

## ABERDEEN CITY COUNCIL

---

<b>COMMITTEE</b>	Communities, Housing and Public Protection Committee
<b>DATE</b>	14 March 2023
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Cluster Risk Registers and Assurance Maps
<b>REPORT NUMBER</b>	CUS/23/066
<b>DIRECTOR</b>	Andy McDonald
<b>CHIEF OFFICER</b>	Derek McGowan, Jacqui McKenzie, Martin Murchie, Steve Roud
<b>REPORT AUTHOR</b>	Chief Officers
<b>TERMS OF REFERENCE</b>	Remit 1.1.4

---

### 1. PURPOSE OF REPORT

- 1.1 To present the Cluster Risk Registers and Assurance Maps in accordance with Communities, Housing and Public Protection Committee Terms of Reference to provide assurance that risks are being managed effectively within each Cluster.

### 2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Note the Cluster Risk Registers and Assurance Maps set out in 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 registers for the relevant Clusters which fall within the remit for this Committee. These are:-

- Customer Experience
- Data and Insights
- Digital and Technology

- Early Intervention and Community Empowerment

### Risk Registers

- 3.3 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.
- 3.4 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.
- 3.5 The Cluster Risk Registers are set out in appendix A and reflect the risks which may prevent each Cluster area from delivering on organisational outcomes and services, these risks may be escalated to the CRR where deemed necessary.
- 3.6 The risks contained within the Risk Register for each Cluster are grouped by risk category in appendix C 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 Clusters are working towards a target risk score which aligns with the risk appetite.

- 3.7 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.

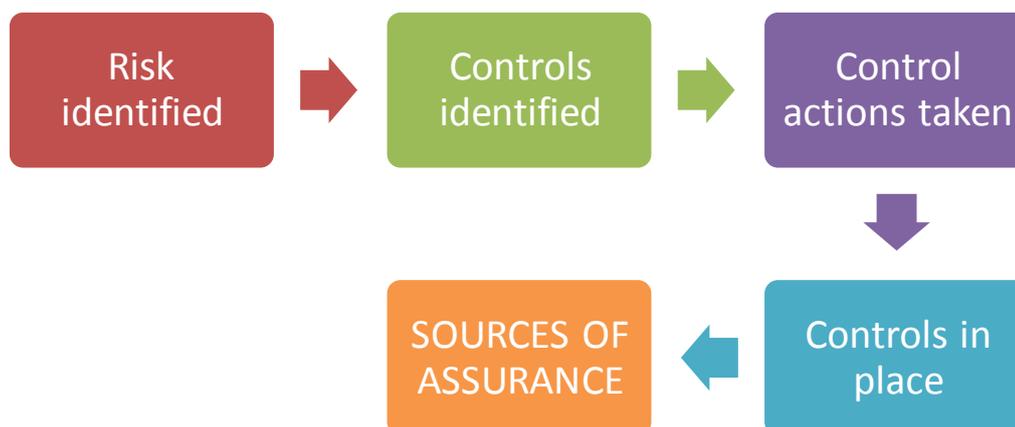
Impact	Score						
<b>Very Serious</b>	<b>4</b>	<b>4</b>	<b>8</b>	<b>12</b>	<b>16</b>	<b>20</b>	<b>24</b>
<b>Serious</b>	<b>3</b>	<b>3</b>	<b>6</b>	<b>9</b>	<b>12</b>	<b>15</b>	<b>18</b>
<b>Material</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>6</b>	<b>8</b>	<b>10</b>	<b>12</b>
<b>Negligible</b>	<b>1</b>	<b>1</b>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

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

- The Council’s Risk Appetite Statement (RAS) was reviewed and updated.
- “Managing Risk” pages were published on the Council’s intranet pages which contains information and links for officers and elected members on the Council’s RAS, Risk Management Policy, Guidance and Training.
- Training was provided to officers on the updated Committee Report Template risk sections that were reviewed and updated to reflect RAS.
- 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

3.9 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 Committee can consider where these are effective, following the completion of control actions. Presentation of each Cluster’s Assurance Map provides full sight of the defences that the organisation has in place to manage the risks facing local government.



3.10 The Assurance Maps 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

3.11 Chief Officer narrative/commentary:

#### Customer Experience

Customer experience monitor and manage risks related to the local administration of systems which support key front-line services. During the last year the Cluster has continued to review and respond to risks arising from changes in customer need and service demand. This includes, amongst other things, the impact of the rise in cost of living and the settlement of refugees in the City. Amongst key mitigations and controls are the resilience of services

through the recruitment and training of staff and the strength of business continuity arrangements.

### Early Intervention and Community Empowerment

Early Intervention and Community Empowerment monitor risks related to housing, refugee and asylum support and safeguarding, and cost of living. Housing risks relate to void property management with a range of control actions in place including weekly monitoring, the void property member / officer working group, and working with contractors to ensure workforce supply. Control actions in place to mitigate the risks to arising from refugee and asylum support include working with the Scottish Government national delivery Board, partnership collaboration through the Inward Migration Programme Board, detailed partnership risk and scenario planning, and working with the Home Office over the new UK wide asylum dispersal scheme. Cost of living control actions include the provision of warm spaces.

### Digital and Technology

Digital and Technology continue to monitor the ongoing risks to service delivery. The supply position has stabilised since its emergence which was caused by the war in Ukraine, global semiconductor shortages and supply constraints as the pandemic ended. The expectation is that the supply risk will be closed at the end of March. The environmental risk is being actively managed and the move to cloud services will reduce the risk alongside the current focus on capabilities for more a distributed workforce where this still supports service delivery. Updates to assurance map reflect greater alignment to external standards and certification as well as improved threat hunting processes. The findings of the 2022 audit report on IT Infrastructure identified governance arrangements, performance reporting and incident management processes as generally fit for purpose.

### Data & Insights

The Data and Insights cluster has a lead role in controlling risks relating to information governance. These risks, controls and mitigations are reported throughout the year to the Information Governance Group (chaired by the Senior Information Risk Officer). During 2022 the Risk Board agreed to de-escalate information governance from corporate to cluster level, taking assurance from the controls in place. These controls include continuous awareness raising, process improvements and learning to reduce the frequency and impact of information security incidents.

## **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.

<b>Category</b>	<b>Risks</b>	<b>Primary Controls/Control Actions to achieve Target Risk Level</b>	<b>*Target Risk Level (L, M or H)</b>  <small>*taking into account controls/control actions</small>	<b>*Does Target Risk Level Match Appetite Set?</b>
<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

## 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

Assessment	Outcome
Integrated Impact Assessment	Not required
Data Protection Impact Assessment	Not required
Other	Not applicable

## 10. BACKGROUND PAPERS

10.1 None

## 11. APPENDICES

11.1 Appendix A – Cluster Risk Registers for Customer Experience, Data and Insights, Digital and Technology and Early Intervention and Community Empowerment

11.2 Appendix B – Cluster Assurance Maps

11.3 Appendix C – Cluster Risks Grouped by Category

## 12. REPORT AUTHOR CONTACT DETAILS

<b>Name</b>	Martin Murchie
<b>Title</b>	Chief Officer, Data & Insights
<b>Email Address</b>	mmurchie@aberdeencity.gov.uk
<b>Tel</b>	07305526915