

COMMITTEE	Audit, Risk and Scrutiny
DATE	26 September 2017
REPORT TITLE	Review of the System of Risk Management
REPORT NUMBER	CG/17/103
LEAD OFFICER	Fraser Bell
REPORT AUTHOR	Neil Buck

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**1. PURPOSE OF REPORT:-**

- 1.1 The report provides the Committee with an update on progress in implementing the agreed actions to support the delivery of the Risk and Assurance Improvement project.

**2. RECOMMENDATION(S)**

- 2.1 That the Committee:
- (a) Note the progress made in delivering the project;
  - (b) Note the Corporate Risk Register and the actions identified to improve risk controls.

**3. BACKGROUND/MAIN ISSUES / OTHER HEADINGS AS APPROPRIATE**

- 3.1 At its meeting on 24 November 2016, the Committee reviewed the action plan relating to the Risk and Assurance improvement project and agreed to receive an update at the June cycle of the Committee and thereafter to receive regular updates on progress with completing the project actions.
- 3.2 The Council carried out a comprehensive review of the system of risk management during 2016 and at its conclusion, agreed an action plan to take forward a number of actions to improve the system. Notable amongst these actions were improving our risk identification mechanisms, strengthening the level of assurance the Council's senior management can take in the effectiveness of risk controls and mitigation and the agreement of a process to inform escalation between tiers of risk management. Appendix 1 details the actions in the project plan and updates against actions are provided
- 3.3 KPMG carried out a piece of work to map assurance to two corporate risks and this model is now being rolled out to the remaining risks in the register. The Corporate Risk Register is reviewed by CMT each month and the register is appended to this report. (Appendix 2)
- 3.4 Assurance maps are used to identify sources of internal and external assurance that risk controls are effective. Although the maps have not been included in the report, the register details the control actions in place for each risk. Progress in completing the actions is documented so that control effectiveness can be similarly plotted over time. As assurance maps are developed for medium to long-term risks. Assurance

gaps are materialising and these are than subject where necessary, to assurance actions.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 There are no direct financial implications arising from the recommendations of this report but the report deals with the highest level of risk 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 but the Corporate Risk Register serves to manage many risks with implications for the legal position and statutory responsibilities of the Council.

#### **6. MANAGEMENT OF RISK**

- 6.1 The report provides information on the Council's system of risk management and the improvements designed to make the system robust and fit for the changing social, political and economic environment in which we exist, so that all risks attaching to the Council's business and strategic priorities may be identified and managed.

#### **7. IMPACT SECTION**

##### **7.1 Economy**

Robust risk management arrangements are essential to the identification and control of risks with the potential to impact the Council's strategic priorities and the objectives set out in the Local Outcomes Improvement Plan, which support our commitment to a prosperous economy. The mapping of assurances to risks, as set out in the appended action plan summary, will evidence to the Council's senior managers gaps in the strength of those controls which can then be addressed.

##### **7.2 People**

Some corporate risks have the potential to impact both the safety and wellbeing of our citizens and communities. In addition, action is taken to identify the impact of some risks on the wellbeing and experience of our staff. The emphasis on proper risk controls and identifying mitigating actions which are aligned with our strategic and service business and improvement planning processes, as documented in the action plan, ensures that all such risks are effectively managed.

##### **7.3 Place**

The Council's commitment to creating a city which is a chosen destination to live, invest, work and visit is reflected in our Strategic Business Plan and the Local Outcomes Improvement Plan. The Risk and Assurance project aims to ensure that all risks impacting that commitment are identified timeously and subjected to appropriate risk management techniques, in order to maximise delivery of those outcomes.

##### **7.4 Technology**

The strong horizon scanning mechanisms outlined in the action plan are designed to maximise opportunities to strengthen our commitment to digital place and enabling technology and to mitigate risks to the success of that commitment.

#### **8. BACKGROUND PAPERS**

Risk and Assurance Project Workplan

**9. APPENDICES**

Appendix 1 (Risk and Assurance Project Action Plan Summary)  
Appendix 2 (Corporate Risk Register)

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## Appendix 1 Risk Management Review Action Plan

No.	Action	Deadline	Status	Comments
1	<b>Clearly align our strategic objectives with risk management and risk reporting systems</b>	31/12/16		There is a single corporate risk register and the risks contained within it and the directorate risk registers are aligned with the Council's strategic priorities.
	(i) Align corporate risks with Strategic priorities			
	(ii) Align directorate risks with Strategic priorities.			
2	<b>Ensure that the revised risk management strategy incorporates risk management objectives</b>	28/02/18		This action will take account of other developments during the life of the project including most importantly, the development of an assurance framework for the Corporate Risk Register, as well as the implications of the Target Operating Model. Work on a revised strategy has begun.
3	<b>Streamline risk reporting and escalation using risk scores.</b>	28/02/18		This will be incorporated into the revised Strategy.
4	<b>Streamline risk reporting to service and directorate committees include review of their risk registers.</b> Explanatory note: Directorate risk registers should be reported at least quarterly to SMT / DLT meetings. Risk registers should be aligned with service planning so that the output of PESTLE and SWOT analyses and risks to the achievement of priorities, are reflected.	31/03/17		Reporting of risk registers to management teams and within 1-2-1 packs is embedded. Corporate Management Team have approved reporting of Directorate Risk Registers along with Service Improvement Plan data twice-yearly. The Local Resilience Group requested to CMT that all service risk registers are in place and that reference to Business Continuity Plans are properly reflected through the BCP process in services.
	(i) Ensure directorate risk registers are up to date and included in director / chief executive 1-2-1 packs			
	(ii) Align risk reporting with performance reporting to provide SMTs / DLTs with risk registers along with performance scorecards quarterly.			
	(iii) Report directorate risk registers to service committees twice yearly.			
5	<b>Compile an assurance framework which describes components of assurance system for compliance and for transformation. Ensure risks are identified, evaluated, controlled and have appropriate assurance mapped out in order to inform internal audit planning for the 2017/18 financial year.</b>	31/12/17		KPMG completed in March a risk assurance mapping exercise against two corporate risks. This model is being implemented on all medium or longer term risks. These assurance maps are being reviewed on an exception basis by the CMT. Controls and assurances are properly segregated in the corporate risk register allowing for both control and
	(i) Amend the risk register formats to include assurances on the corporate risk register			

	(ii) Reinforce the assurance mapping task by building review of assurances into Council Business cycle.			assurance gaps to be identified and addressed.
	(iii) Define and communicate the distinction between controls and assurances			
<b>6</b>	<b>Standardise risk register and recording system and terminology as far as possible, to validate the use of risk scores for escalation, metrics for success of mitigating actions and to incorporate different dimensions of impact.</b>	31/12/17		The standardised risk register template has been distributed to all Directorates. A glossary of risk management terminology has also been distributed. The creation of control action plans for each corporate risk means that key risk indicators for completion of actions may now be set up. This will be in place by the end of the year.
	(i) Produce new risk register format for corporate and directorate level risks.			
	(ii) Establish key risk indicators which evidence that mitigation is successful.			
<b>7</b>	<b>Develop an action tracker to assist the CMT in closure of actions</b>	30/04/17		An action tracker has been developed. Due to the roll out of assurance mapping for the corporate risk register, assurance actions are being identified along with control actions. The finalised tracker will take account of both requirements.
	(i) Action tracker for CMT: should include all collated mitigating actions from corporate risk register with timeline for completion and progress / evidence.			
	(ii) Action tracker for SMTs / DLTs to include all collated mitigating actions from directorate risks with timeline for completion and progress / evidence.	31/12/17		Action trackers for directorate risk registers are being promoted through risk workshops.
<b>8</b>	<b>Using the risk appetite statement, agree with IJB reporting routes for specific papers and establish their place in cycle of business</b>	30/04/17		There are quarterly reports to Council on IJB activities including an update on risk management. A process has been agreed for 'Directions' from the IJB to Council which includes: <ul style="list-style-type: none"> <li>• an appropriate template for consistent use for all Directions;</li> <li>• consultation is undertaken with the Council's Head of Legal Services to provide assurance that proposed Directions are legally competent;</li> <li>• IJB Directions which propose "major changes" to the delivery of services, be issued only following engagement with the Council's elected members;</li> <li>• where IJB Directions are required for the delivery of services, but no "major change" is proposed, these be submitted to the Council annually for information</li> </ul>

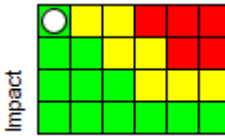
9	<b>Business analysis input on risk management information needs in relation to software and [b]Evaluate the covalent system - both should be included in the Information Communications Technology (ICT) strategy and plans [factoring in risk registers]</b>	31/12/17		This action has been raised with the relevant officers in the ICT service. There is a review of all critical and non-critical systems under way and this will take account of risk management system requirements as the review proceeds.
10	<b>Support identification and discussion of risk by:</b> (i) Promotion of a range of risk identification methods (ii) Formal training and induction (iii) Prepare and distribute training guidance notes on use of the Covalent system risk module.	Ongoing		A risk management training programme for officers has been under way for 18 months and continues with 81 officers trained to date. Risk software guidance is complete and has been issued to all users. Risk workshops are under way with directorate and service management teams.
11	<b>Hold workshops within Council to discuss and agree risk appetite. Develop an associated risk appetite statement, to underpin Council decision-making.</b> (i) Support identification and discussion of risk by: Use of risk appetite within risk system (ii) Streamline risk reporting and clarity of delegation using risk tolerance levels	31/03/18		This action will now need to take account of the agreement of the Council's Target Operating Model and the Transformation Delivery Programmes and completion has therefore been deferred to 31/3/18.
12	<b>Ensure there is supporting guidance or worked scenarios and advice on induction for elected members on procedures concerning conflict of interest and liability.</b>	10/05/17		Training for elected members has been completed.
13	<b>Establish a risk identification and moderation role for the ECMT which encompasses:</b> <ul style="list-style-type: none"> <li>• Horizon-scanning, discussion and identification of new risks.</li> <li>• Compilation and refresh of corporate operational risk register.</li> <li>• Review of high level risks from directorate risk registers.</li> <li>• Submission of issues for escalation to the CMT for strategic risk register.</li> <li>• Moderation of risk scores in the corporate operational risk register.</li> <li>• Engage heads of services in the recognition and analysis of good risk management</li> </ul>	30/06/17		A corporate issues log is in place with the aim of capturing information from horizon scanning and using peer review and challenge through ECMT. Significant emerging issues are reported to CMT (Stewardship) meetings monthly so that new corporate or service risks may be detailed and managed and risk assessments for existing risk reviewed. The corporate risk register has been comprehensively reviewed and redesigned. A mechanism is in place to escalate / de-escalate risks between the corporate and service tiers. Risk workshops are being conducted with Directors and Heads of Service.
14	<b>Evaluate the system for acceptability and consistency after year one of operation</b>	31/10/17		

Appendix 2 Corporate Risk Register (12/09/17)

<b>Code</b>	Corp001	<b>Risk that our workforce model and ways of working do not meet the requirements of our target operating model.</b>		
<b>Definition</b>	The quality of the workforce is key to the delivery of high quality services and to implementing the transformation and improvement agendas.			
<b>Potential Impact</b>	<b>Causes</b>	<b>Control Effectiveness</b>		<b>Current Risk Assessment</b>
		Control	Control Assessment	
<ul style="list-style-type: none"> <li>• Inability to deliver outcome</li> <li>• Critical skills shortage</li> <li>• A workforce that is inflexible in adopting new ways of working</li> <li>• A workforce that does not have the capabilities to deliver</li> <li>• Inability to plan against budgetary challenges</li> <li>• The new Target Operating Model will not come to life and deliver the performance edge which it has been designed to achieve</li> <li>• Loss of knowledge and morale as a result of staff departures</li> </ul>	<ul style="list-style-type: none"> <li>• Ineffective control of establishment list</li> <li>• Workforce learning is not aligned to business need</li> <li>• A current employment model that is based on staff performing a range of specific functions and specialising in one service area.</li> <li>• Reliance on traditional notions of leadership - on command and control. Our hierarchical structure has evolved over time, but we now need to consider how we can</li> <li>• Personal approaches to work.</li> <li>• Workforce planning process is not aligned to requirements of target operating model</li> </ul>	Implemented Behavioural Framework	Partially Effective	
		Review of reward and recognition.	Partially Effective	
		Distributed Leadership	Partially Effective	
		Modernised Employment Model	Partially Effective	
				Very serious
				Significant
<b>Risk Owner</b>	Morven Spalding	<b>Risk Manager</b>	Claire Hunter	<b>Residual Risk Assessment</b>
<b>Latest Note</b>	This risk is currently undergoing major revision in light of the Council decision to adopt the Target Operating Model and to reflect the requirement to properly align optimal workforce design and management to the new ways of working. Control actions are being devised to support the effectiveness of the identified controls.		14 Sep 2017	
				Serious
				Very Low

<b>Code</b>	Corp002	<b>Risk that corporate health and safety and corporate landlord responsibilities are breached</b>		
<b>Definition</b>	The Council is required by law to safeguard its employees and members of the public to ensure their health and safety through effective implementation of the Health and Safety Policy and the proper delivery of corporate landlord responsibilities.			
<b>Potential Impact</b>	<b>Causes</b>	<b>Control Effectiveness</b>		<b>Current Risk Assessment</b>
		Control	Control Assessment	
<ul style="list-style-type: none"> <li>• Fatality or serious injury to employee or member of the public</li> <li>• Prosecution for failings (criminal)</li> <li>• Compensation claims (civil)</li> <li>• Enforcement action – cost recovery of regulator time</li> <li>• Poor service delivery due to high absence levels</li> <li>• Reputational damage</li> <li>• Increased costs due to absence levels and agency costs</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of control management of H&amp;S Risk</li> <li>• Lack of identification of and completion of suitable training</li> <li>• H&amp;S audits not aligned with required Improvement Plan actions.</li> <li>• Non-reporting and recording of incidents and near misses</li> <li>• Poor or no investigation resulting in identification of remedial action to prevent reoccurrence</li> <li>• Compliance with health and safety management system is not monitored</li> <li>• Poor health and safety culture of organisation</li> </ul>	Plan, Do, Check, Act approach based on known risk adopted in the Health and Safety Policy	Partially Effective	<p>Very serious Significant</p>
		Effective training regime in place for all key staff	Partially Effective	
		Implemented Directorate Health, Safety and Wellbeing Improvement Plans including embedded reporting and recording arrangements	Partially Effective	
		Corporate health, safety and wellbeing development programme contributes to a competent workforce	Partially Effective	
		Proactive and reactive monitoring of health and safety performance management e.g. Management assurance provided via Directorates and HSW team	Partially Effective	
		Positive H&S risk-aware culture	Partially Effective	
		Health and Safety Committee structure in place for co-ordination and consultation process	Fully Effective	
		Effective mechanism for ensuring all ACC funded or controlled construction work (including devolved budget and internal / external funding streams) is procured, designed and effectively managed / monitored by competent persons	Partially Effective	
<b>Risk Owner</b>	Morven Spalding	<b>Risk Manager</b>	Mary Agnew; John Quinn	<b>Residual Risk Assessment</b>



<b>Latest Note</b>	Fire risk assessment in multi-storey blocks following Grenfell have been completed and provided to CH&I colleagues for action. Contract issues in relation to Solar PV are currently being discussed with legal colleagues. The risk assessment remains Impact - Very Serious, Likelihood - Significant.	28 Aug 2017	 <p>Very serious Almost Impossible</p>
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## Control Actions

Action	Progress	Original Due Date	Amended Due Date
Training	0%	31-Mar-2018	31-Mar-2018
<b>Description</b>	Identify exact H & S training needs for every employee detail in skills and training matrices from job profiles		
<b>Update</b>	Directorates require to establish a skills and training matrix in job profiles, this has been included in the related Health and Safety Improvement Plans. This will cover health and safety and role specific training to ensure employee competence. In addition a tender exercise is currently being undertaken for corporate health and safety training. Once completed corporate mandatory health and safety training requirements will be shared with Directorates for reference and inclusion in job / post profiles.		
<b>Assigned To</b>	All services		

Action	Progress	Original Due Date	Amended Due Date
Management System	0%	31-Dec-2017	31-Dec-2017
<b>Description</b>	Develop and implement electronic management system to ensure identified actions closed off;		
<b>Update</b>	Work has been undertaken to develop one of the five potential work streams in Covalent, as originally recommended by colleagues. Progress has not been what would have been expected or hoped for, due to a variety of reasons. Recently a new Project Manager has been appointed to review progress to date and provide guidance on the way forward.		
<b>Assigned To</b>	Mary Agnew		

Action	Progress	Original Due Date	Amended Due Date
Improvement Planning	25%	31-Mar-2018	31-Mar-2018
<b>Description</b>	Ensure H&S Improvement Planning supports strong H&S culture and improvement actions.		

<b>Update</b>	<p>The Corporate Health and Safety Improvement Plan was presented and discussed at CMT on 29.06.17. This along with the Directorate Health and Safety Improvement Plans were presented and discussed at the Corporate Health and Safety Committee (CHSC) on 25.08.17. It was agreed that the annual report for both the Corporate and the Directorate Health and Safety Improvement Plans would be submitted at its June meeting to allow them to fit into the financial year. This will allow consistent benchmarking and prevent delayed review by the CHSC if submitted along with the Directorate Annual reports which are spread across the quarterly meetings. It was also agreed that the Improvement Plans would be submitted to each cycle of the CHSC to ensure that actions were being taken against the items and to give the CHSC and ultimately the Council assurance that risks were being discussed and addressed. Progress is also to be monitored via the quarterly Directorate Health and Safety Committees, as with any other reports going to CHSC the Directorate Health and Safety Improvement Plans should be discussed at the Directorate Health and Safety Committees prior to them being tabled at the CHSC so that full discussions around health and safety is taking place. Reporting of the Corporate Health and Safety Improvement Plan to CMT will be by exception.</p> <p>With all plans they need to be reviewed on an ongoing basis in light of new knowledge to ensure that they remain valid the focus being on closing out the identified.</p>
<b>Assigned To</b>	Mary Agnew

<b>Code</b>	Corp003	<b>Risk of inadequate levels of assurance that statutory obligations are met and that legislative and policy changes are anticipated or planned for</b>		
<b>Definition</b>	The Council must be aware of its statutory obligations, ensure that these are met and plan for changes in legislation and policy and ensure that risks to functions and services are managed and opportunities seized.			
<b>Potential Impact</b>	<b>Causes</b>	<b>Control Effectiveness</b>		<b>Current Risk Assessment</b>
		Control	Control Assessment	
<ul style="list-style-type: none"> <li>The potential impact will relate to the nature of policies or legislation on which the Council engages, or does not engage.</li> <li>Non compliance with legislative requirements is, clearly, highly significant legally and also potentially in terms of service to customers, reputation and finances.</li> <li>Opportunities to influence policy and legislation is also highly context specific in terms of impact</li> </ul>	<ul style="list-style-type: none"> <li>Poor horizon-scanning</li> <li>Poor risk identification processes</li> <li>Absence of risk-aware culture</li> <li>Dysfunctional relationships with legislation and policy-making bodies</li> <li>Absence of clear negotiation opportunities with Scottish Government over fiscal matters</li> <li>Lack of robust internal communication processes</li> <li>Poor strategic and service planning processes</li> <li>Inadequate assurance mapping to key strategic risks</li> </ul>	Embedded legislation and policy tracking with consultees consistently providing effective feedback	Fully Effective	<p>Likelihood</p>
		Management engage both officers and elected members to provide input where required.	Partially Effective	
		Robust 1-2-1 structure CE/Director and Director/HOS which includes review of legislation / policy monitoring and documented remedial actions.	Partially Effective	
		Senior management monitor assurances against key corporate risks and direct actions as required.	Partially Effective	
				Very serious
				Very Low
<b>Risk Owner</b>	Fraser Bell	<b>Risk Manager</b>	Martin Murchie	<b>Residual Risk Assessment</b>
<b>Latest Note</b>	<p>The development / improvement plan for the system of risk management is part of the Performance, Risk and Improvement work stream of the corporate change programme and includes the implementation of a risk assurance map. To bring the likelihood of this risk down the assurance map will have to be complete and, potentially, rolled out beyond strategic risks to an operational level.</p> <p>Further development in broadening the identification and communication routes for relevant issues is being progressed through the Performance, Risk and Improvement work stream.</p> <p>Opportunities will be taken in embedding the Target Operating Model to further ensure clarity of roles and responsibilities in relation to assurance of statutory compliance and horizon scanning as well as taking advantage of the application of digital technology.</p>		06 Sep 2017	<p>Likelihood</p>
				Very serious
				Almost Impossible

	The Council's decision to re-join COSLA has implications for engagement with Parliaments, Governments and other decision makers, for example, in the response to legislative consultations and steps are being taken to maximise the benefits of this.		
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## Control Actions

Action	Progress	Original Due Date	Amended Due Date
Corporate Issues Log - Issue identification and assessment	50%	30-Sep-2017	31-Dec-2017
<b>Description</b>	Develop and roll-out corporate issues log and consider roll out beyond corporate risks. Strengthen procedures for the identification, assessment and monitoring of "issues" to ensure visibility and consistency across all Directorates		
<b>Update</b>	The issues log is in place but as yet visibility is not optimal. Issues are being advised to the Risk Manager on an ad-hoc basis which is nevertheless actively supporting the drive for improved horizon-scanning. The RiskIssues email account has been notified to all HOS and Business Managers with instructions on the kind of information needed to inform the issues log. Workshops are planned with all directorates where the risk identification message will be emphasised.		
<b>Assigned To</b>	Neil Buck		

Action	Progress	Original Due Date	Amended Due Date
Assurance Mapping	30%	30-Sep-2017	31-Dec-2017
<b>Description</b>	Develop comprehensive assurance mapping to all corporate risks and consider roll out beyond corporate risk		
<b>Update</b>	Work continues to develop assurance mapping for medium and longer term risks in the corporate risk register. This requires full input by risk owners and managers to be effective. Short-term risks on specific area of impact are unlikely to be suitable for long term assurance mapping.		
<b>Assigned To</b>	Neil Buck		

Action	Progress	Original Due Date	Amended Due Date
Ensure the Council makes appropriate responses to consultations	70%	31-Oct-2017	21-Feb-2018
<b>Description</b>	Ensure the culture supports key managers respond timeously and comprehensively to consultations and that the Council's Scheme of Governance clearly describes responsibility for approving responses to various types of consultation.		
<b>Update</b>	The Council's Scheme of Governance is currently being reviewed. A proposed addition has been drafted which clarifies the terms of delegation to Directors to respond to consultation in certain circumstances, with other matters reserved for elected member approval. It is anticipated that the Scheme of Governance will be considered by Council in February 2018, when approval for this specific delegation will be requested. In the meantime all consultations are logged both on Covalent and the corporate "Horizon Scanning" document. This is fed through CMT and 1-2-1s to ensure clarity on whether responses will be made and on what basis. An agreed form is required in each case.		
<b>Assigned To</b>	Martin Murchie		

Action	Progress	Original Due Date	Amended Due Date
Horizon-Scanning	30%	31-Dec-2017	31-Dec-2017
<b>Description</b>	Embed robust ECMT horizon-scanning role for risk identification, categorisation and escalation		
<b>Update</b>	Horizon-scanning is becoming established with regard to risk identification. This will be aligned with the horizon-scanning identified as a key requirement of the Target Operating Model as the Transformation Delivery Programmes are progressed.		
<b>Assigned To</b>	TBC		

<b>Code</b>	Corp004	<b>Risk of poor contract management</b>			
<b>Definition</b>	An effective and properly maintained contracts register underpins good supplier management and efficient use of resources				
<b>Potential Impact</b>	<ul style="list-style-type: none"> <li>• Essential services not supported</li> <li>• Scarce resources inefficiently used</li> <li>• Duplication of effort</li> <li>• Negative audit outcomes</li> <li>• Pool of suppliers reduces</li> <li>• Litigation</li> <li>• Reputational damage</li> <li>• Financial targets not met</li> </ul>	<b>Causes</b>	<b>Control Effectiveness</b>		<b>Current Risk Assessment</b>
			Control	Control Assessment	
			Regularly updated contracts register overseen by senior management	Partially Effective	
			Implementation of delegation of powers in standing orders to ensure correct authorisation levels in place	Partially Effective	
			Implementation of contract management procedures monitored by senior management with remedial activity directed where required	Partially Effective	
Robust skills in place for contract managers including commercial awareness / understanding of framework agreements, monitored through supervision	Partially Effective				
				Very serious	
				Low	
<b>Risk Owner</b>	Craig Innes	<b>Risk Manager</b>	Craig Innes	<b>Residual Risk Assessment</b>	
<b>Latest Note</b>	Work is under way to complete the control actions to support effective management of this important corporate risk. The Category Managers have identified no contract issues in their respective categories this month and the risk assessment remains unchanged.		12 Sep 2017		
				Likelihood	
				Very serious	
				Very Low	

## Control Actions

Action	Progress	Original Due Date	Amended Due Date
Training	50%	31-Dec-2017	31-Dec-2017
<b>Description</b>	Identify key personnel and deliver contracts management OIL training		
<b>Update</b>	Currently updating e-learning materials to ensure these cover all three councils' requirements. Face to face training and monthly surgeries will be set up in advance of the lead-time for on-line training. Contract management is a key deliverable in the commissioning function within the Transformation Portfolio.		
<b>Assigned To</b>	Sylvia Beswick		

Action	Progress	Original Due Date	Amended Due Date
Business Critical Contracts	60%	31-Dec-2017	31-Dec-2017
<b>Description</b>	Ensure contracts management procedures focus on business critical contracts		
<b>Update</b>	Business critical contracts will be a key area of focus in the delivery of the commissioning function and work continues to ensure these contracts deliver maximum benefits.		
<b>Assigned To</b>	Carol Wright		

Action	Progress	Original Due Date	Amended Due Date
Contracts Database	75%	31-Dec-2017	31-Dec-2017
<b>Description</b>	Complete population of contracts database		
<b>Update</b>	A review of spend against suppliers has identified contracts for which no information is recorded on the contracts database. Category Managers are identifying the owners so that the information can be updated. The procurement guidance notes and training highlight that the update of the database is a vital part of the process.		
<b>Assigned To</b>	Category Managers		

Action	Progress	Original Due Date	Amended Due Date
Launch Procurement Website	75%	31-Dec-2017	31-Dec-2017
<b>Description</b>	-- enter action details here --		
<b>Update</b>	Content is almost complete with work now being undertaken on the publication tool.		
<b>Assigned To</b>	Sylvia Beswick		

<b>Code</b>	Corp005	<b>Risk of not adequately planning for emergencies (as defined by the Civil Contingencies Act 2004) which may affect Aberdeen City and/or an incident having a significant adverse effect on the operations of Aberdeen City Council.</b>		
<b>Definition</b>	The risk could occur through a lack of leadership which results in inadequate planning for and testing for civil contingency events, which results in an inadequate rescue and recovery in the event of a real incident			
<b>Potential Impact</b>	<b>Causes</b>	<b>Control Effectiveness</b>		<b>Current Risk Assessment</b>
		Control	Control Assessment	
<p>The Council is unable to support or lead the response to an emergency affecting the city and/or is unable to deliver critical functions in relation to:</p> <ol style="list-style-type: none"> <li>1. Human welfare or the environment</li> <li>2. The finances of the Council</li> <li>3. The Council's statutory obligations</li> <li>4. The Council's reputation</li> <li>5. The Council's ability to respond to emergencies.</li> </ol>	<ul style="list-style-type: none"> <li>• Failure to review our civil contingencies capacity, capability, structures and policies in terms of maintaining suitable levels of resilience.</li> <li>• Absence of assurances that the risk is controlled.</li> </ul>	Local Resilience Partnership meets regularly and considers and addresses resilience gaps	Fully Effective	<p>Likelihood</p>
		Local Resilience Risk Register reviewed regularly by LRP to ensure all relevant risks are captured	Fully Effective	
		Senior management review and direct actions to support Critical Action Plan	Partially Effective	
		Prevent and Prepare CONTEST priorities are embedded and reviewed continuously by priority owners	Partially Effective	
		Resilience training of key officers monitored through supervision	Partially Effective	
				Very serious
				Low
<b>Risk Owner</b>	Angela Scott	<b>Risk Manager</b>	Derek McGowan	<b>Residual Risk Assessment</b>
<b>Latest Note</b>	<p>members of CMT attended Opus Resilience exercise on mass fatalities 13/7/17. The BCP Audit Plan has been agreed and actions allocated, still to be approved at AR&amp;S Committee. The Emergency Planning Manager is still working on desktop exercises, including proposed flooding exercise in November 2017.</p> <p>The Organisational Resilience Group met in August 2017 where new actions were allocated including creation / update of BC Plans across the organisation where this is required. The risk assessment remains unchanged.</p>		28 Aug 2017	<p>Likelihood</p>
				Very serious
				Very Low



## Control Actions

Action	Progress	Original Due Date	Amended Due Date
Self Assessment	40%	31-Aug-2017	31-Aug-2017
<b>Description</b>	Carry out comprehensive self-assessment to understand the strength of resilience across ACC		
<b>Update</b>	Moderation meeting with HMIC in September. Hackney Council soft testing and reporting back before end of December 2017.		
<b>Assigned To</b>	Derek McGowan		

Action	Progress	Original Due Date	Amended Due Date
Critical Action Plan	100%	31-Jul-2017	31-Jul-2017
<b>Description</b>	Creation of Critical Action Plan in terms of response to threat level		
<b>Update</b>	Move to Critical Action Plan has been produced.		
<b>Assigned To</b>	David McIntosh		

Action	Progress	Original Due Date	Amended Due Date
3rd Party Threat	0%	31-Dec-2017	31-Dec-2017
<b>Description</b>	Require assurance from third party providers in terms of resilience to insider threat		
<b>Update</b>	This is an action in the Resilience Group Action Plan.		
<b>Assigned To</b>	Derek McGowan		

Action	Progress	Original Due Date	Amended Due Date
Resilience Training	40%	31-Mar-2018	31-Mar-2018
<b>Description</b>	Training of key officers in resilience planning		
<b>Update</b>	Review of DERC roles and requirements, consideration to extending DERC participation to G17 roles across ACC. Training factored in alongside flooding exercise proposed. All existing DERCs have received training. We are looking to recruit further names to go on that list. Key officers within services e.g. Care for People (Social Care), Protective Services (Environmental Health/Protection) have and continue to attend training sessions.  Head of Communities and Housing attending Emergency Planning College in October for 5 day training.		
<b>Assigned To</b>	TBC		

<b>Action</b>	<b>Progress</b>	<b>Original Due Date</b>	<b>Amended Due Date</b>
Local Resilience Risk Register	100%	31-Dec-2017	31-Dec-2017
<b>Description</b>	Through the Local Resilience Partnership, prepare local risk register of risks affecting Aberdeen, taking account of the Regional, Scottish and UK Risks and define and implement action plans to mitigate risks where non-generic		
<b>Update</b>	Presented to the Local Resilience Group on 29/08/17.		
<b>Assigned To</b>	Derek McGowan		

<b>Action</b>	<b>Progress</b>	<b>Original Due Date</b>	<b>Amended Due Date</b>
CONTEST Planning	0%	31-Mar-2018	31-Mar-2018
<b>Description</b>	Implement CONTEST priorities, particularly Prevent and Prepare (generic resilience planning).		
<b>Update</b>	New initiative, to be taken forward by the Local Resilience Group		
<b>Assigned To</b>	TBC		

<b>Code</b>	Corp006	<b>Risk that the Council is exposed to fraud, bribery and corruption</b>		
<b>Definition</b>	Failure to maintain effective policies, procedures and skills for the identification and investigation of suspected fraud, bribery and corruption, places the Council at risk of financial loss and reputational damage.			
<b>Potential Impact</b>	<b>Causes</b>	<b>Control Effectiveness</b>		<b>Current Risk Assessment</b>
		Control	Control Assessment	
<ul style="list-style-type: none"> <li>• Major financial loss.</li> <li>• Reputational damage.</li> <li>• Increased external scrutiny.(e.g. Police Scotland, Accounts Commission and other relevant regulators.)</li> <li>• Workforce morale adversely affected.</li> <li>• Criminal liability</li> <li>• Imprisonment</li> <li>• Lowering of Council's credit rating.</li> </ul>	<ul style="list-style-type: none"> <li>• Absence of clear and adequate procedures relating to Fraud, Bribery &amp; Corruption.</li> <li>• lack of staff awareness of policies and procedures relating to F,B&amp;C.</li> <li>• Failure to implement policies and procedures relating to F,B&amp;C.</li> <li>• Financial procedures inadequate to prevent fraud, bribery and corruption.</li> <li>• Insufficient investigatory skills and resources..</li> <li>• Lack of connectivity between internal audit, investigatory and service functions.</li> <li>• Lack of clear process for suspected incidences of F,B&amp;C.</li> </ul>	A two yearly review of the Fraud, Bribery and Corruption Policy is diarised by Risk Manager reviewed to review relevance and effectiveness.	Fully Effective	<p>Impact</p> <p>Likelihood</p>
		Financial regulations (management & control) are reviewed annually, or following changes in relevant legislation, by a senior accountant within Finance.	Fully Effective	
		Investigation staff skills monitored through supervision on a monthly basis and remedial action taken as required in accordance with Corporate Assurance Investigatory Guide.	Fully Effective	
		Clearly defined roles for key officers involved in investigations to ensure no duplication of activity through the Fraud Response Plan set out in the Fraud, Bribery & Corruption Policy.	Partially Effective	
		Guidance on the Zone on the process for reporting suspicions in respect of fraud, bribery and corruption is reviewed and updated monthly by Risk Manager.	Fully Effective	
		Whistleblowing Policy is available on the Zone Policy and was last updated June 2016. It will be diarised by L&DS to review annually to ensure it remains fit for purpose.	Partially Effective	
		Annual report to CMT and Audit Risk and Scrutiny Committee diarised by the Risk Manager to raise awareness of anti-fraud, bribery and corruption activity for assurance and scrutiny.	Fully Effective	
		The Council's fraud response plan is communicated to employees, ALEO and contractors. This is undertaken by holding awareness sessions and making fraud related OIL courses mandatory for new staff.	Partially Effective	
		To minimise the risk of fraud in high risk service	Partially Effective	

		areas dedicated fraud referral polices have been introduced to increase staff awareness of the issues.		
				Very serious
				Low
<b>Risk Owner</b>	Fraser Bell	<b>Risk Manager</b>	Brian Muldoon	<b>Residual Risk Assessment</b>
<b>Latest Note</b>	The risk assessment has not changed.		12- Sep-2017	
				Very serious
				Very Low

## Control Actions

Action	Progress	Original Due Date	Amended Due Date
Investigation officer roles	20%	30-Nov-2017	30-Nov-2017
<b>Description</b>	This will be addressed within the fraud, bribery and corruption policy which is currently being reviewed and updated. This has also been incorporated into the Corporate Governance review. The updated policy is due to be presented to the by Finance, Policy and Resources committee on 30 November 2017.		
<b>Update</b>	A review of the Fraud, Bribery and Corruption Policy will be reported to the Finance, Policy and Resources Committee on 1 February 2018.		
<b>Assigned To</b>	Brian Muldoon		

Action	Progress	Original Due Date	Amended Due Date
Whistleblowing Policy	30%	23-Nov-2017	31-Mar-2018
<b>Description</b>	Review the Whistleblowing Policy to ensure it remains fit for purpose.		
<b>Update</b>	The Whistleblowing Policy will be reviewed as part of a new staff governance framework.		
<b>Assigned To</b>	Morven Spalding		

<b>Action</b>	<b>Progress</b>	<b>Original Due Date</b>	<b>Amended Due Date</b>
Promote Council's fraud response plan	80%	30-Nov-2017	30-Nov-2017
<b>Description</b>	This has been incorporated into the training and development plan within the Corporate Governance review. Further discussions are due to take place with Organisational Development on 31 July 2017 to progress a dedicated fraud, bribery and corruption OIL course.		
<b>Update</b>	Agreed that the awareness training would be incorporated into the Corporate Governance review		
<b>Assigned To</b>	Brian Muldoon		

<b>Action</b>	<b>Progress</b>	<b>Original Due Date</b>	<b>Amended Due Date</b>
Fraud referral policies	80%	30-Nov-2017	30-Nov-2017
<b>Description</b>	Blue Badge fraud investigations became the responsibility of Corporate Investigation Team on 22 June 2017. The Council's policy relating to Fraud, Bribery and Corruption, which is due to be presented to the Finance, Policy and Resources Committee on 1 February 2018 will address Blue Badge fraud.		
<b>Update</b>	Three officers are now empowered to enforce Blue Badge Legislation.		
<b>Assigned To</b>	Brian Muldoon		

<b>Code</b>	Corp007	<b>Risk of poor information management and security</b>		
<b>Definition</b>	Inadequate protection for data held by the Council carries risk for the safety of individuals and the ability of the Council to manage its essential functions and to deliver services.			
<b>Potential Impact</b>	<b>Causes</b>	<b>Control Effectiveness</b>		<b>Current Risk Assessment</b>
		Control	Control Assessment	
<ul style="list-style-type: none"> <li>• Service disruption</li> <li>• Council finances jeopardised</li> <li>• Inadequate performance information</li> <li>• Inability to share services</li> <li>• Reduced capability to deliver customer facing services</li> <li>• Unlawful disclosure of sensitive information</li> <li>• Individuals placed at risk of harm</li> <li>• Prosecution –penalties imposed</li> <li>• Reputational damage</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of oversight of information risks</li> <li>• Inconsistent approach to information and data management and security across the Council</li> <li>• Lack of capability and / or non-compliance by individuals</li> <li>• Human Error</li> <li>• Absence of adequate preventative measures to mitigate against known outsider cyber threats.</li> <li>• Continuous new and emerging cyber threats (so-called day zero attacks)</li> <li>• Absence of corporate protocols when acquiring or changing system solutions so that functionality is inadequate</li> <li>• Absence of adequate preventative measures to mitigate insider threat including physical and system security.</li> <li>• Insider threat not properly managed through recruitment and line management processes.</li> </ul>	File and Data Encryption	Fully Effective	<p>Impact</p> <p>Likelihood</p>
		Monitoring of access permissions and privileged users	Fully Effective	
		Information Governance Board led by SIRO provides robust corporate oversight of information assurance arrangements.	Fully Effective	
		Effective information management and security training and awareness programme for all staff.	Partially Effective	
		Critical systems risk assessed and protected appropriately.	Partially Effective	
		Password security controls in place.	Fully Effective	
		Restricted access for key personnel to secure facilities	Partially Effective	
		Fit for Purpose Identity Management System (IDM)	Partially Effective	
		Robust information and data related incident management procedures.	Partially Effective	
		Consolidation of IT and data related activities corporately within IT and Transformation Service.	Partially Effective	
		Appropriate robust contractual arrangements in place with all third parties who provide systems or data processing services.	Partially Effective	
		Clear roles and responsibilities assigned and embedded for all staff for managing & governing information assets across the Council	Partially Effective	
		Corporate Data Office develops and sets standards for corporate data and information management and security.	Partially Effective	
		Continual assessment of new and emerging threats.	Partially Effective	
				Very serious

				Low
<b>Risk Owner</b>	Simon Haston	<b>Risk Manager</b>	Paul Alexander; Caroline Anderson; Steven Robertson	<b>Residual Risk Assessment</b>
<b>Latest Note</b>	Next Generation firewall installed giving up to date virus, web and Intrusion protection, fine tuning of controls. Development and generation of threat analysis reports ongoing. PSN Compliance Health check complete. Remedial action plan in place. Submission to PSN imminent. Internal audit of business critical systems under way. Critical System risk assessment programme underway		07 Sep 2017	<p>Likelihood</p> <p>Very serious</p> <p>Very Low</p>

## Control Actions

Action	Progress	Original Due Date	Amended Due Date
Information Assurance Roadmap	33%	31-Aug-2017	30-Jun-2018
<b>Description</b>	Delivery of information assurance roadmap for 2017-18, including: <ul style="list-style-type: none"> <li>- Delivery of Council-wide behaviour-based information governance training and awareness programme</li> <li>- Readiness for the requirements of new General Data Protection Regulation</li> <li>- Embedding of Information Asset Ownership roles throughout the organisation</li> </ul>		
<b>Update</b>	Training dates for early September for Elected Members and end September for 3rd Tier Manager to align with Committee paper approval process commencing with CG SMT 8 August. Awareness campaign for all staff post Committee for 4 weeks.		
<b>Assigned To</b>	Caroline Anderson		

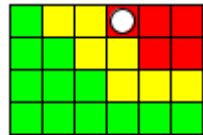

Action	Progress	Original Due Date	Amended Due Date
Service redesign	33%	31-Dec-2017	31-Dec-2017
<b>Description</b>	IT & Transformation Service Redesign including consolidation of IT and data activities		
<b>Update</b>	IT consolidation remains on track. The consolidation report has been submitted for approval at the STB. Engagements will commence with heads of service and Service Managers across Council to discuss plans to migrate IT teams out of service areas. A detailed plan of actions and milestones is required and will be drafted in accordance with these engagements. This will also include a review of all day-to-day activities of staff within core IT in preparation for completing re-design of structure.		
<b>Assigned To</b>	Paul Alexander		

Action		Progress	Original Due Date	Amended Due Date
System security		33%	31-Dec-2017	31-Dec-2018
<b>Description</b>	Ensure proper monitoring and maintenance of appropriate levels of system security.			
<b>Update</b>	Appropriate infrastructure monitoring in place. Individual system monitoring arrangements to be analysed in line with ongoing critical system risk assessments.			
<b>Assigned To</b>	Norman Hogg			

Action		Progress	Original Due Date	Amended Due Date
Management systems		10%	31-Dec-2017	31-Dec-2017
<b>Description</b>	Develop use of Security Information and Event Management type systems.			
<b>Update</b>	Project initiated. Requirements being scoped.			
<b>Assigned To</b>	Norman Hogg			

Action		Progress	Original Due Date	Amended Due Date
Information asset controls		20%	31-Dec-2017	31-Dec-2018
<b>Description</b>	Proper electronic and physical security controls for all information assets.			
<b>Update</b>	Risk Assessments of all assets continue; System Risk Assessments first phase nearing completion - over 100 systems identified by Service areas as critical. In parallel, second phase is progressing to confirm that each of these systems have adequate Business Continuity plans in place. Subsequent phases will identify additional security measure requirements.			
<b>Assigned To</b>	Caroline Anderson			



<b>Code</b>	Corp008	<b>Risk that the Council does not appropriately manage its response to the requirements of the National Scottish Child Abuse Inquiry</b>		
<b>Definition</b>	The independent national Child Abuse Inquiry is looking at the abuse of children in care in Scotland from 1930 – 2014. It is expected to last 4 years and will examine what happened, why and where abuse took place, the effects on children and their families and whether organisations responsible for children failed in their duties. The Council will be required to respond to any requests made by the Inquiry under its powers outlined in the Inquiries Act 2005. These requests may include requests for information, production of documents, or requiring individuals to attend to give evidence. Any failure of the Council to comply with such requests may be deemed a criminal offence. The Council needs to manage appropriately the potential impact of the ongoing Inquiry on the people and place of Aberdeen, taking into account our duty of care to any affected children (who may now be adults) and their families. The Inquiry may also prompt those affected to seek compensation from the Council. Currently there is no financial allocation funding to cover any claims or risks and insurance cover is unlikely to be relevant/high enough to counter scale of claims.			
<b>Potential Impact</b>	<b>Causes</b>	<b>Control Effectiveness</b>		<b>Current Risk Assessment</b>
		Control	Control Assessment	
<p>Potential for further harm and distress to be caused to affected children (who may now be adults) and their families</p> <ul style="list-style-type: none"> <li>• Potential impact on Council staff who may be directly or indirectly affected by the Inquiry.</li> <li>• Significant reputational damage.</li> <li>• Potential for the Council to face criminal prosecution.</li> <li>• Criminal investigations potentially compromised.</li> <li>• Financial impact on the Council due to unknown costs and liability for those affected (<i>Financial impact on ACC due to liability on break-up of GRC and regional liability devolved to ACC</i>)</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of a coordinated planned approach to our response</li> <li>• Difficulty locating or interpreting relevant historical records</li> <li>• Lack of appropriate staff resource</li> <li>• Failure to appropriately manage internal and external communications</li> <li>• Failure to make adequate financial provision to meet liability costs</li> <li>• Legal agreements in 1996 - GRC/ACC</li> </ul>	Strategic coordination of Council response and allocation of staffing and financial resource.	Partially Effective	 <p>Likelihood</p>
		Proactive programme to identify all potential information sources.	Partially Effective	
		Proactive and planned internal and external communication campaign.	Partially Effective	
				Very serious
				Significant
<b>Risk Owner</b>	Gayle Gorman	<b>Risk Manager</b>	Bernadette Oxley	<b>Residual Risk Assessment</b>
<b>Latest Note</b>	Three Section 21 Notices have been received to date, future Section 21 Notices are unquantifiable although we have been informally advised another will be received to us in the next month, each Notice is responded to timeously.		06 Sep 2017	 <p>Likelihood</p>
				Very serious
				Almost Impossible

## Control Actions

Action	Progress	Original Due Date	Amended Due Date
Resources	50%	18-Jul-2017	29-Sep-2017
<b>Description</b>	Staff resource to support Aberdeen City's response to the Scottish Child Abuse Inquiry.		
<b>Update</b>	The SCAI team will consist of: programme manager social worker 3 research assistants administrative support All posts are recruited on a 52 week secondment or fixed term basis and the programme manager and social worker will report to the Lead Service Manager Children's Social Work. Cross service involvement will continue; Legal, HR, records management/archivists, IJB and corporate communications and Education.		
<b>Assigned To</b>	Anne Donaldson		

Action	Progress	Original Due Date	Amended Due Date
Financial liability	100%	18-Jul-2017	29-Sep-2017
<b>Description</b>	Enter contingent liability into year end governance statement		
<b>Update</b>	A separate budget has been allocated to resource the response including additional staff to support a programme management approach.		
<b>Assigned To</b>	Brian Dow		

Action	Progress	Original Due Date	Amended Due Date
Financial liability – insurance claims - Limitation (Childhood Abuse) (Scotland)	100%	09-Aug-2017	09-Aug-2017
<b>Description</b>	Enter contingent liability into year end governance statement.		
<b>Update</b>	The Scottish Government has estimated that approximately 2200 cases could emerge as a result of the change in the law Scotland wide. Financial implication resulting from the introduction of the Limitation (Childhood Abuse) (Scotland) Act 2017 are not quantifiable at this time. Ruth Kydd, who is the liaison person with the Insurance companies has join the SCAI Group to provide advice.		
<b>Assigned To</b>	Brian Dow		

Action	Progress	Original Due Date	Amended Due Date
Communications	50%	18-Jul-2017	14-Sep-2017
<b>Description</b>	Update Admin Leaders and new council following elections		
<b>Update</b>	A briefing paper was circulated to Committee Members in August and a report is being presented to Education and Children's Service's Committee 14 September 2017.		
<b>Assigned To</b>	Gaynor Clarke; Anne Donaldson		

<b>Code</b>	Corp009	<b>Risk that Bond governance arrangements are ineffective</b>		
<b>Definition</b>	Ineffective governance arrangements may lead to the lowering of the Council's credit rating and / or lead to the Council, members / staff breaking the law. The financial risk attaching to the Bond is subject to a separate risk register.			
<b>Potential Impact</b>	<b>Causes</b>	<b>Control Effectiveness</b>		<b>Current Risk Assessment</b>
		Control	Control Assessment	
<ul style="list-style-type: none"> <li>Financial penalties.</li> <li>Investors may request the full repayment of their investment.</li> <li>The Council would have to identify other sources of funding which may be more expensive.</li> <li>The Council may not have ready access to finance to support its capital projects as and when required resulting in a delay to the delivery of key projects.</li> <li>Legal action against the Council.</li> <li>Reputational damage.</li> <li>Inability to raise additional capital through issue of further bonds</li> <li>Imprisonment</li> </ul>	<ul style="list-style-type: none"> <li>Not maintaining accurate and comprehensive Insider Lists &amp; associated protocol.</li> <li>Failure to notify the London Stock Exchange of major notifiable events.</li> <li>Unauthorised disclosure of inside information.</li> <li>Staff and members not being aware of the Council's statutory duties flowing from the credit rating and bond issue.</li> </ul>	Bond Governance Programme Board develops, monitors and implements a Bond Governance Action Plan	Fully Effective	<p>Impact</p> <p>Likelihood</p>
		Communications Protocol supports active consideration of information disclosure to meet regulation compliance	Partially Effective	
		ALEOs provide quarterly trading accounts in advance of quarterly reporting of group accounts to FP&R Committee	Partially Effective	
		Insider List in place with members and relevant officers aware of responsibilities and restrictions on disclosure, monitored through supervision	Partially Effective	
		Economic Policy Panel actively monitoring local and regional economic position, reporting to FP&R Committee in support of annual credit rating review	Partially Effective	
		Scheme of Governance	Partially Effective	
<b>Risk Owner</b>	Fraser Bell	<b>Risk Manager</b>	Martin Allan	<b>Residual Risk Assessment</b>
<b>Latest Note</b>	Assurance map and actions report have been updated to reflect lead officers and due dates detailed in the Programme Board Plan. Insider Letter issued to all Councillors and relevant members of staff. Reminders being issued. Two training sessions held. Final session planned. Additional 1:1 mop up sessions to be delivered as required.		13 Sep 2017	<p>Impact</p> <p>Likelihood</p>
	Economic Policy Panel - Contracts with individuals including definition of milestones/deliverables in progress.			
	Update of Comms Policy including additional clauses to narrate disclosure requirements to be considered at FP&R Committee on 20 September 2017. Updated Scheme of Governance to be reported to Council on 5 March 2018..			

## Control Actions

Action	Progress	Original Due Date	Amended Due Date
Insider Lists and Protocol	80%	29-Jun-2017	31-Oct-2017
<b>Description</b>	Develop comprehensive Insider Lists with associated protocol		
<b>Update</b>	Linkage with Payroll and HR systems established. Draft Insider List Protocol to be reported to Programme Board 12/9/17, to CMT 28/9/17, back to Board October. Insider Letters issued - Non-respondents being pursued. Due date for this action amended to 31/10/17.		
<b>Assigned To</b>	Deirdre Nicolson		

Action	Progress	Original Due Date	Amended Due Date
Review of policies and contracts	25%	15-Aug-2017	31-Mar-2018
<b>Description</b>	Review and update: <ul style="list-style-type: none"> <li>• Scheme of Governance;</li> <li>• Contracts of Employment</li> <li>• Employee Code of Conduct.</li> </ul>		
<b>Update</b>	<p><b>Scheme of Governance</b></p> <p>A revised Scheme is to be reported to Council on 5 March 2018.</p> <p><b>Staff contracts of employment</b></p> <p>The Permanent 'Insider List' letter has been issued to elected members and key officers with returns collated. The letter has a section on 'Duty of Confidentiality' and makes reference to the Market Abuse Regulations. Returned signed slips will be retained on file. In addition, a process will be put in place to identify any future changes to the 'Insider List' so that appropriate new employees are placed on it.</p> <p><b>Employee Code of Conduct</b></p> <p>The Employee Code of Conduct is being replaced by a Staff Governance Framework. The Framework will be significantly different and is to be compiled by the Organisational Development Section in HR, with reference to the Bond.</p>		
<b>Assigned To</b>	Sandra Buthlay; Martyn Orchard; Keith Tennant; Alison Watson		

Action	Progress	Original Due Date	Amended Due Date
3rd party contracts	30%	15-Aug-2017	06-Oct-2017
<b>Description</b>	Review and update model / standard contracts to ensure that effective arrangements are in place with the Council's advisers, contractors, agents and other third parties who have access to inside information		
<b>Update</b>	Officers are reviewing the templates used for 3rd party contracts. Meeting on 25 September to provide list of contracts as required.		
<b>Assigned To</b>	Alison Watson		

Action	Progress	Original Due Date	Amended Due Date
Review the Council's existing major contracts	10%	15-Aug-2017	06-Oct-2017
<b>Description</b>	Contracts to be reviewed where appropriate and feasible to ensure that effective arrangements are in place.		
<b>Update</b>	Officers will report on progress on the above to the Board at the next meeting in October 2017.		
<b>Assigned To</b>	Alison Watson		

Action	Progress	Original Due Date	Amended Due Date
Communications Protocol	75%	15-Aug-2017	20-Sep-2017
<b>Description</b>	Update the communications protocol in order to ensure external communications activity is governed by a framework which takes into account compliance with LSE regulations.		
<b>Update</b>	The revised policy has been tabled at CMT and the Governance Reference Group. A report is due at Finance, Policy and Resources Committee on 20/09/17.		
<b>Assigned To</b>	Paul Smith		

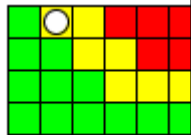
Action	Progress	Original Due Date	Amended Due Date
Training	75%	31-Jul-2017	17-Nov-2017
<b>Description</b>	Develop and deliver a training programme for all Insider List staff, elected members and ALEOs to raise awareness of the Council's statutory duties, new policies and procedures.		
<b>Update</b>	A number of training sessions for Members took place as part of Member induction with a final session completed on 28 August. A short video has been developed to raise staff awareness. This is available on the Zone, on induction, on monitors on meeting room doors and at establishments such as Tullos. Training sessions, aimed primarily at those on the insider list have been arranged, dates as follows - 25 July, 16 August, 18 August, 25 August, 5 September, 19 September, 27 September. Feedback is being requested after all sessions. Attendance levels will be monitored and cross referenced against the insider list with mop up sessions arranged as necessary. Arrangements are being made to train relevant ALEO members. An OIL module will be developed for ongoing sustainability and as a refresher for staff.		
<b>Assigned To</b>	Dorothy Morrison		

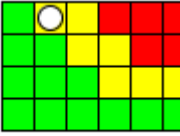
Action	Progress	Original Due Date	Amended Due Date
Legal resources	75%	30-Sep-2017	31-Oct-2017
<b>Description</b>	Increase resources in Legal Services Governance Team to support the delivery of a new compliance framework		
<b>Update</b>	Positions advertised.		
<b>Assigned To</b>	Jackie Buchanan		

Action	Progress	Original Due Date	Amended Due Date
Economic Policy Panel	50%	31-Dec-2017	30-Sep-2018
<b>Description</b>	Create an Economic Policy Panel to support the annual credit rating by: Providing an independent commentary of the state of the Aberdeen economy in the form of an annual report independent of the Council; Providing a sounding board for any emerging issues in relation to the Aberdeen and regional economies; Every six months, meet with regional stakeholders / businesses to discuss emerging issues from economic data and returns provided by officers.		
<b>Update</b>	Positions advertised, short list considered at full Council (23/8/2017). Contracts being drafted.		
<b>Assigned To</b>	Richard Sweetnam		

## Assurance Actions

Action	Progress	Original Due Date	Amended Due Date
Internal Audit of Bond Programme	0%	28-Feb-2018	28-Feb-2018
<b>Description</b>	To provide assurance that the Bond Programme is delivering the agreed actions to establish full control effectiveness		
<b>Update</b>	Audit due to commence October 2017.		
<b>Assigned To</b>	Martin Allan		

<b>Code</b>	CORP011	<b>Risk of financial loss over the decision whether to proceed with the development of an Anaerobic Digestion Plant at the new exhibition centre site</b>		
<b>Definition</b>	There is risk in delaying the decision on whether to proceed with the Plant and risk in losing revenue from alternative use of the site.			
<b>Potential Impact</b>	<b>Causes</b>	<b>Control Effectiveness</b>		<b>Current Risk Assessment</b>
		Control	Control Assessment	
<p>If decision taken not to proceed with AD Plant at arena and exhibition site or alternative site</p> <ul style="list-style-type: none"> <li>• Loss of revenue from sale of 'green' energy</li> <li>• Loss of sustainable energy subsidy from Government</li> <li>• Continuing requirement to source contractor to remove food / garden waste (currently £300k)</li> <li>• 'Excellent' BREEAM accreditation for AECC development not achieved</li> <li>• Reputational damage due to high profile capital project not delivering environmental sustainability expectations</li> <li>• Sustainability factor in securing planning consent not fully met</li> <li>• Further costs to meet EU Directive on no food waste to landfill from 2020</li> <li>• Reduced income from sale of energy due to requirement to pay for natural gas as alternative to AD energy</li> <li>• Full Waste Strategy commitments not met</li> <li>• Loss of revenue if AD site not occupied for alternative use</li> </ul> <p>If decision on Plant delayed beyond September</p> <ul style="list-style-type: none"> <li>• Reduced Government subsidy if delay to construction of AD Plant (currently £5.35 kw/h fixed from go-live date for 5 years)</li> <li>• Reduced income impact on repayment of loan to deliver new AECC</li> <li>• Requirement for re-tendering for plant and energy centre</li> </ul>	<ul style="list-style-type: none"> <li>• Delay in decision making on construction of plant</li> <li>• Uncertainty over energy source for the site</li> <li>• Poor understanding of controls to mitigate impact of AD on local community</li> <li>• Uncertainty over future costs of alternative energy source (natural gas)</li> <li>• Expected reduction in sustainable energy subsidy per kw/h from current level of £5.35</li> <li>• Lower capital costs at alternative AD site not realised</li> </ul>	Quantified financial impacts permitting decision making to deliver maximum financial advantage to the AECC development	Fully Effective	 <p>Likelihood</p>
		Quantified planning implications to AECC site are identified	Fully Effective	
				Very Low
<b>Risk Owner</b>	Steve Whyte	<b>Risk Manager</b>	Scott Ramsay	<b>Residual Risk</b>

			Assessment
<b>Latest Note</b>	A report is to be presented to FP&R Committee in September recommending that the Council proceed with the construction of the AD Plant at the Exhibition and Conference site.	28 Aug 2017	 <p>Likelihood</p> <p>Very serious</p> <p>Very Low</p>

### Control Actions

Action	Progress	Original Due Date	Amended Due Date
Planning Implications	100%	31-Dec-2017	31-Dec-2017
<b>Description</b>	Planning Implications - HBD through their technical consultants are identifying the potential impacts associated with the AECC development. These relate to the planning conditions and building regulations. This information will quantify the impacts of removing the AD plant from the scheme and identify options and costs to meet these requirements.		
<b>Update</b>			
<b>Assigned To</b>	Scott Ramsay; Andrew Win		

Action	Progress	Original Due Date	Amended Due Date
Financial Implications	100%	31-Dec-2017	31-Dec-2017
<b>Description</b>	AD site financial appraisal - HBD in association with Ryden, J&E Sheppard's (Local property agents) are assessing alternative uses for the site to determine rental income streams, build costs and commercial viability). The initial feasibility work has been completed and this is being prepared for CMT.		
<b>Update</b>			
<b>Assigned To</b>	Scott Ramsay; Andrew Win		