

Agenda Item	6
Report No	AS/3/23

HIGHLAND COUNCIL

Committee: Audit and Scrutiny Committee

Date: 23rd March 2023

Report Title: Review of Corporate Risks

Report By: Strategic Lead (Corporate Audit & Performance)

1. Purpose/Executive Summary

1.1 The Corporate Risk Register identifies the Council's key strategic risks and the actions being taken to mitigate these. It is reviewed in the Executive Leadership Team Meeting quarterly and presented to every Audit and Scrutiny Committee for scrutiny.

2. Recommendations

2.1 The Committee is asked to:

- i. Scrutinise the Corporate Risk Register provided at **Appendix 1** and consider the risk profile at **Appendix 2**.

3. Implications

3.1 Resource: Having a robust approach to risk management will continue to help the Council minimise future financial risks and implications. It will also prevent reputational damage.

3.2 Legal: The Corporate Risk Register supports the Chief Audit Executive (the Strategic Lead (Corporate Audit & Performance)) to provide an annual internal audit opinion that concludes on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.

3.3 Community (Equality, Poverty and Rural): Having a Council which is resilient to risk means that it is better positioned to support its communities. Some of the actions detailed on the register will reduce the likelihood and potential impact of risks affecting our communities.

- 3.4 Climate Change / Carbon Clever: As highlighted in Corporate Risk 7, the Council will need to adapt to the potential impacts of climate change and build resilience in its own operations and in its communities. Corporate Risk 9 also highlights the need to rationalise property assets and to make sure buildings are fit for purpose, which will reduce the Council's carbon emissions.
- 3.5 Risk: The corporate risk management process reduces the Council's exposure to risk by ensuring that corporate risks are identified and proactively managed.
- 3.6 Gaelic: There are no Gaelic implications identified at this time.

4. Corporate Risk Register

- 4.1 As part of the risk management process, Highland Council has a Corporate Risk Register, see **Appendix 1** for details. Overall responsibility for corporate risk sits with the Chief Executive.
- 4.2 The Corporate Risk Register was last presented to the Audit and Scrutiny Committee in November 2022. There are currently **21 risks** on the Corporate Risk Register. For each risk the following information is given:
- Risk name;
 - Risk type;
 - Current and target risk rating;
 - A description of the risk;
 - A risk owner;
 - Mitigating actions (with responsible officer, target date, and current RAG);
 - Notes (where applicable).
- 4.3 Each risk action is delegated to a responsible officer. These officers provide an update on progress to complete the action quarterly. The updates presented in **Appendix 1** represent the position at the end of Quarter 3 (Q3) 2022/23.
- 4.4 The current and target risk ratings assigned to risks on the corporate risk register are based on the risk matrix set out at **Appendix 2**, and these have been determined by the Executive Leadership Team (ELT).
- 4.5 As corporate risks are removed from the register, or risk actions completed, they are taken out of the Appendix reported to Committee. For this reason, Members will notice that risks and risk actions are not necessarily numbered sequentially.
- 4.6 4 new risks have been added to the risk register since it was last reported to Committee:
- CR27: Election Act 2022
 - CR28: UK Parliamentary Boundary Changes
 - CR29: Lack of Occupational Health Provider
 - CR30: Ash Dieback.
- 4.7 2 existing risks have been reviewed and will be removed from the risk register as these now sit within the Council's risk appetite:
- CR11: Residual Waste Project. All previous mitigating actions were marked as complete for Q3 22/23.
 - CR14: Inverness and Highland City Region Deal was reviewed, and no further mitigating actions are required.

- 4.9 The risk ratings for CR1: Financial Sustainability and CR25: Capital Programme Affordability and Deliverability have been upgraded to A1 due to the level of financial challenge facing the Council as outlined in the budget report to Council on 02/03/23.
- 4.10 Target dates have changed for the following mitigating actions:
- CR2.14: Target date changed to April 2023
 - CR2.15: Target date changed to June 2023
 - CR17.1: Target date changed to February 2023
 - CR25.1: Target date changed to September 2023.
- 4.10 A number of changes have been made to the text information within the risk register:
- CR8.3 has been amended for clarification. “Balance of Care: Push for progress on shifting the balance of care **to enable adults to remain in their homes instead of a residential establishment, and establishing the appropriate community resource required.**” The Risk Owner, ECO Health & Social Care, has also been clarified to add (Chief Social Work Officer) to the title.
 - Risk CR12: NHS Highland Partnership and risk action CR12.4 have been amended to remove reference to the Feeley Report.
 - CR24.1 has been expanded for clarification as follows: “Ongoing work with NHHSH to support ongoing service delivery, including engagement with the Scottish government and the care inspectorate.”
 - The Risk Owner of CR24 has changed from the Head of Integration Adult Social Care to the ECO Health & Social Care (Chief Social Work Officer).
- 4.11 There are four risk actions which have a red RAG status (no significant progress):
- CR1.2: Multi-year Budgets
 - CR6.3: Occupational Health, Safety and well-being challenges
 - CR9.13: Full implementation of a Corporate Property Landlord Model
 - CR24.2: Transformational Work related to Care Home Viability.

Designation: Strategic Lead (Corporate Audit & Performance)

Date: 17/02/23

Author: Hannah Kollef, Acting Corporate Performance Manager

Corporate Risk Register

Risk action status: **R** No significant progress **A** Some Slippage **G** On Target **C** Complete

CR1	Financial Sustainability	Risk Rating		
		Current	Target	
Risk Owner: Head of Corporate Finance		Risk Type: Financial		
The Council faces a range of financial challenges, both revenue and capital, and we need to be able to plan and meet these challenges so that we can continue to deliver effective services and achieve all the priorities that we wish to. These challenges have increased significantly since the emergence of COVID-19 which is placing significant pressure on the Council's budget with limited time to plan a financial response. We will need to act more commercially as an organisation to ensure this financial sustainability.				
Mitigating Actions:			Responsible Officer	Target Date
CR1.2	Multi-year Budgets: Our financial approach is based on considering a range of different scenarios to address uncertain grant settlements and other external factors. A key part of the approach is looking at multi-year budgets with the flexibility to accelerate or slip actions as conditions change. External factors, including anticipated funding levels, will be reviewed every three months.	Head of Corporate Finance	Ongoing	R
CR1.4	Budget Savings: Every year the Council has a requirement to deliver approved budget savings, the delivery of which is important to ensuring a balanced budget in-year. Forecast service outturn positions and updates on the delivery of savings are monitored within Services and reported every three months to respective strategic committees. An overview of all savings and the overall monitoring position is scrutinised by the Executive Leadership Team and reported to Corporate Resources Committee.	Head of Corporate Finance	Ongoing	G
Notes:				
The Risk Rating has been upgraded from A2 to A1 due to the of financial challenge facing the Council as outlined in the budget report provided to Council on the 2nd of March 2023.				
CR1.2 & 1.4: As financial reporting is a continuous process, 'ongoing' has been kept as the Target Date. Financial update reports are also being provided to Council on a regular basis.				

CR2	Security and Resilience – Cyber Security	Risk Rating		
		Current	Target	
Risk Owner: Interim Depute Chief Executive		Risk Type: Technological		
The Council must take all reasonable steps to protect ICT networks and systems from the risks of cyberattack. The Council must also plan effectively to respond to and mitigate the impacts of a cyberattack.				
Mitigating Actions:		Responsible Officer	Target Date	RAG
CR2.8	Cyber Security: ICT undertake an external ICT Security Health check annually to ensure independent verification. Regular patching regimes are in place for ICT infrastructure and we review active security notifications from external sources and community of practise groups such as CISP and NCSC. We will follow and adopt national standards as appropriate from UK and Scottish Governments. We constantly monitor security threat and have weekly reviews and monitoring updates through our ICT Security function. ICT updates and changes are reviewed for security risks prior to implementation.	ICT Operations Manager (Service)	TBR September 2023	G
CR2.14	Review Business Continuity Plans in relation to cyber security: Effective business continuity plans to be in place which take account of the potential impacts of a cyber-attack or serious long-term ICT outage. These should prioritise the critical corporate functions which have been identified and detail mitigation.	All ECOs	April 2023	A
CR2.15	Scenario testing Business Continuity Plans: Scenario testing of business continuity plans prioritising the critical corporate functions	All ECOs	June 2023	A
CR2.17	ICT Infrastructure Resilience: Make infrastructure changes to allow secure direct access to “cloud” systems without having to route via the data centre.	Head of ICT & Digital Transformation	December 2022	A
CR2.18	Backup hardware and email service: Provide backup hardware and email service to allow key staff to continue to operate independently of the Council network in the event of a major cybersecurity incident.	Head of ICT & Digital Transformation	December 2022	G
CR2.19	Cloud-first Strategy: Produce a roadmap for remaining systems and services located in the data centre to migrate to the “cloud” where possible.	Head of ICT & Digital Transformation	October 2022	A
CR2.20	Business case for external cybersecurity services: Investigate options and the business case for contracting external cybersecurity services to provide increased protection from threats and ability to react effectively to a major incident.	Head of ICT & Digital Transformation	April 2023	A
Notes: CR2.14: Target date changed to April 2023. CR2.15: Target date changed to June 2023. CR2.17: Direct access infrastructure being rolled out to all users. Discussions underway with Wipro about data centre infrastructure. CR2.18: Solution is available but not used yet. CR2.19: Target not fully met due to complexity of some remaining applications which are still being worked through. However most critical applications are now in the cloud.				

CR2.20: Contract still in place with Wipro until April 2024. Dependence on national procurement exercise for possible replacement. Contract options with Wipro also being explored.

CR5	Effective Governance in Local Decision Making		Risk Rating		
			Current	Target	
Risk Owner: ECO Communities & Place		Risk Type: Political, financial, citizen		C3	D3
We need to develop arrangements for effective local decision making and to enable our communities to engage and participate at a local level. We must put in place effective and consistent governance arrangements for local decision making to ensure we are able to fully achieve the priorities of our local communities, while being in alignment with strategic priorities.					
Mitigating Actions:			Responsible Officer	Target Date	RAG
CR5.3	Resources for Place Based Approaches: A review of resources to support Place Based approaches.		All ECOs	March 2023	G
CR5.4	Local Participation: We will work with Members in local areas on place-based approaches and to explore new ways to widen public participation in Council decisions and in community-run services including prioritisation of budgets.		Head of Community Support and Engagement	Ongoing	C
CR5.5	Local Partnerships: We will develop and facilitate the work of Community Partnerships as a forum for local partnership priorities and action.		Head of Community Support and Engagement	Ongoing	C
Notes:					
CR5.4: Marked as complete Q4 22/23 – upon review it was decided that this could be considered complete in March 2022 when the Council’s budget meeting agreed a new approach to participatory resourcing to support the place based work already agreed.					
CR5.5: Marked as complete Q4 22/23 – upon review it was decided that this could be considered complete in April 2022 when the Council and other partners agreed to resource partnership working at a local level to develop and support the work of community partnerships.					

CR6	Workforce Planning		Risk Rating		
			Current	Target	
Risk Owner: Head of People		Risk Type: Financial		C2	C2
Our most important resource is our staff, and they are at the centre of the services that we provide. Given the changing nature of the organisation, and the need to reduce the workforce, we need to make sure we continue to have the right people, with the right skills, in the right place at the right time.					
Mitigating Actions:			Responsible Officer	Target Date	RAG
CR6.3	OHSW: We will continue to address the occupational health, safety, and well-being (OHSW) challenges identified through our annual OHSW report with progress monitored quarterly.		Head of People	March 2023	R
Notes:					
This risk will be reviewed in Q1 23/24.					

CR7	Climate Change and the Ecological Emergency		Risk Rating		
			Current	Target	
Risk Owner: ECO Performance & Governance		Risk Type: Environmental, Physical, Reputational, Political, Economic, Social, Health		B2	C3
Climate change and biodiversity loss presents long term challenges both to the Council and to Highland communities. The Council must adapt and build resilience and its communities to address vulnerabilities to the potential effects of climate change (e.g., changing weather patterns, sea level rise) and ecological loss.					
Mitigating Actions:		Responsible Officer	Target Date	RAG	
CR7.1	Contribute to Highland Adapts to support the production of a regional wide climate risk and opportunity assessment. Take an evidence-based and place-centred approach to inform the regions adaptation actions.	Climate Change & Energy Team Manager	May 2024	G	
CR7.4	Develop net zero strategy and action plan with quarterly progress updates to Committee	Climate Change & Energy Team Manager	March 2023	G	
CR7.5	Net zero corporate emissions: Agree target date for net zero corporate carbon emissions with quarterly progress updates to Committee, beginning with the energy performance benchmarking of Council properties.	Climate Change & Energy Team Manager	March 2023	A	
CR7.6	Develop a Council Natural Environment & Ecological Strategy emphasising the interconnectedness of the twin climate and ecological emergency and rationalise ongoing and future Council commitments, projects and activities that will help halt biodiversity loss and deliver biodiversity enhancements. The Strategy will include a Council Vision that will be supported by a suite of deliverables, objectives and targets.	Service Lead – Environment, Development Plans & Active Travel	December 2023	G	
CR7.7	Mitigate potential increases in both use and cost of energy by enhanced investment in renewable energy and transformational projects, and expanding energy saving initiatives with quarterly progress reports to committee.	Energy Manager	March 2023	G	
Notes: CR7.5: Initial benchmark completed; site investigation required.					

CR8	Demographic Change	Risk Rating		
		Current	Target	
Risk Owner: ECO Communities & Place		Risk Type: Social, Customer, Financial		
		B2	C3	
The population in Highland, its distribution, its demography and the related service demands are changing. The Council must plan and act for these changes to be able to deliver the services that people require. This includes achieving the benefits of an integrated health and social care service for adults, involving the development of more community based services.				
Mitigating Actions:		Responsible Officer	Target Date	RAG
CR8.3	Balance of Care: Push for progress on shifting the balance of care to enable adults to remain in their homes instead of a residential establishment, and establishing the appropriate community resource required.	ECO Health and Social Care (Chief Social Work Officer)	January 2023	A
CR8.4	Workforce Plans: We will ensure there are sustainable recruitment strategies in our workforce plans.	All ECOs	March 2023	G
CR8.5	Workforce Strategies: Our workforce strategies will include an assessment of changing and increasing demands for services.	Head of People	March 2023	G
CR8.6	Financial Strategy: Our financial strategy will include an assessment of the risks and implications associated with demographic change.	Head of Corporate Finance	TBR March 2023	G
CR8.7	Partnership Working: Work with our partners, principally the Community Planning Partnership, to plan services that are responsive to demographic changes.	ECO Communities and Place	TBR March 2023	G
Notes: CR8.3: Wording added to clarify mitigating action. Responsible officer amended to show that this is also the Chief Social Work Officer.				

CR9	Safe and Effective Property	Risk Rating		
		Current	Target	
Risk Owner: ECO Housing & Property		Risk Type: Physical, Financial		
		B2	D2	
We need to ensure that our buildings and premises provide safe and effective environments for people who use our services, and our staff.				
Mitigating Actions:		Responsible Officer	Target Date	RAG
CR9.13	Full Implementation of a Corporate Property Landlord Model: Council-wide implementation of the Corporate Property Landlord Model as agreed at the Housing and Property committee in August 2020.	ECO Housing and Property	December 2022	R
CR9.14	Investment into the Property Estate: £2.85m of funding has been allocated to improve Council property.	Head of Property and Facilities Management	Ongoing	A
CR9.16	Condition Surveys: Understanding the condition of our properties is a continuous process. Condition surveys and how we manage this data are a fundamental aspect of this and can help us plan future investments and disposals.	Head of Property and Facilities Management	Ongoing	G

CR9.17	Asset Rationalisation Strategy: Implementation of our asset rationalisation strategy will ensure that the Council's property portfolio is suitable for service delivery.	Head of Property and Facilities Management	Ongoing	A
Notes: CR9.14: £1.2m of works will be complete by year end. Remainder of budget to be expended by end of FY 23/24. CR9.17: Significant Capital Investment required to modernise our estate.				

CR10	Condition of our Roads	Risk Rating		
		Current	Target	
Risk Owner: ECO Infrastructure, Environment and Economy		Risk Type: Financial, Physical		D2
Highland Council is responsible for the largest road network in Scotland, comprising over 6,700 km of carriageways and 1,902 km of footways. The Road Condition Indicator (RCI) is a national Key Performance Indicator (KPI). The national average for 2016 was 36.7% and Highland Council was 39.1%. Highland was ranked 21 st out of the 32 Scottish Councils, but the rate at which the roads are deteriorating in Highland is increasing. In 2012 the RCI was 29.3%, so there has been a 10% decrease in road condition over the last 5 years. This has been exacerbated and accelerated by the prolonged 2017/18 winter with regular freeze-thaw-freeze conditions causing rapid decline across the whole network. Failure to maintain investment in (capital) re-surfacing programmes and structural repairs will accelerate the deterioration of our roads, resulting in higher (revenue) maintenance costs, and increase the risk to the Council of litigation claims arising from damage to vehicles and personal injuries.				
Mitigating Actions:		Responsible Officer	Target Date	RAG
CR10.2	Innovation and Partnership working: The Service will continue to use innovative techniques to secure best value for the Council and will work closely with partners, including Transport Scotland, to achieve this.	ECO Infrastructure, Environment and Economy	Ongoing	G
CR10.3	Additional Inward Investment: Support lobbying activity to secure additional inward investment in road maintenance.	ECO Infrastructure, Environment and Economy	Ongoing	G
Notes: To be reviewed next quarter. CR10.2: This target date is ongoing as the Council is a Member of the Northern roads Collaboration Group that meets with other local authorities to discuss best practice and compare operations. The Roads redesign process is also underway and will look to best practice and innovation elsewhere as part of the ongoing process. CR10.3: This target date is ongoing as the Council is taking every opportunity available to lobby for further funding for roads, including improvements associated with active travel funding, levelling up fund applications and contribution to national consultation documents.				

CR11	Residual Waste Project	Risk Rating			
		Current	Target		
Risk Owner: ECO Communities & Place		Risk Type: Financial, Legal, Reputational, Physical, Environmental		D2	D2
<p>The residual waste project focuses on developing a legally compliant solution for the management of residual waste collected by Highland Council from 2025 when the Waste (Scotland) Regulations 2012 landfill ban becomes active. Complying with the landfill ban poses a range of risks, including:</p> <ul style="list-style-type: none"> Financial – changing practice will produce revenue and capital costs to the Council. Business models need to be carefully costed and reviewed to ensure the most affordable long-term solution is selected. Legal – the project is required to comply with the Waste (Scotland) Regulations 2012 – not having a compliant solution in place from 2025 poses a risk of non-compliance. Reputational/Physical/Environmental – without a compliant solution there would be the risk of residual waste building up within Highland, with attendant storage, environmental, and reputational impacts. 					
Mitigating Actions:			Responsible Officer	Target Date	RAG
CR11.2	Project Governance: Ensure appropriate governance through the officer project board; senior officer scrutiny from ELT and Change and Improvement Board; member oversight and scrutiny via the Member Waste Strategy Working Group; C&P Committee; and the Council.	ECO Communities and Place	December 2022	C	
CR11.6	Waste Transfer Stations: Progress the development of 3 new waste transfer stations in line with the project plan and waste capital programme	ECO Communities & Place	December 2022	C	
<p>Notes: Risk Rating Changed from A2 to D2 as per Risk Owner. This risk has now been mitigated to sit within the Council's risk appetite, with 2 of the three Waste Transfer Stations completed and the third not required until 2025. CR11 will be removed from the register.</p>					

CR12	NHS Highland Partnership	Risk Rating			
		Current	Target		
Risk Owner: The Chief Executive		Risk Type: Financial, Legal, Reputational		D2	D2
<p>The partnership agreement between NHS Highland and The Highland Council determines that NHS Highland is the lead agency for Adult Services and The Highland Council is the lead agency for services for children. The re-negotiation of this Agreement has been completed and executed on behalf of both organisations. It is necessary to monitor the implications of the proposed National Care Service which are likely to result in potential need to change the model or make other changes impacting on delivery of service in terms of future partnership working with NHH.</p>					
Mitigating Actions:			Responsible Officer	Target Date	RAG
CR12.4	Monitor the implications of legislation to implement the proposed National Care Service and consider the potential need to change the model or make other changes impacting on delivery of service in terms of future partnership working with NHS Highland.	Head of Integration Adult Social Care	TBR March 2023	G	
<p>Notes: Risk description & CR12.4 have been amended to remove reference to the Feeley Report.</p>					

An initial review was requested by Audit & Scrutiny in 2021. The Council is responding to ongoing consultations and engagement as the implementation of the proposed legislation and ancillary regulations continues.

CR14	Inverness and Highland City Region Deal	Risk Rating	
		Current	Target
Risk Owner: ECO Infrastructure, Environment and Economy		Risk Type: Financial, Reputational	
		D2	D2
<p>The Inverness and Highland City Region Deal is a significant programme of investment in the Highlands, coordinated on behalf of partners, by The Highland Council. Given the profile and importance of this investment, it bears associated financial and reputational corporate risks.</p> <p>Delays to project delivery within the programme (such as individual project issues, COVID-19, BREXIT) may impact benefits expected from the programme. The programme has a finite delivery deadline with an extension not possible. A key indicator to delivery is the rate of spend within the projects and there is underspend apparent already.</p>			
Mitigating Actions:		Responsible Officer	Target Date
-			
Notes: This risk has been reviewed and will be removed from the Risk Register.			

CR17	Open Water Safety	Risk Rating	
		Current	Target
Risk Owner: ECO Performance and Governance		Risk Type: Physical, Legal.	
		C2	D2
<p>As a landowner, the Council has a duty of care under the Occupiers Liability Scotland Act 1960 to take reasonable steps to safeguard those on their land including open water. Failure to do this may put people at risk of harm. Highland Council is currently reviewing its policy and practice to ensure it is robust.</p>			
Mitigating Actions:		Responsible Officer	Target Date
CR17.1	Open Water Policy: A short life officer working group will be established to review current policy and strategy around Open Water Safety. This group will contain officers from across Council services, and from partner organisations. An Open Water Strategy will be being developed in line with Scotland's drowning prevention strategy and implemented accordingly.	Policy Manager	February 2023
Notes: CR17.1: Target date amended to February 2023.			

CR22	Security and Resilience – Physical Assets and Infrastructure	Risk Rating	
		Current	Target
Risk Owner: Chief Executive		Risk Type: Physical	
		C2	D2

The Council must take all reasonable steps to protect our staff and communities from risks to their safety and security. Our infrastructure must be secure to protect against terrorist and criminal activity. Also, the Council must plan adequately to respond effectively to an emergency, to mitigate the impact upon our communities and to enable business continuity of critical services and full recovery. This should include preparation for the impact of extreme weather events, power outages and other risks in line with the Regional Risk Register

Mitigating Actions:		Responsible Officer	Target Date	RAG
CR22.1	Building Access Policies: All of our Responsible Premises Officers (RPOs) will develop site specific Building Access Policies. These will include evacuation and lockdown plans.	Head of Property Services	March 2018	A
CR22.2	Multi-agency planning and exercising: 1. We will continue to fully participate in multi-agency planning and exercising Regional Resilience Partnership (RRP) and Local Resilience Partnership (LRP) for emergencies based on the national <i>and regional</i> risk register 2. We will continue to participate in the multi-agency CONTEST Group as part of the UK government's Counter-terrorism strategy 3. All Emergency Liaison Groups (ELGs) will take part in exercises 4. Review Care for People plans with partners	Communications and Resilience Manager	Ongoing	G
CR22.3	New Protect Duty: Prepare for new legislation placing a duty of Local Authorities as owners of Publicly Accessible Locations.	ECO Property and Housing, ECO Infrastructure, Environment and Economy, and ECO Performance & Governance	TBC	G
CR22.4	NETs Failure & Planned Interruptions to power supply: All service Business Continuity Plans should be reviewed and exercised for the potential impacts of a major sustained power outage, or planned series of interruptions as part of national power saving measures.	All ECOs	December 2022	A

Notes:
 CR22.1: Schools now have plans in place
 CR22.2: This target date reflects that these meetings are ongoing.

CR23	Refugee Resettlement Programmes		Risk Rating		
			Current	Target	
Risk Owner: Head of Housing and Building Maintenance		Risk Type: Reputational		C2	D3
<p>The Council is currently supporting several resettlement programmes including refugees and displaced persons from Syria, Afghanistan and Ukraine. There is increased pressure on the resettlement programme due to the ongoing war in Ukraine and continuing arrivals, resulting in extra demand on the Council's Welfare and Educational systems, resulting in reputational and financial risk to the Council.</p> <p>In addition, a high of property inspections need to be undertaken across a large geographical area as well as disclosure checks for all those offering their properties under the 'Homes for Ukraine' scheme.</p>					
Mitigating Actions:			Responsible Officer	Target Date	RAG
CR23.3	Co-ordination of financial support and other services to Ukrainian families. – The administration of cash payments to Ukrainian Displaced Persons (UDPs) and hosts has been setup. Support provided by Welfare Officers to UDPs open bank accounts and access benefits.		Head of Revenues and Customer Service and the Housing Policy and Investment Manager	TBR March 2023	G
CR23.4	Engagement with Scottish Government and COSLA related to refugee resettlement across all schemes including contributing to the development of operational guidance for the Ukrainian schemes.		Housing Policy and Investment Manager	December 2022	A
CR23.7	Excess demand on education services: Hold regular multi-agency meetings to review requirements and adapt resources, policies to support refugee children and their families.		Additional Support Needs Officer	TBR December 2022	G
CR23.9	Potential for future homelessness presentations and associated housing support requirements: Potential hosting breakdowns are being closely monitored and support is being co-ordinated by the Resettlement Team.		Head of Housing and Building Maintenance	TBR March 2023	G
CR23.10	Availability of interpretation services: Engagement with service provider to co-ordinate need when required.		Principal Policy Officer	TBR March 2023	G
CR23.11	Recovering Costs associated with Refugee Resettlement: Ensure all costs associated with the Ukraine crisis are collated and are recovered from Scottish and UK Governments		Service Finance Manager	TBR March 2023	G
<p>Notes: CR23.7: Target currently under review and will be updated for the next quarter. CR23.4: Engagement is ongoing with all stakeholders to develop guidance for the resettlement projects</p>					

CR24	Care Home Viability	Risk Rating			
		Current	Target		
Risk Owner: ECO Health and Social Care (Chief Social Work Officer)		Risk Type: Financial and Social		A2	B3
<p>Since the COVID-19 pandemic, five care homes have been transferred in that they have gone into administration or ceased trading. Two have been sold as a going concern (Mo Dhachaidh and Home Farm), two have closed, one is being sold by administrators and a further 3 are on the market. Other care homes in Highland are being financially supported by NHS Highland. This sum has arisen as a result of supplements being paid to providers to ensure ongoing service delivery and is part of the cost of delivering adult social care albeit currently funded by monies from Scottish Government.</p> <p>As a result of these closures, a number of beds are not available. Further beds are not available as care homes which continue to operate do not have a full complement of staff to provide care for those waiting for care home availability. This has an impact in terms of cost and also the social cost in terms of waiting lists both for those at home and those delayed in hospital who are awaiting a care home placement.</p> <p>The care home sector is also adversely impacted by the recent increases in utility costs (including insurance and food) which together with the staffing difficulties means that there is a very significant vulnerability in terms of the future viability of the sector illustrated by the closures to date.</p>					
Mitigating Actions:			Responsible Officer	Target Date	RAG
CR24.1	Ongoing work with NHSH to support ongoing service delivery.		Head of Integration Adult Social Care	TBR March 2023	G
CR24.2	Care Home Workforce planning: Workforce planning work to support a sustainable social care workforce to reduce numbers of agency workers required and/ or beds which are not filled because of staff shortages.		Head of Integration Adult Social Care	TBR March 2023	R
CR24.3	Transformational work related to Care Home Viability: Transformational work looking to come up with care solutions which are not predicated on admission to a care home		Head of Integration Adult Social Care	TBR March 2023	G
CR24.4	National Care Service effect on Care Home viability: Creation and commencement of National Care Service is likely to have an impact which may mitigate risk, but extent is yet to be determined.		ECO Health and Social Care	TBR March 2023	C
<p>Notes: CR24.2: Multi-agency response - difficulties in recruitment reflect national challenges. CR24.4: Mitigating action marked complete: questions remain how this will proceed politically and therefore removing from the register as no concrete impact for the foreseeable future. Risk Owner: This has changed from the Head of Integration Adult Social Care to the ECO Health & Social Care</p>					

CR25	Capital Programme Affordability and Deliverability		Risk Rating		
			Current	Target	
Risk Owner: ECO Infrastructure, Economy and Environment		Risk Type: Financial and Physical		A1	D3
<p>In December 2021, Highland Council approved a near £1bn, 15 year plan for investment across the Council's asset base. This investment is a critical part of ensuring the Council's assets are fit for purpose and support the effective delivery of services. Wider economic factors (that also impact on CR1: Financial Sustainability) will provide challenges to the successful delivery of all planned projects. Specific risks to the successful delivery of the programme include:</p> <ul style="list-style-type: none"> Wider financial challenges (including rising interest rates) may mean the funding envelope for capital investment needs to reduce- this would necessitate a reduction in the size of the programme Wider construction market inflation means that many projects are seeing increasing costs. Any projects that exceed their budgets would require reduction or removal of other planned projects in order to fund the overspends <p>Contractor and material availability poses a significant challenge to delivering works on time and on budget.</p>					
Mitigating Actions:			Responsible Officer	Target Date	RAG
CR25.1	Capital Programme Review: Work to review the capital programme is underway with the intention to provide a revised and reduced programme for Council approval later in the financial year		ECO Infrastructure, Economy and Environment	September 2023	G
CR25.2	Enhanced Capital Programme Governance: The newly established officer Capital Programme Board will actively review individual project progress in order to ensure early mitigation of any issues arising.		ECO Infrastructure, Economy and Environment	Ongoing	C
<p>Notes: Overall Risk Rating has been updated from A2 to A1 as per the level of financial challenge facing the Council as outlined in the budget report provided to Council on the 2nd of March. CR25.1: Target changed from March 2023 to September 2023. A one-year review was carried out and completed, covering 23/24; however the 10 year review now needs to be done, with a target of September 2023 for completion. CR25.2: Mitigating action marked complete.</p>					

CR26	Managing Long-term Absence		Risk Rating		
			Current	Target	
Risk Owner: Head of People		Risk Type: Staffing and Financial		C2	D2
<p>Staff sickness absence is being extended due to delays in NHS treatment being offered to staff. This can result in staff unable to return to the workplace or on limited duties until treatment can take place impacting on productivity and additional cost with temporary cover and accrual of annual leave if staff are off long-term sick. There may also be instability in service provision with temporary cover provision and no indication of when treatment will take place to enable a return to work.</p>					

Mitigating Actions:		Responsible Officer	Target Date	RAG
CR26.1	Monitor long term sickness absences to determine impact on delayed or reduction of NHS treatments provided to Council staff which results in staff's inability to return to the workplace.	Head of People/HR Manager	June 2023	G
CR26.2	Support staff and their managers to assess what duties or alternative work can be undertaken on a temporary basis pending treatment to continue to employ the member of staff.	Head of People/HR Manager	March 2023	G
CR26.3	Negotiate abatement of annual leave to statutory 28 days per year for staff off more than 3 continuous months.	Head of People/HR Manager	March 2023	G
CR26.4	Provision of bite size training and refresh guidance to managers on how to manage short absence and long-term sickness absences to ensure staff are supported appropriately.	People Development Manager	March 2023	G
Notes:				

CR27	Election Act 2022	Risk Rating		
		Current	Target	
Risk Owner: Interim Chief Executive		Risk Type: Elections		
		D2	D4	
<p>New legislative requirements following the Elections Act 2022, with substantial changes required to our election processes, will have a serious impact on the delivery of the election if a UK Parliamentary snap election is called after 4 May 2023. The Returning Officer may struggle to deliver the elections with the risk of challenge by petition after the election to be high. Secondary legislation for the Election Act 2022 is still not available but anticipated before end of 2022. A programme plan will need to be elaborated before end of April 2023 in readiness for any election to be called after May 2023. The Election Act changes are not applicable for any devolved elections.</p> <p>The current election resources are already stretched in 2023 because of a variety of projects including Interim Community Council Elections, Inverness BID and Inverness Tourism Bid, Cairngorm National Park Election, Nairn BID, Community Council Elections, Pending Scottish Referendum and the Statutory Review of Polling districts, polling places and stations.</p>				
Mitigating Actions:		Responsible Officer	Target Date	RAG
CR27.1	To deliver this Programme of Change which includes bidding for funding, additional resource would be required to reinforce the existing election team in readiness for a snap election if called after May and specifically in 2023.	Elections Manager	April 2023	G
Notes:				
Added to the register March 2023.				

CR28	UK Parliamentary Boundary Changes	Risk Rating	
		Current	Target
Risk Owner: Interim Chief Executive		Risk Type: Elections	
		B2	D4
<p>The Boundary Commission for Scotland reviews UK Parliament constituencies in Scotland. Reviews are carried out every 5 years. The current review is the 2023 review with final recommendations anticipated 1 July 2023. If the proposal goes ahead, the changes for the 3 existing Highland constituencies are significant with the creation of new constituencies Caithness, Sutherland and Easter Ross/ Inverness-shire and Wester Ross/ Nairn, Strathspey and Moray West/ Argyll, Bute and South Lochaber. The revised constituencies are cross boundary with Argyll and Bute and Moray. Besides the work related to the GIS & review of polling scheme, there is additional complexity with cross boundary change and confusion regarding the Nairn, Strathspey and Moray West Constituency, as to which Local Authority would be responsible; Highland or Moray. Due to the mapping requirements, GIS subject matter experts will be required to support the required changes.</p> <p>If a UK Parliamentary snap election is called in 2023 when this proposal is accepted this would put the delivery of the election seriously at risk with the management of the Election Act 2022 alongside and the management of this project of the boundary changes with no spare capacity within the election team to deliver these challenging projects together in 2023.</p>			
Mitigating Actions:		Responsible Officer	Target Date
CR28.1	An action plan is to be developed to be ready by end of June 2023 to determine the steps to be taken at the point the legislation comes into effect (anticipated July 2023).	Elections Manager	June 2023
Notes:			
Added to the register March 2023.			

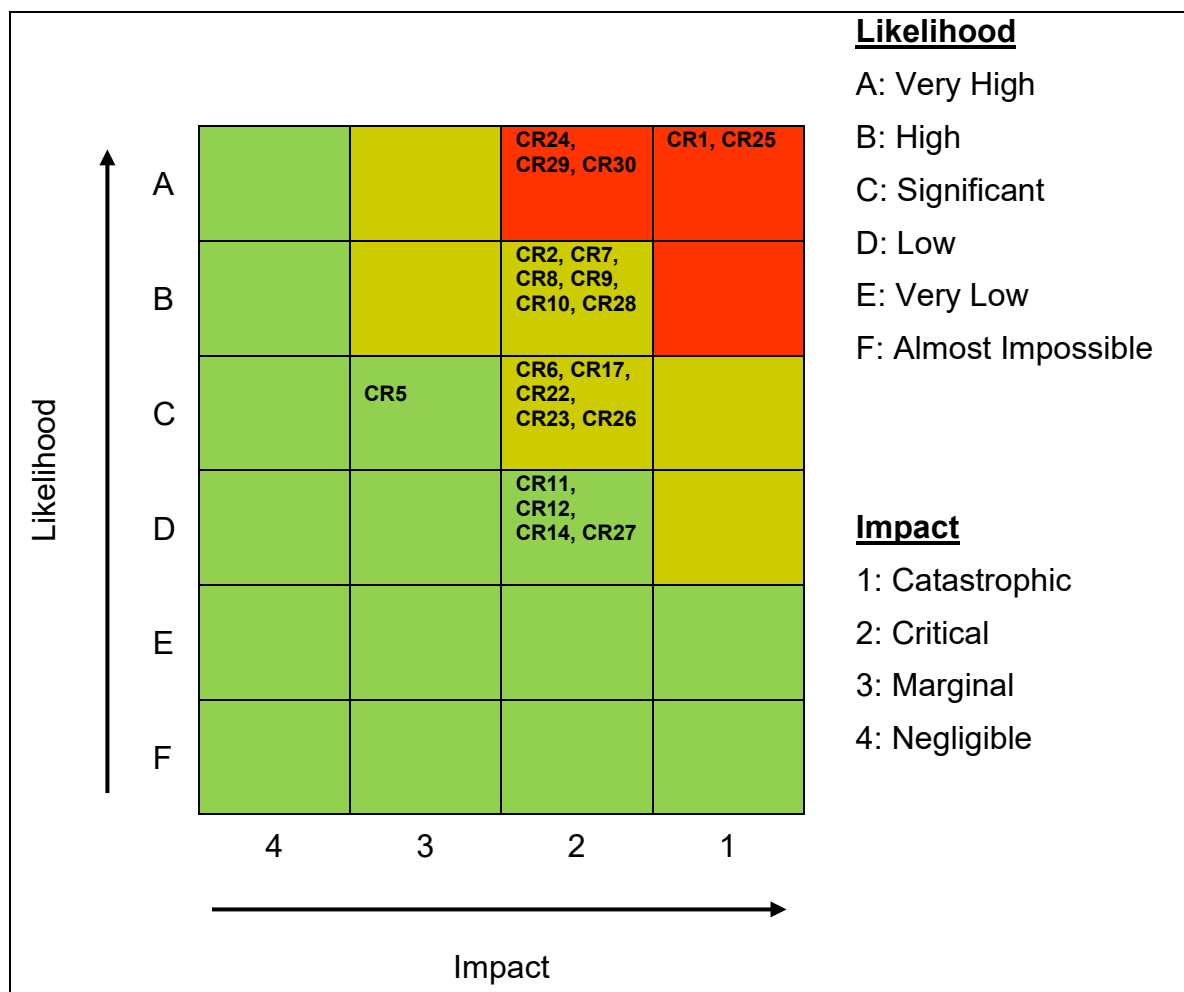
CR29	Lack of Occupational Health Provider	Risk Rating	
		Current	Target
Risk Owner: Head of People		Risk Type: Reputational, Financial, Legal	
		A2	D2
<p>As of 1st April 2023, the Highland Council will lose its Occupational Health Provider. A procurement exercise in December 2022/ January 2023 resulted in no bids, even from providers who had previously expressed notes of interest. Without a contract in place, we will be unable to provide statutory health surveillance, and so, will be in breach of law and exposed to risks from occupational health claims (e.g. HAVS, noise induced hearing loss, occupational dermatitis, etc.), and fines or prosecution by the HSE. In addition, we will be unable to process ill-health retirements referrals and will have additional difficulties with attendance management. If we cannot find another provider, we will have to pay for agency staff, and as there are very few qualified occupational health staff based in the Highlands, we would likely need to pay for travel and accommodation for each instance required. There is significant reputational risk as well if we were to be found in breach of duty, as the HSE reports fines and prosecutions on a public register.</p>			

Mitigating Actions:		Responsible Officer	Target Date	RAG
CR29.1	Work with Procurement to engage with alternative provider (on procurement framework).	OHSW Manager and Procurement Strategic Manager	Quarter 1 2023	G
CR29.2	Remove the need for face-to-face appointments for management referrals/ Ill health retirements; all such appointments will be online or via phone.	OHSW Manager	Quarter 1 2023	G
CR29.3	Consider restructuring health surveillance appointments to have a geographical approach rather than individual managers making appointments.	OHSW Manager and Service Health and Safety Coordinators	Quarter 1 2023	G
Notes: Added to the register March 2023. This links with CR26 – Managing Long Term Staff Absence.				

CR30	Ash dieback	Risk Rating	
		Current	Target
Risk Owner: ECO Infrastructure, Environment & Economy		Risk Type: Health & Safety, Legal, Reputational, Environmental, Economic	
		A2	D2
<p>Ash dieback, an infection that affects ash trees, has been moving northwards across the UK and is now increasingly prevalent in Highland. Ash is a common species and will be part of the species mix for all Council services that have responsibility for trees. Where Ash Dieback has infected a tree repeatedly over a number of years, secondary pathogens (e.g. Honey Fungus) can weaken the structural integrity of the tree resulting in catastrophic failure without warning. Other than knowing the Council has considerable numbers of ash, we do not yet have any data on the full scale of the issue. Where located on or beside Council land, close to public buildings (schools, playgrounds, care homes and council housing), near footpaths or adjacent to the public road network they could pose a significant risk with public health and safety, economic, environmental and reputational consequences. These potential impacts include:</p> <ul style="list-style-type: none"> • Health & Safety: Fatalities/ injuries to the public/ employees; risk to statutory functions or service delivery; risks to infrastructure and property. • Environmental: impact on tourism/ recreation; negative impact on air quality; noise pollution from loss of screening; loss of flood prevention; biodiversity damage through loss of habitat and decline/extinction of ash-dependent species; loss of carbon storage and sequestration. • Economic: Increased liability in cases of death or injury; increased expenditure to mitigate risks; costs of replanting. • Reputational: disruption as a result of road closures; negative press; strained relationships with adjacent landowners, in relation to responsibility and costs. <p>Cost implications of dealing with these trees will be substantial, but if prioritised by risk on a rolling yearly basis and starting whilst the disease is at an early stage the costs can be spread over multiple years. There are currently no resources within the Council to deal with this risk.</p>			

Mitigating Actions:		Responsible Officer	Target Date	RAG
1	Identify budget/ resources to undertake a desk-based assessment of ash trees on Council land to form a baseline, prepare an Ash Dieback Plan including resources required and assess risk.	ECO Property and Housing, ECO Infrastructure, Environment and Economy, and ECO Communities & Place	October 2023	G
2	Start surveying Council land to form baseline assessment and assess the risks.	ECO Property and Housing, ECO Infrastructure, Environment and Economy, and ECO Communities & Place	April 2024	G
3	Prepare and implement an Ash Dieback Action Plan, including zoning, based on results of tree survey.	ECO Property and Housing, ECO Infrastructure, Environment and Economy, and ECO Communities & Place	April 2024	G
4	Depending on risk and result of assessment, the multi-year Ash Dieback Action Plan will be reviewed by April 2027.	ECO Property and Housing, ECO Infrastructure, Environment and Economy, and ECO Communities & Place	April 2027	G
Notes: Added to the register March 2023.				

Corporate Risk Matrix



The colour coding of the risk matrix indicates the following:

Green	The overall level of risk is low, and it is below the corporate risk appetite. Management of this risk through the corporate risk process is optional.
Amber	The overall level of the risk is moderate. It is above the corporate risk appetite and actions are in place to manage and reduce the overall risk.
Red	The overall level of the risk is high. It is above the corporate risk appetite line and should be managed as a priority. Risk actions are in place to manage and reduce the overall risk.