

Assurance Request	Hub Response	Risk Rating
Assurance that the organisation has adequate workforce and succession planning arrangements in place. Outline the nature of any changes to workforce or succession plans required as a result of the pandemic.	The Hub noted that there had been no changes to the AH&P workforce as a result of the pandemic. Succession planning for day to day operations is covered within AH&P's Business Continuity Plan which had been revised based upon auditor input. Revisions included the development of a communications protocol, training for everyone involved in the Business Recovery Plan, and the inclusion of all contact details to support recovery of operations.	Very Low
Assurance on training and development of Board members and workforce to align the needs of the organisation to skillset. Explain the process for training and development of Board members, particularly to advise how any gaps in capability are being addressed.	The Hub noted that AH&P board members were subject to an annual skills audit and any shortcomings in training were identified and addressed at the audit. The Hub noted that this was contained within AH&P's governance policy which had recently been audited by Wylie and Bissett.	Very Low
Assurance that provision has been made for delegated authority in the event of emergency (was due to be reviewed in June 2021 by auditors Wylie & Bissett).	The Hub reviewed the delegated authority which clearly set out the responsibilities of the CEO in the absence of the Board, as well as setting out sub-delegations to other members of the workforce. This document had been revised very recently which provided assurance to the Hub.	Very Low
Assurance that risk registers are in place, are kept under regular review with control actions monitored to completion, and are linked to the achievement of outcomes for the ALEO and the Council. Provide a copy of your risk register and evidence that it has been reviewed and updated since the last cycle of Hub meetings.	<p>AH&P provided the Hub with copies of the Risks Registers and confirmed that the risk registers are reviewed at the Board, Development and Policy and Ops meetings.</p> <p>The format of the risk registers has remained unchanged since it was presented for the last reporting cycle i.e. risks registers are contained within one workbook and are grouped by the review forums as detailed above.</p>	Very Low
Assurance that ALEOs have an established risk appetite which is reflected in decision making structures. Advise of any plans for introducing a risk appetite statement, or do you already have one? If so, can this be shared. If not, can you outline current thinking on whether you would find this useful to guide decision making. The Council approved a risk appetite statement in December 2020 (copy provided).	AH&P confirm that risk appetite is considered within their project decision tree but is not set out within existing policy or as a standalone document however, they confirm that this will be discussed at the next P&O meeting and the Hub will request an updated for the next reporting cycle. The Hub reviewed an example of how risks are reviewed during project selection, and noted that this aligned with the Risk Policy which is due for review (it had been produced in response to an audit in September 2019).	Very Low

<p>Assurance that the organisation is managing the impacts of EU Exit, that risks are identified and controls are in place.</p>	<p>AH&P EU Exit risks are recorded within the risk register workbook, they are grouped separately and are recorded in the same format as the other risk registers.</p> <p>The risks recorded on the "Brexit" risk register remain consistent with the last reporting cycle in that the risks identified relate to cost increases and supply chain risks such as increased lead times.</p> <p>AH&P confirm that they are still managing the supply chain risk around pipe shortages as previously reported. This risk is being managed by increasing the stock levels of pipes required and by having pipe orders "front ended" within each project to ensure that delivery times are unaffected.</p> <p>The updates detailed on the "Brexit" risk register confirm that the risks identified are still being actively monitored.</p>	<p>Very Low</p>
<p>Assurance that ALEOs have risk-based internal and external audit plans in place and a process to address and close out audit recommendations to completion. Confirm to what extent audit plans have progressed since the update to the last cycle of meetings.</p>	<p>AH&P provided the Hub with a copy of their Internal Audit Plan for 2021/22 which included four audits over 15 days, plus follow up days allocated. An update was also provided on the audit from the previous cycle in respect of Business Continuity and Disaster Recovery, which remained on-going. Given the relevance of business continuity to AH&P's strong governance, this will be followed up again by the Hub in the next cycle to gain assurance on progress.</p>	<p>Low</p>
<p>Assurance that appropriate business continuity arrangements are in place including testing and exercising.</p>	<p>The Hub reviewed the revised Business Continuity Plan which had been audited by Wyllie & Bisset. The Hub was assured that this remains a live working document with regular refresh and oversight, having been revised four times in the past year. It is good practice, especially in the current operating environment and when there is the risk to workforce, that this is done routinely.</p>	<p>Very Low</p>
<p>Assurance that accounts are being managed within budget and the level of financial risk to the Council is low through presentation of quarterly trading accounts.</p>	<p>The AHP draft annual figures to March 2021 have been reviewed and subject to audit, these give no cause for concern.</p>	<p>Low</p>
<p>Assurance that ALEOs have prepared a medium-term financial plan or had incorporated medium term planning into a Business Plan to provide assurance that ALEOs are prepared for core funding pressures.</p>	<p>This aspect is contained within the business plan and has been found to be sufficiently robust. The Hub noted that the two year budget is approved by the Board on an annual basis and will review this when it has been updated.</p>	<p>Low</p>
<p>Assurance that accounts are being managed within budget, are in line with statutory requirements and that the level of financial risk to the Council is low through presentation of Audited Annual Accounts 2019-20 and draft accounts for 2020-21</p>	<p>The Hub reviewed the financial documents and accounts submitted by AHP and agreed that whilst the 2020-21 accounts are still subject to audit that the risk rating continues to be low and there are no areas of concern for the Hub. The 2020-21 accounts will be re-scrutinised when the audit is complete. The draft accounts indicate that AHP continue to meet its Reserves Policy of having 3 months sales and this has been achieved.</p>	<p>Low</p>

<p>Assurance that ALEOs have a strategy in place to meet the short to medium term effects of Covid and EU Exit as they affect financial risk. Provide responses to the following questions:</p> <ul style="list-style-type: none"> • Does your organisation have a medium term (3 - 5 years) financial strategy/plan in place? • If yes - how many years does it cover? • If yes - does you review the financial strategy/plan on an annual basis? • Does the medium term financial strategy/plan contain details on the following: <ul style="list-style-type: none"> - Changes in partner funding level - Demand pressures (costs) - Costs pressures (inflation and new costs)Income from fees and charges (including service grants) - Savings details and target (including sufficient detail of how savings will be achieved) - Fundamental service redesign - Scenario planning - Assets/liabilities & reserves 	<p>The Hub has reviewed the Business Plan and have noted that elements continue to be put before the AHP Board and updates are tracked within the BP as this occurs. This is over a rolling five year period, though the plan is reviewed annually and further developed at annual strategy days, as well as each time prices increase or new connections are established. The Hub noted that financial aspects of projects and new connections are linked to the 3 year energy tariff. For this reason the financial estimates contained within the BP finish in March 2022 and the Hub will review these when this element of the BP is updated as part of the annual cycle.</p>	<p>Low</p>
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