

APPENDIX 1: Strategic Risk Assurance Map

No	Risk	Risk Score	First Line of Defence	Second Line of Defence	Third Line of Defence	Assessment
1	<p>Population, External Infrastructure and Economic Decline</p> <p>Failure to identify relevant factors contributing to the decline and failure to develop strategies and actions targeting these factors.</p>	<p>Red 16</p>	<ul style="list-style-type: none"> • Service planning linked to Corporate Outcomes and the A&B Outcome Improvement Plan (ABOIP) • Community and multi-agency links through Community Planning Partnership • Parliamentary forum • Argyll, Lomond and Islands Rural Regeneration Initiative • Argyll and the Isles Strategic Tourism Partnership • Promotion and marketing of Argyll & Bute (ABplace2B campaign) • Business Gateway Service focused on helping local businesses grow • Council Leader engaging with leaders of other west coast councils suffering population decline 	<ul style="list-style-type: none"> • Economic Strategy and Action Plan monitored by ED&I Committee • CPP report on the progress being made against the outcomes and vision of the ABOIP and issue annual reports. • Monitoring of CPP plan and performance at CPP Management Committee. • Area Community Action Plans progress reported to Community Planning Groups • ABOIP targets population and economic recovery • Performance reports considered by A&SC, strategic committees and area committees 	<p>External Audit</p> <ul style="list-style-type: none"> • Best Value Assurance Report (May 2020) highlights Council's and CPP partners commitment to a shared vision and that they recognise the challenges including the declining and aging population <p>Scrutiny</p> <ul style="list-style-type: none"> • Economic Strategy (2019/20) <p>Current Actions/Plans</p> <ul style="list-style-type: none"> • Rural Growth Deal Outline Business Cases and Final Business Cases being worked on and signing of Full Deal Agreement is expected in 2023/24. • Preparation of bid to Levelling Up Fund bids – once guidance and deadlines are announced. • Settlement Officer in post, focusing on barriers to people living in communities, housing and others. • Preparation of a pipeline of projects across Argyll and Bute in order to be able to react to any other bid funding as and when it is announced. • The council working with HIE will deliver a new Economic Strategy for Argyll and Bute together with a SMART Action Plan aligned with CPP and Government economic priorities. <p>Future</p> <ul style="list-style-type: none"> • Planning (2023/24) 	<p>There is a range of assurance sources across the three lines of defence.</p>

N o	Risk	Risk Score	First Line of Defence	Second Line of Defence	Third Line of Defence	Assessment
2	<p>Condition and suitability of Infrastructure & Asset Base</p> <p>Infrastructure and asset base does not meet current and future requirements and is not being used or managed efficiently and effectively.</p>	<p>Amber 12</p>	<ul style="list-style-type: none"> • R&A Control Hub and Joint Operations Team • Operational risks monitored quarterly • Strategic Asset Mgt Board • Corporate Asset Management Strategy and Corporate Asset Management Plan • Service Asset Management Plans • Community Empowerment and Community Asset transfer arrangements in place • Roads Asset Management Plan • One Council Property Approach • Routine inspections of roads infrastructure to deal with potential weak areas • Revised capital management procedures <p>Future</p> <ul style="list-style-type: none"> • Modern Workspace Programme to review, and rationalise property portfolio for future needs of the Council. Changes on phased and town by town basis. Programme will be running for 3 years - April 2024 	<ul style="list-style-type: none"> • D&I performance reporting to ED&I Committee • Asset Mgt Plans reviewed annually by Council as part of the budget setting process • Status and Options reports to ED&I Committee 	<p>Internal Audit</p> <ul style="list-style-type: none"> • Community Empowerment Act (2018/19 - High) • Capital Monitoring (2020/21 - Substantial) • Management of Property Contracts (2020/21 - Reasonable) • Land & Asset Disposal (2021/22 - Substantial) • Fixed Asset Register (2021/22 – Reasonable) <p>Scrutiny</p> <ul style="list-style-type: none"> • Roads Maintenance (2018/19) • Scrutiny – Community Asset Transfers (2021/22) <p>Future</p> <ul style="list-style-type: none"> • Piers and Harbours (2023/24) 	<p>There is a range of assurance sources across the three lines of defence.</p>

No	Risk	Risk Score	First Line of Defence	Second Line of Defence	Third Line of Defence	Assessment
3	<p>Financial Sustainability</p> <p>Insufficient resource to meet current and future service requirement.</p> <p>Budget not aligned / does not support business outcomes.</p>	Amber 12	<ul style="list-style-type: none"> Budget preparation and monitoring Medium term financial strategy with worst case, mid case and best case scenario planning Treasury Mgt Policy 5 year budget outlook updated quarterly Financial Services Team aligned to service delivery Regular engagement between budget holders and appointed finance contact Reserve balances monitored throughout year 	<ul style="list-style-type: none"> Financial monitoring and financial risk monitoring to P&R/BCC Committee Budget and budget working papers considered by full Council Financial Strategy reported to P&R Committee 5 year budget outlook to P&R Committee Treasury Mgt Annual Report to P&R Committee and A&SC Joint SMT/Policy Leads meetings include discussions around financial issues 	<p>Internal Audit</p> <ul style="list-style-type: none"> Continuous Monitoring Financial Planning (2018/19 - Substantial) Capital Monitoring (2020/21 - Substantial) Internal Audit – Fixed Asset Register (2021/22 – Reasonable) Internal Audit – Management of Debt and Recovery (2022/23 – Reasonable) <p>External Audit</p> <ul style="list-style-type: none"> Assessment of financial mgt via annual audit Best Value Assurance Report (May 2020) highlights Council has good financial planning arrangements in place but could take steps to enhance its long-term strategy. (Strategy revise in 2021) Assessment of budget monitoring arrangements <p>Future</p> <ul style="list-style-type: none"> Internal Audit – Financial Ledger (2023/24) 	There is a range of assurance sources across the three lines of defence.
4	<p>Governance and Leadership</p> <p>Governance and leadership arrangements are not conducive to effective working and lead to a lack of</p>	Amber 8	<ul style="list-style-type: none"> Corporate Governance Improvement Plan Ongoing member development Mentoring and coaching for SMT Leadership development programme Chief Exec Bilaterals 	<ul style="list-style-type: none"> Oversight provided by Audit & Scrutiny Committee Decision making committees open to public Constitution updated and approved annually by Council IA reports and follow up 	<p>Internal Audit</p> <ul style="list-style-type: none"> Continuous Monitoring Organisational Culture (2018/19) Performance Mgt (2018/19 - High) Member Support (2018/19 - Substantial) Risk Mgt 2018/19 – Substantial) Following The Public Pound 	There is a range of assurance sources across the three lines of defence

No	Risk	Risk Score	First Line of Defence	Second Line of Defence	Third Line of Defence	Assessment
	strategic direction.		<ul style="list-style-type: none"> • A&B Manager's Course • Established partnership governance • Effective internal audit function • Scrutiny function • Performance Improvement framework • Council constitution • Codes of conduct for staff and members • Code of Corporate Governance and Annual Action Plan • Scrutiny framework and scrutiny plan • Risk management embedded • Policy lead meetings • Area Committee Business Days 	<p>to DMT and SMT</p> <ul style="list-style-type: none"> • Annual assurance statements • Fortnightly DMTs – weekly ELT and monthly SMTs 	<p>(2019/20 - Reasonable)</p> <ul style="list-style-type: none"> • Annual self-assessment of PSIAS – external peer review every 5 years • Formal Induction of new Audit and Scrutiny Committee Members 2022 <p>External Audit</p> <ul style="list-style-type: none"> • Ongoing independent assurance reported in AAR • Best Value Assurance Report (May 2020) recognises improvements in relationships between members and senior officers and more constructive and focused decision making <p>Future</p> <ul style="list-style-type: none"> • Risk Management (2023/24) 	
5	<p>Engagement and Understanding the needs of the Community</p> <p>The Council fails to understand service user needs and emerging demographic trends and does not align service delivery to meet these.</p>	Amber 9	<ul style="list-style-type: none"> • Annual budget consultation • Complaints process • Community Engagement Strategy • Customer Service Board • Various user feedback (i.e. Refugee Resettlement, commissioned services, community council surveys) • Parental engagement strategy • Outreach service • Democracy matters 	<ul style="list-style-type: none"> • Community Planning Partnership • Service Committees • Area Committees • DMT and SMT 	<p>Internal Audit</p> <ul style="list-style-type: none"> • Community Empowerment Act (2018/19 - High) • Complaints Handling (2021/22 – High) • Customer Service Centre (2022/23 – High) <p>Other Agencies</p> <ul style="list-style-type: none"> • Education Scotland and Care Inspectorate seek views of service users <p>External Audit</p> <ul style="list-style-type: none"> • Best Value Assurance Report (May 2020) highlights that Council has 	There is a range of assurance sources across the three lines of defence

No	Risk	Risk Score	First Line of Defence	Second Line of Defence	Third Line of Defence	Assessment
			consultation <ul style="list-style-type: none"> Development Mgt user forums 		made good progress with the Community Empowerment Act, and regular monitoring in relation to all other outstanding issues have been closed after regular and detailed report to the Audit and Scrutiny Committee until June 2023. <p>Scrutiny</p> <ul style="list-style-type: none"> Scrutiny – Community Asset Transfers (2021/22) Scrutiny – Community Engagement (2022/23) <p>Future</p> <ul style="list-style-type: none"> A working group has been established to review our approach to Community Engagement and to develop a Framework. The group has developed a terms of reference and is in the process of carrying out a self-assessment to identify strengths and areas for improvement. (2023/24) 	
6	Service Delivery Insufficient resources to ensure effective service delivery	Green 6	<ul style="list-style-type: none"> Performance Improvement Framework Rolling out programme of service self-assessment Service improvement plans Workforce planning Complaints process Use of LGBF Strategic Plans with Success Measures aligned to Business Outcomes Performance Improvement Officers 	<ul style="list-style-type: none"> Performance reporting to A&SC, Service Committees and Area Committees LGBF Review to A&SC, Service Committees and Area Committees Self-Assessments reported to SMT and A&SC 	<p>Internal Audit</p> <ul style="list-style-type: none"> Performance Mgt (2018/19 - High) Complaints Handling (2021/22 – High) IA annual plan is risk based but also designed to provide annual coverage of all Heads of Service <p>External Audit</p> <ul style="list-style-type: none"> Best Value Assurance Report (May 2020) highlights that there is limited evidence of the Council using performance information to drive improvement and that Council's 	There is a range of assurance sources across the three lines of defence however BV report has highlighted performance management as an area for improvement – there is an ongoing project to review the Council's PM framework

No	Risk	Risk Score	First Line of Defence	Second Line of Defence	Third Line of Defence	Assessment
					<p>performance reporting makes it difficult to conclude what progress has been made against its six corporate outcomes</p> <p>Future</p> <ul style="list-style-type: none"> Review of Council's Performance Mgt Framework being carried out by CE Unit and implementation of scheduled reviews. Internal Audit review of Human Resources (2023/24) 	
7	<p>Health and Social Care Partnership</p> <p>Failure of the HSCP to deliver on its Strategic Priorities results in deteriorating health and wellbeing outcomes for the population and / or reduced access to appropriate health and social care services. This could also result in financial and reputational risk to the Council.</p>	Amber 12	<ul style="list-style-type: none"> Strategic Plan Integration Scheme IJB has elected member representation including Council Leader Elected member representation on IJB Audit Committee (inc Vice Chair) Council's CIA regularly attends IJB Audit and Risk Committee Regular engagement between Council CFO and HSCP CFO 	<ul style="list-style-type: none"> Performance and financial monitoring and reporting in place and reported to IJB Board HSCP Chief Officer sits on Council's ELT 	<p>Internal Audit</p> <ul style="list-style-type: none"> The IJB has their own IA function provided by the Council's IA function (Contract started 1 April 2021) Council's IA function also provide assurance over social work services on an annual basis Internal Audit - Charging for Non-Residential Services (2020/21 – Substantial) Child Protective Services (2021/22 - Substantial) Care Programme Approach (2021/22 - Limited) Complaints handling (2021/22 - Limited) Workforce Planning (2021/22 - Reasonable) Client Funds (2022/23 – Limited) <p>External Audit</p> <ul style="list-style-type: none"> IJB's external auditors are Mazars. <p>Future Internal Audits</p> <ul style="list-style-type: none"> Learning and physical Disabilities Care Packages (2023/24) Client Funds (2023/24) SSSC Registration (2023/24) 	There is a range of assurance sources across the three lines of defence

N o	Risk	Risk Score	First Line of Defence	Second Line of Defence	Third Line of Defence	Assessment
8	<p>Civil Contingency & Business continuity</p> <p>Arrangements are not effective.</p>	Green 6	<ul style="list-style-type: none"> • Critical activity recovery plans • Emergency planning test events • West of Scotland local resilience partnership • Community resilience plans • EU withdrawal tactical group 	<ul style="list-style-type: none"> • Emergency Mgt Support Team • EU tactical group progress reported to SMT 	<p>Internal Audit</p> <ul style="list-style-type: none"> • Business Continuity (2019/20 - Reasonable) • Internal Audit - Disaster Recovery Planning (2020/21 - Limited) • Internal Audit – Civil Contingencies (2021/22- Substantial) 	<p>Moderate third level of defence assurance at current time. A project has commenced to review business continuity processes, covering critical activities and testing of CARPS.</p> <p>This is an area that will merit a follow up audit in the medium term future.</p> <p>However assurance can be taken from the Council's response to COVID which was fast paced and has proven to be effective.</p>
9	<p>Welfare Reform</p> <p>Implementation of welfare reform is not managed well resulting in increased poverty and deprivation or short term crisis</p>	Green 6	<ul style="list-style-type: none"> • Welfare Reform Working Group (WRWG) • Joint working with DWP and CPP • Rent aligned with local Housing Allowance to increase affordability. 	<ul style="list-style-type: none"> • WRWG report to SMT • SMT monitor of risk and consider high and medium hardship cases • Anti-poverty strategy approved by Council • Child poverty action planning monitored by WRWG 	<p>Internal Audit</p> <ul style="list-style-type: none"> • HB & CTR (2018/109 – Substantial) • Internal Audit - Scottish Welfare Fund (2020/21 - Substantial) • Internal Audit - Welfare Rights (2020/21 - Substantial) <p>Future</p> <p>Internal Audit – Stretch Aims – closure of poverty related attainment gap (2023/24)</p>	<p>There is a range of assurance sources across the three lines of defence</p>

No	Risk	Risk Score	First Line of Defence	Second Line of Defence	Third Line of Defence	Assessment
10	<p>Waste Management</p> <p>Unable to dispose of waste in landfill sites due to the implications of the biodegradable municipal waste (BMW) landfill ban in 2021</p>	Red 16	<ul style="list-style-type: none"> • Council rolling out new waste strategy • Using education and publicity to increase recycling 	<ul style="list-style-type: none"> • Performance reporting to EDI Committee • Progress monitoring by DMT and SMT 	<p>Internal Audit</p> <ul style="list-style-type: none"> • Waste Mgt (2018/19 - Limited) <p>Scrutiny</p> <ul style="list-style-type: none"> • Waste Mgt Strategy (2020/21) - On 27 April 2021 the Head of Roads and Infrastructure Services provided a presentation to the A&SC regarding the Council's Waste Strategy followed by a question and answer session. Following the presentation the A&SC members agreed they were assured that appropriate progress was being made in relation to the Council's waste strategy and that inclusion of a specific scrutiny topic focusing on the Strategy would not add value at this time. • A briefing note was requested by the A&SC in June 2022 relating to Waste Mgt and was presented by the HoS in September 22. 	<p>Assurances over this risk are currently moderate due to the Council's Waste Strategy being in its infancy and the full impact of the BMW ban still to be realised. However full implementation is not till 2025. The A&SC determined they are content that progress is reported to the EDI Committee and that the A&SC will maintain a watching brief.</p>
11	<p>Service Delivery - Cyber Security</p> <p>Unable to deliver services to customers because of failure of ICT systems following major cyber security breach</p>	Red 15	<ul style="list-style-type: none"> • ICT Security & compliance officer in post, producing weekly threat analysis. • Regular patching regimes in place • ICT Disaster recovery plans tested regularly • Critical activities have recovery plans developed (CARP's) 	<ul style="list-style-type: none"> • Progress monitoring by DMT and SMT 	<p>Internal Audit</p> <ul style="list-style-type: none"> • Business Continuity (2019/20 - Reasonable) • Disaster Recovery Planning (2020/21 - Limited) • Internal Audit – Cyber Security (2022/23 - Substantial) <p>Other Agencies</p> <ul style="list-style-type: none"> • PSN and Cyber Essentials Plus accreditations for corporate network (doesn't cover education network) <p>Future</p> <ul style="list-style-type: none"> • Cloud Based Services (2023/24) 	<p>Moderate third level of defence assurance at current time. A project has commenced to review business continuity processes, covering critical activities and review/testing of CARPS.</p> <p>This is an area that will merit a follow up audit in the medium term</p>

N o	Risk	Risk Score	First Line of Defence	Second Line of Defence	Third Line of Defence	Assessment
						future.
12	<p>Cost of Living Crisis</p> <p>The Council are unable to respond to the implications arising from the 'Cost of Living' crisis.</p>	Amber 12	<ul style="list-style-type: none"> Financial stability and support to HSCP. Social Welfare and Poverty Funding assistance. Focused support and multi-agency approach where risk is highlighted. Monitoring of trends in service use to highlight any significant change as a result of financial hardship Targeted measures - for example to those receiving Council Tax reductions - via Gift Cards and Flexible Food and Fuel Fund. 	<ul style="list-style-type: none"> Progress monitoring by DMT and SMT 	<p>Other Agencies</p> <ul style="list-style-type: none"> Focused support and multi-agency approach where risk is highlighted <p>Future Actions</p> <ul style="list-style-type: none"> Extend flexible food and fuel fund to March 2025, apply to Scottish Government for funding to expand the service provision to include outreach, September 2023. 	<p>Limited third tier assurance but significant evidence of proactive measures and support.</p> <p>However assurance can be taken from the Council's response to COVID which was fast paced and has proven to be effective.</p>
13	<p>Impact of Climate Change</p> <p>The Council or communities are overwhelmed by severe or more frequent flooding, landslides, rainfall, storms, sea level changes or hot weather events due to changes in global temperature caused by climate change.</p>	Amber 12	<ul style="list-style-type: none"> Continued delivery of Council De-Carbonization Plan Civil Contingencies Manager liaising/ collaborating with Regional Resilience Partnerships and other resilience partners in terms of storm event, hot weather events, cut off communities, landslides etc. Development and delivery of an integrated approach to decarbonisation and adaptation of Argyll and Bute as a Region via 	<ul style="list-style-type: none"> Progress monitoring by DMT and SMT 	<p>Internal Audit</p> <ul style="list-style-type: none"> Climate Change Act (2021/22 - High) Internal Audit – Civil Contingencies (2021/22- Substantial) 	<p>There is a range of assurance sources across the three lines of defence</p>

No	Risk	Risk Score	First Line of Defence	Second Line of Defence	Third Line of Defence	Assessment
			<p>Community Planning Partnership.</p> <ul style="list-style-type: none"> Roads & Amenity Services continue to develop asset management plan and address strategic risks in terms of rising sea levels, bridge repairs, critical infrastructure vulnerability. 			
14	<p>Lack of Housing Availability</p> <p>The Council, partner agencies and communities are unable to attract and retain working age people due to lack of housing and pricing.</p>	Red 20	<ul style="list-style-type: none"> Council has declared a Housing Emergency Housing Strategy and Investment Plan funded and implemented/new housing delivery group established. Islands Programme Award of Funding for infrastructure for worker accommodation on Mull - this is for phase 1 site infrastructure to enable delivery of accommodation for workers and will meet clearly evidenced community need. 	<ul style="list-style-type: none"> Progress monitoring by DMT and SMT 	<p>Future</p> <ul style="list-style-type: none"> Housing summit in collaboration with housing delivery partners scheduled for October/November 2023. Updating of the Local Housing Strategy to reflect current issues – December 2023. 	<p>Limited third level of defence assurance at current time as it is a new item on the Strategic Risk Register. However, proactive work is planned with partner agencies and review of the Housing Strategy.</p>