CLACKMANNANSHIRE COUNCIL

THIS PAPER RELATES TO ITEM 8

ON THE AGENDA

Report to	**Audit & Scrutiny Committee**
Date of Meeting:	**27th August 2026**
Subject:	**Risk Strategy Annual Report**
Report by:	**Senior Manager – Partnership & Transformation**

1.0 Purpose

1.1. This report provides committee with the 2025/26 update on the Council's Corporate Risk Management Strategy 2023-28. This includes appendices detailing the 2026/27 Risk Appetite Statement, Guidance & Governance Checklist, and Corporate Risk & Integrity Forum Terms of Reference. Progress on the Risk Strategy Delivery Plan is also provided, as is the Corporate Risk Register as at the end of Quarter 1, 2026/27.

2.0 Recommendations

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

3.0 Considerations

3.1. Purpose of Risk Management

3.1.1. The Clackmannanshire Alliance has set out key priorities in the Wellbeing Economy Local Outcomes Improvement Plan (LOIP) 2024-34. These are reflected in the Council's annual budget, Be the Future programme and suite of strategies and policies. Plans will only be achievable if, in addition to the aspirational outcomes we want to achieve with and for local communities, they also pragmatically consider the challenges that may hinder progress.

3.1.2. On a daily basis, Council officers deal with a wide variety of operational risks to individuals, groups, localities and internal processes. The hierarchy of risk registers for functions, cross-cutting themes and partnerships up to the corporate register should ensure holistic oversight of the issues managed at each level. This must be complemented by a strategic view that assesses wider implications and complex interdependencies, embedding flexibility to manage uncertainty in planning and implementation.

3.1.3. An effective risk management approach ensures we are aware of such factors and, where appropriate, take mitigative action to secure the success of our initiatives. It should also enable measured risk-taking to deliver benefits, provided the implications are understood and acceptable, with clear accountabilities. The ongoing impact of national and global issues on local

services and communities has been significant, and risk management remains a critical tool for preventing and reducing harms, ensuring the best possible outcomes are achieved for the area and its people.

3.2. Corporate Risk Management Strategy 2023-28

3.2.1. The Risk Strategy was approved by Council on 05-Oct-2023, outlining the purpose and benefits of effective risk management. Links to other strategies and frameworks are detailed, as are definitions, roles, responsibilities and governance arrangements. The strategy also includes information on current processes and mechanisms, as well as activities to strengthen supports for raising organisational maturity and evidencing impact. It was agreed that annual reports would be provided on progress in implementation.

3.2.2. The Council's vision for risk management is:

"To promote a culture where awareness of potential threats is embedded in decision-making at all levels, ensuring appropriate ownership and transparent management of risk to support service delivery and continuous improvement."

3.2.3. The Council's key aims in relation to risk management are to be:

Aware of potential risks in the internal and external business environment;
Transparent in using reliable information to manage risks & make decisions;
Consistent in our application of risk management principles;
Collaborative in identifying risks and developing/sharing innovative solutions;
Clear on the type of risks we can and cannot tolerate;
Proportionate in balancing risks and benefits, and not 'over-controlling'; and
Objective in assessing risks using evidence and management information.

3.3. 2025/26 Progress & 2026/27 Planning (Appendices A to D)

3.3.1. The revised Risk Appetite Statement for 2026/27 is presented in Appendix A. In this iteration, the central Cautious rating has been renamed Vigilant to better represent the active ongoing assessment of issues and options that takes place. The categories of Strategy, Information and Reputation have moved up the rating scale to a less risk-averse approach with greater openness to innovation (though this does not change their positioning in the statement in terms of prioritisation). It must also be recognised that, in most categories, we have already investigated and/or implemented many of the less risky mitigation options, further necessitating the identification of creative opportunities with demonstrable benefits for local communities.

3.3.2. The tolerance of Financial risk has reduced slightly (Resistant to Averse) to better reflect regulatory expectations and the local Treasury Management Strategy aims. The other category to reduce in tolerance is Wellbeing, which becomes the first control priority, in alignment with our commitment to always protect health and welfare. While our resistance to Environmental risk has not changed, this now moves above Finance in terms of appetite, and we similarly remain averse to Governance risks despite Wellbeing moving to the position of lowest tolerance. Governance has also been reworded to emphasise assurance and leadership accountability, along with several other wording changes to better reflect core values and evolving priorities.

3.3.3. Appendix B provides the Risk Guidance, with the impact scoring table verified via Artificial Intelligence, and only minor wording changes suggested. A diagram has also been added to summarise category dependencies, which will be further refined in a wider guidance review this year. Several changes have been incorporated into the Governance Checklist to emphasise core priorities, with some moving from 'as requirements arise' to the top section, reflecting the set frequencies associated with established processes. 'Learning & development' has also been updated with 2026/27 requirements for the 3-year mandatory training programme. The Guidance should support consistency and compliance, and the Checklist is a consolidated list of governance expectations for staff and leaders.

3.3.4. Appendix C provides the Terms of Reference for the Corporate Risk & Integrity Forum. This was amended last year to place greater emphasis on the integration of risk with Annual Governance Statement and internal/ external audit processes, reinforcing the group's active role in progressing actions to address concerns in support of Best Value and continuous improvement. There are no substantive changes this year, other than updating service names and job titles as per organisational restructuring.

3.3.5. Appendix D presents the Delivery Plan summary of indicators, actions and risks for year 3 of the strategy (2025/26). Positives can be seen in Outcomes & Delivery, with completed actions and improving indicators reducing the risk. Some progress is also evident in Processes (risk static at green) and Handling & Assurance (though this risk increased due to the pace of change). More mixed results are, however, evident in People and limited progress seen in Leadership & Management, and particularly in Strategy & Policy, which remain key concerns alongside workforce capacity challenges.

3.3.6. All year 1 strategy actions are now complete following delays in roll-out, and year 2 has moved from 62% to 79% complete, in addition to 90% of year 3 actions being implemented. Of a total 64 actions to date, 53 (83%) have been delivered, and 11 incomplete from previous years will be carried forward into year 4 (including 1 outstanding Internal Audit recommendation).

3.3.7. Performance was more than 5% below target in over half of the 16 strategy indicators, but less than a third showed decline, while half improved. The measures are also reviewed annually, with 2 removed in 2024/25 (internal/ external risk-related meetings held) due to being of limited value, and mandatory training completion rates were added in 2025/26. There will, however, be a time-lag before strategy implementation is fully reflected in results, partly due to the roll-out issues already mentioned, and also the substantial delay in data availability for Outcomes & Delivery indicators.

3.3.8. As highlighted, limited capacity in both central support resource and across services is exacerbating several risks (with implications for the strategy as well as the corporate register, discussed later in this report). Austerity-related staffing decisions to remove multiple roles from the establishment have significantly reduced internal performance- and risk-related skillsets. As the organisation continues to face difficult budget decisions, these disciplines could be providing essential value-add, and the skills deficit is negatively impacting governance assurance in a number of areas. It is, therefore, hoped that transformative planning and collaborative engagement with neighbouring local authorities will take these needs into account.

3.4. Corporate Risk Management Process

3.4.1. The corporate risk register is owned by the Senior Leadership Group, and the Head of Corporate Services is responsible for the corporate risk approach. All employees have responsibilities for managing risk, as do Elected Members in their remit of strategic planning, decision-making, resource allocation, scrutiny and challenge. The Council follows a systematic process, reporting corporate and service risks to Committee on a regular basis. The process is assessed via internal and external governance mechanisms, and peer-reviewed by other authorities and partners.

3.4.2. Each quarterly review involves 'environmental scanning' of information from internal and external sources to inform discussions with a range of individuals and groups. Issues are considered by the Corporate Risk & Integrity Forum (including risk owners and/or delegated officers) to:

- Review developments in existing corporate and service risks;
- Assess emerging externally identified risks for potential local relevance, as well as those identified internally (via Internal Audit and self-assessment);
- Consider significant risks, or those with cross-service implications, for escalation to the corporate level, or demotion if severity has reduced; and
- Drive forward mitigation actions to reduce the Council's risk profile.

3.4.3. It would be impossible to remove all risk from our operations due to external uncertainties, and since most functions have inherent risks, as do most changes. Moreover, not making changes would expose us to other risks, such as failing to comply with new legislation, develop our workforce/ practices, or take advantage of new opportunities, collaborations and innovations. The aim, therefore, is not to be 'risk averse' but 'risk aware', as reflected in several changes to this year's risk appetite.

3.5. Corporate Risk Register Amendments & Current Profile (Appendix E)

3.5.1. There are few changes to the register since 2025/26 year-end, apart from the Business Continuity risk being escalated by Corporate Services in light of the Coalsnaughton situation. This may also partially explain the Quarter 1 review only having been completed for a third of risks, however, the previous review was not conducted for a further third, not yet updated this calendar year.

3.5.2. Alongside issues with stagnant risk scores (highlighted at previous Committees), this evidences some impacts of the performance & risk management skills deficit already mentioned. While worsening external influences are also relevant, similar concerns around implementing or updating Internal Audit and Annual Governance Statement actions are increasing factors in Major Governance Failure, and several other risks.

3.5.3. It is vital that the Council recognises the importance of the continuation of assurance processes, even in times of adversity, due to their key role in ensuring organisational stability to deliver on statutory duties and commitments to local communities. This relates full-circle back to the Risk Appetite Statement, where we have always stated a low tolerance of Governance risks. The Delivery Plan action to fully embed the statement in operational practice, with the support of the Corporate Risk & Integrity Forum, aims to address issues and improve compliance in the future.

4.0 Sustainability Implications

4.1. No direct sustainability implications arising from this report.

5.0 Resource Implications

5.1. Financial Details – 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 in the report. Yes ☒

5.4. Staffing – 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**

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**

Complies with relevant Council Policies ☒

8.0 Impact Assessments

8.1 Have you attached the combined equalities impact assessment to ensure compliance with the public sector equality duty and fairer Scotland duty? (All EFSIAs also require to be published on the Council's website) Yes ☐

8.2 If an impact assessment has not been undertaken you should explain why:

No direct equalities implications arising from this report.

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 to this report. If there are no appendices, please state "none".

Appendix A – Risk Appetite Statement 2026/27
Appendix B – Risk Guidance & Governance Checklist 2026/27
Appendix C – Corporate Risk & Integrity Forum Terms of Reference
Appendix D – Risk Strategy Delivery Plan
Appendix E – Corporate Risk Register (Quarter 1, 2026/27)

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 ☒

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Approved by

NAME	DESIGNATION	SIGNATURE
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Appendix A –
Risk Appetite Statement 2026/27

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www.clacks.gov.uk

Risk appetite (and tolerance) is the level of risk the Council is willing to accept in relation to particular areas of operation. We cannot mitigate all risks but this process should support their prioritisation. A risk appetite statement can assist organisations in more effectively allocating resources and demonstrating consistent and robust decision-making. The categories shown in the table below are defined in the Risk Management Guidance.

The focus moves up the scale from removal of risks (Averse) to balancing control of risk while realising high-value benefits (Vigilant) to placing greater emphasis on creativity, even if activities carry a high residual risk (Eager):

Eager	Keen to be innovative and focus on maximising opportunities and benefits;
Open	Willing to consider options with acceptable benefits;
Vigilant	Preference for safe options with low residual risk, focus on balance;
Resistant	Preference for safe options with low inherent risk (often fast-paced areas where controls can become outdated more quickly);
Averse	Avoidance of uncertainty and prevention of exposure is the key objective.

The Council has agreed the following levels of appetite (revised annually), with **further information to clarify relationships and shading on the following page**. The list is prioritised to show the greatest appetite for innovation at the top, and the least tolerance of uncertainty at the bottom. Statements and ratings outline both appetite and tolerance levels alongside key considerations.

This should guide staff, managers and Elected Members in ensuring opportunities are sought in higher categories, provided risks are minimised or mitigated in those further down. In many cases, this is simply common sense, but an explicit framework should ensure decisions are not made autonomously by individuals. For example, a transformational innovation should not be approved if it breaches regulations (as Governance is below Strategy), or a gas leak in a school may require a temporary closure (as Wellbeing is below Continuity).

Strategy	**Eager** to apply innovative practice in ambitious transformation and continuous improvement, ensuring delivery of objectives, informed by sound reasoning and with built-in flexibility to manage change
Information	**Eager** to be well-informed, transparent and collaborative on practice, performance & process, and **Open** to new solutions, provided sources are robust, trusted, efficient, secure and evidence-based
Reputation	**Eager** to drive innovation and options that improve engagement and services to citizens, and **Open** to creativity, provided actions uphold Council and public service values and maintain public trust
Assets	**Eager** to maximise sustainability, efficiency, effectiveness and benefits for citizens and staff, and **Vigilant** in applying regulatory standards, meeting statutory obligations, and delivering cost reductions
Workforce	**Eager** to create a positive, inclusive, sustainable and resilient culture with strong leadership, and **Vigilant** in ensuring the right people, with the right skills, are doing the right work to deliver outcomes
Community	**Eager** to adopt creative approaches and partnerships to improve life chances and support, and **Vigilant** in ensuring equality, resilience, economic opportunity and engagement are the central focus
Environment	**Eager** to champion climate change adaptation and sustainability, and alleviate food & fuel poverty, but **Resistant** to an unjust transition or removing options without providing sustainable alternatives
Finance	**Eager** to maximise income, sustainable efficiencies and benefits for the local economy, and **Averse** to negative impacts on Best Value principles, service delivery and statutory requirements
Security	**Open** to new options that improve safeguarding & efficiency (subject to Governance duties), and **Resistant** to anything that hampers our ability to keep pace with evolving changes or practice
Continuity	**Open** to new solutions that improve preparedness, resilience, safety and cost impacts, and **Resistant** to untested or untried options that carry anything but low inherent risk
Governance	**Averse** to non-compliance with regulatory duties or expectations, good practice or local policies, or actions that do not enhance assurance, oversight, and leadership accountability
Wellbeing	**Averse** to any actions that endanger health & wellbeing, particularly in vulnerable groups, or expose any individual citizens or staff members to risk of physical or emotional harm

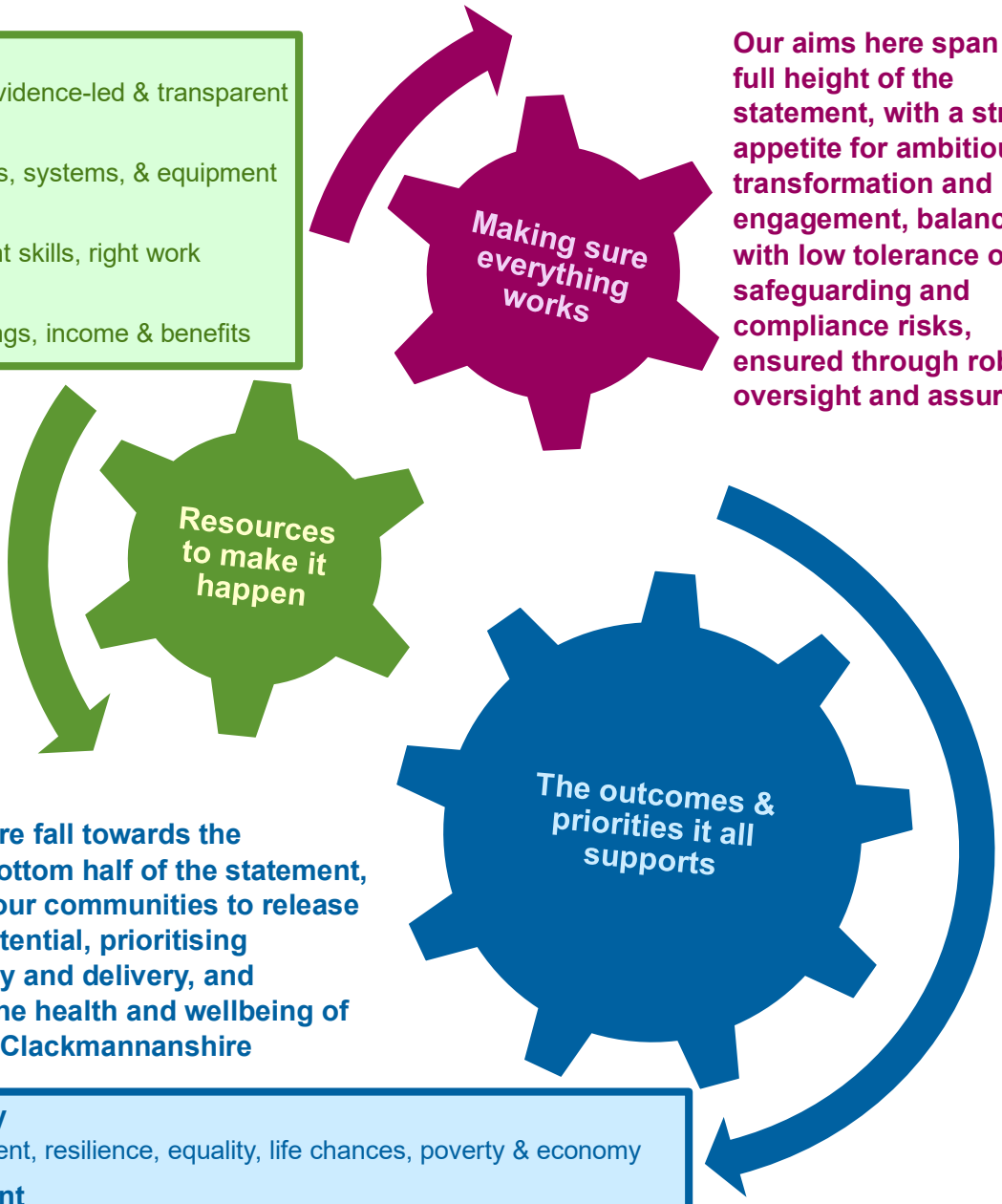
Summary of Risk Appetite & Category Relationships

Our aims here fall towards the innovative top half of the statement, with a keenness to maximise the efficiency and effectiveness of all available knowledge, physical, human and economic resources, to enable our aspirations

- **Strategy**
  - transformational change & continuous improvement
- **Reputation**
  - standards, quality, engagement & public trust
- **Security**
  - safeguarding access to buildings & data
- **Governance**
  - compliance with regulations & local policy

Our aims here span the full height of the statement, with a strong appetite for ambitious transformation and engagement, balanced with low tolerance of safeguarding and compliance risks, ensured through robust oversight and assurance

- **Information**
  - well-informed, evidence-led & transparent
- **Assets**
  - suitable buildings, systems, & equipment
- **Workforce**
  - right people, right skills, right work
- **Finance**
  - best value, savings, income & benefits



Our aims here fall towards the protective bottom half of the statement, supporting our communities to release their true potential, prioritising sustainability and delivery, and enhancing the health and wellbeing of everyone in Clackmannanshire

- **Community**
  - empowerment, resilience, equality, life chances, poverty & economy
- **Environment**
  - climate change, just transition, waste, travel, air quality & biodiversity
- **Continuity**
  - emergency planning, civil contingencies & minimising disruption
- **Wellbeing**
  - healthy & safe behaviours to prevent physical & psychological harms

Appendix B –
Risk Guidance & Governance Checklist

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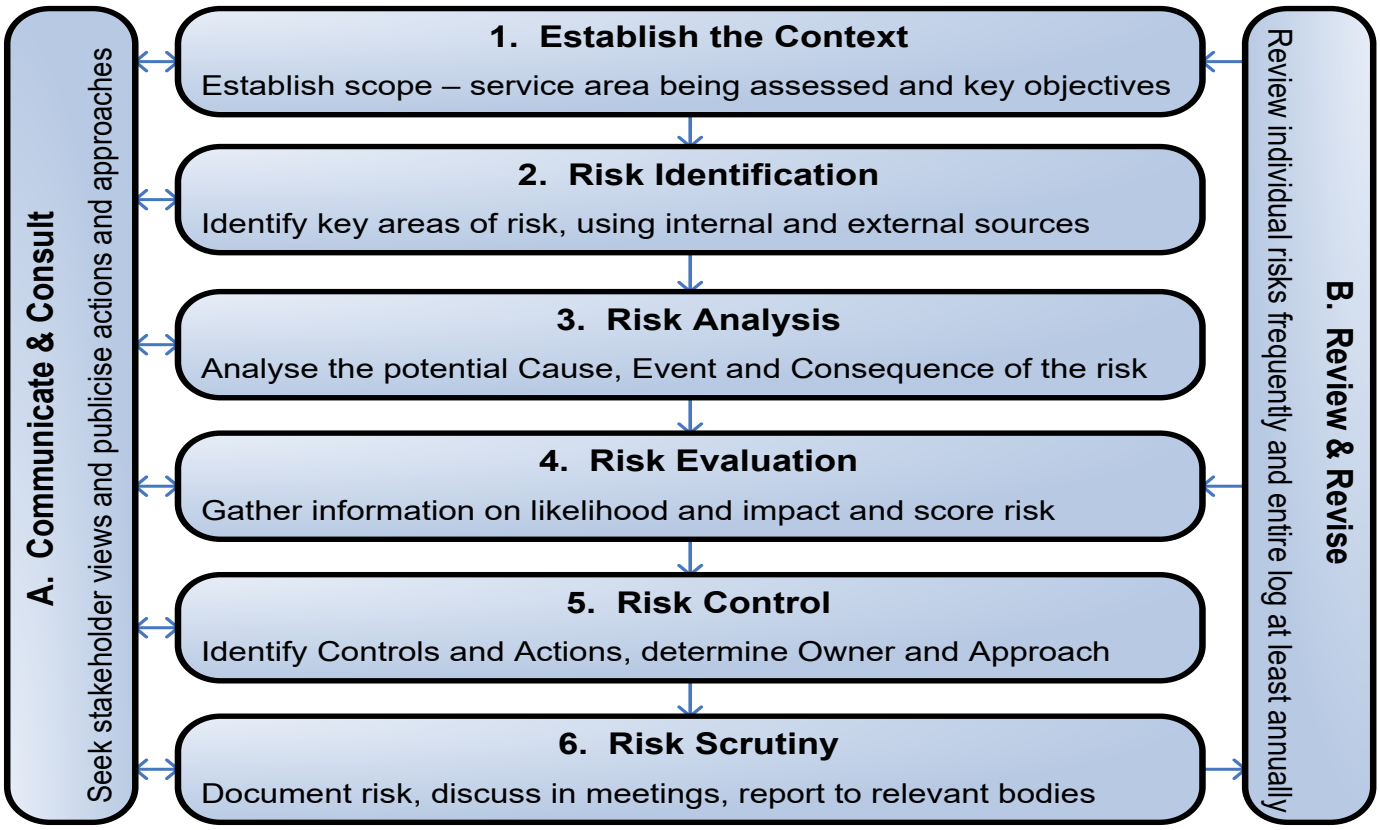
This guidance provides information on key considerations for each step in the Risk Management process:



A. Communicate & Consult

Two-way communication is important to every step in the risk management process to ensure the right information is gathered and people are aware of action to be taken, and why. **Staff members (at all levels), other teams/ services/organisations, members of the public/community groups, elected/board members, senior management and central support teams** can all contribute and/or benefit from others' knowledge. Different groups will have different perspectives and experience of practical, operational and strategic issues.

Different stakeholders can improve efficiency and effectiveness by **providing data, information and knowledge** to clarify areas of uncertainty. Others can provide insight into issues they've **identified** or **dealt with** or **solutions** they've found, and resource requirements can be minimised by **sharing information, experiences and controls**. If procedures are put in place to control risks, it's also highly important to communicate **what they are**, the **reasons** for them being put in place and, therefore, why it's important that they're **adhered to**.

B. Review & Revise

Risk management shouldn't be seen as a one-off, or even an annual task. The nature of risks, progress and the effectiveness of controls can change in a short period of time. It's therefore recommended that **key risks are discussed on a frequent basis** (e.g. in monthly 121s/team meetings), with developments recorded, and the relevant people informed. If risks are reviewed **proactively**, updates are available when required, rather than being rushed as part of the reporting process. As well as focussing on the risks already identified, it's also important to review the entire log, at least annually, and **re-assess whether these are still the key risks**.

1. Establish the Context

There can be a temptation to just list everything that could go wrong, but this can be unproductive. The vital first step is to **clarify the scope** of the exercise - always **focus on objectives**. An organisational model can be a useful tool (templates available from Strategy & Performance). Having a **concise summary** of the team/service will focus discussions and, as no completely systematic process can be used, should ensure all relevant aspects are considered. Risk management can only ever be a **'point in time' assessment** and, though it must involve projection, looking very far into the future can introduce too many uncertainties and be detrimental. It should be kept as **simple as possible** by looking solely at **goals within a set time period** (such as a single year).

2. Risk Identification

Steps 2-4 form the risk assessment, with identification often the most difficult step, partly as there can be **no set process** for this. Often registers (profiles) are developed purely from previous logs – this can be informative, but is unlikely to identify **newly emerging risks**. Logs from other **internal & external sources** can also be useful stimuli but a risk should only be identified as relevant if likely to have a specific impact on local goals.

Many different **methodical** or **ad hoc** processes can be used, e.g. **horizon scanning**, **brainstorming, facilitation**, or **self-assessment**. A **PESTELO** analysis assesses the Political, Economic, Social, Technological, Environmental, Legal and Organisational implications of an objective. External sources such as other **Councils**, **partners** and **audit bodies** can also assist in risk identification, or the **categories** (see next page) can be used as prompts.

3. Risk Analysis

Risks are often **underdeveloped** – documented without **details and dependencies** being considered fully. Many 'risks' found in the Identification stage will actually be causes, such as 'demographic changes' or 'lack of resource' but we must focus on how this affects the achievement of goals. The key areas to be developed at this stage are:

Cause	**The source or trigger.** Risks generally originate from wider issues in the internal or external environment, often outwith our control. Examples are: cost of living, the aging population, or legislative or organisational changes. Note that the cause is **not the key focus of the risk**.
Event	**How the cause specifically affects us.** It may be a single point in time, such as staff not delivering services (cause: industrial action), or it may develop more gradually, such as inability to meet increasing demands (cause: reduced budgets). Several events may arise from the same cause (e.g. global geopolitical issues causing supply chain and recruitment difficulties).
Consequence	**The result of the event occurring.** This should be more specific than 'inability to deliver on objectives' – it needs to consider which objectives – will they not be delivered at all, or less effectively, etc.? As much detail as possible should be given on the stakeholders and services that could be affected, and the potential extent of implications relating to the different categories.

It can be useful to **categorise** risks (next page) to inform and clarify assessments, and support **ownership** and **mitigation** decisions. Sometimes the cause may be in one category, but consequences in another, or multiple. Judgement/support may be required in categorising and applying the risk appetite statement, and should consider whether the 'leading' category (linked to cause/likelihood) or 'lagging' category (linked to impact) is most relevant.

4. Risk Evaluation

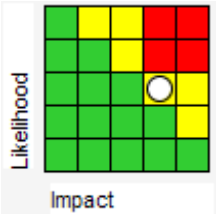
As many elements as possible should be **clarified** and **quantified** to better understand the **nature** and **extent** of the risk. While, again, there are no entirely scientific methods for evaluation and scoring, it should be **evidence-based**, and take into account as much management, organisational and environmental information as possible.

Evaluation should include consideration of:

The past	Has it happened before? Was it managed effectively? What lessons were learnt?
The present	Are similar circumstances developing? How are others managing it?
The future	Do forecasts suggest it will occur/recur in the near future?
Organisational factors	Will changes to leadership, policies, resources or other current projects affect the risk?
External changes	Are there national initiatives/targets/aims? Are there legal factors to consider?
Performance indicators	Is the risk occurring? Are we managing it effectively? What are the projections?

Scoring (rating) quantifies the **likelihood** & **impact** of a risk occurring, summarising overall **severity**. Likelihood incorporates **proximity** (how soon it may occur) – consider which factor is most relevant when scoring. There is a degree of subjectivity so relative scores should be **compared** and **rationalised** to ensure they 'feel right'.

Likelihood (& Proximity) **Scoring** (use most severe)	1. Unlikely/Distant	Little evidence that risk is likely to occur, or likely in over 5 years
	2. Possible/Long-term	Fairly low chance of risk occurring, or likely in next 3-5 years
	3. Likely/Medium-term	Reasonable chance of risk occurring, or likely in next 2-3 years
	4. Expected/Short-term	Strong chance risk will occur, already partly occurring, or likely in next year
	5. Certain/Imminent	Fairly evident that risk will occur in next quarter, or has already occurred



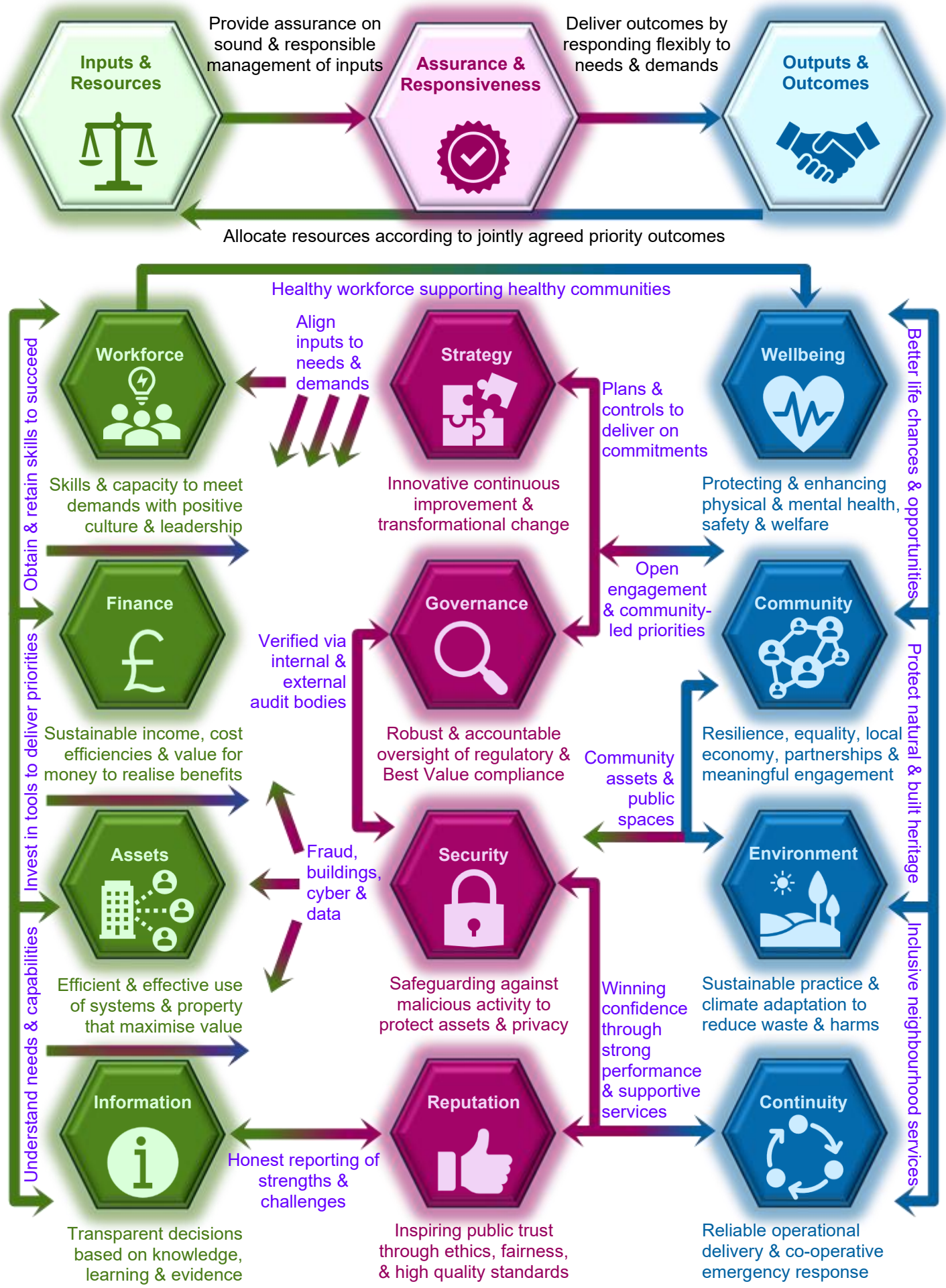
The **overall risk score** is likelihood multiplied by impact. Here, likelihood = 3 and impact = 4, so the rating is 3 x 4 = 12 and the status is amber. The highest possible rating is 5 x 5 = 25.

We must focus on **significant risks**, so there's often more ambers and reds. If green, consider whether it's substantial enough to include (or whether we need to **demonstrate** how it's being managed). **Inherent** score shows severity with no controls. **Residual** score includes existing controls/mitigations. **Target** score includes controls and the influence of future actions – but these need to be SMART (Specific, Measurable, Accountable, Realistic & Time-bound).

Impact Scoring & Category Definitions – in order of Risk Appetite (see next page for colour coding)
(Consider the most relevant/severe factors, working up from the bottom of the table where risk tolerance is lowest)

	1 – Slight	2 – Minor	3 – Moderate	4 – Significant	5 – Extensive
Strategy	Pursuing a strategy, project or change that is poorly defined, based on flawed/inaccurate data, or misaligned to delivery of commitments or objectives, possible due to changing macro-environment				
	Issue in single activity/project with flexibility in plans or in early stages	Multiple issues in single activity with flexibility or minor implications	Multiple issues in multiple activities, some flexibility or moderate impact	Multiple/significant issues with little/no change control/ contingency plans	Major issues with little/no flexibility/ extensive rework/ invested resource
Information	Lack of awareness/learning/knowledge, or misinformed decisions due to failure to produce robust or suitable informatics or fully exploit data resources, or failure to share/publish appropriately				
	Slight limitations/ concerns around data integrity	Limited use or publication of data/evidence	Lack of awareness of resources/skills in systems/tools	Major barriers to obtaining/using robust informatics	Inability to inform safety-critical decisions robustly
Reputation	Ethical violations, systematic or repeated failure/breach, political conflict, poor quality, customer service or management of relationships/partnerships, or damage to trust and public confidence				
	Managed incident, in public domain	Local media interest/complaint	Regional interest/ notable social media negativity/complaints	National interest/ significant negativity/ complaints	Major national media interest/loss of confidence
Assets	Persisting in use of inadequate, deficient or poorly designed technology, property, facilities, etc. that are unfit for business needs, or otherwise ineffective/inefficient/non-compliant with standards				
	Temporary/partial inadequacy of single asset with alternative/backup	Temporary/partial inadequacy of multiple assets with alternative	Long term inadequacy or sub-optimal/ insecure/unsupported alternatives	Permanent loss of single asset with sub-optimal or no alternative/backup	Permanent loss of multiple key assets with no alternatives
Workforce	Suboptimal, inappropriate or ineffective working culture or organisational behaviours, leadership or engagement, insufficient capacity or capability, or non-compliance with policies and procedures				
	Diminished team level engagement/ slightly increased absence/turnover	Team delivery disruption related to compliance/ capacity/capability	Service/directorate disruption related to compliance/ capacity/capability	Major disruption/ unmet minimum staffing in key/ statutory areas	Damage to work-force cohesion/ staffing levels for extended period
Community	Risks regarding resilience, deprivation, inequality or other demographic/socio-economic factors for residents or the area (considered organisational risks as objectives focus on societal outcomes)				
	Limitation to resilience/equality of individual	Limitation to resilience/equality of group/sector	Limitation to vulnerable/multiple groups/sectors	Limitation to wider community/critical sector/infrastructure	Limitation to resilience/equality of entire authority
Environment	Failing to use sustainable materials, technologies or practices, increasing waste or travel/energy requirements, or pollutants that would have an adverse impact on air quality, biodiversity, etc.				
	Reduced ability to meet net zero/ climate aims	Limited transition or unrealistic/non-inclusive plans	Continuation of unsustainable practices	Increased waste, emissions, etc. (primarily external)	Major/internal increase in waste, emissions, etc.
Finance	Linked to the management of financial assets/liabilities, or commercial partnerships/supply chains in accordance with constraints and contractual requirements, poor returns/value, inefficiency, etc.				
	Up to £10k	£10k to £50k	£50k to £200k	£200k to £2m	Over £2m
Security	Failure to safeguard against malicious activities (fraud/crime/cyber threat) or unauthorised/inappropriate access to assets, including property, systems and sensitive customer/staff/organisational information				
	Reasonable policy awareness, some non-compliance	Limited training completion/policy adherence	Evidence of more frequent/serious infringements	Significant cyber/ data/physical security breach	Prolonged cyber/ data/physical security breaches
Continuity	Relating to the disruption of operational service delivery, often linked to Emergency Planning or Civil Contingencies, where lack of staff, facilities, etc. disturbs provision of normal or critical functions				
	Slight disruption to a few services or 1 critical function	Minor disruption or more than one critical service	Moderate disruption or temporary loss of critical service	Major disruption and/or loss of multiple services	Extended loss of multiple functions, including critical
Governance	Unclear plans, authorities or accountabilities, ineffective or disproportionate oversight or decision-making, failure to meet legal or regulatory duties, or audit concerns over performance standards				
	Audit queries or isolated concerns	Negative audit/ inspection reports	Follow-up/repeated compliance concerns	Major audit concerns/ enforcement action	Regulator legal action/interventions
Wellbeing	Non-compliance or policies with negative impacts on health, safety or wellbeing of individuals/groups, focussing on more direct physical or psychological harm (wider inequality in Workforce or Community)				
	Single minor injury, illness or harm to individual	Multiple minor or single serious injury/illness/harm	Multiple serious injuries, illnesses or harms	Death or significant psychological harm	Multiple deaths or major mental health impacts

Key Category Dependencies & Summary Descriptions



5. Risk Control

Once the risk has been evaluated, existing **Internal Controls** should be assessed. These may be strategies, policies, procedures, processes, arrangements, scrutiny bodies, etc. that mitigate the risk to some extent by reducing either the likelihood of it occurring or the impact if it does occur. We're often only able to influence one or other of these factors but in some cases controls influence both likelihood and impact. As well as existing controls, there may be planned **actions** (new/planned/in progress) that will reduce the risk once implemented. For example:

- Harm to individuals' health & wellbeing – the impact of this could be significant and irreversible in many different respects so our efforts usually focus more on **preventative** actions and controls;
- Loss of public utilities (power, water, etc.) – the cause is outwith our control so the actual risk is failure to prepare or promote resilience, and we can only look at planning to limit the **consequences** if it occurs;
- Health pandemic, Climate change or Strike action – in these situations we can look **both** at preventative actions to reduce the likelihood but also use Business Continuity Plans to reduce the impact.

Once controls and actions are identified, the risk should be assigned an **owner** who can make decisions on **treatment options**, and the **approach** to use. It's important to be risk **aware**, or we could miss opportunities or threats – our Risk Appetite Statement provides guidance on areas of high/low risk tolerance. Though the identified owner is not final (risks can be escalated and demoted), it's important that they have an appropriate **remit, resources and authority** to manage the risk and ensure that treatment actions are completed, where appropriate.

There are 4 **Approaches** for managing risks (mitigations may be a combination and should link to appetite):

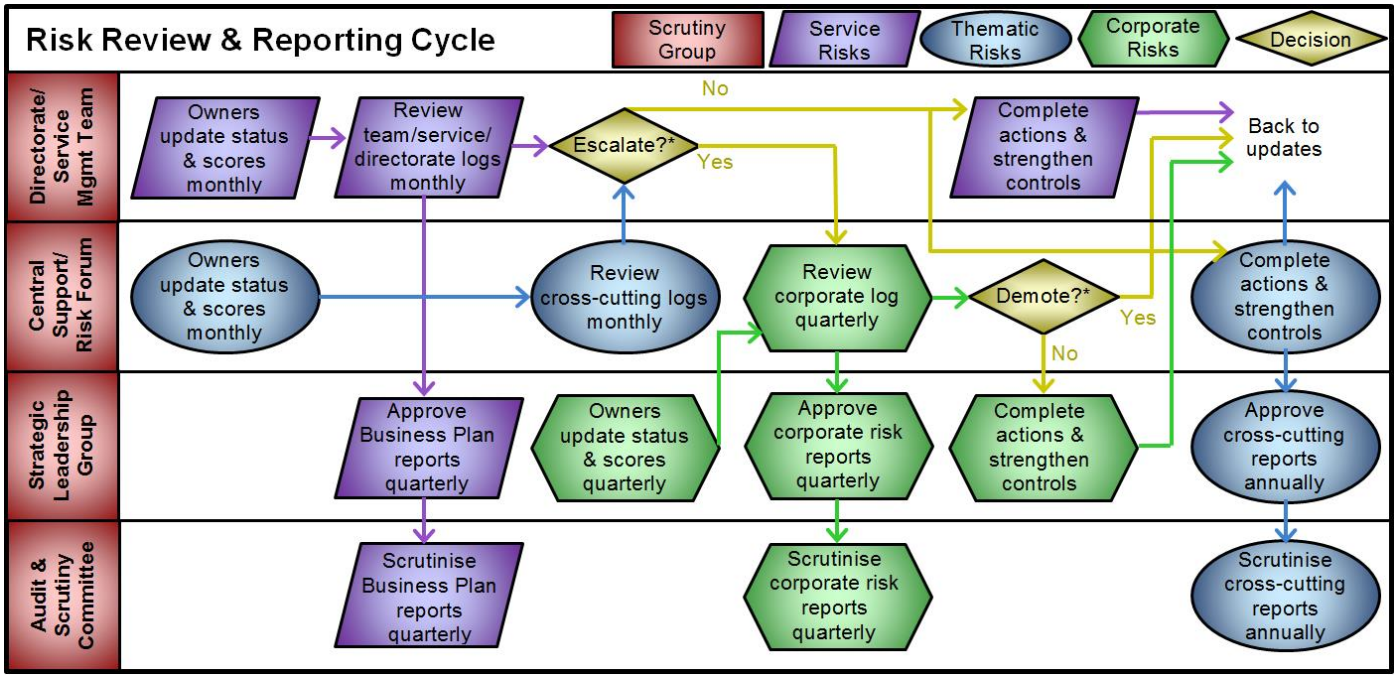
Treat	- take action to reduce the likelihood or impact (most common approach – may treat then tolerate);
Transfer	- pass the risk to another party, such as insurers (however, some duties are non-transferable);
Terminate	- cease the activity that is causing the risk, or do not complete proposed activities;
Tolerate	- continue reviewing plans, etc. once reasonable actions within our control are complete.

Examples where risk appetite and prioritisation must be used:

Financial management	Focus on short term efficiency savings or 'spend to save' investment for the future?
Legislative changes	Resource for training/process/system changes versus cost of regulatory breach?
Statutory vs preventative	Minimum statutory requirements/checks or augmented for proactive early identification?
Procurement	Balance/prioritise best functionality, maintenance, support, customisation, price, etc.?
Balancing rights	Protecting the rights of individuals, or community benefits, or both?
Satisfaction vs efficiency	Offer a range of options to customers or channel shift to the cheapest option for us?

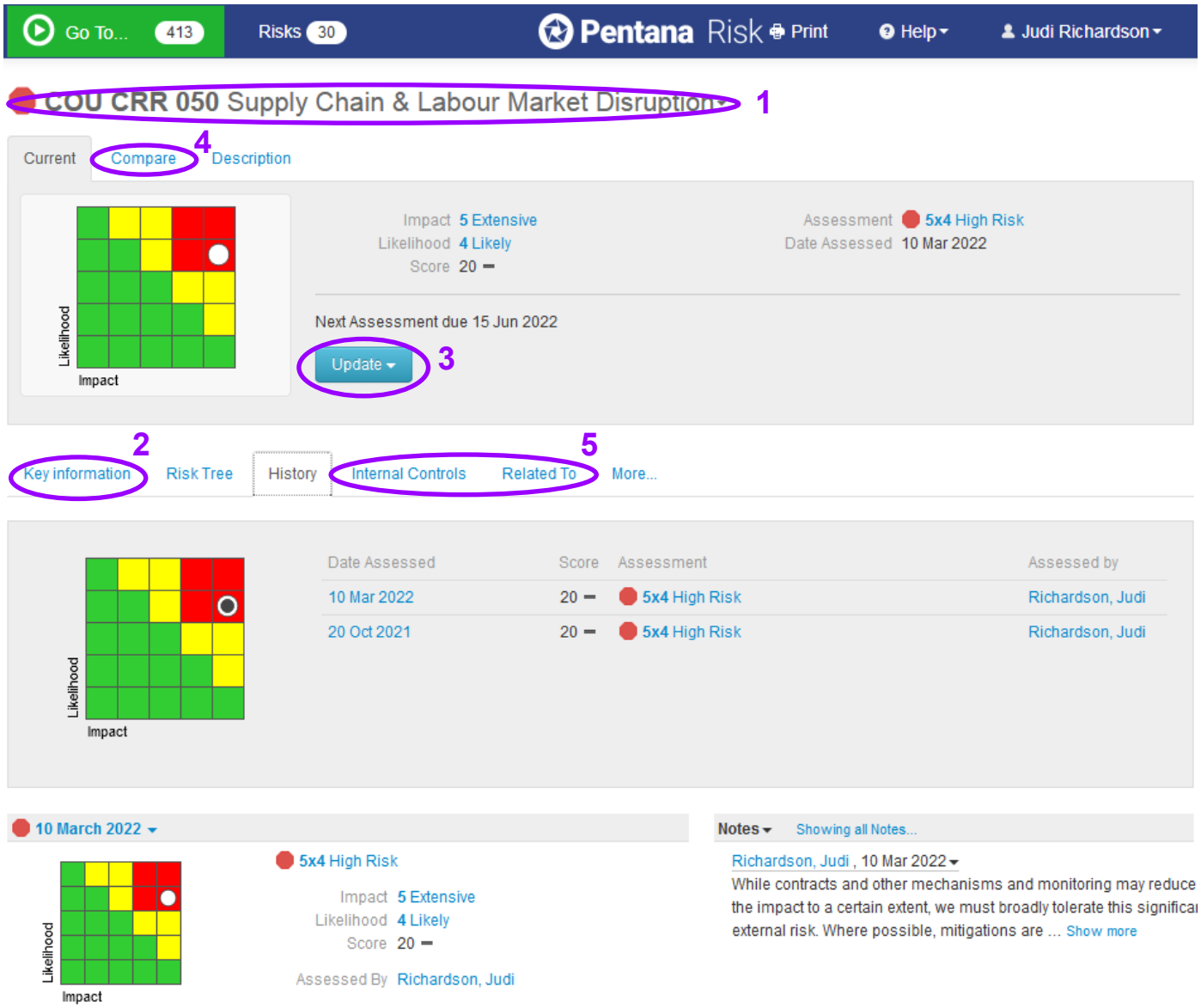
6. Risk Scrutiny

The review and reporting cycle is shown below. Risk logs should be reviewed frequently and the hierarchy used to escalate and demote. This may depend on the owner's ability to manage the risk, or if the nature or understanding of the risk changes. The Risk Management Strategy provides information on responsibilities and governance.



*Does the risk have a corporate impact? Does it affect multiple services? Does it require consistent management across the Council? Is it significant (red) for an individual service? Does the owner lack the authority or resources to manage the risk? If yes, consider escalating to a higher-level log (from team to service, or service to corporate).

7. Risk Recording – Pentana Risk Updates



1. Click to edit Title (short as possible – what could go wrong as well as the area) and Description (more detailed, include Cause & Event***). Don't edit the code or de-activate/delete – other checks/approval may be needed.

2. Click to edit Potential Impact (Profile) – refer to the impact categories (Financial, Security, Wellbeing, etc.)***. Check Approach – if 'Treat' must have related Actions, if 'Tolerate' must have Controls (see step 5). Check Owners in Key Information. Don't edit owners – may need approval, will affect email notifications & reporting.

3. It can be useful to copy the previous note (bottom right of screen shot), before clicking Update/New Assessment, then edit Scores (guidance appears on right) and type/paste/edit Note. If recommending de-activation or moving to another risk log, state this in the note, and why***

4. Check Inherent Score (excluding Actions/Controls, or initial/previous assessment) and Target Score ('tolerance', or realistic reduction by target date). Keep it sensible – if we're 'treating', must be lower than current score!

5. Click to view Actions (still to be done) or Controls (already in place) – stay focussed, ideally 3 of each. Click header then Add to select from list (Business Plan, LOIP, other plans/strategies/processes, etc.), or Remove. Don't click Create or New – should be set up consistently by Superusers. This is the final step – thank you!

***See other sections of Corporate Risk Management Guidance
Check with site administrators or service Superusers about red notes above (changing codes/owners/targets, closing a risk, or if you can't find required actions or controls) – these elements need additional checks or to be done in a managed way (e.g. reporting that a risk is going to be closed before doing so).

8. Governance Checklist

Key duties, documents and actions expected of Clackmannanshire Council staff and managers are listed below. This demonstrates how risk management principles apply in an operational context, and relevant internal controls for specific risk-related areas. The list is revised annually, alongside the Risk Appetite Statement and Delivery Plan.

Annual Planning & Assessments

	Group	Frequency	Primary Category
Assess/improve compliance with UN Convention on Rights of the Child	All services	Annual	Community
Review & update Business Continuity Plans/Impact Assessments	Managers	Annual	Continuity
Engage with CONTEST (counter-terrorism) self-assessment process	Managers	Biennial	
Review/report Climate Emergency Actions & Regional Energy Masterplan	Sustainability	Annual	Environment
Use forecast to manage budget/capital bids as per financial regulations	Managers	Quarterly	Finance
Provide assurance via Annual Governance Statement/other assessments	Team Leads	Annual	Governance
Comply with statutory Public Performance Reporting duties/good practice	Managers	Annual	Information
Submit statutory data returns & publish service-specific statutory reports	Analysts	Varies	
Use data insights, benchmarks, etc.to identify/prioritise improvement action	All services	As published	
Produce/report on Business Plans including indicators, actions & risks	Directors	Quarterly	Strategic
Engage in setting corporate priorities (aligned to budget/performance risks)	Directors	Annual	
Review & update Health & Safety Risk Assessments/Profiles	Managers	Annual	Wellbeing
Complete Induction and Performance Review & Development process	All staff	Once/Annual	Workforce
Update Workforce Plans & engage with Senior/Team Leader Forums	Managers	Annual	

Learning & Development

Complete The Promise & Multi-disciplinary Safeguarding training	Certain roles	Annual	Community
Complete Integrated Emergency Management training (timing varies)	Mgrs/TLs	3-yearly	Continuity
Complete Department for Work & Pensions Data Access/Sharing training	Revenues	Annual	Finance
Ensure staff read & understand updates/changes to Code of Conduct	All staff	Ongoing	Governance
Gain Enterprise Risk Management accreditation	Senior Mgrs	Once	
Ensure relevant staff complete Social Networking online training	Certain roles	Ad hoc	Reputation
Complete Information Security mandatory training on Clacks Academy	All staff*	3-yearly (yr 3)	Security
Complete Electrical Safety mandatory training on Clacks Academy	All staff*	3-yearly (yr 3)	Wellbeing
Complete Slips, Trips & Falls mandatory training on Clacks Academy	All staff*	3-yearly (yr 3)	
Complete IOSH Managing/Directing Safely training (timing varies)	Managers	3-yearly	
Assess needs/provide service-specific training as legislative changes occur	Managers	As required	Workforce
Participate in Leadership Development Programme (content/timing varies)	Managers	Ongoing	
*3-year rolling mandatory training programme of eLearning modules on Clacks Academy (year 3 – 2026/27, shown above) Year 1 (24/25): Counterterrorism (Continuity), Data Protection (Security), Public Protection & Fire Safety (both Wellbeing) Year 2 (25/26): Equality & Diversity (Community), FoI (Information), H&S, First Aid & Display Screen Equipment (all 3 Wellbeing)			

Changes/Projects/Council & Committee Reports/Policies

Assess Equalities/Fairer Scotland Impacts for changes/reports/policies	Authors	All reports	Community
Complete Sustainability Checklist for changes/reports/policies	Authors	If applicable	Environment
Complete Strategic Environmental Assessment for relevant policies	Authors	If applicable	
Assess financial resource implications of changes/reports/policies	Authors	All reports	Finance
Assess legal/governance implications of changes/reports/policies	Authors	All reports	Governance
State background reports & data/evidence to support recommendations	Authors	All reports	Information
State how change/report/policy aligns to Corporate Priorities/Outcomes	Authors	All reports	Strategic
Complete required project documents as outlined by Transformation	Project Mgrs	Ongoing	
Assess workforce resource/training implications of changes/policies	Authors	All reports	Workforce

Proactive or as Requirements/Requests Arise

Refresh/implement asset strategies (Roads, Housing, Public Buildings, etc)	Key services	As required	Assets
Follow TechOne/Procurement processes & budgetary control framework	Relevant	Ongoing	Finance
Follow processes & delegated authorities as per Contract Standing Orders	Relevant	Ongoing	
Respond to Internal Audit queries, implement actions & report on progress	Relevant	On receipt	Governance
Respond to External Audit queries, implement actions & report on progress	Relevant	On receipt	
Engage with Communications on management of positive/negative news	Managers	As required	Reputation
Ensure relevant Data Sharing Agreements in place & regularly reviewed	Certain roles	As required	Security
Consult experts (Legal, Finance, etc.) on decisions in a timely manner	All staff	Ongoing	Strategic
Engage with the principles of the Fair Work framework	Managers	Ongoing	Workforce

Appendix C – Corporate Risk & Integrity Forum Terms of Reference

Clackmannanshire Council | Comhairle Siorrachd Chlach Mhanann
www.clacks.gov.uk

Purpose: Reducing the Council's overall risk profile by sharing information and proactively managing existing and emerging concerns in an efficient, effective, timely and integrated manner.

Remit: Providing a governance mechanism for monitoring the fulfilment of statutory duties and policy commitments, discussing strategic and operational progress, and prioritising actions to minimise potential barriers, ensuring the best possible outcomes are achieved.

Governance: The Forum provides assurance to the Strategic Leadership Group on the robustness of policies and processes in key risk-related areas, escalating concerns and compliance issues. Attendance is targeted at a relatively senior level and to those who chair/co-ordinate/attend other thematic governance groups to ensure visibility and facilitate information exchange.

Aim: To ensure 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:

- Demonstrating a collective leadership approach to identifying and addressing improvement opportunities with integrity, transparency, and shared accountability;
- Participating in high-level risk reviews, contributing knowledge and identifying new risks via horizon scanning;
- Feeding back on corporate risk strategy, policy & processes, and opportunities for streamlining/consolidation;
- Providing updates on their own corporate risks, and peer-reviewing others' for consistency and integration;
- Providing service updates on: incidents; achievements; new developments/legislation; risks & required action;
- Signposting guidance, support and options for strategy review and/or training via insurance 'risk control days';
- 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.

Chair: The Forum is chaired by the Head of Corporate Services, as owner of the Corporate Risk Management approach. The Head of Service presents an update and issues for escalation to the Strategic Leadership Group after each Forum meeting, and provides reciprocal feedback to the Forum regarding issues of strategic direction and governance.

Membership: Forum attendance is adjusted to reflect the organisation's risk profile, in order to flexibly address the most significant concerns at any given time, with current representatives from:

- Corporate Services – Finance & Revenues (including Chief Accountant & Procurement); HR & Workforce Development (inc. Health & Safety); Legal & Governance (inc. Monitoring Officer, Internal Audit & Information Management); and Partnership & Transformation (inc. Emergency Planning (link to Local Resilience Partnership), Information Technology, Equalities and Strategy, Performance & Risk Management);
- Wellbeing Directorate – Chief Education & Social Work Officers;
- Place & Economy Directorate – Strategic Director; Energy & Sustainability; and Housing;
- Health & Social Care Partnership (Risk Management Lead and/or Chief Finance Officer);
- Clackmannanshire Alliance Community Planning Partnership (board includes 2 Directors & 1 Senior Manager listed above).

Timing: The Forum meets quarterly (May/Aug/Nov/Feb), to inform formal corporate risk register reviews. Updates (item 2 below) are requested 1 month before the meeting, with deadline 1 week before. Corporate risk review deadlines are 15th of following month.

Agenda:

1. Welcome and Introductions	Head of Corporate Services (Chair)
2. Review Service Updates & Mitigation Progress	Forum members submit/present quarterly
3. Verbal updates on Corporate Risk Log	Owners provide /others challenge
4. Prioritisation of Issues for Escalation	All with issues to escalate to SLG
5. Any Other Business	

To ensure focus and limit workload/meeting/document length, item 2 updates should not exceed 1 page. To similarly promote focus and action, no detailed minute is recorded but progress will be driven and reviewed via actions and risk updates.

Appendix D - Risk Strategy Delivery Plan

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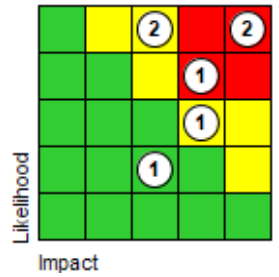
Summary of Strategy Indicators, Actions & Risks

Theme	Actions	Indicators	Risks	Indicators	Risks	Actions	Indicators	Risks	Actions	Indicators	Note
Leadership & Management	2					1	2	1	1	1	Positives are seen in Delivery, with completed actions and improving indicators reducing the risk. Some progress is also evident in Processes (risk static at green) and Assurance (though risk remains red) as well as in Partnerships (though risk increased due to pace). More mixed results are evident in People and limited progress seen in Leadership and particularly in Strategy, which remain key concerns alongside capacity challenges.
Strategy & Policy						3		1			
People	3			2	1	1	1				
Partnership, Shared Risk & Resources	2				1	1					
Processes	2	2	1	1		3					
Risk Handling & Assurance	2	2		2		1		1			
Outcomes & Delivery	5	2		1	1	1					
% (28 Actions, 16 Indicators, 7 Risks)	57.1%	37.5%	14.3%	37.5%	42.9%	39.3%	18.8%	42.9%	3.6%	6.3%	
Overall (Total 51 items in 25/26, 48 in previous years. Blue = unknown/cancelled)	45.1% (25/26) 39.6% (24/25) 60.4% (23/24)			17.6% (25/26) 8.3% (24/25) 10.4% (23/24)		33.3% (25/26) 52.1% (24/25) 29.2% (23/24)			3.9% (25/26) 0.0% (24/25) 0.0% (23/24)		

Action Plans	Owner(s)	Start Date	Due Date	Progress	Note
Internal Audit of Corporate Risk Management Arrangements 20/21	Strategic Director, Partnership & Performance; Senior Manager, Partnership & Transformation	21-May-2021	30-Sep-2023	90%	All year 1 strategy actions are now complete following delays in roll-out. Total of 64 actions to date, of which 53 (83%) are complete. 11 incomplete from previous years will be carried forward into year 4.
Risk Strategy Year 1 Actions (2023/24)	Performance & Information Adviser (lead for all strategy items, unless otherwise stated)	01-Apr-2023	31-Mar-2024	100%	
Risk Strategy Year 2 Actions (2024/25)		01-Apr-2024	31-Mar-2025	79%	
Risk Strategy Year 3 Actions (2025/26)		01-Apr-2025	31-Mar-2026	90%	

Performance Indicator Trends			Note
↑	Improved	8 indicators, 50.0%	Status shown above, with performance more than 5% below target in over half of measures, but less than a third showing decline. 2 indicators removed in 24/25 (internal/external meetings held) due to limited value, 1 added in 25/26 (mandatory training completion). There will be a lag before strategy implementation is reflected in outcome-focussed results.
–	Static	2 indicators, 12.5%	
↓	Declined	5 indicators, 31.3%	
?	Not available	1 indicator, 6.3%	
(All targets shown below are for 26/27)			

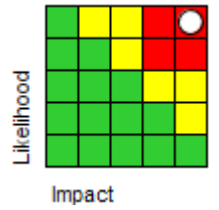
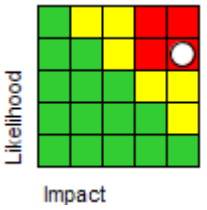
Risks	Change in Scores		Note
	↑ Increased	3	Limited capacity in service & central resource has increased several risks, and prior budget/staffing decisions are negatively impacting governance assurance in a number of areas.
	– Static	3	
	↓ Decreased	1	
	(All target scores below are for 26/27 year-end)		

Theme A. Leadership & Management

Local Aim 1: Awareness, Corporate Value 3: Be the Leader

Performance Indicators	23/24	24/25	25/26	Status	Target	Owner(s)	Note
Senior Managers with Enterprise Risk Management accreditation	31.3%	22.6%	16.7%		50.0%	Chief Executive; Directors	15 senior managers accredited in Jan-2020, 1 additional in Nov-2021. Only 5 remain in the organisation and no subsequent uptake of training offered.
Senior managers with up to date portfolio risk register on Pentana	15.6%	12.9%	10.0%		43.3%	As above	1 directorate resumed reporting but 2 not updated on system last year. Major compliance issue with only 3 registers (corporate, 1 directorate, 1 service) being maintained correctly. Target to bring 10 up to standard (chief officer & partial portfolio coverage), but dependent on uptake of facilitation offers.
Elected Members attending internal risk/scrutiny training	61.1%	72.2%	N/A		100.0%	Performance & Information Adviser	Scrutiny, Performance & Risk training was not part of 25/26 programme. Discussions will be held with Learning & Development on future scheduling.

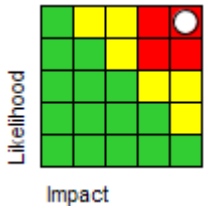
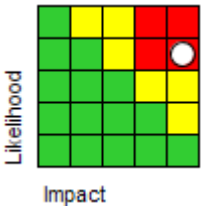
Actions	Status/Progress	Due	Owner(s)	Note
Prioritise services to address gaps in risk logs (senior manager level) and initiate programme of facilitated sessions	50%	31-Mar-2025	Performance & Information Adviser	Prioritised (based on corporate objectives & quick wins for bringing up to standard) but no further registers developed due to lack of resource for managing performance & risk across all services.
Offer risk accreditation to senior managers & assess options for follow-up refresher training (e.g. Leadership Development Programme)	100%	31-Mar-2026	As above	Accreditation offered to all senior managers though no uptake as yet. Refresher options will be incorporated into elearning development and future action to review all training provision.
Provide Elected Member training sessions on Scrutiny, Performance & Risk	Cancelled	31-Mar-2026	As above	This action reflects the dual ownership of risk by Council officers/senior managers and those making/scrutinising/challenging decisions & policy. Scrutiny, Performance & Risk training was not part of 25/26 programme.
Assess potential for 'deep dive' sessions with Elected Members/managers to explore thematic areas in greater detail	100%	30-Sep-2025	As above	Discussed with Elected Members and there is interest but will need to complement existing briefings (e.g. annual session on housing/homelessness). Year 4 action will take this forward to implementation.

Leaders Fail to Promote Risk Awareness		Chief Executive	Existing Controls	Current Score	25	Target	20
Risk	Leaders do not see value in risk management and fail to prioritise, exemplify and drive focus on deployment with staff		Corporate Risk & Integrity Forum				
Potential Impact	Poor awareness of key risks and mitigations at multiple levels due to lack of appropriate evaluation/escalation/cascade, with widespread implications for ill-informed decision-making and risk exacerbation through non-compliance		Annual Mandatory Training Programme				
			Hierarchy of Risk Registers				
Note	Progress in strategy deployment slowed in year 2, with knock-on effects in year 3, and evidence of decline in compliance with guidance at senior levels. Central resource is not sufficient to address this without management support. There is reasonable awareness and most plans/reports reference risk, but limited evidence of robust assessments or recording. Actions to embed and integrate continue into 25/26.						

Theme B: Strategy & Policy

Local Aim 2: Transparency, Corporate Value 1: Be the Customer
(No indicators in place, will be added if informative)

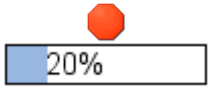
Actions	Status/Progress	Due	Owner(s)	Note
Define guidance, process & template for developing strategies	10%	31-Mar-2025	Performance & Information Adviser	While drafting has begun, it was not possible to deliver within target times, though this is seen as a high priority and was discussed in the Annual Governance Statement review.
Prioritise corporate strategies to address gaps in risk logs and initiate programme of facilitated sessions (or upload to Pentana where they already exist)	0%	31-Mar-2025	As above	Dependent on development of strategy guidance & template to ensure leads aware of responsibilities. Service logs were considered highest priority but the strategy perspective is important to ensure full coverage of objectives.
Review Business Planning guidance & template	0%	31-Dec-2025	As above	Several changes have been agreed but guidance not yet reviewed, and clarity around ownership of this action is required, will be carried forward into 2026/27.

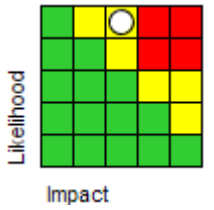
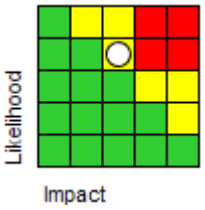
Failure to Develop or Publish Risk Strategy or Registers	Chief Executive	Existing Controls	Current Score	25	Target	20	
Risk	Approach & management of specific risks is not summarised publicly due to reluctance to discuss negative factors	Public Performance Reporting					
Potential Impact	Failure to provide scrutiny bodies and the public with appropriate information, decisions made without reference to all relevant facts or potential barriers, failure to challenge/mitigate and/or erosion of trust, affecting reputation	Elected Member Scrutiny & Challenge					
		Corporate & Business Plans					
Note	Most Council work is highly risk-focussed but improvement is required in formal analysis, recording & reporting. While the strategy element of this risk has been fulfilled, little progress is seen in the development or publication of registers. The programme of risk log development and additional guidance aim to reduce the score during 26/27.						

Theme C: People

Local Aim 3: Consistency, Corporate Value 2: Be the Team

Performance Indicators	23/24	24/25	25/26	Status	Target	Owner(s)	Note ('Internal Meetings Held' discontinued, replaced by 'Mandatory Training')
Employees Completing Mandatory Training by Due Date	50.8%	59.0%	64.5%		100.0%	Head of Corporate Services	While rates have improved slightly they remain well below target, with less than two thirds of staff completing required training, potentially exposing the Council to major compliance risks.
Services adequately represented on Corporate Risk & Integrity Forum	100.0%	100.0%	86.4%		100.0%	Chief Executive; Directors	The Health & Social Care Partnership have nominated a forum member to fill the gap in representation arising from staff turnover (will attend from next meeting onwards).
Services adequately represented by Pentana superusers	36.4%	38.6%	43.2%		50.0%	As above	1 new superuser trained and 3 started training but still substantially below full coverage. Importance of this role is increasing in tandem with governance expectations, need for streamlining & contracting workforce. Greater engagement required to capitalise on system benefits.

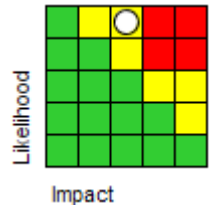
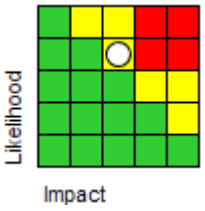
Actions	Status/Progress	Due	Owner(s)	Note
Complete quarterly updates of Connect intranet page for sharing risk guidance, training, events, etc.		31-Jan-2026	Performance & Information Adviser	Updates completed and arrangements around migration to new intranet platform will be confirmed in year 4 (this action recurs annually).
Identify candidates for Pentana superuser training with directors/senior managers & provide training/workshops		31-Mar-2026	As above	Monthly sessions held with several superusers as well as responding to ad hoc coaching requests, but training is dependent on managers putting forward nominees and much time is currently spent filling gaps in coverage.
Provide information sessions on Pentana content/functionality, identify candidates & provide manager/inputter training/workshops		31-Mar-2026	As above	Sessions were held with all directorates (and Health & Social Care Partnership) with varying focus at senior manager, team leader and officer level, as appropriate.
Review risk analysis training module on Clacks Academy after approval of revised risk strategy (outstanding Internal Audit Action)		30-Sep-2023	As above	General risk training not appropriate for all staff (though corporate risks reflected in mandatory programme). Content defined for target groups (theme leads, managers, etc.) but workload & service support preventing completion.

 	**Inconsistent Staff Application of Risk Principles**	Performance & Information Adviser	Existing Controls	Current Score	15	Target	12
Risk	Staff do not know or apply the principles in the risk strategy due to lack of communication, training, guidance or support		Pentana Superusers & Site Administration				
Potential Impact	Fragmented approach, failure to prioritise in a robust and consistent manner, lack of internal integration and confusion among those consuming risk information, leading to other noted risks		Risk Training, Facilitation & Guidance				
			HSC Joint Risk Forum				
Note	Capacity and cyclical duties preventing development of training materials and limited uptake of external courses or internal facilitation are increasing this risk. Gaps in superusers, registers and awareness of available guidance mean many risk activities largely undocumented, providing little assurance around consistency. Efforts continue with senior managers, including refocussing the risk forum on mitigation actions but substantial work is still required at lower levels in the structure.						

Theme D: Partnership, Shared Risk & Resources

Local Aim 4: Collaboration, Corporate Value 4: Be the Collaborator
(Indicator on 'External Meetings Held' discontinued, others will be added if informative)

Actions	Status/Progress	Due	Owner(s)	Note
Work with FV Health & Social Care joint risk forum to evaluate & implement whole-system risk sharing options	100%	31-Mar-2025	Performance & Information Adviser	Operational requests to support the partnership in managing its risk profile were fulfilled but strategic engagement has stalled due to turnover in HSC risk leads. There are governance concerns around fragmentation of previously aligned strategies and 6-weekly meetings have now been scheduled to address issues. We continue to respond as support needs emerge.
Prioritise key partnerships to address gaps in risk logs and initiate programme of facilitated sessions (or upload to Pentana where they already exist)	20%	31-Mar-2025	As above	Joint logs exist for Emergency Planning, Health & Social Care, and Child Protection, and we were consulted on a community group proposal around developing local facilities but further work required to ensure risk mitigation is a clear and explicit focus of major partnerships.
Provide collaborative support to external partners for performance & risk processes, including the Pentana corporate performance management system	100%	31-Mar-2026	As above	Responses and collaborative support provided throughout the year, including Health & Care Partnerships, Improvement Service, Association of Local Authority Risk Managers and Scottish Performance Management Forum.

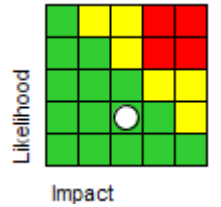
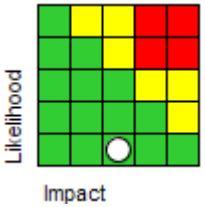
	Inadequate Collaboration with Partners/Experts	Performance & Information Adviser	Existing Controls	Current Score	15	Target	12
Risk	Failure to integrate with partners or capitalise on external knowledge due to an insular view or lack of co-operation		External Audit Assurance & Improvement Plan				
Potential Impact	Unclear, conflicting, resource-intensive partnership processes, inefficiency/duplication, missed opportunities, ill-informed decisions, misaligned priorities and failure to meet governance requirements of respective organisations		HSC Joint Risk Forum				
			External Risk Engagement (Insurers, ALARM & IS)				
Note	Risk forum includes several key partnerships and regular knowledge-sharing conducted with a range of national performance & risk networks. Lack of activity in joint Health & Social Care risk forum in recent years, lack of visibility of registers, and revision of the partnership's risk strategy without consulting local authorities increases inconsistency. It is hoped that collaborative work with neighbouring authorities will include focus on risk management.						

Theme E: Processes

Local Aim 5: Clarity, Corporate Value 5: Be the Innovator

Performance Indicators	23/24	24/25	25/26	Status	Target	Owner(s)	Note
Total insurance claims closed within year (Employers & 3rd Party Liability, Motor, Highways, Property & Injury)	21	31	23	✓	20	Senior Manager - Legal & Governance	Can only be viewed alongside other insurance indicators. While number of claims is outwith our control, they all incur some cost (processing, court proceedings, etc.) aside from impacts on individuals. Total has reduced by a quarter from 24/25, and by two thirds since 19/20 (68 claims).
Insurance claims closed with payment (% of total closed within year)	61.9%	61.3%	73.9%	▲	67.0%	As above	Number with payment reduced from 19 to 17 but % increased due to reduced total claims. Reasons for claims being upheld are monitored to improve defensibility rate both in court & proactive reduction of internal & public risks.
Value of insurance claims paid ('claims experience')	£5,574	£25,961	£8,598	✓	£8,000	As above	Reduced by two thirds, well below £92k peak in 21/22. Average per claim also reduced by nearly two thirds (£1,366 to £506, an eighth of £4k peak in 21/22).

Actions	Status/Progress	Due	Owner(s)	Note
Prioritise categories/cross-cutting corporate themes to address gaps in risk logs and initiate programme of facilitated sessions (or upload)	20%	31-Mar-2025	Performance & Information Adviser	Not yet started due to delays around service logs but risk forum horizon scanning is developing and will highlight categories/themes lacking sufficient assurance evidence.
Revise committee report template & pilot use of Pentana system to manage approval process	50%	31-Dec-2024	As above	Template revised by Committee Services (Oct 2025) to better reflect Equalities duties but yet to pilot use of Pentana for approval process.
Review risk Guidance, Governance Checklist & Appetite Statement to support prioritisation	100%	28-Aug-2025	As above	Year 3 (25/26) checklist & statement revised at the start of the year as part of annual report preparation.
Provide responsive support for performance & risk processes, including the Pentana system	100%	31-Mar-2026	As above	Provided but volume & urgency unsustainable for single officer, with significant impacts on capacity to implement development and improvement initiatives.
Pilot value assessment to complement risk assessments, based on expressions of interest	50%	31-Dec-2025	As above	Process, matrix & guidance finalised and several service areas have expressed an interest but not yet implemented, aiming to roll out in 2026/27.

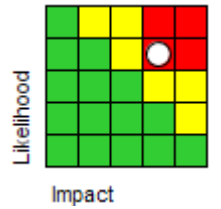
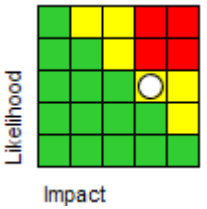
✓	–	**Unclear Processes or Prioritisation Mechanisms**	Performance & Information Adviser	Existing Controls	Current Score	6	Target	3
Risk		Staff & Members are unclear on risk management/prioritisation due to failure to define or disseminate suitable processes		Management Team Risk Workshops				
Potential Impact		Uncoordinated/disconnected activities, failing to address strategic priorities, exacerbating issues regarding equalities, deprivation, safeguarding or sustainability, or mismanaging building/data security, health & safety or continuity incidents		Business Continuity Plans				
				Strategic Framework of Plans, Policies & Procedures				
Note		Processes, tools & mechanisms clarified in risk strategy, guidance, governance checklist & appetite statement, highlighted regularly with senior managers and risk forum. Greater levels of management commitment, adherence and meaningful engagement necessary to ensure cascaded and embedded across all areas.						

Theme F: Risk Handling & Assurance

Local Aim 6: Proportionality, Corporate Value 2: Be the Team

Performance Indicators	23/24	24/25	25/26	Status	Target	Owner(s)	Note
Internal Audit assurance level on arrangements for risk, governance and control	2	2	2	⚠	3	Chief Executive	Indicator shows assurance level of 1 (No assurance), 2 (Limited assurance) or 3 (Substantial assurance). 7 years' results have been recorded, Substantial until 23/24 when the level reduced to Limited, where it has remained since.
IA draft reports issued within 3 weeks of fieldwork completion	92%	85%	75%	⚠	85%	Internal Audit Manager	Actual performance exceeded target for two indicators, however, performance dropped slightly in one of the indicators (due to preparing information for Police Scotland in relation to an ongoing investigation). Internal Audit experienced a delay in receiving requested information as part of one review, while the other reviews experienced delays being undertaken due to Internal Audit's involvement in the preparation of information for Police Scotland for an ongoing investigation.
IA recommendations accepted by management	98%	100%	100%	✓	90%	As above	
Completion of main Internal Audit programme	100%	81%	94%	✓	85%	As above	

Actions	Status/Progress	Due	Owner(s)	Note
Review Annual Governance Statement process with colleagues to improve integration with risk	90%	31-Mar-2025	Performance & Information Adviser	AGS themes & actions aligned to risk categories and reviewed as part of risk forum updates, final step is to integrate with risk/indicator committee reporting.
Provide evidence for the Annual Governance Statement, Internal & External Audit	100%	31-Mar-2026	As above	Evidence provided and queries answered in relation to performance & risk duties and support of other service/partnership activities.
Support consolidation/streamlining of statutory data returns & reports, including participation in national Local Government Data Platform project	100%	31-Mar-2026	As above	Significant work to fulfil statutory duties revised by Accounts Commission on 01-Apr-25. No further information received on LGDP but internal preparation continues, including requesting time with Data & Digital Team.

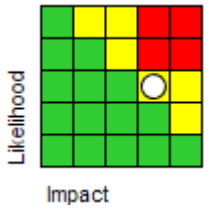
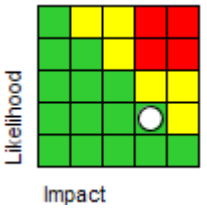
⬢	**Disproportionate Risk Handling**	Performance & Information Adviser	Existing Controls	Current Score	16	Target	12
Risk	Failure of governance/scrutiny processes leads to the over-/under-control of risks, with lack of balance in appetite, tolerance & control		External Audit Assurance & Improvement Plan				
Potential Impact	Missed opportunities, allowing unfavourable events to occur, or prevention activities causing greater impact than would be incurred should risks materialise, resulting in inappropriate utilisation of workforce, financial resources or other assets		Internal Audit Programme				
			Council/Committee Reports & Procedures				
Note	Local Code of Governance self-assessed & audited annually, identifying areas for improvement, and committee structures/approval processes provide oversight. The risk forum includes challenge on balance and proportionality but appetite statement and governance checklist are not fully embedded. Lack of documented risk assessments or data-led decision-making in some areas means this risk has not reduced.						

Theme G: Outcomes & Delivery

Local Aim 7: Objectivity, Corporate Value 6: Be the Future

Performance Indicators	22/23	23/24	24/25	Status	Target	Owner(s)	Note
Corporate indicators improving since previous year	47.1%	50.5%	51.8%	⚠	55.0%	Chief Executive	In available corporate & benchmarked indicators, just over half improved from 23/24 to 24/25, however, this figure is lower for 5-year trends.
Corporate indicators with green target status (met or within 5%)	57.0%	55.1%	66.7%	✓	67.0%	As above	Improved, but targets require scrutiny as there is an over-reliance on Scottish average, which may not be challenging enough to reflect stated local aims.
Corporate indicators above Scottish median (top 2 quartiles)	39.4%	37.6%	54.9%	✓	50.0%	As above	Significant improvement, but benchmarks only currently available for 60% of 24/25 measures. All 3 indicators likely to reduce when figures published.

Actions	Status/Progress	Due	Owner(s)	Note
Prioritise projects/programmes to address gaps in risk logs and initiate programme of facilitated sessions (or upload where they already exist)	● 75%	31-Mar-2025	Performance & Information Adviser	Project risks reviewed by Strategic Oversight Group but better visibility required to ensure compliance with local risk strategy & policy, and use of corporate system required to enable integration with other processes.
Pilot reporting performance indicators to inform corporate risk likelihood/proximity/impact scores	✓ 100%	31-Mar-2024	As above	Corporate risk indicators identified and piloted with risk forum. Committee reports will be aligned alongside Annual Governance Statement integration.
Locate key corporate strategies, plans & performance reports & ensure accessible to staff	✓ 100%	30-Sep-2024	As above	Linked via Performance web pages (updated quarterly) and strategy map clarifies hierarchy, relationships & outcomes (expanded on ongoing basis).
Work with Data & Digital Team to improve access, use and impact of tools & mechanisms	✓ 100%	31-Mar-2026	As above	Benefits realisation support provided, team primarily working on operational tasks but contact ongoing regarding urgent and vital corporate enhancements.
Work with Transformation on project dashboards and minimum project governance requirements	✓ 100%	31-Mar-2026	As above	Transformation support provided to central team and directorates, including recommendations on programme/project governance and evidencing benefits.
Incorporate identification of indicators/evidence into risk guidance & process (following pilot)	✓ 100%	30-Sep-2025	As above	Incorporated into risk forum horizon scanning and facilitated risk assessments, will be made more explicit via in-depth review of risk guidance.

⚠ ↓	**Failure to Evidence Reduced Risk Profile**	Performance & Information Adviser	Existing Controls	Current Score	12	Target	8
Risk	Lack of appropriate data or evidence results in failure to demonstrate improvement in stated key priority outcomes		Pentana Performance Management System				
Potential Impact	Failure to escalate/demote or inability to demonstrate rationale for decisions or integration of initiatives with key deliverables, with possible misuse of resource and strategic misalignment to the detriment of community and governance outcomes		Governance & Audit Processes				
			Corporate Risk Management Strategy & Policy				
Note	Increased use of informatics and broadly positive results for currently available corporate indicators have reduced this risk for the moment, though it may increase when remainder are published (due to nature of those outstanding). The corporate indicator set is revised annually and we are attempting to address timeliness issues. Documented risk assessments to consolidate cause & effect information on both qualitative and quantitative factors will reduce this risk further in future.						

Year 4 & 5 Actions

Will include outstanding from previous years and those repeated annually. Others will be defined based on progress and emerging priorities.

Theme	Action	Desired Outcome	Start	Due
A Leadership & Management	Implement 'deep dive' sessions with Elected Members/managers to explore thematic areas in greater detail (then becomes annual action)	Provide options for exploring indicators, actions, risks and benefits in a more interactive & flexible way than can be provided via static reports	01-Oct-2026	31-Mar-2027
	Prioritise teams to address gaps in risk logs (team leader level) and initiate programme of facilitated sessions	Visibility, consistent recording & regular review of all risk registers via Pentana system to improve awareness & proactive management of risk	01-Oct-2027	31-Mar-2028
	Provide Elected Members with training & access to Pentana system (once information needs assessed & content brought fully up to date)	Provide transparent access to performance & risk information at a time and place that is suitable to Elected Members	01-Jan-2028	31-Mar-2028
B Strategy & Policy	Create live area profile (for corporate strategies & reports) with manual processes replaced with automated updates & reporting	Reduce duplication, ensure strategies use most current data available and improve efficiency of strategy production & provision of updates	01-Jan-2027	31-Mar-2027
	Align Pentana internal controls list to key corporate strategies & policies, and implement document review functionality	Ensure controls list is current and utilise functionality for holding/ reviewing documents (including automated reminders)	01-Jul-2027	31-Dec-2027
C People	Work with Corporate Risk & Integrity Forum to fully embed use of Risk Appetite Statement in prioritisation of risks and mitigations	Ensuring levels of appetite agreed corporately are applied operationally and control of low tolerance categories is robust and consistent	01-Jul-2026	31-Dec-2026
	Re-assess training options for Elected Members, managers, superusers & system end-users and expand if appropriate	Ensuring deployment of strategy aims, and raising awareness of principles, processes, responsibilities & good practice	01-Jul-2027	30-Sep-2027
D Partnership, Shared Risk & Resource	Publish performance profiles on cross-cutting partnership themes for signposting and referencing in committee reports	Consolidate data reporting, improve efficiency and embed good practice while reducing length, duplication and contradictions in reports	01-Jul-2026	31-Dec-2026
	Full review of all risk registers in light of new structures arising from collaborative work with neighbouring Councils	Ensure registers aligned to new joint outcomes, priorities, workplans and challenges emerging from early stages of collaborative work	01-Apr-2027	30-Sep-2027
E Processes	Conduct more detailed review of risk guidance in response to feedback from facilitation programme & further consultation	Provide clarity & support for managers with consolidated approach to managing governance expectations & considerations	01-Apr-2026	30-Sep-2026
	Roll out value assessment process to evaluate current/target position in relation to achieving outcomes (to complement risk assessments)	Ensure data & evidence are assessed and realistic targets set to support the delivery of positive outcomes	01-Apr-2027	30-Sep-2027
F Risk Handling & Assurance	Refine Internal Audit dashboards & identify options for further streamlining & automation	Remove single points of dependency and improve efficiency & effectiveness to support management & oversight of IA actions	01-Jul-2026	31-Dec-2026
	Summarise common risks & mitigations in a risk library/menu	Simplify the assessment process, reduce duplication and capitalise on past successes	01-Jul-2027	31-Dec-2027
	Provide External Auditors with access to the Pentana system (once content brought fully up to date)	Transparent access to performance & risk information at time & place suitable to external auditors & improve efficiency of evidence provision	01-Jan-2028	31-Mar-2028
G Outcomes & Delivery	Identify ways to better evidence risk assessment (preventative early warning indicators) & demonstrate impact of mitigation on delivery	Reduce subjectivity in assessment & scoring to support proactive decision-making & positive impact on organisational outcomes	01-Apr-2026	30-Sep-2026
	Restructure suite of Performance web pages to reflect both national reporting themes and local risk categories	Improve transparency & clarity around adherence to statutory reporting duties and evidence success of risk mitigation in improving outcomes	01-Apr-2027	30-Jun-2027

Appendix E - Corporate Risk Register

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Summary of Changes

In quarter 1 2026/27, 1 risk was escalated to the register, bringing the total to 21. The table shows last review, with quarter 1 completed for 6 (plus the escalation). Therefore, details may be out of date for two thirds of corporate risks (with 6 not reviewed this calendar year).

Status

- 13 risks are red (increase of 1 since previous report (Q4, 2025/26), due to the escalation)
- 6 risks are amber (same as previous)
- 2 risks are green (same as previous - there are always fewer greens on the corporate register as these are often demoted for scrutiny via other registers)

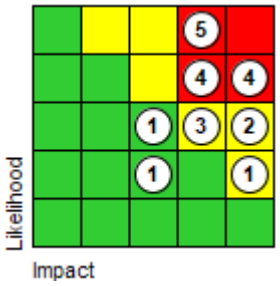
Approach

- 15 risks are being **Treated** (same as previous)
- 6 risks must be **Tolerated** (increase of 1, due to the escalation)

Change in Scores Since Last Review

- Business Continuity has been escalated by Corporate Services due to the recent incident
- There are no other changes in scores and no risks have been removed from the register (*2 risks reduced in previous quarters, already reported to Committee in Feb & Jun)
- Target dates for reducing scores have passed for 14 risks (two thirds) and require review

Score Distribution



(RAAC = Reinforced Autoclaved Aerated Concrete,

UNCRC = United Nations Convention on the Rights of the Child)

Code	Risk Title	Score	Status	Approach	Change	Review
COU CRR 008	Insufficient Financial Resilience	20		Treat	-	Q1
COU CRR 033	Major Governance Failure	20		Treat	-	Q4
COU CRR 055	Lack of Affordable & Suitable Housing Supply	20		Treat	-	Q4
COU CRR 060	Business Continuity or Resilience Failure	20		Tolerate	N	Q1
COU CRR 057	Worsening Health Inequalities	20		Treat	-	Q3
COU CRR 012	Health & Safety Breach	20		Treat	-	Q1
COU CRR 059	Harm to Staff Through Violence & Aggression	20		Treat	-	Q1
COU CRR 046	IT System/Cyber Security Failure	20		Treat	-	Q3
COU CRR 050	Supply Chain & Labour Market Disruption	20		Tolerate	-	Q1
COU CRR 056	Increasing Levels of Poverty	16		Treat	-	Q4
COU CRR 047	Inadequate Workforce Planning	16		Treat	-	Q3
COU CRR 053	School Estate Condition Disrupts Education Provision	16		Treat	-	Q4
COU CRR 009	Information Not Managed Effectively	16		Treat	-	Q1
COU CRR 049	Continued Contribution to Climate Change	15		Treat	-	Q1
COU CRR 040	Failure of Public Utility Supply	15		Tolerate	-	Q4
COU CRR 054	Limited Assurance Around Management of RAAC	12		Treat	-	Q4
COU CRR 052	Failure to Comply with UNCRC	12		Treat	-	Q3
COU CRR 022	Public Health Emergency	12		Tolerate	-	Q4
COU CRR 031	Failure to Prepare for Severe Weather Events	10		Tolerate	↓*	Q4
COU CRR 034	Insufficient Pace & Scale of Organisational Transformation	9		Treat	↓*	Q3
COU CRR 023	Industrial Unrest	6		Tolerate	-	Q3

Category groups (see following pages): Inputs & Resources, Assurance & Responsiveness, Outputs & Outcomes.

Risk Register Guidance

Purpose	Risk is key to planning and involves thinking about what might get in our way and stop us achieving our goals. We all do this every day, probably without thinking about it – checking for cars to cross a road safely, or watching the weather forecast and taking an umbrella.
Aims	We must consider what's likely, but also the worst possible results. We think about how to prevent them or how we'll react if they do happen. Predicting the future can't be exact, but we need to show that we've thought it through, checked the facts, and are aware of the current situation.
Summary	What's changed since the last report and totals for key factors below (the current profile).
Scores	We use guidance to score (on a scale of 1 to 5) how likely the risk is to occur and possible impacts. These are multiplied to give overall severity. If it's very likely, with serious impacts, it's 5 x 5 = 25.
Status	Scores then determine the status: green, low risk (9 or less), amber, medium risk (10-15), or red, high risk (16 or more). This highlights major issues that need dealt with as a priority.
Change	Whether the score's gone up, down, or stayed the same since last time. Ideally, they'll go down, but there's often issues we can't control so, even if we've taken action, it might still increase.
Approach	If we're doing something to prevent the risk or plan how we'll react, the approach is 'Treat'. If we can't prevent it or already have plans, it's 'Tolerate' (though there may be actions to strengthen controls). 'Transfer' (pass to someone else) and 'Terminate' (stop the risky activity), are less common due to laws about Council responsibilities and services we must provide.
Lead Officer	The person with overall responsibility for dealing with the risk and providing updates.
Title	The issue we're worried about – very negative but may never occur because of actions we'll take.
Risk	More detail about what might cause the risk, and the event we need to prevent or react to.
Impact	The worst possible results on the Council or local communities, considering the categories below.
Notes	An update on the current situation, progress with actions, and any data that tells us how likely the risk is to occur, the timing, or the impacts (so that assessments are based on facts, not guesswork).
Controls	Things already in place to prevent the risk, or plans for how we'll respond. These make the risk less likely or the impact less severe, so we think about these when setting the current score.
Actions	Things we're doing just now, or in the future, to reduce the risk more. We think about these when setting the target score to show how the actions will improve our position once complete.
Categories	Areas the Council must manage to ensure things go smoothly (shaded by grouping on next page).

Assets	Buildings, computer systems and other equipment needed to run our services.
Community	Helping people to stay strong and happy, and looking after them in difficult times.
Continuity	Making sure the services people rely on keep running without disruption.
Environment	Looking after the planet, animals and plants, and reducing pollution and waste.
Finance	The money we have to run services and keep doing all the other things on this list.
Governance	Obeying the law and other rules about behaving responsibly and fairly.
Information	Learning from facts and data we trust, and being honest about how things are going.
Reputation	How other people see us, and how happy they are with how we do things.
Security	Making sure only the right people get into buildings/systems, and use them properly.
Strategy	What we'll do and changes we'll make so that services work better for everyone.
Wellbeing	Keeping people safe and healthy so they're not hurt in accidents or by other people.
Workforce	The staff and skills we need to do all of the above to a high standard.

Outcomes	The Council's key priorities, duties and areas where we want to improve things for local people.

Local Outcomes Improvement Plan

Wellbeing
1.1 Physical & Mental Health
1.2 Outcomes for Young People
1.3 Poverty
Economy & Skills
2.1 Labour Market & Fair Work
2.2 Economic Opportunities
Places
3.1 Sustainable Places
3.2 Environmental Sustainability

Transformation plan (Be the Future)

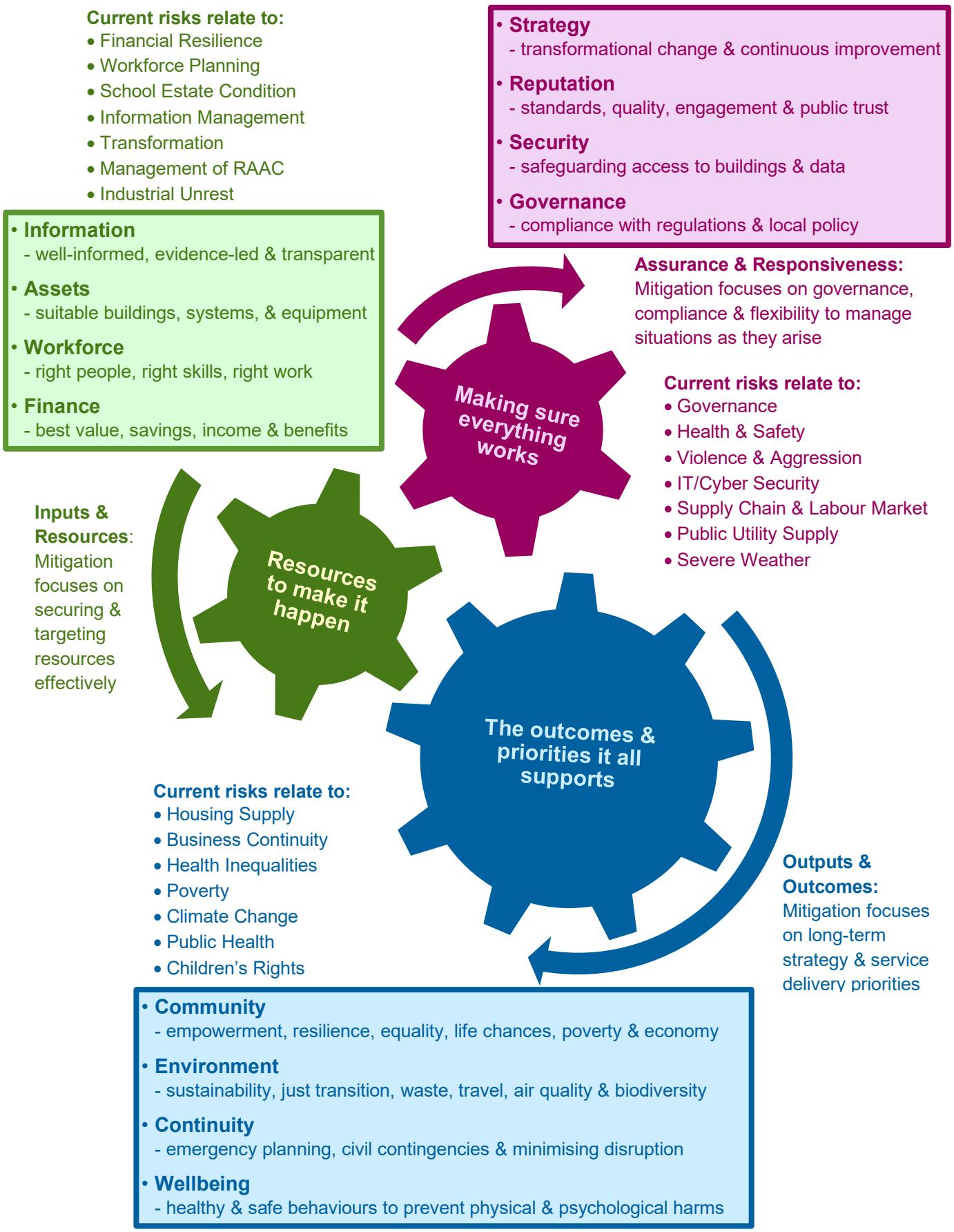
i Digital & Data Transformation
ii Asset Strategy
iii Sustainable Transport
iv Communication & Engagement Model
v Tackling Poverty
vi Investment Strategy
vii Workforce Strategy
viii Value-based Leadership/Culture Change
ix Collaborative Community Models
x Place Redesign

Best Value Duties

1 Balancing the quality of services with cost
2 Ensuring services are sustainable
3 Promoting equality & diversity
4 Being accountable & transparent
5 Engaging with local communities

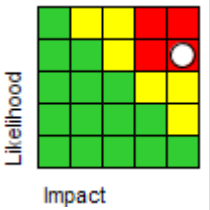
Summary of Corporate Risks by Category Grouping

While risks may originate in one category, the focus here is not on causes but solutions, which may lie elsewhere. Please also note that the shading here does not indicate the status of risks.



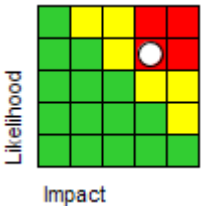
1. Inputs & Resources — Mitigation focuses on securing & targeting resources effectively

	Insufficient Financial Resilience	Outcome	BV 1.	Balancing the Quality of Services with Cost			
Lead	Senior Manager Finance & Revenues/Chief Finance Officer	Categories	Finance, Assets, Strategic		Approach	Treat	
Risk	The Council does not have a balanced budget to meet essential service demands, customer needs, or external agendas, or sufficient resilience to reduce the budget gap for future years.						
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 budget for 2026/27 was approved in February reflecting a balanced position and including savings to be achieved during the year. Savings of £3.6m were approved alongside a 5.6% increase in Council Tax and a 4% increase in charges for discretionary services. Due to the use of reserves and cash savings to balance the 26/27 budget, the budget gap for 27/28 has been estimated at £10.1m. Target is set based on gap projections for next 5 years.				Last Review	02-Jul-2026	20
					Last Change	26-Jul-2024	25
					Update Due	15-Sep-2026	
					Target	31-Mar-2029	15

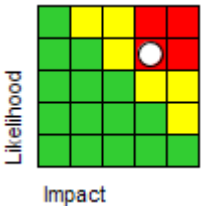


Related Actions	Procurement Strategy Review	AGS 022 003	Existing Controls	Budget Strategy & Monitoring
	Refine and enhance Budget Papers to include risk mitigation. The Council should set out within its budget papers any other specific risks that impact on the achievement of a balanced financial position and what mitigating action the Council has planned to manage these risks.	AGS 023 015		Financial Regulations
				Contract Standing Orders
	External audit recommendation: A medium-term Financial Strategy be developed, with clear actions on how financial sustainability is to be achieved.	AGS 023 017	Relevant Indicators	Achievement of Approved Savings - All Services
	More work is required to build the detail behind each project and fully align this to the development of a medium-term financial strategy by: a. Adding greater detail about individual projects; b. Setting clear timescales for each project; c. Assessing the resources and support required to deliver these projects (taking into account the resources that are already identified); and d. Developing a benefits realisation tracker to assess whether the Council has achieved its aims.	AGS 023 018		5-year Budget Gap Projections
				Useable Reserves (% of Budget)
				Use of Reserves (%)
	The council should ensure that the finance team is adequately resourced to prepare a comprehensive set of unaudited accounts and provide the necessary working papers in a timely manner to support the audit process.	AGS 023 024		Uncommitted Balance (% of Budget)
	Create a financial resilience framework to support the medium-term strategy, once approved.	AGS 024 301		Cost/Revenue Ratio (General Fund)
	Review Local Finance Returns process to maximise funding access for the Council.	AGS 024 302		Cost/Revenue Ratio (Housing Revenue Account)
	Strengthen collaboration and joint working between Finance and other Council services to optimise budget management and financial monitoring.	AGS 024 303		Outturn Expenditure (% of Budgeted)
	Explore options for income generation across the Council and assess the feasibility of such options.	AGS 024 304		
	Review **capital budget setting** and monitoring arrangements to set realistic budgets with clear timelines and a clear linkage to Council priorities.	AGS 024 305		Council Tax Collected Within Year (%)

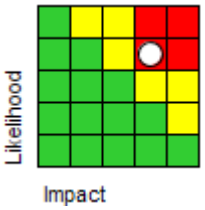
	Inadequate Workforce Planning	Outcome	BtF vii.	Workforce Strategy					
Lead	Head of Corporate Services	Categories	Workforce, Strategic		Approach	Treat			
Risk	Due to lack of workforce planning the Council fails to ensure sufficient capacity/resource to deliver key services or fails to adequately develop its workforce to ensure that skills, knowledge and structures are appropriate, sustainable financially viable and compatible with our corporate vision.								
Potential Impact	Reduction in sustainable staffing levels and loss of knowledge (such as those identified as single points of dependency, including statutory officers), leading to inability to delivery key functions and lack of adequate professional advice to Council Officers/Elected Members.								
Note	Failure to implement sufficient or proper workforce planning controls (at both service and strategic level) risks loss of key staff from posts identified as single points of dependency, failure to address wider workforce challenges, and failure to upskill current staff to meet current / future demands. Development of a new Strategic Workforce Plan is linked to the Council's Target Operating Model (essential to providing a consistent and clear strategic thread for workforce development / planning - as such, this workforce plan cannot be drafted in full until further developments with the TOM are made), thereby highlighting the risks noted above.					Last Review	05-Jan-2026	16	
						Last Change	18-Dec-2024	12	
						Update Due	15-Mar-2026		
						Target	30-Sep-2026	12	
Related Actions	The council should ensure that the finance team is adequately resourced to prepare a comprehensive set of unaudited accounts and working papers in a timely manner to support the audit process.	AGS 023 024			Existing Controls	Strategic Workforce Plan			
	Deliver outputs from regional collaboration on workforce management.	AGS 024 601			Relevant Indicators	Existing suite (e.g. recruitment, retention, training, staff survey, etc.) to be reviewed and included in revised strategy			
	Review strategic approach to recruitment approvals amidst budget challenges.	AGS 024 602							
	Review Workforce Strategy.	AGS 024 603							



	School Estate Condition Disrupts Education Provision	Outcome	WELOIP 1.2	Wellbeing - Outcomes for Young People					
Lead	Director of Place & Economy	Categories	Assets, Finance, Wellbeing		Approach	Treat			
Risk	Failure to adequately invest in the school estate results in degradation in the condition of establishments below acceptable standards for continuation of service delivery, requiring displacement into alternative accommodation								
Potential Impact	Health & Safety implications, unusable assets, disruption to learning & attainment, workforce & financial capacity to manage transport & temporary accommodation, reputational & legal implications relating to provision of statutory function								
Note	Five priority primary schools to be refurbished. To minimise disruption works will be scheduled for out of hours/weekends/holidays. We anticipate works starting in the first half of 2026. Project management resource within the Property team is limited and external support has been procured to manage these works, which are extensive. A review of structural and condition reports across the whole estate is underway. This will likely identify further potential works which will require to be addressed. Until this information is received the risk remains high.					Last Review	23-Mar-2026	16	
						Last Change	14-Oct-2025	12	
						Update Due	15-Jun-2026		
						Target	31-Mar-2026	12	
Related Actions	Procure and initiate implementation for a new case management / document management system within Legal Services, in partnership with Falkirk Council.	AGS 023 002			Existing Controls	Asset Management Strategy			
						Condition Surveys (Hollis)			
	Seek Council approval to focus investment on the identified schools (graded as “Poor”)	CRR PLC PT1			Relevant Indicators	Buildings Suitable for Use			
	Carry out options appraisal on the full learning estate	CRR PLC PT2				Floor Area Satisfactory Condition			

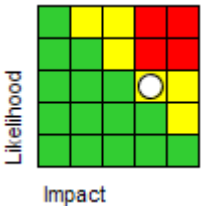


	Information Not Managed Effectively	Outcome	BV 4.	Being Accountable & Transparent				
Lead	Senior Manager - Legal & Governance/Monitoring Officer	Categories	Information, Security, Strategic		Approach	Treat		
Risk	Information is not protected, managed or used effectively due to lack of compliance with 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	Records management plan accepted by Keeper of Records for Scotland – final update due mid 2026. New retention plan is still in planning. Scottish Information Commissioner has extended intervention until June 26. Final submissions being prepared. Guidance documents continue to be updated and policies for FOI and EIR being prepared. Continual review of privacy notices, data sharing / processing agreements is required. Staff have a better understanding of Data Protection Impact Assessments and they are being completed as required.					Last Review	02-Jun-2026	16
						Last Change	09-Jun-2022	12
						Update Due	15-Sep-2026	
						Target	31-Dec-2026	12

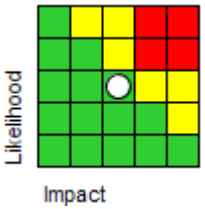


Related Actions	Refresh Communications Strategy and Social Media Policy and Guidelines	AGS 021 009	Existing Controls	Data Sharing Agreements (& Continual Review)
	Information and knowledge management programme of work will be scoped and capacity, resources and roles and responsibilities identified. Action includes work to review how the Council collects, manages and analyses data to ensure officers and members have the information they require to make decisions - Data Insights Programme (Transformation) and work underway within the Data Governance Team (Legal and Governance).	AGS 022 005		General Data Protection Regulations (GDPR) Guidance & Training
	To review the Council's Complaints Policy and Procedure and implement training accordingly.	AGS 023 008	Relevant Indicators	Employees Completing Mandatory Training
	Refresh the Digital Strategy.	AGS 023 021		No. of data breaches reportable to Information Commissioner
	Develop and implement a new automated system around complaints, comments, concerns and compliments that includes online forms, case management and performance reporting.	AGS 023 023		
	Explore options to streamline and coordinate consultation activity.	AGS 024 401		% Complaints Closed Within Timescale - All Services
	Initiate work to document key work flows, starting with induction.	AGS 024 402		% Complaints Upheld/Partially - All Services
	Review how we manage Freedom of Information requests.	AGS 024 403		% Freedom of Information Requests Responded to Within Timescale
	Actions from Scottish Information Commissioner letter on 06-Dec-24 regarding Freedom of Information intervention	P&P L&G SIC		Others to be developed & included in revised strategies

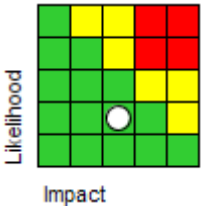
	Limited Assurance Around Management of RAAC	Outcome	WELOIP 3.1	Places - Sustainable Places					
Lead	Director of Place & Economy	Categories	Assets, Community, Reputation		Approach	Treat			
Risk	Potential deterioration of buildings with RAAC (Reinforced Autoclaved Aerated Concrete) into unsafe structures, requiring options appraisal that addresses both strategic implications (financial, assets and duty of care for residents), and the needs of individuals directly affected by uncertainty and other personal impacts, including financial								
Potential Impact	Domestic properties become uninhabitable, increasing voids & pressure demand on housing/homelessness services, with affordable housing already in high demand & short supply (see separate Housing Supply risk). Unbudgeted financial cost to housing services, community impacts and reputational damage through activism & negative media publicity.								
Note	We continue the 'maintain & monitor' regime where Structural Engineers carry out 6 monthly surveys of closes in occupied blocks. Staff also check these blocks and perimeters of vacant blocks on a week to 10 day basis. We have instructed for valuations be carried out of private properties in vacant blocks and have obtained costs from the contractor and provided to owners. This has allowed owners to seek advice and we await a formal decision from a few remaining owners. We now have information from the Structural Engineer in reference to extensive assessments in tenanted blocks and discussions are ongoing to move this forward.					Last Review	23-Mar-2026	12	
						Last Change	20-Nov-2023	N	
						Update Due	15-Jun-2026		
						Target	31-Mar-2026	8	
Related Actions	Following approval of the Asset Strategy, roll out asset plans across portfolios and finalise decisions for the Westhaugh Gypsy Traveller Site and RAAC-related housing stock		AGS 024 502		Existing Controls	Scottish Government RAAC Cross-sector Working Group			
	Focused resource to manage the RAAC survey programme, communications and resident support actions		PLC DRR 003			Housing Needs & Demand Assessment			
	Housing service leads part of Scottish Government RAAC Cross Sector Working Group		PLC DRR 004		Indicators	To be identified (if of value)			



	Insufficient Pace & Scale of Organisational Transformation	Outcome	BV 2.	Ensuring Services are Sustainable					
Lead	Chief Executive (*Reduction already reported in Feb-26)	Categories	Strategic		Approach	Treat			
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	Organisational change is progressing. For the benefits realisation plan, key measures for outcomes at a programme level have been proposed and will be presented to the Directors for approval. The Digital and Data programme have agreed a new 5-year roadmap and is moving at pace. The Communication and Engagement strategy and implementation plan is due to be submitted to the Council by early January. Transformation through Collaboration report was approved at Council in November with Tranche 1 activities agreed. The first meeting of the programme board will take place in mid-January.					Last Review	22-Dec-2025	9	
						Last Change	22-Dec-2025	12	
						Update Due	15-Mar-2026		
						Target	31-Mar-2026	8	
Related Actions	More work is required to build the detail behind each project and fully align this to the development of a medium-term financial strategy by: a. Adding greater detail about individual projects; b. Setting clear timescales for each project; c. Assessing the resources and support required to deliver these projects (taking into account the resources that are already identified); and d. Developing a benefits realisation tracker to assess whether the Council has achieved its aims.		AGS 023 018		Existing Controls	Be the Future Board			
						Digital, IT & Security Programme Board			
					Indicators	To be identified (part of action)			

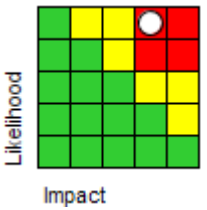


	Industrial Unrest	Outcome	BtF vii.	Workforce Strategy				
Lead	Chief Executive	Categories	Workforce, Continuity		Approach	Tolerate		
Risk	Industrial action by Council staff, partners or suppliers arises, normally in relation to local or national budget-related changes to terms and conditions, or restructuring.							
Potential Impact	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.							
Note	A 2 year pay settlement has been agreed and ballots withdrawn by Trade Unions. With no need for pay negotiations for 25/26 this also decreases the risk of imminent industrial unrest. This risk will be reviewed in line with any budget discussions for 26/27. May need to revisit both risk and controls as legislative changes are implemented from Apr-2026 onwards.					Last Review	08-Jan-2026	6
						Last Change	23-Jul-2025	9
						Update Due	15-Mar-2026	
						Target	31-Mar-2026	3
Related Actions	Ongoing strengthening of relationships and consultation with trade unions	CRR P&P HR9			Existing Controls	Business Continuity Plans		
						Trade Union Communications Protocol		
						'Working Together' Group & Agreement		
					Indicators	To be identified (if of value)		

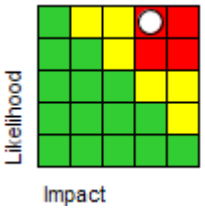


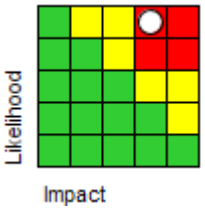
2. Assurance & Responsiveness — Mitigation focuses on governance, compliance & flexibility to manage situations as they arise

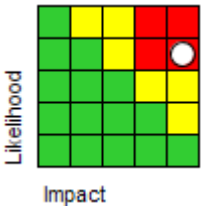
	Major Governance Failure	Outcome	BV 4.	Being Accountable & Transparent			
Lead	Head of Corporate Services	Categories	Governance, Reputation		Approach	Treat	
Risk	A significant failure of compliance with statutory duties through non-adherence to and/or lack of awareness or understanding of law, contract standing orders, scheme of delegation or financial regulations.						
Potential Impact	Significant reputational damage, injury or loss of life, legal action, financial loss or disruption to service delivery and challenge by third parties. Staffing changes and re-design reaffirm need to closely monitor & manage compliance with statutory requirements & good practice.						
Note	The Corporate Risk & Integrity Forum continues to review governance and compliance mitigations on a quarterly basis, ensuring alignment with statutory duties and best practice. The agreed Internal Audit plan provides a structured mechanism to identify and escalate risks relating to legal, financial, and procedural requirements arising from audit review. Given current capacity constraints and workforce challenges within key Council services, particularly vacancies in strategic management roles and reduced supervisory oversight, the risk of governance breaches and non-compliance remains elevated and no change is proposed. This reinforces the need for enhanced monitoring, prioritisation of critical controls, and timely escalation of issues to senior leadership.				Last Review	04-Mar-2026	20
					Last Change	30-Sep-2025	16
					Update Due	15-Jun-2026	
					Target	31-Mar-2026	16

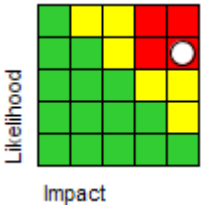


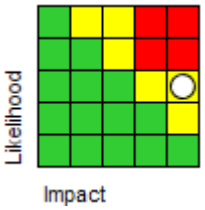
Related Actions	Review the Scheme of Delegation then provide training for staff and elected members.	AGS 021 002a	Existing Controls	Scheme of Delegation
	Review Council Standing Orders then provide training for staff and elected members.	AGS 021 002b		Committee Structures & Remits
	Strengthen fraud risk management arrangements.	AGS 021 005		
	Clackmannanshire Alliance operating arrangements and structures, including the Memorandum of Understanding, will be refreshed.	AGS 021 007		Governance & Audit Processes
	Update and rationalise strategic approaches (policies, plans, strategies & procedures).	AGS 021 019	Relevant Indicators	Overall Internal Audit Opinion
	Contract Standing Orders Review	AGS 022 002		IA Reports Issued <3 Weeks
	Contribute to the review and seek approval of the governance for the Integration Joint Board (NHS FV, Clacks and Stirling) Integration Scheme led by the IJB.	AGS 023 001		IA Recommendations Accepted
	Implement all outstanding Internal Audit recommendations as a matter of priority to address a decreasing number of substantial assurance reports and increasing limited and no assurance opinions.	AGS 023 004		IA Programme Completion
	Conclude the Target Operating Model review to define structure and direction	AGS 024 101		Instances of Fraud Detected
	Create standard guidance, process maps and templates for developing or revising strategic approaches, starting with Equalities and Fairer Scotland impact assessments.	AGS 024 102		No. of Insurance Claims Against Council
	Strengthen business continuity governance and processes corporately and across Council services.	AGS 024 103		
	Strengthen self-assessment and continuous improvement practices and reporting to continue to meet PPR and Best Value statutory requirements.	AGS 024 201		% Insurance Claims With Payment
	Explore corporate outcomes-based business plans and reporting via revised and Council-approved business planning process and documentation.	AGS 024 202		Value of Insurance Claims Paid
	Annual Internal Audit & Fraud Programme	COU IAF		Self-assessment Results
	Consider how the Council's structures & processes can be enhanced to support internal and external transformational joint working and resource-sharing to achieve better outcomes for communities.	PSIF TFN 251		Inspection gradings (in applicable services)

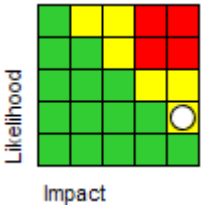
	Health & Safety Breach	Outcome	WELOIP 1.1	Wellbeing - Physical & Mental Health				
Lead	Chief Executive	Categories	Wellbeing, Workforce, Community		Approach	Treat		
Risk	Incident or statutory breach results in injury or death of staff member or customer due to lack of awareness or non-compliance with 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	Progress is being made on ensuring that the basic foundations are in place, but we are still experiencing pockets where there is a fundamental lack of understanding of manager responsibilities which leaves the risk as high. Health, Safety & Wellbeing Strategy 2025-28 agreed at Council in November 2025 and sessions held with SLF/TLF in January 2026, but progress being limited by capacity within H&S team and management.					Last Review	15-Jun-2026	20
						Last Change	24-May-2022	16
						Update Due	15-Sep-2026	
						Target	31-Dec-2026	16
Related Actions	Revised Health & Safety Strategy & Actions Plan		CRR P&P HR1		Existing Controls	H&S Management System		
						H&S Training Programme		
	Governance improvement actions across all services		CRR P&P LG1		Relevant Indicators	Strategy includes extensive suite (training, incidents, type, etc.), regular reports & review		

	Harm to Staff Through Violence & Aggression	Outcome	WELOIP 1.1	Wellbeing - Physical & Mental Health				
Lead	Chief Executive	Categories	Workforce, Wellbeing, Governance		Approach	Treat		
Risk	Incidents of violence and aggression towards Council staff result in serious injury and high levels of mental ill-health. Incidents come from a variety of service users and general members of the public.							
Potential Impact	Potential for fatalities and significant ongoing psychological harm, affecting individuals and families. High levels of staff absence, affecting minimum staffing, potential continuity disruption and achievement of service and corporate objectives. Potential for property damage and/or legal action, with associated financial and reputational impacts.							
Note	Training for staff has continued to rollout and work on procuring a lone worker solution is nearing completion, and there are some signs that this may be starting to lower the risk. Greater awareness is increasing the reporting in some areas.					Last Review	30-Jun-2026	20
						Last Change	30-Sep-2025	N
						Update Due	15-Sep-2026	
						Target	31-Mar-2027	16
Related Actions	Review compliance with newly published Scottish Government guidance on violence & aggression		CRR P&P HR6		Existing Controls	Mental Wellbeing Policy		
						Personal Safety Policy		
	Roll out violence & aggression training programme, initially targeting the most vulnerable services		CRR P&P HR7			Potentially Violent Persons Register		
	Ensure measures in place to protect staff via lone working and PVP processes		CRR P&P HR8		Relevant Indicators	Instances & Near Misses (by service & incident type)		

	IT System/Cyber Security Failure	Outcome	BtF i.	Digital & Data Transformation					
Lead	Senior Manager Partnership & Transformation	Categories	Information, Security		Approach	Treat			
Risk	Full or partial loss of network/hardware/software/telecoms (temporary or prolonged) due to cyber attack/other emergency, failure to manage maintenance/contracts, or lack of investment in systems/staff/training (i.e. failure to uphold priorities of Confidentiality, Integrity & 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	A number of recent global issues and cyber incidents means this remains a high risk. Work is ongoing to raise awareness across the workforce of cyber risks and mitigations. The Council is also investing in ICT infrastructure, security and systems resilience as part of its Digital Transformation Strategy & roadmap. This will introduce security policies and monitoring tools, cloud hosted services, retire/replace legacy systems, invest in modern technology including telephony to support delivery, future ways of working & Digital Transformation ambitions. Initial implementation of MS365 is complete and already improving resilience, stability and security of systems. Regular IT health checks are undertaken to provide external assurance of controls.						Last Review	17-Dec-2025	20
							Last Change	11-Sep-2023	15
							Update Due	15-Mar-2026	
							Target	31-Mar-2026	15
Related Actions	The Information and Communication Technology (ICT) Strategy and ICT Asset Management Plans will be finalised.		AGS 021 017		Existing Controls		Incident Response Plans		
							Business Continuity Plans		
Relevant Indicators	Existing suite (e.g. incidents, health checks & compliance, mandatory training completion, asset registers, contract monitoring, etc.) to be developed and included in revised strategy						Service Level Agreements & Contracts		

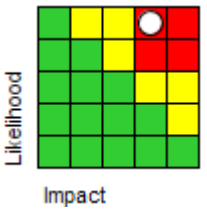
	Supply Chain & Labour Market Disruption	Outcome	WELOIP 2.1	Economy & Skills - Labour Market & Fair Work					
Lead	Chief Executive	Categories	Continuity, Finance, Workforce		Approach	Tolerate			
Risk	Disruption to UK supply chains & labour markets as a result of EU withdrawal, increasing costs & delays in sourcing goods (particularly in construction), already materialising and could continue for an extended period or escalate								
Potential Impact	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								
Note	Impact and Likelihood remain unchanged but trend is potentially upward given the structural nature of IT component shortages and ongoing fiscal/workforce constraints. Due to structural supply constraints in global IT components (especially memory/storage), ongoing inflationary and fiscal pressures on councils and suppliers, regulatory changes in procurement, and persistent shortages in critical local-authority skills, the Council may face extended lead times, price volatility, reduced supplier availability, and delivery slippage across key contracts and digital transformation programmes, resulting in service disruption, higher total cost of ownership, and elevated risk of supplier distress or failure. Global AI-driven memory tightness and 9-month lead times/price spikes; Scottish local government budgets under sustained pressure; consultation on procurement thresholds; persistent workforce shortages in councils and Trading Standards; legacy IT and digital skills gaps constraining transformation.						Last Review	26-May-2026	20
							Last Change	20-Oct-2021	N
							Update Due	15-Sep-2026	
							Target	31-Mar-2026	15
Related Actions	Procurement Strategy Review		AGS 022 003		Existing Controls		Recruitment/Retention Policy		
	Respond to market intelligence as it arises		CRR P&P FR1				Procurement Processes & Procedures		
Relevant Indicators	Procurement strategy includes extensive suite (spend (inc. local & SME), savings, type, etc.), regular reports & review						Service Level Agreements & Contracts		
	Existing Workforce suite (recruitment, retention, training, survey, etc.) to be reviewed and included in revised strategy								

Failure of Public Utility Supply		Outcome	BtF 2.	Empowering Families & Communities				
Lead	Head of Corporate Services	Categories	Continuity, Community, Wellbeing		Approach	Tolerate		
Risk	Sustained loss of gas, electricity, water and communications over a significant area due to failure of a provider's infrastructure as a result of a local or national event.							
Potential Impact	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.							
Note	National Power Outage working group forming led by Scottish Government					Last Review	20-Apr-2026	15
						Last Change	14-Mar-2023	20
						Update Due	15-Jun-2026	
						Target	31-Mar-2026	12
Related Actions	Meet SLG to review Major Incident Procedures			CRR P&P BC1	Existing Controls	Business Continuity Plans		
	Meet Local Resilience Partnership to review alignment of structures and governance, to trigger reviews of detailed plans			CRR P&P BC2		Emergency Response Plan		
						Major Incident Procedures		
	Participate in national power outage working group and implement recommendations			CRR P&P BC4	Indicators	To be identified (if of value)		

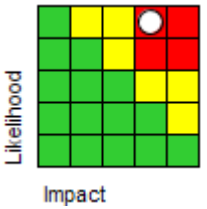
Failure to Prepare for Severe Weather Events		Outcome	WELOIP 3.1	Places - Sustainable Places				
Lead	Director of Place & Economy (*Reduction already reported in Jun-26)	Categories	Environment, Continuity, Wellbeing		Approach	Tolerate		
Risk	Inability to respond to severe weather events due to lack of 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).							
Potential Impact	Widespread community dislocation (including possible risk to life), 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, including clearing roads and core paths (e.g. from fallen trees & other debris).							
Note	Reduced Likelihood but increased impact to reflect change in season. As we move out of winter the chances of Severe Weather reduce however the impact increases: Leaves on trees mean strong winds more likely to have branches fall; Dryer weather leads to increase risk of flood impact as land dries; Increased temp leads to dry conditions and increased risk of wildfires etc					Last Review	20-Apr-2026	10
						Last Change	20-Apr-2026	12
						Update Due	15-Jun-2026	
						Target	31-Mar-2026	9
Related Actions	Meet SLG to review Major Incident Procedures			CRR P&P BC1	Existing Controls	Business Continuity Plans		
	Meet Local Resilience Partnership to review alignment of structures and governance, to trigger reviews of detailed plans			CRR P&P BC2		Winter & Flood Management Plan		
						Forth Valley Local Resilience Partnership		
					Indicators	To be identified (if of value)		

3. Outputs & Outcomes — Mitigation focuses on long-term strategy & service delivery priorities

	Lack of Affordable & Suitable Housing Supply	Outcome	WELOIP 3.1	Places - Sustainable Places				
Lead	Director of Place & Economy	Categories	Community, Finance, Governance		Approach	Treat		
Risk	Increasing demand for mainstream, homeless and care leaver accommodation and decelerating new build programmes mean demand is outstripping supply, resulting in unmet housing need, alongside challenges around cost of living & home energy costs.							
Potential Impact	Diminished capacity to comply with the Housing (Scotland) Act and "The Promise" aspirations, to support applicants into sustainable tenancies, implications for wellbeing (particularly mental health), lack of stability, inclusion and adapted properties, reputational and regulatory impacts.							
Note	Similar issues are being experienced across Scotland, Clackmannanshire Council's caseload has increased since 2020, despite existing mitigation of increased proportion of lets going to homeless applicants. The service is currently in breach of the Unsuitable Accommodation Order due to utilisation of stock outwith area for extended durations. Global issues creating ongoing uncertainty around markets. There are additional obligations on local authorities as part of the newly passed Scottish Government Housing Bill, with detail on guidance still expected. The Future Homes Board is exploring various interventions to support supply and address some of the pressure points indicated here, such as social bites, Westhaugh and other structural works within our estate.					Last Review	23-Mar-2026	20
						Last Change	06-Aug-2025	N
						Update Due	15-Jun-2026	
						Target	30-Jun-2026	16
Related Actions	Housing champion for The Promise – this is included within new housing role in HBMT structure	HSG SRM 08a	Existing Controls	Allocations Policy				
	Focused & targeted approach to reducing void property turnaround time and associated void rent loss	HSG SRM 08b		Local Housing Strategy				
Indicators	Extensive suite (e.g. stock, needs & demands, voids, homelessness, etc.) reported regularly with ongoing development			Housing Investment Plan				

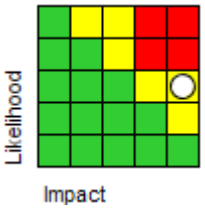


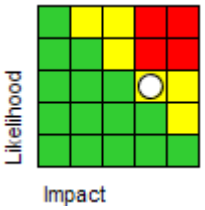
N	**Business Continuity or Resilience Failure**	Outcome	WELOIP 3.1	Places – Sustainable Places				
Lead	Chief Executive	Categories	Continuity, Wellbeing, Workforce		Approach	Tolerate		
Risk	Significant interruption to delivery of critical functions as a result of major incident, cyber-attack, severe weather, utility failure or loss of critical infrastructure, affecting ability to deliver statutory services, support vulnerable people & communities, and respond & recover effectively.							
Potential Impact	Disruption to critical & statutory delivery; adversity for residents, communities & vulnerable people; increased demands on resources & staff; financial pressure arising from emergency response & recovery, reputational damage and failure to meet statutory & regulatory obligations.							
Note	Incident Management Teams are convened as incidents arise, with substantial review of Business Continuity Plans, response and recovery arrangements as well as testing & debrief activity. The Business Continuity Management Framework is supported by the Local Resilience Partnership, including Major Emergency Operational Plans (MEOPs), Emergency Response arrangements, and established governance protocols, with further ongoing review & exercising. Significant effort is also invested in upgrading systems infrastructure to mitigate or minimise cyber threats. A refreshed programme of resilience training is underway, as well as lessons learned from major incidents, including the Coalsnaughton response & recovery operation, to strengthen organisational resilience.					Last Review	30-Jun-2026	20
						Last Change	30-Jun-2026	N
						Update Due	15-Sep-2026	
						Target	31-Jan-2027	8
Related Actions	Strengthen business continuity governance and processes corporately and across Council services	AGS 024 103	Existing Controls	Business Continuity Plans				
	Meet SLG to review Major Incident Procedures	CRR P&P BC1		Major Incident Procedures				
	Meet Local Resilience Partnership to review alignment of structures and governance, to trigger reviews of detailed plans	CRR P&P BC2		Forth Valley Local Resilience Partnership				
Indicators	In development (services with BC plans reviewed in last year, including quality assurance & testing of plans)							



	Worsening Health Inequalities	Outcome	WELOIP 1.1	Wellbeing - Physical & Mental Health					
Lead	Chief Executive	Categories	Wellbeing, Community, Strategic		Approach	Treat			
Risk	Failure to improve health & wellbeing, particularly in financial/social determinants of physical & mental health, such as community safety, substance use, and domestic abuse results in exacerbation of pre-existing health inequalities.								
Potential Impact	Widened gap in health outcomes, life expectancy, prevalence of chronic conditions, suicides and social isolation, particularly in vulnerable groups, with worsening impacts on economic/employment opportunities and lowered resilience/increased dependence on services & support.								
Note	This theme is central to the Wellbeing Economy Local Outcomes Improvement Plan. This is closely linked to other outcomes on poverty or lack of economic/employment opportunities, and evidence demonstrates that these can be positively influenced by improving physical and mental health & wellbeing. This is, being taken forward with key community planning partners, with actions in progress around promoting mental health and wellbeing supports and services, including preventative resources. Equalities and Fairer Scotland Impact Assessments are integral to decision-making, with templates and guidance recently revised and activities continue around active travel, access to green spaces, safe spaces for women & girls, nutrition and affordable housing & heating.						Last Review	14-Nov-2025	20
							Last Change	05-Aug-2025	20
							Update Due	15-Mar-2026	
							Target	31-Mar-2026	15
Related Actions	Improve the health and wellbeing of women and girls in Clackmannanshire		WEL 244 102		Existing Controls		Sport & Active Living Framework		
	Improve access to whole systems community based mental health support, resources services		WEL 244 103				Violence Against Women & Girls Partnership		
	Simplify and integrate plans and partnerships in place around the theme of wellbeing.		WEL 244 107						
Indicators	Extensive suite (including those listed in note) reported regularly with ongoing development, in partnership with NHS						Alcohol & Drugs Partnership		

	Increasing Levels of Poverty	Outcome	WELOIP 1.3	Wellbeing - Poverty					
Lead	Depute Chief Executive/Director of Wellbeing	Categories	Community, Wellbeing, Strategic		Approach	Treat			
Risk	A lack of suitable supports around employment & financial advice, and barriers to economic activity results in failure to alleviate the increasing cost of living and deprivation in the area, pushing more people, including children, into poverty.								
Potential Impact	Increasingly poor outcomes for individuals, associated with educational, employment & economic potential, health & wellbeing, and other socio-economic factors, with cycles and behaviours continuing and worsening in future generations								
Note	Poverty remains a significant and growing risk, driven by cost of living pressures, worklessness, and barriers to employment and income maximisation. Wider global factors, including economic instability, conflict, and pressures on energy, food supply, and prices, continue to exacerbate local hardship. Although 252 fewer children are living in relative poverty since 2019/20, rates remain above the Scottish average and progress toward 2030 targets is insufficient. Employment levels remain below national figures, while health inequalities persist. Whole Family Support, Family Hubs and multi agency interventions are mitigating impacts, but risks remain high.						Last Review	13-Mar-2026	16
							Last Change	05-Aug-2025	N
							Update Due	15-Jun-2026	
							Target	31-Mar-2026	12
Related Actions	Undertake the Housing Needs and Demand Assessment (HNDA).		AGS 023 011		Existing Controls		Safeguarding Through Rapid Intervention (STRIVE)		
	Prepare Alloa Town Centre Masterplan		AGS 023 012						
Relevant Indicators	Child Poverty Rate; Gross rent arrears (all tenants) as a % of gross; Crisis Grant Timeliness; Community Care Grant Timeliness; Fuel Poverty (CPP Profile); Young People in Most Income Deprived Quintile (0-25); Food Insecurity						Family Wellbeing Partnership		
							Tackling Poverty Partnership		

	Continued Contribution to Climate Change	Outcome	WELOIP 3.2	Places - Environmental Sustainability				
Lead	Director of Place & Economy	Categories	Environment, Wellbeing		Approach	Treat		
Risk	The Council fails to play its part in addressing the climate emergency, such as by not adapting to climate change, reducing waste and travel, making available resources, using/promoting sustainable practices, materials & technologies or failing to act as an ambassador for national & international good practice as it emerges.							
Potential Impact	Worsening environmental impacts including flooding (see Severe Weather risk), impact on health/social well being, increased fuel poverty, missed efficiency savings/economic opportunities and poorer air quality. Reputational impacts of not supporting national/international policy, and legal implications of not meeting targets or demonstrating progress.					Last Review	24-Jun-2026	15
						Last Change	16-Dec-2024	10
Note	Situation: ongoing evidence of extreme weather conditions (rain/flooding/heat). Ongoing challenges are being monitoring. Services are making inroads, however, there is a substantial amount of work to be carried out involving various stakeholders (internal and external). Work in progress with Falkirk and Stirling on the Forth Regional Adaptation Strategy.					Update Due	15-Sep-2026	
						Target	31-Mar-2026	10
Related Actions	Seek Council approval for & implement new Climate Change Strategy to replace Interim Strategy	AGS 023 010			Existing Controls	Local Biodiversity Action Plan		
	Develop a corporate Asset Strategy.	AGS 023 013				Regional Energy Masterplan		
	To procure and plan a Housing Stock and Assets Condition Survey	AGS 024 501				Sustainable Food Growing Strategy		
	Following approval of the Asset Strategy, roll out asset plans across portfolios and finalise decisions for the Westhaugh Gypsy Traveller Site and RAAC-related housing stock	AGS 024 502						
Indicators	CO2 Emissions (5 indicators); Daily Temperatures (2 indicators); Air Quality; Household Waste Recycled/Composted; Active Travel to School & Work							

	Failure to Comply with UNCRC	Outcome	WELOIP 1.2	Wellbeing - Outcomes for Young People				
Lead	Chief Executive	Categories	Community		Approach	Treat		
Risk	Lack of cross-service action to implement requirements of the UN Convention on the Rights of the Child results in poor staff awareness and/or lack of process review to ensure children's rights are upheld across all aspects of service delivery							
Potential Impact	Failure to act in a child's best interests, possibly exacerbating inequalities for vulnerable individuals/groups, or failure to demonstrate corporate commitment, with associated legal, financial & reputational implications of a regulatory breach							
Note	Section 18 of the UNCRC (Incorporation) Scotland Act 2024 requires each local authority to publish a report every three years. The first UNCRC report to Scottish Government is due 31 March 2026. The reporting period is from 16 July 2024 to 31 March 2026. The Act expects that Scottish public bodies act in a child's best interests in all matters that affect them, ensuring their voices are heard and that upholding children's rights is evident. UNCRC "How Ready Are You" audits have been completed across service areas, with high-level reports re-sent to Directorates on 7 November 2025, to review delivery plans, ensuring adherence to legislation. Template for capturing data will be finalised at UNCRC working group on 15 January 2025 to inform report. Working Group members to collate evidence against Pentana RAG status to support input when template shared in preparation for report deadline.					Last Review	17-Dec-2025	12
						Last Change	15-Sep-2025	8
						Update Due	15-Mar-2026	
						Target	31-Mar-2026	8
Related Actions	Carry out 'How Ready are You?" audit to check compliance & identify priority actions	CRR COU CR1			Existing Controls	TL/Senior Manager Forum		
	Implement Child Friendly Complaints process (no later than 31-Mar-25)	CRR COU CR2				Youth Voice Forum		
	Communicate UNCRC duties to staff, customers & partners to raise awareness of implications	CRR PPL ED1				Equalities Impact Assessment		
					Indicators	Self-assessment Results		

	Public Health Emergency	Outcome	WELOIP 1.1	Wellbeing - Physical & Mental Health			
Lead	Chief Executive	Categories	Wellbeing, Continuity		Approach	Tolerate	
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.						
Potential Impact	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.						
Note	No change, on going Public COVID Inquiry continuing with lessons being incorporated.					Last Review	20-Apr-2026 12
						Last Change	26-Jul-2024 20
						Update Due	15-Jun-2026
						Target	31-Jan-2027 8
Related Actions	Meet SLG to review Major Incident Procedures	CRR P&P BC1			Existing Controls	Business Continuity Plans	
	Meet Local Resilience Partnership to review alignment of structures and governance, to trigger reviews of detailed plans	CRR P&P BC2				Major Incident Procedures	
	Review outputs and learning from national Covid Enquiry and implement recommendations	CRR P&P BC3				Pandemic Flu Plan	
					Indicators	Extensive Health & Wellbeing suite, regular reports & review