as well as times where there are large numbers of small events. The scale and frequency of events can put pressure on the system. There is a focus on requirements in terms of Officer capacity.

#### **Education**

There is currently a focus on school security with a short life working group starting in January to assess and manage security requirements across the estate in a consistent way.

#### **Edinburgh Health and Social Care Partnership**

Work continues to address the financial position for 2023/24 as well as developing the savings and recovery programme for 24/25. Whilst a range of themes have been identified, it is unlikely however that these will be sufficient to bridge the gap without a detrimental impact on services and outcomes for people.

Recognising there are workforce challenges within the Partnership, work continues to look at ways to different ways to attract people in a career in health and social care. A workforce board has been established, focussing on workforce planning, recruitment, retention and ensuring the workforce profile meets the future needs of the organisation.