

STRATEGIC RISK REGISTER

NEXT REVIEW DATE February 2024

No	Risk	Corporate Outcome	Consequences	Gross Risk			Current Mitigation	Residual Risk			Approach	Key Actions and Deadlines	Last Reviewed	Risk Owner
				Imp	Like	Sc		Imp	Like	Sc				
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>	Our Economy is diverse and thriving	<p>Population decline reduces available funding impacting on Councils capacity to deliver services.</p> <p>A circle of decline with reduced employment, lower earning and failing businesses and poor perception of the area.</p> <p>Combined population and economic decline may increase the need for and cost of services.</p> <p>Insufficient people of working age with appropriate skills and experience to fill vacancies across CPP.</p> <p>Residual impact of withdrawal from EU.</p> <p>A continued trend of underinvestment in critical economic infrastructure will make our area increasingly uncompetitive as a place to live, work and do business. This includes transport and infrastructure needs (physical and digital).</p> <p>Without tackling infrastructure (including roads, ports, ferries, grid, business space, utilities, housing etc.) investments across Argyll and Bute, there are significant barriers to growing the local economy, attracting people, external investment and individual entrepreneurship.</p>	5	4	20	<p>1. Local outcome improvement plan targets population, infrastructure and economic recovery.</p> <p>2. Maximise external funding opportunities.</p> <p>3. Economic Strategy and Recovery Strategy approved.</p> <p>4. Rural Growth Deal reaching full deal status in 2023/24.</p> <p>5. UK Shared Prosperity Funding Investment Plan agreed covering 2022/23 to 2024/25.</p> <p>6. AB Place to B/Promote and Market Argyll and Bute.</p> <p>7. Taking a place based approach to regeneration including maximising social-eco benefits/community wellbeing via effective procurement strategy, development of the circular economy and partnership working across sectors.</p> <p>8. Invest in Argyll and Bute Web site established.</p>	4	4	16	Treat	<p>1. Lobbying activity in pursuit of regional immigration policies and related strategies.</p> <p>2. Rural Growth Deal Outline Business Cases and Final Business Cases being worked on and signing of Full Deal Agreement is expected in 2023/24.</p> <p>3. Levelling Up Bids to be considered for phase 3 once guidance and deadlines are announced by UK Government. Meanwhile consideration to be given to feedback from Government on our phase 2 bids.</p> <p>4. UK Shared Prosperity Funding Investment Plan is being actioned as per plan.</p> <p>5. 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.</p> <p>6. Settlement Officer in post focussed on barriers to population growth.</p> <p>7. Multi-agency approach to refugee settlement underway linking with national processes and agendas.</p> <p>8. The council will continue as a partner of the Highlands and Islands Regional Economic Partnership and lobby for Government investment to realise economic opportunity and address barriers to future sustainable growth.</p> <p>9. 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>	Aug-23	Kirsty Flanagan
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>	Our Infrastructure supports sustainable growth	<p>Infrastructure and asset base does not support or is not aligned to business outcomes and does not aid effective service delivery.</p> <p>Infrastructure and asset base is allowed to deteriorate resulting in cost, lost opportunities and wasted resource.</p>	5	5	25	<p>1. Asset management board.</p> <p>2. Robust capital planning and monitoring.</p> <p>3. Asset management work plan.</p> <p>4. Business case modelling including sustainability, development and strategic change.</p> <p>5. Intelligence and best practice sharing via Heads of Property Group.</p> <p>6. Community Empowerment and Community Asset Transfer – Arrangements in place to evaluate and determine requests.</p> <p>7. Roads Asset Management Plan.</p> <p>8. Status and Options Report.</p> <p>9. RIS control hub and joint operations team now aligned with central team co-ordinating programmes of work based on prioritisation methodology which is delivered by area based teams to ensure a consistency of approach, VfM etc.</p> <p>10. One Council Property Approach.</p> <p>11. Continuing to be successful with bidding for external funding including STTS (£10m over the last ten years), the current bridge replacement programme which has secured over £5m and flood prevention works which have secured over £10m etc.</p>	4	3	12	Treat	<p>1. Development of finalised capital strategy in 2023.</p> <p>2. 'Modern Workspace Programme' will review, engage and rationalise property portfolio for future needs of the Council. Changes will take place on phased and town by town basis. Programme will be running for 3 years - April 2024</p> <p>3. New board created in July 2023 to take forward depot rationalisation</p>	Aug-23	Kirsty Flanagan and Douglas Hendry
3	<p>Financial Sustainability</p> <p>Insufficient resource to meet current and future service requirement. Budget not aligned / does not support business outcomes.</p>	Enablers	<p>Unable to deliver Local outcome improvement plan.</p> <p>Reduction in performance.</p> <p>Reputational damage.</p>	4	4	16	<p>1. Longer term financial planning and financial strategy.</p> <p>2. Income generation activity.</p> <p>3. Robust budget preparation and budget monitoring protocols.</p> <p>4. Maintaining adequate contingency with reserves.</p> <p>5. Digital transformation.</p> <p>6. Effective workforce planning model.</p> <p>7. Business Outcomes.</p> <p>8. Financial Services resilience building project including knowledge sharing and development of guidance notes.</p>	4	3	12	Treat	<p>1. Rural Growth Deal Outline Business Cases and Final Business Cases being worked on and signing of Full Deal Agreement is not likely until end of 2023 - Government have limited capacity and the business cases have been taking longer than anticipated to complete due to resource issues and the amount of development work required on a number of the projects.</p> <p>2. Investment in professional training through Grow Our Own Activity.</p> <p>3. Budget approach for 2023-24 looked at the longer term rather than 1 year focus. This has identified a number of areas for consideration which will be explored over the coming months for the budget setting process beyond 2023-24.</p> <p>4. Consider the implications and opportunities from the Visitor Levy (Scotland) Bill which could generate additional income from 2026/27.</p> <p>5. Respond to the Scottish Government's consultation on Council Tax for second and empty homes and non-domestic rates threshold as this may have opportunities for additional income in future years.</p>	Aug-23	Kirsty Flanagan
4	<p>Governance and Leadership</p> <p>Governance and leadership arrangements are not conducive to effective working and lead to a lack of strategic direction.</p>	All Corporate Outcomes	<p>Poor decision making, lack of strategic direction.</p> <p>Lack of operational direction.</p> <p>Confidence in, and reputation of, the Council harmed.</p> <p>Deterioration in performance.</p>	4	4	16	<p>1. Administration in place with working majority.</p> <p>2. Members Seminar programmes.</p> <p>3. Mentoring and Coaching Support for policy leads and Senior Management.</p> <p>4. Priorities agreed by Council.</p> <p>5. Corporate Plan sets out objectives.</p> <p>6. Performance Improvement Framework and Service Planning.</p> <p>7. Leadership development programme.</p> <p>8. Council constitution regularly reviewed and updated.</p> <p>9. Established partnership governance arrangements.</p> <p>10. Scrutiny arrangements in respect of Police, Fire and Health.</p> <p>11. Governance arrangements for scrutiny established.</p>	4	2	8	Treat	<p>1. Monitor delivery of BV action plan (ongoing date).</p>	Aug-23	Pippa Milne
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>	People live active, healthier and independent lives Enablers	<p>Prioritisation of services may not be aligned to community needs.</p> <p>Gaps between community needs and Council services.</p> <p>Ineffective partnership working.</p> <p>Services not configured to meet user/citizen requirements.</p>	3	4	12	<p>1. Community Planning partnership.</p> <p>2. Community Engagement Strategy.</p> <p>3. Customer Service Board.</p> <p>4. Operation and development of panels and forums. Young people's plan, citizens panel.</p> <p>5. Budget Consultation .</p> <p>6. Comprehensive Complaints Protocols.</p> <p>7. Demographic and end user analysis.</p>	3	3	9	Treat	<p>1. 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. Early indications are that we have areas of excellent practice, but a lack of consistency across services. A series of draft outcomes have been identified and an action plan is under development. A collaborative space for sharing engagement activity is being developed. Updates will be reported via Highlight Reports to the Change Programme and to SMT.</p>	Aug-23	Pippa Milne
6	<p>Service Delivery</p> <p>Insufficient resources to ensure effective service delivery.</p>	Enablers	<p>Services fail to achieve agreed performance levels and as a result are not contributing fully to Council objectives.</p> <p>Resources are poorly managed with result that agreed outcomes and objectives are not fully achieved.</p> <p>Unable to achieve continuous improvement and improve effectiveness and efficiency.</p>	3	3	9	<p>1. Performance Improvement Framework.</p> <p>2. Service Improvement plans .</p> <p>3. Argyll and Bute Manager programme.</p> <p>4. Customer needs analysis Protocols.</p> <p>5. Demographic and end user analysis.</p> <p>6. Workforce Planning .</p> <p>7. Internal and External Scrutiny Arrangements.</p> <p>8. Complaints process.</p>	3	2	6	Treat	<p>1. Monitor progress of performance mgt project and implement recommendations - implementation in 2023/24.</p> <p>2. Budget approach for 2023-24 looked at the longer term rather than 1 year focus. This has identified a number of areas for consideration which will be explored over the coming months for the budget setting process beyond 2023-24.</p> <p>3. Carry out 3 service self assessment pilots which should identify opportunities for service delivery in the future.</p>	Aug-23	Kirsty Flanagan and Douglas Hendry
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>	People live active, healthier and independent lives	<p>Partnership viewed as having failed or not achieved strategic objectives.</p> <p>Partnership Failure or weakness exposes Council to significant Financial liability.</p> <p>Confidence in, and reputation of, the Council harmed.</p> <p>Unclear repercussions of financial and staffing effects of the implementation of the National Care Service on the Council and HSCP.</p> <p>Residual Covid-19 implications for ongoing health and social care services.</p>	5	4	20	<p>1. HSCP integration scheme approved by Scottish government.</p> <p>2. Strategic Plan in place.</p> <p>3. Performance and Financial reporting arrangements in place.</p> <p>4. Independent audit arrangements in place.</p> <p>5. Integrated Joint board with elected member representation including Council Leader.</p> <p>6. Chief Officer member of ABC Senior Management Team with co-location of officers.</p> <p>7. Tripartite leadership agreement.</p> <p>8. Monitoring and improvement of HSCP financial position.</p> <p>9. Medium term Financial Plan in place.</p> <p>10. Establishment of Strategic and Tactical Groups with links to HSCP, NHS and national/regional resilience groups.</p>	4	3	12	Treat	<p>1. Develop options to deliver sustainability of future years budgets (ongoing).</p> <p>2. Develop a longer term Financial plan and implement the value for money strategy.</p> <p>3. Assessment of the financial implications on the Council of services transferring to the NCS when plans are sufficiently developed to enable this.</p> <p>4. Progression of Service Transformation work, Estates Strategy and long term strategic service development with Hub North.</p> <p>5. Implementation of the workforce strategy.</p> <p>6. Remobilisation of services post Covid and improved performance management and reporting processes.</p>	Aug-23	Fiona Davies and Pippa Milne

8	Civil Contingency & Business continuity arrangements are not effective.	People live in safer and stronger communities	Ineffective management of major emergencies affecting Council services and communities in Argyll and Bute. Incident and recovery phase of an emergency lead to greater inconvenience and hardship and a longer timescale for return to normal. Council unable to effectively deliver its own services.	2	4	8	1. Emergency Planning Test events. 2. Critical Activity Recovery Plans. 3. Roll out of Community resilience partnership programme. 4. Peer review of major exercises undertaken to provide external validation of planning process. 5. West of Scotland local resilience partnership. 6. Cross sector expertise and partnership working. 7. Emergency Management Support Team (EMST) meetings. 8. Training. 9. EU Withdrawal Tactical Working Group with arrangements for reporting to the West of Scotland Resilience Partnership.	2	3	6	Treat	1. The Council's critical activity recovery plans (Carps) are reviewed annually. The project for the review of Business Continuity processes within the Council is underway and will include a review of the Council's critical activities and the potential for a software solution which would automate processes and provide a more efficient an effective service and ensure greater resilience for the Council. When the project is completed in 23/24 it will include a programme of testing of the updated Carps. Date 31 March 2024.	Aug-23	Douglas Hendry
9	Welfare Reform Implementation of welfare reform is not managed well resulting in increased poverty and deprivation or short term crisis.	People live active, healthier and independent lives	Financial crisis and hardship for individuals. Increase in demand or costs for Council Services.	4	3	12	1. Financial Inclusion and Advice Group established. 2. Joint working with DWP, CPP and other agencies. 3. Child Poverty Planning Group set up and active. 4. Flexible Food Fund created. Supporting householders in our area with funds and advice to address food and fuel insecurities.	3	2	6	Tolerate	1. Extended Flexible Food Fund Contract for a further two years to March 2025. 2. Deliver sustainable school clothing bank across the Argyll and Bute area by March 2025, with support from the UK Shared Prosperity Fund. 3. Continue to support High and Medium priority spends in SWF with funds from Benefits earmarkings if required at March 2024.	Aug-23	Douglas Hendry/Kirsty Flanagan
10	Waste Management Unable to dispose of waste in landfill sites due to the implications of the biodegradable municipal waste (BMW) landfill ban in 2025.	Our Infrastructure supports sustainable growth	Alternative delivery models would be likely to be more expensive than the current one which would result in cost pressures having to be accommodated by other services and service provision reduced.	5	4	20	1. Helensburgh and Lomond waste solution available via third party off-takers, higher rates have been accepted by the council and the contract is in place until the end of 2023 with the opportunity to extend 1+1 years. It is likely over the course of 2023 an alternative procurement process will be explored with a view to putting in place a BMW compliant solution at the earliest opportunity. 2. At the EDI committee in December agreement was reached to seek a derogation to continue operating the PPP contract until September 2026. This will be alongside BMW compliant solutions for island settings and Helensburgh and Lomond (i.e all areas out with the PPP contract). Post Sept 2026 it is envisaged that BMW complaint solutions will be in place for all council areas. With there being uncertainty around the derogation request officers are also progressing in tandem a possible contract variation which would change the MBT plants within the PPP contract to become waste transfer stations to facilitate material to be shipped to a suitable off-taker. NOTE: there was a detailed business case appended to the cover report to the Dec EDI committee which sets out the options and the rationale which arrived at those options.	4	4	16	Treat	1. Confirmation received that derogation is not available within the current legislation and engagement advised with SEPA to be taken forward. 2. Transition process underway with Renew to facilitate the end of contract arrangements for Sept 2026. 3. Ongoing workshop sessions to scope out and design future disposal models across all the council area. These models to be in place from 01/01/2026 in line with the BMW requirements. NOTE: whilst there are solutions in place these solutions will have cost implications which are detailed in the options appraisal presented to the Dec 2022 EDI committee.	Aug-23	Kirsty Flanagan
11	Service Delivery - Cyber Security Unable to deliver services to customers because of failure of ICT systems following major cyber security breach.	Our Economy is diverse and thriving	Threat of ransomware attacks. Data corruption of ICT system caused by malware and/or loss of confidential data. ICT Systems unavailable for considerable period whilst recovery from uncorrupted backups takes place. Meanwhile Services fail to achieve agreed performance levels and as a result are not contributing fully to Council objectives. Reputational damage to Council and potential financial losses (fines, loss of income).	5	4	20	1. ICT Security & compliance officer in post, producing weekly threat analyses, member of CISP. 2. PSN and Cyber Essentials Plus accreditations for corporate network. 3. Regular patching regimes in place. 4. ICT Disaster recovery plans tested regularly. 5. All critical activities have recovery plans developed (CARP's). 6. Mimecast monthly cyber security training videos for all staff. 7. Enforce password changes when found to be weak. 8. Technical cyber exercise completed and Business Continuity Planning exercise conducted with senior management and other staff. 9. Internal Audit on Cyber Security completed in June with the Audit Opinion as substantial.	5	3	15	Treat	1. Review will be ongoing on all contingency plans with updated knowledge from SEPA and UHI Cyber Attacks. 2. Work with Scottish Government Cyber Resilience Team to test ICT response. 3. Continued close review of disaster recovery plan and associated tests, finalise and test incident response procedure, and review of mirroring between the 2 data centres (monthly at ITMT) and backup. 4. Review and progress requirements for Education Network to achieve CE+ accreditation. 5. Procure a Security Operations Centre service to improve our 24x7 security posture.	Aug-23	Kirsty Flanagan
12	Cost of Living Crisis The Council are unable to respond to the implications arising from the 'Cost of Living' crisis.	Our Economy is diverse and thriving	1. Unable to meet demands for assistance stemming from financial hardship. 2. Increases on the demand for Council services such as homelessness. 3. Financial implications for the Council as revenue income could fall correlating to financial hardship - Financial Sustainability. 4. Implications for staff, particularly those working from home. 5. Adverse impact on workforce, communities with regards to economy and demographic statistics.	5	5	25	1. Financial stability and support to HSCP. 2. Social Welfare and Poverty Funding assistance. 3. Focused support and multi-agency approach where risk is highlighted. 4. Monitoring of trends in service use to highlight any significant change as a result of financial hardship. 5. Targeted measures - for example to those receiving Council Tax reductions - via Gift Cards and Flexible Food and Fuel Fund.	4	3	12	Treat	1. Review and monitor changes in demand for key services which correlate to personal effects arising from financial distress. 2. 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.	Aug-23	Pippa Milne and all ELT
13	Impact of Climate Change 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.	Our Infrastructure supports sustainable growth	1. Unable to meet national and Scottish Government guidance in terms of meeting Climate Change Obligations - various milestones. 2. Inability to deliver core services due to failures in critical infrastructure - ferries, roads, bridges, landslides, fallen trees etc. 3. Human casualty, death and community resilience if cut off or directly impacted by severe storms, landslides, flash foods or failed infrastructure. 4. Disruption of flow of goods, services and supply chains. 5. Adverse impact on workforce, communities with regards to economy and population.	5	4	20	1. Continued delivery of Council De-Carbonisation Plan. 2. 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. 3. Development and delivery of an integrated approach to decarbonisation and adaptation of Argyll and Bute as a Region via Community Planning Partnership. 4. Roads & Amenity Services continue to develop asset management plan and address strategic risks in terms of rising sea levels, bridge repairs, critical infrastructure vulnerability.	4	3	12	Treat	1. Review of De-Carbonisation Plan December 2024. 2. Consideration of all Council Papers with climate change as consideration / implications - ongoing. 3. Review scoring of business cases and pipeline of strategic projects with enhanced climate change considerations.	Aug-23	Pippa Milne / Kirsty Flanagan / Douglas Hendry
14	Lack of Housing availability The Council, partner agencies and communities are unable to attract and retain working age people due to lack of housing and pricing.	All Corporate Outcomes	Direct impact on property prices with substantial increases in our area. Lack of private rentals. Inability to attract working age people to live and work in the area which therefore affects the demographics of the area.	5	4	20	1. Council has declared a Housing Emergency. 2. Housing Strategy and Investment Plan funded and implemented/new housing delivery group established. 3. 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.	5	4	20	Treat	1. Explore and develop a series of options in response to the housing emergency. 2. Address key barriers to housing. 3. Consider radical delivery models. 4. Update to the Local Housing Strategy to reflect current issues - December 2023. 5. Hold housing summit in collaboration with housing delivery partners - October/November 2023. 6. Housing to attract economic growth is included as a project within the RGD, focus on Tobermory and Bowmore.	Aug-23	Pippa Milne / Kirsty Flanagan / Douglas Hendry