

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	Net Zero, Environment and Transport Committee
<b>DATE</b>	27 March 2024
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Operations & Protective Services - Cluster Risk Registers and Assurance Maps
<b>REPORT NUMBER</b>	RES / 24 / 090
<b>DIRECTOR</b>	Steve Whyte
<b>CHIEF OFFICER</b>	Mark Reilly
<b>REPORT AUTHOR</b>	Mark Reilly
<b>TERMS OF REFERENCE</b>	9

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### 1. PURPOSE OF REPORT

- 1.1 To present the Cluster Risk Registers and Assurance Maps in accordance with Net Zero, Environment and Transport Committee Terms of Reference to provide assurance that risks are being managed effectively within each Cluster.

### 2. RECOMMENDATION

That the Committee:-

- 2.1 Note the Cluster Risk Register and Assurance Map set out Appendices A and B.

### 3. CURRENT SITUATION

- 3.1 The Audit, Risk and Scrutiny Committee is responsible for overseeing the system of risk management and for receiving assurance that the Extended Corporate Management Team (ECMT) are effectively identifying and managing risks. Reviewing the strength and effectiveness of the Council's system of risk management as a whole is a key role for the Committee.
- 3.2 The Risk Management Policy Framework states that all other committees should receive assurance on the risk management arrangements which fall within their terms of reference. This is provided through the risk register for the Operations and Protective Services Cluster which falls within the remit for this Committee.

### Risk Registers

- 3.1 The Council's Risks Registers are tools used by Functions and Clusters to capture and manage the risks which could prevent achievement of organisational outcomes and service delivery.

- 3.2 The Council's Corporate Risk Register (CRR) captures the risks which pose the most significant threat to the achievement of the Council's organisational outcomes and have the potential to cause failure of service delivery. The CRR scrutinised annually by the Audit, Risk and Scrutiny Committee.
- 3.3 The Cluster Risk Register is set out in appendix A and reflect the risks which may prevent the Operations and Protective Services Cluster from delivering on organisational outcomes and services, these risks may be escalated to the CRR where deemed necessary.
- 3.4 The risks contained within the Risk Register are grouped below by risk category in and show the Council's corresponding risk appetite for each category as set within the Council's Risk Appetite Statement (RAS) which was approved by the Audit, Risk and Scrutiny Committee in February 2022.

The Cluster is working towards a target risk score which aligns with the risk appetite.

Risk Category	Risk Title	Target Risk Appetite	Aligned with RAS ?
Strategic	Waste Disposal Failure	Averse	No
Compliance	Loss of Operator's Licence	Averse	Yes
Compliance	Loss of UKAS Accreditation	Averse	Yes
Operational	Substance Misuse	Averse	No
Reputational	Non- compliance - Interventions/Food Law Code Of Practice	Cautious	Yes
Climate/Environmental	Sea Defence Failure	Open	No
Climate/Environmental	Climate change – Tree Disease	Cautious	Yes

- 3.5 The Cluster Risk Register provides the organisation with the detailed information and assessment for each risk identified including;
- **Current risk score** – this is current assessment of the risk by the risk owner and reflects the progress percentage of control actions required in order to achieve the target risk score.
  - **Target risk score** – this is the assessment of the risk by the risk owner after the application of the control actions. This is aligned with the risk appetite for this particular category of risk.
  - **Control Actions** – these are the activities and items that will mitigate the effect of the risk event on the organisation.
  - **Risk score** – each risk is assessed using a 4x6 risk matrix as detailed below.

The 4 scale represents the impact of the risk and the 6 scale represents the likelihood of the risk event.

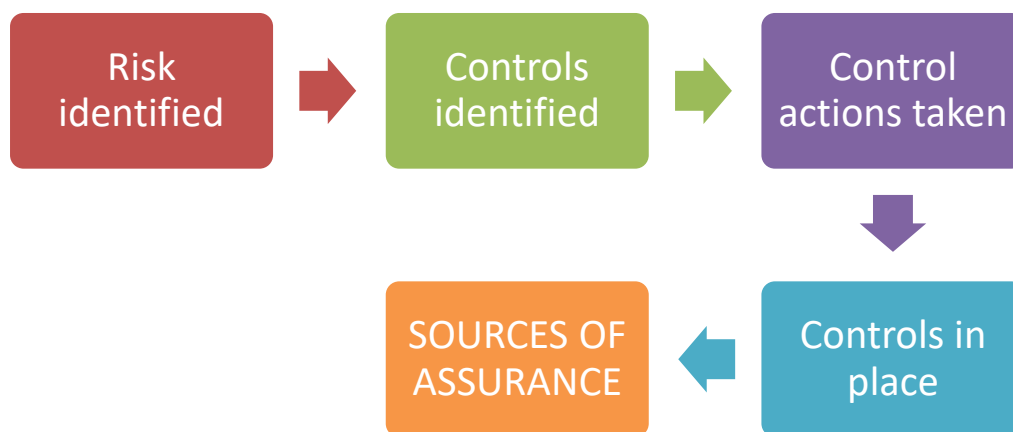
Impact	Score						
Very Serious	4	4	8	12	16	20	24
Serious	3	3	6	9	12	15	18
Material	2	2	4	6	8	10	12
Negligible	1	1	2	3	4	5	6
Score		1	2	3	4	5	6
Likelihood		Impossible	Almost Very Low	Low	Significant	High	Very High

3.6 Development and improvement of the Cluster Risk Register and associated risk management processes has continued since the Cluster Risk Register was last reported to the Committee:

- The Council's Risk Appetite Statement (RAS) was reviewed and updated.
- Regular review and updates to "Managing Risk" pages published on the Council's intranet pages. These pages contain information and links for officers and elected members on the Council's RAS, Risk Management Policy, Guidance and Training.
- The Corporate Risk Lead has continued to provide support to Risk Owners and Managers to review and update Risk Registers to improve monitoring and reporting across the organisation.

### **Assurance Maps**

3.7 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 management and mitigate the risk. Assurance Maps provide a visual representation of the sources of assurance associated with each Cluster so that Committee can consider where these are effective, following the completion of control actions. Presentation of the Cluster's Assurance Map provides full sight of the defences that the organisation has in place to manage the risks facing local government.



3.9 The Assurance Map provide 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 these and categorising them, thus ensuring that any gaps in sources of assurance are identified and 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.

### **Risk Overview**

3.10 The Climate Change - Tree Disease Is the only risk which has an increase in the risk score due to the increasing occurrences of trees Infected by pest and diseases, through the impact of climate change.

There Is one new risk about substance misuse and Is associated with societal changes in the use of various substances and the tools available to management to monitor employees. Mitigation of this risk has made the risk more manageable with the new "Substance Misuse" Policy.

The Substance Misuse Risk Averse Score Is not aligned with the Risk Appetite Statement as we want to avoid risks In this area and not tolerate a degree of risk.

The Waste Disposal and Sea Defence Risk Averse Score Is not aligned with the Risk Appetite Statement as we want to avoid risks in this area due to the Impact of failure of delivery In this particular area.

#### 4. FINANCIAL IMPLICATIONS

4.1 There are no direct financial implications arising from the recommendations of this report. This report deals with risk management at Cluster level and this process 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 Risk Registers serve to manage many risks with implications for the legal position and statutory responsibilities of the Council.

#### 6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no direct environmental implications arising from the recommendations of this report.

#### 7. RISK

7.1 There are no risks arising from the recommendations in this report. The Committee is provided with assurance that the risks presented within the Cluster Risk Register are those that may affect achievement of organisational outcomes and delivery of services for each Cluster are identified, appropriately managed and that the Council's activities are compliant with its statutory duties.

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H)  *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
<b>Strategic Risk</b>	The council is required to have a management system in place to identify and mitigate its risks.	The council's risk management system requires that risks are identified, listed and managed via Risk Registers.	L	Yes
<b>Compliance</b>	As above.	As above.	L	Yes
<b>Operational</b>	As above.	As above.	L	Yes
<b>Financial</b>	As above.	As above.	L	Yes
<b>Reputational</b>	As above.	As above.	L	Yes

<b>Environment / Climate</b>	As above.	As above.	L	Yes
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## 8. OUTCOMES

- 8.1 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 outcomes.

## 9. IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Integrated Impact Assessment</b>	It is confirmed by the Chief Officer, Operations and Protective Services that no Integrated Impact Assessment is required.
<b>Data Protection Impact Assessment</b>	Not required
<b>Other</b>	Not applicable

## 10. BACKGROUND PAPERS

- 10.1 None

## 11. APPENDICES

- 11.1 Appendix A– Cluster Risk Register Operations and Protective Services  
 11.2 Appendix B– Cluster Assurance Map

## 12. REPORT AUTHOR CONTACT DETAILS

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