

	A	C	H	I
1	ABERDEEN HEAT AND POWER			
2	Area of Assurance	Assurance Request	ALEO Response and Hub Commentary	Hub Risk Rating
3	Governance	Assurance on the on-going training and development of Board members including any changes to Board structure, rationale for any structure changes, training plans for Board members, procedures around conflicts of interest.	The Hub noted that a full governance review had been undertaken, the purpose of which was to align the company with both future growth and the full impact of Teckal compliance with the business. The Hub was advised that the review outcome was due to be presented to the board at its Strategy Day on 15 May 2024 where the recommendations would be discussed. The Hub noted that the governance policies would then be updated and shared with the Hub thereafter. The Hub was reassured that work was in hand in this area and looked forward to a future update, along with the relevant policies.	Low
4		Assurance that all employment practices are in alignment with employment legislation, the ALEO's people policies and employment best practice.	The Hub noted that HR policies will be a priority for review when internal auditors are appointed in Q2 of 2024. The Hub agreed to revisit this in a future cycle.	Medium
5		Assurance that the Public Sector Equality Duty is being met and that decision making does provide evidence of due regard to people with protected characteristics.	The Hub was advised that AH&P have a vulnerable person policy which is utilised when decisions around billing and repairs are made. This policy is due to be reviewed by internal auditors in Q2. All ALEOs will be invited to attend a training session with Council officers to share the improvements made in relation to our Public Sector Equality Duty. This will focus on areas within each ALEO which require to be improved.	Medium
6	Risk Management	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.	The Hub was advised that AH&P current risk management activity is focused on the decarbonisation of its networks whilst mitigating where possible the risks and impacts around fuel poverty. Recent risk management sessions have focused on the potential for single points of failure within AH&P's energy centres. As a result of this activity, a new risk assessment has been created which is used to inform and update the risk register. AH&P continues to review and update risk registers at both the Board and Sub Group meetings.	Very Low

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7		<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>AH&P are currently in the process of appointing new auditors and expect to award a three year contract by the end of Q2 2024. The Hub will follow up on this area in the next reporting cycle.</p>	Low
8		<p>Assurance that emergency plans/major incident plans and processes and appropriate business continuity arrangements are in place.</p> <p>Assurance that testing and exercising arrangements or schedules are in place 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), in particular in respect of the Prevent and Protect duties.</p>	<p>The Hub was advised that two instances of gas failure at two energy centres had occurred and the actions and activities required to respond to these events have been used to update existing plans and arrangements. Agreed to seek confirmation of when and how AH&P would escalate within ACC.</p> <p>The Hub previously agreed to follow up on progress resulting from the CONTEST training which was provided to AH&P staff. AH&P have confirmed progress in this area which has included enhancement of existing security protocols including, upgrades to door entry systems, introduction of third party security controls.</p> <p>The Hub suggests that ACT Elearning is rolled out to frontline staff and that the Protect UK app is also downloaded to staff devices. In addition, that AH&P attends training session being held on 25th July by ACC to cover Risk and Resilience matters.</p>	Low
9	Finance - Tina	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 noted that extensive budget monitoring and budget analysis papers continue to be submitted to and reviewed by the AH&P Board. This includes additional analysis in respect of Debtors, Creditors and the Balance Sheet.	Very Low

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2	Area of Assurance	Assurance Request	ALEO Response and Hub Commentary	Hub Risk Rating
10		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.	<p>The Hub noted that both Board papers and the draft 2023-24 financial results indicate that the Energy Supply contract processes now in place are providing stability with regard to the organisations financial planning and results.</p> <p>The Hub has reviewed the updated Business Plan (BP) for 2024-25 to 2027-28 which was submitted to the AH&P Board in February 2024.</p> <p>The BP reflects both the expected financial results for 2023-24, and changes in market conditions for external energy. The AH&P Board also recognises the aim of the organisation in respect of alleviating fuel poverty and this has been factored into the Business Plan when setting prices.</p>	Very Low
11		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 2022-23 annual accounts were submitted to Companies House by the required deadline and in accordance with the appropriate regulations. The auditors' report identified no matters of concern and concluded that the organisations use of the Going Concern basis of accounting was appropriate. The 2023-24 accounts are still subject to audit and will be reviewed when that is complete.	Very Low