

Area of Assurance	Assurance Request	ALEO Response and Hub Commentary	Hub Risk Rating
<b>Governance</b>	Assurance on the on-going training and development of Board members including any changes to Board structure, rationale for any structure changes, and training plans for Board members.	The Hub noted that AH&P had recently completed a TECKAL restructuring exercise and annual board member reviews were currently taking place, managed by the Chair of the Board. The Hub was assured that these would be discussed and reported on once completed, and identified or planned training requirements would be implemented as necessary. The Hub agreed that the aforementioned report should be requested for consideration at a future meeting.	<b>Very low</b>
	Assurance that the board has clear policies and procedures for its members to ensure that potential conflicts of interests are identified, declared and acted upon.	The Hub noted that Board declarations of interest were signed on an annual basis following individual appointments to the Board. The Hub agreed that this provided the necessary level of assurance.	<b>Very low</b>
	Assurance that ALEOs articles of association are clear, remain up-to-date, and reflective of how the ALEO functions and operates.	The Hub was advised that data protection training had been carried out by all AH&P staff as part of annual cyber training, and public facing financial and administrative staff also carried out additional data protection training on GDPR in December 2022 which would be repeated annually.	<b>Very low</b>
<b>Risk Management</b>	Assurance that risks are being regularly reviewed in accordance with the organisation's agreed risk management policy. The assurance will be provided through a short written summary of ALEOs current risk environment, including risks that been added, escalated or de-escalated rather than through provision of the risk register. This will also include an overview of activity and controls in place across the three lines of defence.	<p>AH&amp;P confirmed that the risk register was last reviewed in May 2023 and reflects the current operational environment and includes risks around high energy pricing and labour costs. The risk around AH&amp;P and ACC projects has been de-escalated due to recent changes in company structure with ACC being sole member of the company.</p> <p>Previous reviews of AH&amp;P risk mitigations contained within the risk register have demonstrated activities and controls covering the Three Lines of Defence, including policy documents, external audit and group review and monitoring.</p>	<b>Very low</b>
	<p>Assurance that ALEOs have risk-based internal and external audit plans in place and a process to address and close out audit recommendations to completion.</p> <p>Assurance that there have been no internal control failures or that any failures have been addressed and/or notified if they are of significance to the Council.</p>	<p>The Hub was advised that work is underway to develop a tender for services that audits and reviews AH&amp;P operations and procedures. This will enhance the existing quality system already in place and progress in this area will be reviewed in the next reporting cycle.</p> <p>AH&amp;P advised that the previous audit recommendations are now closed and confirmed that no internal control failures have been identified since the last reporting cycle.</p>	<b>Low</b>

	Assurance that appropriate business continuity arrangements are in place, including testing and exercising arrangements or schedules which recognise the evolving risk environment for the Place; in particular that provision is made within plans and exercising to ensure resilience around critical service delivery; that each organisation has an awareness of the Council's responsibilities as a Cat 1 responder under the Civil Contingencies Act and has agreed mechanisms in place to support these; and that each organisation is fully conversant with the implications for their operations of the CONTEST Strategy (UK Govt strategy for counter-terrorism)	<p>The Hub was advised that whilst no formal BCP test has been undertaken, assurance in this area is provided by the regular meetings involving the parties that provide care and maintenance of essential plant equipment. In addition, AH&amp;P confirmed that the contractors used by the company are Aberdeen based and are therefore able to respond quickly to any events.</p> <p>AH&amp;P confirmed that the BCP is reviewed and updated as necessary and confirmed that they conducted detailed discussions with contractors including IT services provider to address response to a Rota Load Disconnect.</p>	Low
Finance	Assurance that accounts are being managed within budget, that the level of financial risk to the Council is low and that there is compliance with the Following the Public Pound Code of Practice.	The Hub confirmed an extensive set of Management Accounts continue to be reviewed by the Board on a regular basis. The most recent set of management accounts reviewed by the Board at its May 2023 meeting were in respect of the 12 month period ending March 2023. Gas procurement has moved to a national purchasing arrangement through Procurement Scotand from 1 April each year. This will allow tarrifs to be set based on knpwn contractual procurement rates.	Medium
	Assurance that ALEOs undertake medium-term financial planning or have incorporated medium term planning into a Business Plan to provide assurance that ALEOs are prepared for core funding pressures. Again this ensures compliance with the Following the Public Pound Code of Practice.	AH&P have produced a 5 year Business Plan covering financial year 2023 to 2028, in conjunction with their updated 5 year budget. The Hub concluded that the underlying assumptions contained within the Business Plan seem reasonable and figures are in line with previous years' accounts.	Medium
	Assurance that accounts are being managed within budget, are in line with statutory requirements and Following the Public Pound Code of Practice, and that the level of financial risk to the Council is low.	The Hub confirmed that the 2021-22 annual accounts were submitted to Companies House by the required deadline and in accordance with the Companies Act. The auditors' report identified no matters of concern and concluded that the organisations use of the Going Concern basis of accounting was appropriate.	Low