

ABERDEEN CITY COUNCIL

COMMITTEE	Audit, Risk and Scrutiny Committee
DATE	24th February 2021
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Cluster Assurance Maps and Inspections Planner
REPORT NUMBER	COM/21/045
CHIEF OFFICER	Fraser Bell
REPORT AUTHOR	Ronnie McKean
TERMS OF REFERENCE	1.1

1. PURPOSE OF REPORT

- 1.1 To present Cluster Assurance Maps and an Inspections Planner in accordance with Committee Terms of Reference and to provide assurance on the Council's system of risk management.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Note the Cluster Assurance Maps provided at Appendix A to N;
- 2.2 Note the Inspections Planner provided at Appendix 0;
- 2.3 Note the comment in paragraph 3.5

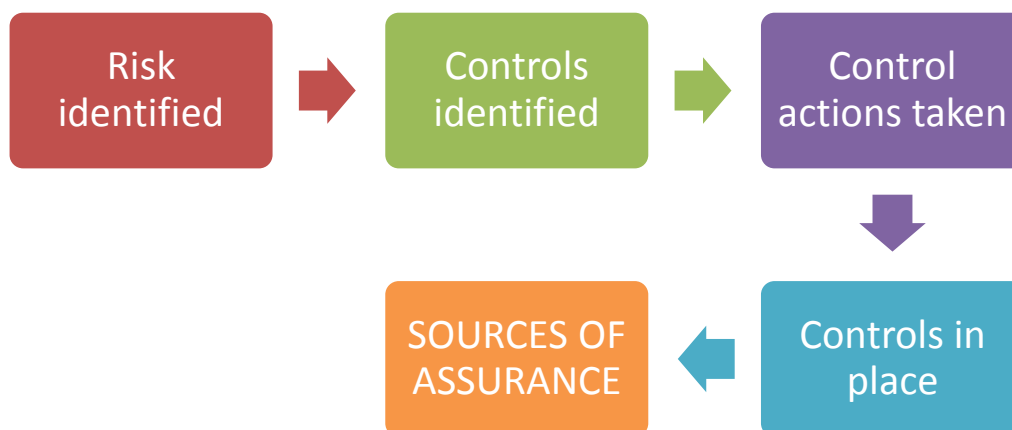
3. BACKGROUND

- 3.1 The Audit, Risk and Scrutiny Committee is responsible for overseeing the system of risk management and for receiving assurance that the Corporate Management Team (CMT) are effectively identifying and managing risks.
- 3.2 In order to enhance the Council's system of risk management, Assurance Maps have now been developed for each Cluster as a whole, rather than a risk specific basis as previously provided. A complementary Inspections Planner has also been produced to summarise the annual audits and third-party inspections that are planned for each Cluster.

These documents will be presented to the Audit, Risk and Scrutiny Committee on an annual basis in addition to the Corporate Risk Register and will provide the Committee with a full overview of the Council's risk control environment and sources of assurance.

Assurance Maps

- 3.3 The Risk Registers that are reviewed by the Council’s Committees list the risks identified within each of the relevant Functions and Clusters and provides detail of the risk, the potential impact and consequence of the risk materialising and the control actions and activities required to manage and mitigate the risk. Assurance Maps provide a visual representation of the sources of assurance associated with each Cluster so that the Committee can consider where these are sufficient. Sources of assurance are controls which are fully effective, following the completion of control actions.



- 3.4 Each Assurance Map provides a breakdown of the “three lines of defence”, the different levels at which risk is managed. Within a large and complex organisation like the Council, risk management takes place in many ways. The Assurance Map is a way of capturing the sources of assurance and categorising them, thus ensuring that any gaps in sources of assurance are identifiable and can be addressed:

First Line of Defence “Do-ers”	Second Line of Defence “Helpers”	Third Line of Defence “Checkers”
The control environment; business operations performing day to day risk management activity; owning and managing risk as part of business as usual; these are the business owners, referred to as the “do-ers” of risk management	Oversight of risk management and ensuring compliance with standards, in our case including ARSC as well as CMT and management teams; setting the policies and procedures against which risk is managed by the do-ers, referred to as the “helpers” of risk management.	Internal and external audit, inspection and regulation, thereby offering independent assurance of the first and second lines of defence, the “do-ers” and “helpers”, referred to as the “checkers” of risk management.

- 3.5 The Corporate Risk Register was last reported to Committee in October 2020 and Committee was asked to note the updated format of the Risk Register. Committee noted that whilst the new format contained the activities required to mitigate the risks it did not contain the list of controls detailed within the previous

format. Committee is asked to note that these controls are specified within the Assurance Map provided as sources of assurance.

Inspections Planner

- 3.6 The Inspections Planner provides Committee with a timetable of anticipated and planned external/internal audits and third-part regulatory inspections and compliance audits that are specified within the “Third Line of Defence” on each Assurance Map. These audits and inspections provide the Council with the independent assurance of regulatory compliance and best practice in order to achieve and maintain accreditation. Where relevant, the improvement recommendations and actions arising from these audits and inspections will continue to be reported to the relevant Committees for review.
- 3.7 The Inspections Planner, together with the Assurance Maps, will continue to be kept under review throughout the year and updated as required. It is anticipated that the consistency to the approach to the completion of Assurance Maps will be enhanced taking into account feedback from committee, officers and other relevant parties. Account will also be given to the proposed areas of activity as determined by the Local Area Network (chaired by the Council’s external auditors with members from other local authority scrutiny bodies). In future years it is anticipated that the assurance maps, inspections planner, internal audit plan and Local Area Network report will be presented to the same committee meeting.

Local Area Network

Committee receives notification annually from the Local Area Network (LAN) on the planned scrutiny activity for the year ahead. The LAN programme has not yet been received for 2021/22 and will be reported to Committee in due course once received.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from the recommendations of this report. The report serves to identify controls and assurances that finances are being properly managed.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report. The Council’s system of risk management serves to manage risks with implications for the legal position and statutory responsibilities of the Council.

6. MANAGEMENT OF RISK

- 6.1 The Committee is provided with assurance that the Assurance Maps provided detail the internal and external control environment used to ensure that risks are appropriately managed and are compliant with the Councils duties under

the Equalities Act. There are no risks arising from the recommendations in the report.

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
Strategic Risk	The council is required to have a management system in place to identify and mitigate its risks	L	The council's risk management system requires that risks are identified, listed and managed via risk registers
Compliance	As above	L	As above
Operational	As above	L	As above
Financial	As above	L	As above
Reputational	As above	L	As above
Environment/Climate	As above	L	As above

7. OUTCOMES

7.1 The recommendations within this report have no direct impact on the Council Delivery Plan however, the risks contained within the Council's risk registers could impact on the delivery of organisational objectives.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Full EHRIA not required
Data Protection Impact Assessment	Not required

9. BACKGROUND PAPERS

None.

10. APPENDICES (if applicable)

Appendix A – Assurance Map – Governance
Appendix B – Assurance Map – Commercial & Procurement
Appendix C – Assurance Map – Strategic Planning & City Growth
Appendix D – Assurance Map – Customer Experience
Appendix E – Assurance Map – Data & Insights
Appendix F – Assurance Map – Digital & Technology
Appendix G – Assurance Map – Early Intervention & Community Empowerment
Appendix H – Assurance Map – Children’s & Family Services
Appendix I – Assurance Map - Operations & Protective Services
Appendix J – Assurance Map - Education
Appendix K – Assurance Map - Capital
Appendix L – Assurance Map – Corporate Landlord
Appendix M – Assurance Map - Finance
Appendix N – Assurance Map – People & Organisation
Appendix O–Inspections Planner

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