
Report to Audit & Scrutiny Committee

Date of Meeting: 25th August 2022

Subject: Corporate Risk Register

Report by: Strategic Director – Partnership & Performance

1.0 Purpose

- 1.1. This report provides Committee with the regular update on Clackmannanshire Council's Corporate Risk Register (Appendix A), and information on the revised arrangements for the Corporate Risk & Integrity Forum (Appendix B). While this report presents the most recent risk assessments, see also the Corporate Plan report, showing alignment to performance indicators, strategies and corporate priorities.

2.0 Recommendations

- 2.1. That Committee notes the report, commenting and challenging as appropriate.

3.0 Considerations

3.1. Purpose of Risk Management

- 3.1.1. The Council has several key goals regarding how it will achieve the priorities set out in the Local Outcomes Improvement Plan (LOIP) and how it will transform services under the Be the Future programme. In order to effectively plan how we will achieve these goals, we must also consider the internal and external challenges with the potential to prevent or hinder their achievement. An effective risk management approach ensures that the Council is aware of such factors and, where appropriate, takes action to reduce or remove risks to ensure the success of its initiatives.
- 3.1.2. The purpose of risk management is not to prevent activities from taking place, but to ensure that all relevant factors are taken into account in their planning and execution so that the best possible outcomes are realised. In recent years it has been well-recognised that Council officers and services deal, on a daily basis, with a wide variety of operational risks to individuals, communities and internal management processes. However, the corporate risk management approach must take a wider, more strategic view and consider short-, medium- and long-term implications, as well as (often complex) inter-dependencies.
- 3.1.3. The impact of the pandemic on Council services and the local community has been significant, and this approach remains critical in light of the Council's ongoing response and recovery planning. The hierarchy of risk logs from teams, services, directorates and partnerships up to the corporate log should ensure that each level has holistic oversight of the most significant issues which must be monitored and managed. In addition, consideration of risk at a Civil Contingencies and Incident Management level has been critical, as has the risk assessment process which has formed a significant part of the Council's ability to respond and manage service provision safely.

3.2. Corporate Risk Management Process

- 3.2.1. The corporate risk register is owned by the Strategic Leadership Group, and the Strategic Director – Partnership & Performance is responsible for the corporate Risk Management approach. The Council follows a systematic risk process, reporting corporate and service risks to Committee on a regular basis. The process is assessed via internal and external governance and audit mechanisms, and peer-reviewed by other authorities and partners.
- 3.2.2. Each corporate risk review involves gathering information from internal and external sources (environmental scanning) and review of the register by a range of individuals and groups. Discussions are held with risk owners and/or delegated officers to:
- Review changes and developments in existing corporate and service risks;
 - Investigate emerging externally-identified risks for local relevance;
 - Evaluate emerging internally-identified risks (Internal Audit/self-assessment); and
 - Consider significant risks, or those with implications across multiple services, for escalation to the corporate log, where they are managed until their severity reduces.
- 3.2.3. It would be impossible to remove all risk from our operations as most of our functions have inherent risks, as do most changes. Moreover, we cannot choose not to make changes, as this would involve exposure to other risks, such as failing to fulfil statutory duties, comply with new legislation or take advantage of new opportunities/technologies. The aim, therefore, is not to be ‘risk averse’ but ‘risk aware’.
- 3.2.4. We identify our approach to managing each risk as:
- | | |
|------------|--|
| Treat: | we will take action to reduce the risk; |
| Tolerate: | actions within our control have been completed and plans are in place; |
| Transfer: | the risk will be passed to another party, such as insurers; |
| Terminate: | the activity that is causing the risk will be ceased. |

3.3. Current Risk Profile & Development Activity

- 3.3.1. As can be seen from Appendix A, the positive impact of mitigations is currently being outweighed in a number of areas by worsening external factors, resulting in little direct change in many scores, and a number of increased scores. Interdependencies between risks are also clearly evident, and while significant external factors are already having a directly negative impact in a number of areas, it is foreseen that further tertiary and indirect impacts are likely in the months and years to come. These factors include economic, environmental, geopolitical, societal and technological concerns.
- 3.3.2. The ongoing pandemic response, the war in Ukraine, and energy and cost of living crises are compounding pre-existing risks, such as EU withdrawal, climate change, and financial and workforce stability. These are materialising in increased potential for cyber threats, data breaches, health & safety incidents, civil unrest, industrial action, and disruption to supply chains and recruitment. These issues may also have an impact on our ability to implement new initiatives, systems and legislative changes, and our ability to respond to increased service demand arising from local deprivation levels, and greater and more complex community needs, particularly in the most vulnerable residents.
- 3.3.3. It cannot be denied that the Council is currently managing some of the greatest challenges it has ever experienced. We are not alone in this, and one factor within our control is how we lead by example to ensure that high standards of diligence are applied in all areas of our work. The Corporate Risk & Integrity Forum has, therefore, expressed the key message that it is currently more important than ever that all staff adhere to corporate governance processes at all times. Managers have been asked to continually reinforce this need, and specific requirements and issues are outlined in the following section.

3.4. Corporate Risk & Integrity Forum

3.4.1. Arrangements for the quarterly Corporate Risk & Integrity Forum have recently been revised, as shown in Appendix B, with current attendees shown below. This group continues to raise and address issues around governance and compliance, ensuring visibility, ownership and input at a senior level, and enabling timely action to minimise negative impacts. Attendees will be revised on an ongoing basis to ensure they remain appropriate to the current risk profile.

Partnership & Performance	Chair	Strategic Director, Partnership & Performance
	Civil Contingencies	Emergency Planning Officer
	Contest/Organised Crime/Cyber	Senior Manager, Partnership & Transformation
	Health & Safety	Health & Safety Manager
	HR & Workforce Planning	Senior Manager, HR & Workforce Dev.
	Data Protection/Monitoring Officer	Senior Manager, Legal & Governance
	Internal Audit	IA, Risk, & Corporate Fraud Manager
	Finance	Management Accountancy Team Leader
	Procurement	Procurement Manager
	Strategic Risk Management	Performance & Information Adviser
	Annual Governance Statement	Strategy & Performance Adviser
Transformation	Transformation	Senior Manager, Transformation
Place	Building Security/Duty Holder	Strategic Director, Place
	Energy, Sustainability & Climate Change	Senior Manager, Development
People	Attainment/Education	Chief Education Officer
	Child Protection/Social Work	Chief Social Work Officer
Health & Social Care	Adult Protection	Head of Community Health and Care
		Locality Manager

3.4.2. The Forum has reiterated the following key points for all staff and managers:

- Inductions and annual mandatory training should be completed by all staff;
- Public health and building security procedures should be followed at all times;
- Health & safety guidance and protocols should never be sacrificed in favour of managing other risks – these should always be strictly adhered to;
- Staff should be vigilant regarding cyber security and the potential for scams and fraud;
- Business Continuity Plans should be revised frequently to ensure fitness for purpose;
- Data protection and records management guidance and duties should be prioritised, and appropriate documentation maintained for all required types of request;
- Workforce Development Plans should be developed and implemented by all services, and there should be a keen focus on staff communication, awareness and inclusion;
- Internal Audit actions should be progressed, and updates provided when requested;
- Procurement processes should be followed at all times, particularly regarding the raising of purchase orders, and focus on local supply to support economic stability;
- Governance systems and procedures are designed to ensure appropriate oversight while efficiently and effectively managing resources, therefore these should never be bypassed and corporate support should be sought where appropriate.

3.4.3. Training continues to be provided via our risk management partners, Gallagher Bassett, with 7 staff members achieving accreditation in 2021/22, and additional Health & Safety training for senior managers, as well as guidance and materials circulated internally. Work also continues on supporting services, implementing internal audit recommendations, and partnership work, such as a current review of the Health & Social Care Partnership joint risk strategy. The local risk strategy is also currently under review, and the World Economic Forum recently published their Global Risks Report 2022, a summary of which will be presented at the next forum meeting.

4.0 Sustainability Implications

4.1. There are no direct sustainability implications arising from this report.

5.0 Resource Implications

5.1. *Financial Details – There are no direct financial implications arising from this report.*

5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes ✓

5.3. Finance have been consulted and have agreed the financial implications as set out. Yes ✓

5.4. *Staffing – There are no direct staffing implications arising from this report.*

6.0 Exempt Reports

6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No ✓

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all ✓

Our families; children and young people will have the best possible start in life ✓

Women and girls will be confident and aspirational, and achieve their full potential ✓

Our communities will be resilient and empowered so that they can thrive and flourish ✓

(2) **Council Policies** (Please detail)

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations? Yes No ✓

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes ✓

10.0 Appendices

10.1 Please list any appendices attached. If there are no appendices, please state "none".

Appendix A – Corporate Risk Log

Appendix B – Corporate Risk & Integrity Forum Terms of Reference


11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered) Yes (please list the documents below) No ✓

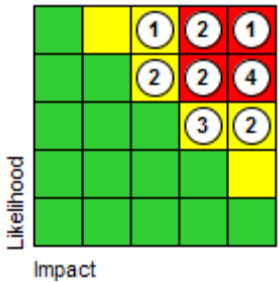
Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Judi Richardson	Performance & Information Adviser	2105

Approved by

NAME	DESIGNATION	SIGNATURE
Stuart Crickmar	Strategic Director – Partnerships & Performance	

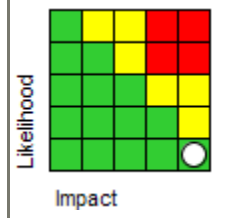
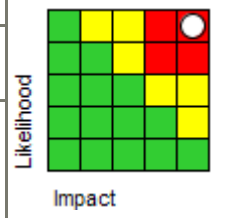
Appendix A - Corporate Risk Register

Summary of Changes	Distribution of Scores
<p>At the end of Quarter 1, 2022/23 (out of a total of 17 risks):</p> <p>Status</p> <p>9 risks are red (8 in previous report - 2021/22 year end) 8 risks are amber (same as previous) No risks are green (previously 1 – few green as often demoted to other logs)</p> <p>Approach</p> <p>12 risks are being Treated (same as previous) 5 risks must be Tolerated (same as previous)</p> <p>Change in Scores Since Last Review</p> <p>4 risks have increased 13 risks remain the same No risks have reduced No risks have been added or removed</p>	

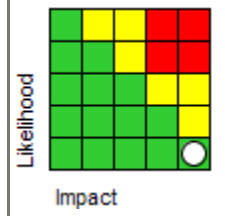
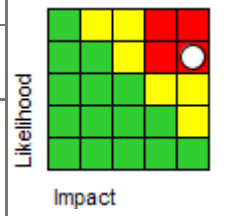
Code	Title	Score	Status	Approach	Change
COU CRR 008	Insufficient Financial Resilience	25		Treat	
COU CRR 022	Public Health Emergency	20		Tolerate	
COU CRR 005	Impact of Poverty, Inequality & Changing Demographics	20		Treat	
COU CRR 034	Insufficient Pace and Scale of Organisational Transformation	20		Treat	
COU CRR 050	Supply Chain & Labour Market Disruption	20		Tolerate	
COU CRR 047	Inadequate Workforce Planning	20		Treat	
COU CRR 012	Health & Safety Breach	20		Treat	
COU CRR 048	Increasing Attainment Gap	16		Treat	
COU CRR 009	Information Not Managed Effectively	16		Treat	
COU CRR 049	Continued Contribution to Climate Change	15		Treat	
COU CRR 046	IT System Failure	15		Treat	
COU CRR 038	Failure to Prevent Extremism and/or Radicalisation	15		Treat	
COU CRR 011	Harm to Child(ren)	12		Treat	
COU CRR 037	Failure to Address Serious Organised Crime	12		Treat	
COU CRR 040	Failure of Public Utility Supply	12		Tolerate	
COU CRR 031	Failure to Prepare for Severe Weather Events	12		Tolerate	
COU CRR 023	Industrial Unrest	12		Tolerate	



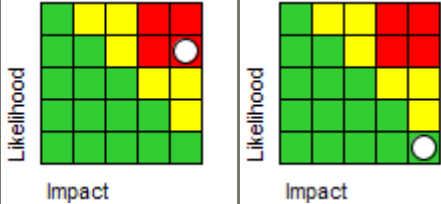
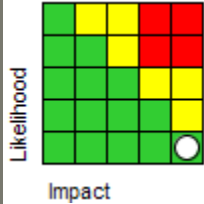
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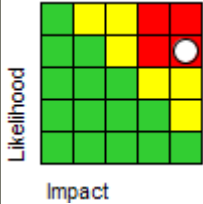
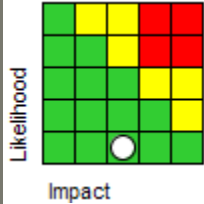
		Insufficient Financial Resilience	Senior Manager Finance & Revenues	Current Score	25	Target Score	5
Risk	The Council does not have a balanced budget to meet essential service demands, customer needs, or external agendas.						
Potential Impact	Reputational and legal implications and severe, extended loss of service provision. Possibility of Alliance, Health & Social Care and other partners also experiencing budget pressures contributes to potential impact, given the interdependencies.						
Note	The cumulative funding gap to 2028 is £33m as reported in the Council's 2022/23 budget. There is a continuing need for service redesign to ensure service delivery. Given the significant savings already achieved, as well as impacts and costs relating to Covid, and challenges around national budget uncertainty, it is extremely challenging to identify new proposals. Significant priority is being given to progressing the Council's organisational redesign and transformational change.						
Related Actions	Audit of 2021/22 Accounts by Audit Scotland	COU EXA 212	Existing Controls	Budget Strategy & Monitoring			
	Use the agreed strategic change framework and organisational design principles to implement a whole organisation redesign	EXA BVA 1A0		Contract Standing Orders			
	Balance the drive for savings with the need for sufficient officer time and skills to support change and consider how to make more use of external assistance to support improvement	EXA BVA 4F0		Financial Regulations			



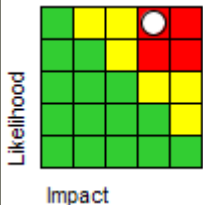
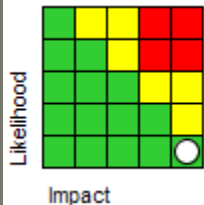




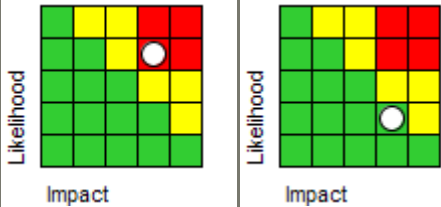
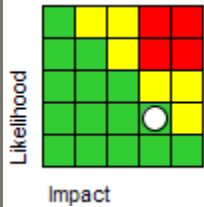
		Impact of Poverty, Inequality & Changing Demographics	Chief Executive	Current Score	20	Target Score	5
Risk	Services are not appropriately redesigned based on changing needs in relation to the ageing population, health, complexity of care or socio-economic factors, specifically poor outcomes associated with welfare reform, poverty and/or inequality.						
Potential Impact	Inappropriate allocation of resources & assets, misalignment of corporate objectives to need, inability to demonstrate Best Value, and possible financial and reputational consequences of responding to unplanned situations.						
Note	The LOIP and Health & Care Strategic Plan set out partnership outcomes to strengthen community & place-based services. Key priorities are to reduce children living in poverty, develop inclusive growth and empower families & communities. Relevant actions include City Region Deal, Community Wellbeing & Community Wealth Building, as well as data analysis to inform decision-making and Poverty Impact Assessments. The risk score takes into account EU withdrawal, pandemic impacts and recent Child Poverty statistics.						
Related Actions	Clackmannanshire Alliance Local Outcomes Improvement Plan 2017-27	CPP LOI	Existing Controls	Customer Consultation & Engagement			
	Implement Health & Care Partnership Strategic Delivery Plan	CRR HSC SDP		Budget Strategy & Monitoring			



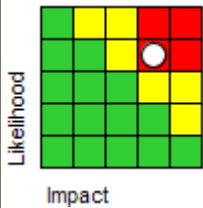
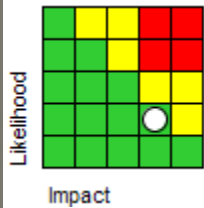




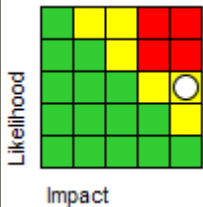
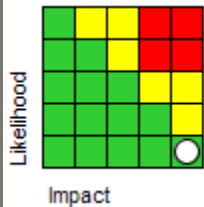


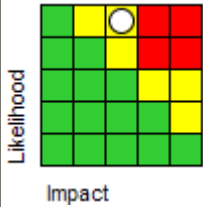
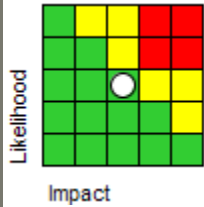
		Insufficient Pace and Scale of Organisational Transformation	Chief Executive	Current Score	20	Target Score	5
Risk	The Council fails to proactively drive the fundamental redesign of services and organisational planning/development with the speed required to address the funding gap due to ineffective change management.						
Potential Impact	Failure to maintain the required level of provision for statutory services. The corporate business improvement programme does not establish sustainable service delivery and a sustainable cost base for the future.						
Note	Five new Transformation Officers were appointed in May 2022 for a period of 12 months. The key focus of the Transformation team is to increase focus on accelerating transformational activity towards the Council's Target Operating Model to increase our organisational resilience and our ability to move on new opportunities quickly. The Target Operating Model is under-pinned by principles of digital transformation, Community Wealth Building and investment-led recovery that put collaboration with our communities at the centre of our work.						
Actions	Be the Future Transformation Programme		COU BTF	Controls	Be the Future Board		



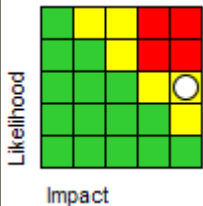
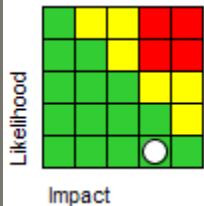
		Inadequate Workforce Planning	Senior Manager HR & Workforce Development	Current Score	20	Target Score	3
Risk	Due to lack of workforce planning the Council fails to ensure sufficient capacity/resource to deliver key Council service or fails to adequately develop its workforce to ensure that skills, knowledge and structures are appropriate, sustainable financially viable and compatible with our corporate vision.						
Potential Impact	Loss of key staff from posts identified as single points of failure, including statutory officers, leading to inability to delivery key functions and lack of adequate professional advice to Council Officers/Elected Members.						
Note	The main risks at present relate to a stretched and fatigued workforce as a result of balancing "business as usual" with ongoing pandemic recovery as well as progressing key transformation activities. Beyond this an aging workforce, with a number of key staff approaching potential retirement, turnover in key posts or single points of failure, impacted by turnover or absence overlays presents significant future challenges. A fundamental review of workforce planning is necessary to ensure the sustainability of service provision, particularly in the context of statutory duties. This review will be informed by the outputs of the demands/capacity/skills audit which will also inform the review of our Strategic Workforce Plan 22-25						
Actions	Develop & implement the strategic workforce plan 2022-25		CRR P&P HR3	Controls	Strategic Workforce Plan		



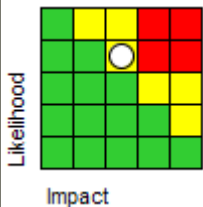
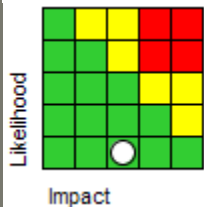
		Health & Safety Breach	Chief Executive	Current Score	20	Target Score	5
Risk	Incident or statutory breach results in injury or death of staff member or customer due to lack of awareness or non-compliance with policies and procedures. Incidents may also arise from third parties actions, outwith Council control.						
Potential Impact	The effects on individuals and their families, financial penalties (including Health & Safety Executive intervention fees), criminal proceedings, adverse publicity, increased insurance or damage to Council assets.						
Note	Significant work is being undertaken to ensure that all Council activities are risk assessed and that all managers have a basic level of health & safety awareness training. Work is also ongoing in conjunction with Trade Unions to reinforce messages with front line workers that they have responsibilities and must report concerns to allow these to be addressed.						
Related Actions	Revised Health & Safety Strategy & Actions Plan		CRR P&P HR1	Existing	Health & Safety Management System		
	Governance improvement actions across all services		CRR P&P LD1	Controls	Health & Safety Training Programme		



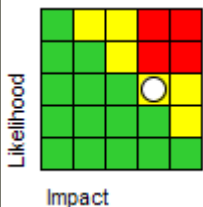
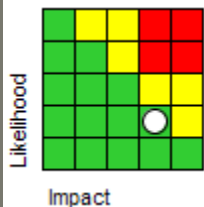
 	Increasing Attainment Gap	Chief Education Officer	Current Score	16	Target Score	8
Risk	The Council fails to reduce the educational attainment gap between pupils from more and less deprived areas due to financial pressures, workforce issues, or wider economic, demographic and poverty-related issues.					
Potential Impact	Poor school leaver destinations/participation, young people failing to reach potential, longer-term impacts on social mobility, poverty, life chances & economic growth, plus reputational damage and implications for inspections & funding.					
Note	Recovery Plans now form part of School Improvement Plans and support continues from Centre Teams & government funding. Health & wellbeing impacts and emerging challenges being addressed by Educational Psychology & partners. Redesigned approach to Scottish Attainment Challenge has seen funding to 9 Challenge Authorities (£43m) distributed equitably between all 32 local authorities - now named Strategic Equity Funding. This significantly reduces finance available for local Programme Plans, tapering down over next 4 years (2022-25). We continue to monitor attainment closely, with targeted support to close any identified gaps, and funding will be carefully allocated to mitigate risks.					
Related Actions	Increased attainment in Literacy and Numeracy	NIF 21 10	Existing Controls	Education Senior Management Team		
	Collective efforts ensure that interventions continue to be targeted to those areas of greatest need to improve outcomes and close the poverty related attainment gap	NIF 21 16		Strategic Equity Funding		
	Covid-19 Education Recovery Plan	PPL EDU CRP		National Improvement Framework		

 	Information Not Managed Effectively	Senior Manager - Legal & Governance	Current Score	16	Target Score	8
Risk	Information is not protected, managed or used effectively due to lack of compliance with information sharing, data protection, records management or IT principles/protocols, potentially leading to data breaches, inefficiency/duplication and strategic/performance management decisions based on poor quality/inaccurate business intelligence.					
Potential Impact	Legal/reputational/financial implications from breaches (regulators being the ICO and SIC can impose monetary penalties and enforcement notices), inefficiencies costing time/money, non-completion of (possibly statutory) duties. Loss of productivity, impacting morale, or misinformed decision-making if information not available/used.					
Note	There is currently no Records Management Officer in post, and the Data Protection Officer is externally appointed. The likelihood of this risk occurring has increased in relation to external cyber security threats, with cyber essentials accreditation remaining outstanding. Work continues around opportunities from MS365, review of Data Protection policies and partnership sharing agreements, and ensuring the completion of mandatory training by all staff.					
Related Actions	GDPR Implementation Project Plan	COU GDP	Existing Controls	Data Sharing Agreements		
	Develop & deliver the Council's Digital Transformation Strategy	CRR P&P IT1		GDPR Guidance & Training		

  Continued Contribution to Climate Change		Strategic Director - Place		Current Score	15	Target Score	5
Risk	The Council fails to play its part in addressing the climate emergency, such as by not adapting to climate change, by not reducing waste and the need to travel, making available adequate resources, developing/using/promoting sustainable practices, materials & technologies (including energy efficiency & emissions) or failing to act as an ambassador for national & international good practice as it emerges.						
Potential Impact	Worsening environmental impacts including flooding (see related Severe Weather risk), increased fuel poverty (with knock-on health/social impacts), missed efficiency savings, economic opportunities and poorer air quality. Political/reputational impacts of not supporting national/international policy, and potential legal implications of not meeting targets or demonstrating progress.						
Note	We submit Climate Change Duties reports annually, and are developing/implementing several related strategies & projects around our own practice and dissemination to local residents & businesses. These relate to assets, housing stock, energy & fuel poverty advice, community food growing, waste reduction, low-carbon technology and sustainable transport. Scotlands International Environment Centre proposal, as part of the City Region Deal, will place Clackmannanshire at the forefront of Scotland's Climate Change mitigation efforts. A recent internal audit found systems to be largely satisfactory, and provided recommendations around reporting processes, strategy review and establishing a Carbon Management Group. However, a comprehensive Climate Change/Net Zero Strategy is now required to guide the Council and communities to a net zero future.						
Related Actions	Develop Net Zero strategy and action plan		PLC 213 101	Existing Controls	Local Biodiversity Action Plan		
	Develop routemap to compliance with ESSH2 for all Council Housing stock.		PLC 213 104		Regional Energy Masterplan		
	Deliver CRD programme in line with delivery plan/financial profile		PLC 213 111		Sustainable Food Growing Strategy		
  IT System Failure		Senior Manager Partnership & Transformation		Current Score	15	Target Score	9
Risk	Full or partial loss of network/hardware/software/telecoms technologies (temporary or prolonged) due to cyber attack/other emergency, failure to manage maintenance/backups/suppliers/contracts, or lack of investment in systems/staff/training (i.e. failure of IT services to uphold priorities of Confidentiality, Integrity and Availability).						
Potential Impact	Financial impact from loss of productivity, service disruption (inc. statutory/vulnerable groups), inability to communicate, harm to staff/customers (access to records/Potentially Violent Persons register) & legal/regulatory/reputational implications.						
Note	The Council is investing in ICT infrastructure as part of its Digital Transformation Strategy & roadmap. This will introduce cloud hosted services, retire/replace legacy systems, implement m365 & invest in modern technology to support delivery, future ways of working & Digital Transformation ambitions. Digital Maturity Assessment, Audit Scotland review and work in partnership with Digital Office is helping shape this work. A report on Cyber Security compliance is scheduled, however, recent global issues have increased this risk, and work is ongoing around security and improving staff & public awareness.						
Related Actions	Develop & deliver the Council's Digital Transformation Strategy		CRR P&P IT1	Existing Controls	Business Continuity Plans		
	Complete actions from IT Asset Management Plan		CRR P&P IT2		Service Level Agreements & Contracts		



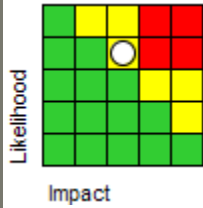


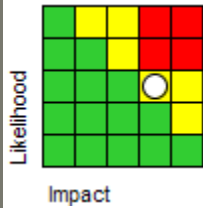


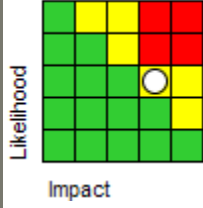
		Failure to Prevent Extremism and/or Radicalisation	Senior Manager Partnership & Transformation	Current Score	15	Target Score	4
Risk	Radicalisation of someone from the area results in terrorist incident (or other malicious attack), causing physical or financial harm to individuals or groups (here or elsewhere), or fear of such an incident affects quality of life.						
Potential Impact	Casualties/fatalities, property/infrastructure damage, need for evacuation/temporary housing or wider economic damage. Financial harm to individuals, businesses or the Council. Disruption to services or reputational/legal implications.			Likelihood		Likelihood	
Note	Continue to implement delivery plan with partners and FV CONTEST Board. Prevent is the strand focussed on preventing radicalisation and extremism in communities. Training for staff is provided as part of mandatory training programmes and on specific aspects of the national Prevent strategy. The national Prevent referral pathway has also been reviewed in 2021.			Impact		Impact	
Related Actions	Actions from Internal Audit of CONTEST, Prevent & Serious Organised Crime Readiness		CRR P&P SP2	Existing Controls	Forth Valley Resilience Partnership CONTEST Plan & Working Groups WRAP Training (High Priority Staff)		

		Harm to Child(ren)	Strategic Director - People	Current Score	12	Target Score	3
Risk	A lack of capacity or stability in key roles reduces the Council's ability to fulfil statutory requirements and intervene to prevent the serious harm of a child/children.						
Potential Impact	Effects of injury or death on individual, family, friends & staff members, reputational & legal implications, with associated costs, as well as impact of reputational damage & negative publicity on morale, workforce development and sustainability.			Likelihood		Likelihood	
Note	Planning and measures are in place to address staffing, leadership, assurance and improvement planning, including quarterly reports to Committee. We are currently recruiting to the vacancies for team leaders and social workers.			Impact		Impact	
Related Actions	Children's Services Plan 2021-24		PPL CHC CSP	Existing Controls	Child Protection Procedures		
	Covid-19 Education Recovery Plan		PPL EDU CRP		Public Protection Chief Officers Group		
	People Business Plan 2021-22		PPL PBP 212		Public Protection Committee		

		Failure to Address Serious Organised Crime	Senior Manager Partnership & Transformation	Current Score	12	Target Score	8
Risk	Public bodies fail to address organised crime involving drugs, violence, fraud, corruption, money laundering and/or human trafficking (with women and girls particularly vulnerable), due to a lack of preventative processes or information sharing.						
Potential Impact	Physical or financial harm to individuals, businesses, communities or the Council. Direct or indirect disruption to Council services and associated reputational and/or legal implications.			Likelihood		Likelihood	
Note	Situational awareness and monitoring of significant developments or intelligence is ongoing. Web pages for staff have been updated with the latest advice on cyber crimes and keeping safe and briefings are shared with staff from Scottish Business Resilience Centre and the National Crime Agency.			Impact		Impact	
Related Actions	Serious Organised Crime action plan, based on Police Scotland self-assessment		COU SOC	Existing Controls	Serious Organised Crime Delivery Plan		
	Implement Council CONTEST Delivery Plan, based on the Government's CONTEST Strategy		CRR P&P SP1		Let Scotland Flourish Strategy		
	Actions from Internal Audit of CONTEST, Prevent & Serious Organised Crime Readiness		CRR P&P SP2		National Fraud Initiative		

Approach Tolerate

		Public Health Emergency	Chief Executive	Current Score 20 Existing Controls
Risk	Significant numbers of Council staff and customers become ill due to the occurrence of a public health emergency, such as a flu pandemic, with spread potentially exacerbated through failure to vaccinate or follow hygiene protocols.			Business Continuity Plans
Potential Effect	Short- & long-term health implications for public & staff (inc. absence if ill or caring for others). Disruption to support & front-line services, inc. to already vulnerable groups. Consideration required of minimal service provision requirements.			Pandemic Flu Plan
Note	The Covid 19 pandemic remains an ongoing incident requiring Council's continued response and recovery activity. The Council's Incident Management Plan was implemented on the 9 March, 2020 and Major Emergency Operating Procedures (MEOPs) were agreed and enacted. All Business Continuity plans have been reviewed and we are actively involved in response planning with the Forth Valley Resilience Partnership. Continuity of crucial services has been achieved and response and recovery work for outbreak management, community testing, vaccinations and community support for those people isolating has been established. Council has agreed an internal debrief process and a recent survey undertaken to identify lessons learned and inform ongoing response and recovery work, this is an ongoing process. In light of lessons learned and work undertaken over the past two years the risk score can be reduced.			Major Incident Procedures
		Supply Chain & Labour Market Disruption	Chief Executive	Current Score 20 Existing Controls
Risk	Disruption to UK supply chains & labour markets as a result of EU withdrawal, increasing costs & delays in sourcing goods (particularly in construction), already materialising and could continue for an extended period or escalate			SLAs & Contracts
Potential Effect	The Council could fail to recruit or retain staff with the required knowledge & experience, and/or be subject to direct or third-party impacts if suppliers are unable to source goods/materials or staff to fulfil contractual obligations			Recruitment & Retention Policy
Note	While contracts and other mechanisms may reduce impact to a certain extent, we must broadly tolerate this significant external risk. Where possible, mitigations are being sought, particularly in Procurement and Human Resources, as well as analysis, forecasting and contingency planning. Specific concern around school transport operators requesting price increase due to rising costs, which we have been resisting on budget grounds. Risk of contract discontinuation with insufficient time to get new operator in place for start of term, resulting in inability to fulfil statutory duty to provide school transport. We are working to maintain good relationships, bearing in mind they are a Clackmannanshire-based business.			Procurement Processes & Procedures

 	Failure of Public Utility Supply	Strategic Director - Partnership & Performance	Current Score	12	Existing Controls
Risk	Loss of gas, electricity, water or communications over a significant area due to failure of a provider's infrastructure as a result of a local or national event.				Business Continuity Plans
Potential Effect	Fatality, injury or health risk, requirement to evacuate & find alternative accommodation, including for vulnerable people. Disruption to businesses, with potentially large costs, and impact on contact with health, care and emergency services.				Major Incident Procedures
Note	This risk remains a concern due to infrastructure & power interdependencies, particularly black start outage recovery time (now believed to be minimum 7 days). Priority for the Resilience community, particularly due to Councils' duty of care. Planning & work ongoing, regular testing of plans, lessons learned from previous incidents and quarterly meetings with resilience partners including SPEN, SGN and Scottish Water.				Emergency Response Plan
 	Failure to Prepare for Severe Weather Events	Strategic Director - Place	Current Score	12	Existing Controls
Risk	Inability to respond to severe weather events due to lack of appropriate planning & equipment (e.g. 4x4 vehicles). Most likely flooding from rain/coastal surge, winter weather or heatwave (increasing frequency & severity due to climate change).				Business Continuity Plans
Potential Effect	Widespread community dislocation, damage to property, businesses, roads & utility infrastructure (inc. telecoms & power), or inability of staff to get to workplace. Impact on delivery, reputation & finances, and increased workload in numerous services to support communities, and clear roads and the core path network (e.g. from fallen trees & other debris).				Winter & Flood Management Plan
Note	Resilience groups continue to plan and mitigate risks, and discussions held with Police Scotland on how to improve community resilience response for flooding e.g. road closures on minor roads. Increased resilience is, however, seasonably dependant and in light of the potential 'layering' of risks this year including ongoing pandemic response, the score remains consistent. Lessons learnt from Storm Arwen are being built into plans, including mutual aid with neighbouring Councils.				Forth Valley Local Resilience Partnership
 	Industrial Unrest	Chief Executive	Current Score	12	Existing Controls
Risk	Industrial action by Council staff, partners or suppliers arises, normally in relation to local or national budget-related changes to terms and conditions, or restructuring.				Business Continuity Plans
Potential Effect	Immediate effects on service delivery & those dependent on services, with financial and reputational damage, and residual impact on staff morale & productivity. In case of partners/suppliers may have to support or reduce activity/service delivery.				Trade Union Comms Protocol
Note	Pay negotiations for 2022/2023 are ongoing at National Level between CoSLA representatives and the national unions. It is likely that these will be protracted and difficult negotiations given that the pay claims submitted by union colleagues (circa 10%) are significantly different to the current tabled proposal of 2%. CoSLA representatives will continue to meet with union side however it is likely that, if agreement cannot be reached, unions may look to ballot their membership to take strike/industrial action. Unions balloted specific areas of our workforce during 2021/2022 negotiations which, had the relevant thresholds been reached and action taken, would have impacted on areas of critical business delivery e.g. Waste services, School Catering, cleaning and janitorial. It would be likely that a similar approach would be taken during current negotiations with sectors of the workforce balloted e.g. teachers, waste, care, etc. Where relevant thresholds are reached there would be an impact on service delivery in key areas.				Forth Valley Local Resilience Partnership

Appendix B – Clackmannanshire Council Corporate Risk & Integrity Forum Terms of Reference

Purpose & Remit

The aim of the Corporate Risk & Integrity Forum is to reduce the Council's overall risk profile by sharing information and proactively managing existing concerns and emerging issues in an efficient, effective, timely and integrated manner. The Forum provides a governance mechanism for monitoring the fulfilment of statutory duties and policy commitments, by discussing strategic and operational progress, and prioritising actions to minimise potential barriers to the implementation of plans, ensuring the best possible outcomes are achieved. The Forum provides assurance to the Strategic Leadership Group on the robustness of policies and processes in key risk-related areas and, in turn, escalates concerns and compliance issues, to ensure that risk owners and senior management are held collectively accountable for the completion of remedial mitigations that support continuous improvement and Best Value.

The specific tasks completed by Forum members are:

- Participating in high-level risk reviews, contributing knowledge and identifying new risks via horizon scanning;
- Feeding back on corporate risk policy and processes, and opportunities for streamlining/consolidation;
- Providing updates on their own corporate risks, and peer-reviewing others' for consistency and integration;
- Providing more detailed internal updates on their respective risks/service areas, including:
 - Significant recent issues/incidents;
 - Recent achievements/progress;
 - New developments/legislation;
 - Key risks and any required actions.
- Signposting guidance, support and development opportunities, including agreeing the annual allocation of (insurance contract) risk control days for strategy review and/or training provision;
- Monitoring the completion of mandatory training and policy adherence across services;
- Communicating and raising awareness of concerns and compliance issues, including prioritising their escalation to the Strategic Leadership Group for maximum impact and benefit.

Arrangements

The Forum is chaired by the Strategic Director – Partnership & Performance, as owner of the Corporate Risk Management approach (with the Performance & Information Adviser deputising). Forum membership is based on the organisation's current risk profile, in order to flexibly address the most significant risks at any given time, and includes:

- Owners (or delegated officers) for current corporate risks (or specialist aspects thereof); and
- Representatives of each of the Council's Directorates and major partnerships.

The Forum is held quarterly, with the following standing agenda:

- | | |
|--|--|
| 1. Welcome and Introductions | Strategic Director – Partnership & Performance |
| 2. Review of Detailed Risk/Service Updates | Forum members to submit/present quarterly |
| 3. Review of Corporate Risk Log | Owners to provide quarterly updates |
| 4. Prioritisation of Issues for Escalation | All with issues to escalate to SLG |
| 5. Review of Action Log | All with assigned actions |
| 6. Any Other Business | |

Submission deadlines for Items 2 & 3 are around 10 days before the meeting, to ensure papers can be distributed 1 week before (communication/reminder will be sent). To limit workload and meeting length, and ensure focus, updates for item 3 should not exceed 1 page. To similarly promote focus on action, rather than discussion, no detailed minute is recorded but, instead, a log of key points agreed and future actions maintained.

The Forum is accountable to the Strategic Leadership Group, with issues for escalation collated into a quarterly update, presented by the Strategic Director – Partnership & Performance who also provides feedback to the Forum, and raises issues regarding strategic direction and governance on behalf of the Strategic Leadership Group.

Version control:	v1	Oct-2013	Agreed when Forum originally convened (Chair: Governance Manager)
	v2	Mar-2016	Arrangements & membership revised (joint Chairs: Head of Strategy & Customer Services and Head of Resources & Governance)
	v3	Dec-2018	Arrangements revised to take place at Extended Strategic Leadership Group (Chair: Chief Executive)
	v4	Apr-2022	Arrangements revised (Chair: Strategic Director – Partnership & Performance)

