

## **Item: 5**

**Policy and Resources Committee: 18 April 2023.**

**Corporate Risk Register.**

**Report by Corporate Director for Neighbourhood Services and Infrastructure.**

### **1. Purpose of Report**

To consider the updated Corporate Risk Register, as at April 2023.

### **2. Recommendations**

**It is recommended:**

#### **2.1.**

That the updated Corporate Risk Register, as at April 2023, attached as Annex 1 to this report, be approved.

### **3. Risk Management**

#### **3.1.**

The Council understands that it is important to recognise and manage the many risks which are inherent in its activities, and in the services which it provides for the benefit of the community. The Council has therefore adopted a policy on Risk Management, has established a Risk Management Strategy and has implemented procedures in support of the policy and strategy, which include the production and regular review of risk registers. This activity is recognised as a key component of sound corporate governance.

#### **3.2.**

The Council will promote its risk management policy objectives by systematically identifying, evaluating, and thereafter seeking to control and monitor risks which would potentially endanger, or which could have a detrimental effect on the services provided by Orkney Islands Council, or to residents of Orkney.

#### **3.3.**

The Council wishes to acknowledge that risk can never be eliminated in its entirety. The Council also wishes to recognise that managing risk can also identify positive opportunities which, with the appropriate level of control, may lead to service improvements and financial benefits. Therefore, the measures which the Council adopts are the principles of good management practice which seek to control and

balance risk and opportunity. Specifically, in the area of risk management, the Council seeks to:

- Meet at all times its statutory obligations and to act within the law.
- Safeguard the public at large, the Council's members, employees, pupils, tenants and all persons to whom the Council has a duty of care.
- Protect its property, including buildings, equipment, vehicles and other assets and resources.
- Preserve and enhance service delivery.
- Maintain effective control of public funds.
- Maintain and enhance the Council's reputation.
- Safeguard and enhance the quality of Orkney's environment.

### **3.4.**

Appropriate risk management arrangements include a risk register, as well as a risk tolerance level, which must be reviewed and updated on a continuous basis. These must also be reviewed formally by the Corporate Leadership Team and by Elected Members, in accordance with the Orkney Islands Council Risk Management Policy and Strategy 2020 to 2022.

### **3.5.**

The risks on the Corporate Risk Register are identified and divided into appropriate risk cluster headings, for example Political, Economic, Reputational, Technological, Legislative, Environmental, Performance Management, Customer, Managerial, Financial, Legal, Partnership or Physical.

### **3.6.**

Any new risks which arise throughout the year are added to the relevant risk register when required.

## **4. Updated Corporate Risk Register**

### **4.1.**

The Corporate Risk Register was last reviewed by the Policy and Resources Committee on 22 November 2022 and subsequently approved by Council on 6 December 2022.

### **4.2.**

On the 6 April 2023 the Corporate Leadership Team reviewed the Corporate Risk Register, with the results attached as Annex 1 to this report.

#### **4.3.**

In relation to Risk 2 Economic Sustainability, this has been expanded to incorporate the potential that, following the UK's exit from the EU, a funding shortfall arises should UK Government funding arrangements be less than prior EU funding.

#### **4.4.**

Risk 7 has been updated to highlight that cyber security risk is driven by increasing ingenuity and elaborateness of malicious threat actors.

#### **4.5.**

Risk 8 has been updated to include the key role that subsea cabling plays in delivering the backhaul connectivity for Orkney and the potential impacts a loss of subsea cabling can have on the performance and resilience of digital connectivity. Also, the text around superfast broadband has been adjusted to ultrafast broadband, reflecting current market terminology.

#### **4.6.**

The risk concerning Continued impact of EU exit, which was Risk 12, has been reviewed and the issue concerning funding arrangements has been merged into Risk 2 as described in section 4.3 above. The exit from the EU completed on 31 January 2020 and the subsequent transition period completed on 31 December 2020 – this will be recorded in Directorate Risk Registers and removed from the Corporate Risk Register.

#### **4.7.**

Recognising that the Council declared a Climate Emergency on 14 May 2019, a specific risk concerning Climate Change has been added and now occupies Risk 12. This has been scored with a likelihood of 4 and an impact of 5, and sits with the Corporate Director for Neighbourhood Services and Infrastructure as Risk Owner.

#### **4.8.**

Risk 15 Pandemic has been reviewed and, where appropriate, the specific references to Covid-19 have been replaced with general reference to Pandemic, in recognition that Pandemic risk is wider than solely the Covid-19 pandemic. This has been rescored accordingly with likelihood reduced from 5 to 3, but impact increased from 3 to 5.

### **5. Corporate Governance**

This report relates to the Council complying with governance and procedural issues and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

### **6. Financial Implications**

There are no financial implications arising directly from this report.

## **7. Legal Aspects**

Effective risk management helps the Council to meet its statutory obligations and discharge its legal duties of care.

## **8. Contact Officers**

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## **9. Annex**

Annex 1: Corporate Risk Register – April 2023.

# Corporate Risk Register – April 2023

## Strategic Risks

Cluster.	Risk Number.	Risk.	Owner.
Physical.	1.	Transport.	Corporate Director for Enterprise and Sustainable Regeneration.
Financial.	2.	Economic Sustainability.	Chief Executive and Corporate Director for Enterprise and Sustainable Regeneration.
Reputational.	3.	Adverse Communications.	Corporate Director for Strategy, Performance and Business Solutions.
Physical.	4.	Workforce.	Corporate Director for Strategy, Performance and Business Solutions.
Physical.	5.	Asset Management.	Corporate Director for Neighbourhood Services and Infrastructure.
Economic.	6.	Economic.	Corporate Director for Enterprise and Sustainable Regeneration.
Technological.	7.	Cyber Security.	Corporate Director for Neighbourhood Services and Infrastructure.
Technological.	8.	Connectivity.	Corporate Director for Enterprise and Sustainable Regeneration.
Partnership.	9.	Partnerships.	Corporate Director for Strategy, Performance and Business Solutions.
Legislative.	10.	Procurement.	Corporate Director for Strategy, Performance and Business Solutions.
Legislative.	11.	Health and Safety.	Corporate Director for Neighbourhood Services and Infrastructure.
Physical.	12.	Climate Change	Corporate Director for Neighbourhood Services and Infrastructure.
Financial.	13.	Housing.	Corporate Director for Education, Leisure and Housing.
Professional.	14.	Childcare Services.	Corporate Director for Education, Leisure and Housing.
Physical.	15.	Pandemic.	Corporate Director for Neighbourhood Services and Infrastructure.
Legislative.	16.	Children and Young People.	Chief Officer, Orkney Health and Social Care Partnership.

## Risks by cluster

Cluster.	Risk Number.	Risk.	Owner.
Physical.	12.	Climate Change.	Corporate Director for Neighbourhood Services and Infrastructure.
Economic.	6.	Economic.	Corporate Director for Enterprise and Sustainable Regeneration.
Financial.	2.	Economic Sustainability.	Chief Executive and Corporate Director for Enterprise and Sustainable Regeneration.
Financial.	13.	Housing.	Corporate Director for Education, Leisure and Housing.
Legislative.	16.	Children and Young People.	Chief Officer, Orkney Health and Social Care Partnership.
Legislative.	11.	Health and Safety.	Corporate Director for Neighbourhood Services and Infrastructure.
Legislative.	10.	Procurement.	Corporate Director for Strategy, Performance and Business Solutions.
Partnership.	9.	Partnerships.	Corporate Director for Strategy, Performance and Business Solutions.
Physical.	5.	Asset Management.	Corporate Director for Neighbourhood Services and Infrastructure.
Physical.	1.	Transport.	Corporate Director for Enterprise and Sustainable Regeneration.
Physical.	15.	Pandemic.	Corporate Director for Neighbourhood Services and Infrastructure.
Physical.	4.	Workforce.	Corporate Director for Strategy, Performance and Business Solutions.
Professional.	14.	Childcare Services.	Corporate Director for Education, Leisure and Housing.
Reputational.	3.	Adverse Communications.	Corporate Director for Strategy, Performance and Business Solutions.
Technological.	7.	Cyber Security.	Corporate Director for Neighbourhood Services and Infrastructure.
Technological.	8.	Connectivity.	Corporate Director for Enterprise and Sustainable Regeneration.

## Risks by owner

Owner.	Cluster.	Risk Number.	Risk.
Corporate Director for Neighbourhood Services and Infrastructure?.	Physical.	12.	Climate Change.
Corporate Director for Education, Leisure and Housing.	Financial.	13.	Housing.
Corporate Director for Education, Leisure and Housing.	Professional.	14.	Childcare Services.
Corporate Director for Enterprise and Sustainable Regeneration.	Physical.	1.	Transport.
Corporate Director for Enterprise and Sustainable Regeneration.	Economic.	6.	Economic.
Corporate Director for Enterprise and Sustainable Regeneration.	Technological.	8.	Connectivity.
Chief Executive and Corporate Director for Enterprise and Sustainable Regeneration.	Financial.	2.	Economic Sustainability.
Corporate Director for Neighbourhood Services and Infrastructure.	Physical.	5.	Asset Management.
Corporate Director for Neighbourhood Services and Infrastructure.	Technological.	7.	Cyber Security.
Corporate Director for Neighbourhood Services and Infrastructure.	Legislative.	11.	Health and Safety.
Corporate Director for Neighbourhood Services and Infrastructure.	Physical.	15.	Pandemic.
Corporate Director for Strategy, Performance and Business Solutions.	Reputational.	3.	Adverse Communications.
Corporate Director for Strategy, Performance and Business Solutions.	Physical.	4.	Workforce.
Corporate Director for Strategy, Performance and Business Solutions.	Partnership.	9.	Partnerships.
Corporate Director for Strategy, Performance and Business Solutions.	Legislative.	10.	Procurement.
Chief Officer, Orkney Health and Social Care Partnership.	Legislative.	16.	Children and Young People.

## Risks by rating

Owner.	Cluster.	Risk Number.	Risk.	Risk Rating.
Corporate Director for Enterprise and Sustainable Regeneration.	Physical.	1.	Transport.	25.
Chief Executive and Corporate Director for Enterprise and Sustainable Regeneration.	Financial.	2.	Economic Sustainability.	25.
Corporate Director for Enterprise and Sustainable Regeneration.	Economic.	6.	Economic.	25.
Corporate Director for Neighbourhood Services and Infrastructure.	Physical.	12.	Climate Change	20
Corporate Director for Strategy, Performance and Business Solutions.	Physical.	4.	Workforce.	16.
Corporate Director for Enterprise and Sustainable Regeneration.	Technological.	8.	Connectivity.	16.
Chief Officer, Orkney Health and Social Care Partnership.	Legislative.	16.	Children and Young People.	15.
Corporate Director for Neighbourhood Services and Infrastructure.	Physical.	15.	Pandemic.	15.
Corporate Director for Neighbourhood Services and Infrastructure.	Technological.	7.	Cyber Security.	12.
Corporate Director for Strategy, Performance and Business Solutions.	Reputational.	3.	Adverse Communications.	12.
Corporate Director for Neighbourhood Services and Infrastructure.	Physical.	5.	Asset Management.	12.
Corporate Director for Education, Leisure and Housing.	Financial.	13.	Housing.	12.
Corporate Director for Education, Leisure and Housing.	Professional.	14.	Childcare Services.	12.
Corporate Director for Strategy, Performance and Business Solutions.	Partnership.	9.	Partnerships.	9.



Owner.	Cluster.	Risk Number.	Risk.	Risk Rating.
Corporate Director for Strategy, Performance and Business Solutions.	Legislative.	10.	Procurement.	9.
Corporate Director for Neighbourhood Services and Infrastructure.	Legislative.	11.	Health and Safety.	9.

## Risk matrix

		IMPACT					
		1.	2.	3.	4.	5.	
		Insignificant	Minor	Moderate	Major	Severe	
LIKELIHOOD	5.	Almost Certain.	Medium	Medium	High	High	Extreme
	4.	Likely.	Medium	Medium	Medium	High	Extreme
	3.	Possible.	Low	Medium	Medium	High	High
	2.	Unlikely.	Low	Low	Medium	Medium	High
	1.	Rare.	Low	Low	Low	Medium	High

Risk Number.		Risk Title.				Cluster.		Owner.	
1.		Transport				Physical.		Chief Executive, Corporate Director for Enterprise and Sustainable Regeneration, and Corporate Director for Neighbourhood Services and Infrastructure	
<b>Likelihood:</b>	5.	<b>Impact:</b>	5.	<b>RAG:</b>	Red.	<b>Current Risk Score:</b>	25.	<b>Target Risk Score:</b>	25.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p><b>1a. Internal Ferries.</b></p> <p>Failure to secure agreement with Scottish Government on appropriate funding arrangements to deliver the Scottish Ferries Plan in relation to ferry and terminal replacement for Orkney.</p> <p>Ferry and Terminal replacement programme currently unfunded with ageing infrastructure.</p>	<p><b>Internal Ferries.</b></p> <p>Ferries reach end of service life with no solution in place.</p> <p>High repair costs indicate that buying new would be more cost effective.</p> <p>Deterioration of piers infrastructure.</p> <p>Reductions in lifeline provisions for the community are below Scottish Ferries Plan standards.</p> <p>Services become unaffordable.</p>	<p><b>Internal Ferries.</b></p> <p>Ferries reach end of life with no replacement – rapid service deterioration. Excessive support costs as aged ferries kept running.</p> <p>Reduced capacity and flexibility to maintain scheduled services.</p> <p>Excessive running costs of old ferries. No opportunities to achieve expected service levels.</p> <p>Risk of delay in procurement leading to reduced capability to purchase fit for purpose new tonnage. Buying piecemeal also reduces economy of scale; community unrest due to people depopulating the isles due to lack of</p>	<p><b>Internal Ferries.</b></p> <p>Treat</p>	<p><b>Internal Ferries.</b></p> <p>Ongoing dialogue with the Scottish Government emphasising the difficulties of a small authority providing the range of public services within reduced budgets across a wide and diverse geographical area.</p> <p>Continue to seek additional specific funding sources to protect lifeline services in Orkney and its outlying communities to ensure they are not significantly disaffected, e.g., Transport Grant for replacement ferries.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p><b>1b. External Ferries.</b></p> <p>Loss of service to the lifeline ferry route.</p>	<p><b>External Ferries.</b></p> <p>Scottish Government announcement of reduction in ferry timetable, ferry replacement, RET or rescheduling of service.</p>	<p>lifeline transport connectivity.</p> <p><b>External Ferries.</b></p> <p>Reduction in available spaces. Transport disruption. Re-routing of supply import/ export lines. Pressure on non-lifeline ferry.</p>	<p><b>External Ferries.</b></p> <p>Treat.</p>	<p><b>External Ferries.</b></p> <p>Relationship with contract provider. Lobby Scottish Government.</p>
<p><b>1c. Air.</b></p> <p>Loss of internal/ external air service currently operated by Loganair.</p> <p>Reduction in services following the sale of the airline.</p>	<p><b>Air.</b></p> <p>Sale of the business. Collapse of business. Tender application for internal air service.</p>	<p><b>Air.</b></p> <p>Increased demand on internal ferries. Lack of transport provision for itinerant service provision. Increased demand for temporary accommodation.</p>	<p><b>Air.</b></p> <p>Tolerate.</p>	<p><b>Air.</b></p> <p>Relationship with contract provider. Lobby Scottish Government.</p>
<p><b>1d. Causeways.</b></p> <p>Failure of the Churchill barriers, given their age (now 70+ years old) combined with increasing use of heavier vehicles, especially but not only associated with the freight</p>	<p><b>1d. Causeways.</b></p> <p>Failure in substrate leading to road closure.</p>	<p><b>1d. Causeways.</b></p> <p>No alternative route. Disruption for linked south isles residents. Disruption for businesses due to ferry access, displacement of</p>	<p><b>1d. Causeways.</b></p> <p>Treat.</p>	<p><b>1d. Causeways.</b></p> <p>Engineering studies on barrier road surface and substrate. Previous studies on barrier 2 overtopping with suggested engineering control measures widely known.</p>

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>vehicles using the external ferry service from St Margaret's Hope.</p> <p>Barrier 1 is known to have a degraded surface and the presence of some voids within the structure.</p> <p>Barrier 2 continues to be problematic to cross in adverse weather conditions, specifically where tidal and wind conditions produce overtopping.</p> <p>Closure of the barriers are required to maintain public safety, usually for 2 hours either side of a high tide when certain weather/ tidal conditions prevail.</p>		<p>employees, lack of supply routes.</p> <p>Increased freight costs.</p> <p>Ferry availability during peak periods.</p>		<p>Traffic management.</p>

Risk Number.		Risk Title.				Cluster.	Owner.		
2.		Economic Sustainability				Financial.	Chief Executive and Corporate Director for Enterprise and Sustainable Regeneration.		
Likelihood:	5.	Impact:	5.	RAG:	Red.	Current Risk Score:	25.	Target Risk Score:	16.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<ul style="list-style-type: none"> <li>• Reduced funding across Council Services.</li> <li>• Reduced income as a result of economic pressures.</li> <li>• Increased costs to capital projects.</li> <li>• Increased costs to revenue budgets.</li> <li>• Increased energy costs.</li> <li>• Increased demands to existing services.</li> <li>• Lack of capacity to deliver core services.</li> <li>• Impacts to supply chain.</li> <li>• Increased costs to capital replacement programme.</li> <li>• Impacts to Council investments.</li> <li>• Inflationary rises.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase to energy costs.</li> <li>• Increase to CPI/RPI costs.</li> <li>• Increase in transportation and delivery costs.</li> <li>• Increase to running costs for Council fleet and internal ferries.</li> <li>• Increase of salaries due to pay awards.</li> <li>• Increase to cost of living.</li> <li>• Increase in expectations from Community.</li> <li>• Increase in rent and Council tax default.</li> <li>• Increase in requests for statutory services.</li> <li>• Reduction in grant from Scottish Government.</li> <li>• Reduction in requests for Council paid services.</li> <li>• Reduction in capacity to deliver services.</li> <li>• Reduction in investments.</li> </ul>	<p>Community unrest. Unhappy service users. Elected members unable to meet need. Loss of credibility of Council. Inability to deliver the range of services expected and legal challenge. Capital projects are delivered late or not at all leading to increased costs and difficulties in delivering services. Local Economy adversely impacted by labour shortages and high price of materials. Non-payment of rent and Council Tax. Inability to pay for Council Services. Increased demand on Food Banks, free school meals, school clothing</p>	Treat.	<p>Ownership of the Budget Setting Process by the Corporate Leadership Team / Extended Corporate Management Leadership Team with openness and transparency around the identification of potential areas for re-provisioning of services.</p> <p>Development of a range of actions (savings and other budget improvement measures) to address whatever financial environment the Council faces going into 2023/24 in order to inform future business and budget planning.</p> <p>A strategy on the use of Reserves.</p> <p>Delivery of budget savings will be monitored within Services and reported to the Policy and Resources Committee.</p> <p>There must be an acknowledgement of reality with the focus on continuation of the delivery of minimum Statutory Provision versus Statutory with Discretion, Non-Statutory but Essential or Discretionary Expenditure whilst having regard to the Council Priorities.</p> <p>Improved project planning with much longer lead in times.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<ul style="list-style-type: none"> <li>• Council tax levy during period.</li> <li>• Impact on staffing recruitment and retention.</li> <li>• Availability of key products.</li> </ul>	<ul style="list-style-type: none"> <li>• Expectations outstrip capacity to deliver.</li> <li>• The Scottish Government fails to provide sufficient funding for essential services.</li> <li>• UK Government fails to provide funding equivalent to shortfall consequent from loss of EU Funding following UK exit from European Union</li> <li>• Government movement to energy cost caps.</li> </ul>	<p>grants, crisis grants, Scottish Welfare Fund.</p> <p>Financial pressures impacting adversely on mental wellbeing, and relationships leading to increased demand on Council wellbeing services.</p> <p>Strike action on pay leading to disruption in the delivery of Council Services.</p> <p>Inability to recruit or retain staff.</p> <p>Community expectations are not reduced due to a failure to communicate and engage effectively with communities.</p> <p>Failure to demonstrate the value of the Council's ongoing services to the public.</p> <p>Living costs outstrip available income as a result of pay awards, benefits and other income receipts not keeping up with inflation leading to inability to meet household outgoings.</p>		<p>Additional staff capacity in Neighbourhood Services and Infrastructure to manage the capital programme.</p> <p>Development of a Child Poverty Action Plan.</p> <p>Signposting to financial advice.</p> <p>Local Authority Covid-19 Economic Recovery (LACER) funding.</p> <p>Increased use of welfare fund applications.</p> <p>Review of pay and grading model.</p> <p>Exploration of market supplements.</p> <p>Promotion in the reduction of energy usage.</p> <p>Hybrid working policy.</p> <p>Reduction in heating costs for offices.</p>

<b>Risk Number.</b>	<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>			
3.	Adverse reaction to communications with staff, the public and stakeholders including social media.				Reputational.	Corporate Director for Strategy, Performance and Business Solutions.			
<b>Likelihood:</b>	4.	<b>Impact:</b>	3.	<b>RAG:</b>	Amber	<b>Current Risk Score:</b>	12.	<b>Target Risk Score:</b>	9.

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>The Council's resources made available by Government will continue to reduce or remain static over the next few years despite growing need and demand. The Council must therefore use its general fund and strategic reserve fund resources to maintain services whilst areas for savings / efficiencies and income generation are progressed.</p> <p>The Council must ensure that communities continue to be appropriately engaged about the efficiency measures and inevitable service changes and are proactively informed so that customer expectations are realistic. There is the potential that staff do not feel engaged in Our People Our Plan priorities and the inevitable change processes or valued as active</p>	<p>Customers have unrealistic expectations of what Council services can deliver.</p> <p>Customers do not understand the reasons for the changes and blame the Council.</p> <p>Good ideas are not harvested from effective community consultation.</p> <p>Failure to demonstrate the value of the Council's on-going services to the public.</p> <p>Council is unable to demonstrate the ability to work corporately.</p> <p>Staff are not given the opportunity to engage with and contribute to Our People Our Plan and the subsequent corporate development; staff become disengaged in essential change processes.</p> <p>The Council does not maintain an effective presence on social media as a communication tool.</p>	<p>Reputational risk.</p> <p>Misplaced criticism.</p> <p>Good ideas lost.</p> <p>Confusion about what the Council's priorities are.</p> <p>More difficult to align resources to priorities.</p> <p>Lack of understanding of what the Council wants to achieve.</p> <p>Changes are not achieved.</p> <p>Staff morale is adversely affected.</p> <p>Customers may not get a joined-up service.</p> <p>Inter-service tensions undermine corporate achievements.</p> <p>Legal implications.</p> <p>Exclusion of sectors of the community.</p>	Treat.	<p>Communication and Engagement Plan for Our People or Plan (OPOP) in development.</p> <p>As part of OPOP a workstream on Internal Communication is in place.</p> <p>In addition, work has commenced on the next review of the communication and engagement strategies and plans that are in place to publicise the Council's objectives and priorities, existing services and service change to ensure communities are engaged. The last review included the increased use of social media as a platform and tool for community engagement.</p> <p>Proactive press releases and campaigns are being prepared and released to promote positive stories about the services provided by the Council.</p>

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>contributors to corporate change, service realignments or developments.</p> <p>The Council fails to manage how we respond to social media and to take advantage of the potential benefits of social media.</p>				



Risk Number.		Risk Title.				Cluster.	Owner.		
4.		Workforce planning – lack of skills, experience and capacity.				Physical.	Corporate Director for Strategy, Performance and Business Solutions.		
Likelihood:	4.	Impact:	4.	RAG:	Amber.	Current Risk Score:	16.	Target Risk Score:	6.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Insufficient workforce planning actions underway to shape future workforce through redeployment, succession planning, recruitment, training etc. Capacity issues make it difficult for the service to realise its priorities. Increasingly limited and competitive market for recruitment of key leadership and professional roles</p>	<p>Council staff become overstretched. Council staff become demoralised. The Council does not have the right staff, in the right place, at the right time, to deliver set priorities and / or statutory functions. The Council is unable to meet its statutory obligations. Statutory officers are unable to discharge their statutory functions adequately. EU nationals unable to gain Visas to work in the UK or unwilling to move to the UK under a more challenging post Brexit process.</p>	<p>Council cannot manage within its resources. Existing workforce becomes overstretched. Key pieces of work are not able to be undertaken. Service standards drop and vulnerable people are placed at risk. Council is reactive rather than proactive. An increased risk in legal challenges and complaints. Risk of financial penalties. Recruitment taking place from a smaller pool of potential staff.</p>	<p>Treat.</p>	<p>Review of staffing model seeking to increase staffing resource where possible in pressure areas has been completed and currently being implemented. Projects within Our People, Our Plan initiative targeting improvements across operating model, workforce planning, culture, performance. New corporate People Plan has been developed to identify and address strategic workforce challenges. More proactive approach to recruitment, succession planning and attraction of people to live and work in Orkney. Adoption of Investors in People in 2022. Leadership Development programme to grow / upskill leaders. Development of programmes around youth employment, attracting young people into the workforce and improving career pathways. Continued use and development of remote and flexible working will encourage improved working methods and retention of key staff. Inclusion of staff in re-design of operations.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>Social Work Traineeship introduced to 'grow our own workforce' and reduce the need for agency staff.</p> <p>Care at Home posts regraded to recognise the increased complexity of the role and make the salary more attractive to those considering a career in care.</p> <p>Joint initiative with Orkney College to create a 6-week 'Introduction to Care' taster course. Guaranteed interviews for participants who complete the course.</p> <p>Increased commitment to proactive communications particularly related to staff and trade unions.</p> <p>Regular monthly Trade Union meeting at Corporate level.</p> <p>Formal Consultation protocol to be agreed with the Trade Unions.</p> <p>Regular staff / Trade Union meetings at Service level, when required.</p> <p>Change in emphasis of staff engagement to include the process of change.</p>

<b>Risk Number.</b>	<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>			
5.	Failure to ensure we obtain and retain maximum benefit from Council's assets.				Physical.	Corporate Director for Neighbourhood Services and Infrastructure.			
<b>Likelihood:</b>	4.	<b>Impact:</b>	3.	<b>RAG:</b>	Amber	<b>Current Risk Score:</b>	12.	<b>Target Risk Score:</b>	10.

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>The Council may not have enough funds to sustain assets, replace ageing assets and develop key assets (also see Risk 1 which is particularly significant). Essential buildings and infrastructure for travel, communications etc must be maintained to ensure property and roads, IT, telecoms and other infrastructure continue to be able to support the Council's services.</p>	<p>The Council cannot maintain or develop its essential assets to provide public services.</p> <p>The Council cannot implement an asset management strategy.</p> <p>The public is unable to communicate with services.</p> <p>Professionals are unable to communicate with each other to provide effective services.</p>	<p>Roads and buildings deteriorate.</p> <p>IT infrastructure cannot support services.</p> <p>Unused / surplus buildings. Services are not delivered.</p> <p>Lifeline routes compromised.</p> <p>Risk of accident and potential claim.</p> <p>Vulnerable people are at risk.</p> <p>Communication is not possible between agencies to co-ordinate services.</p> <p>Council's reputation is at risk.</p>	<p>Treat.</p>	<p>Corporate Asset Management Plan updated in 2019 and covers the period 2019 to 2023.</p> <p>Existing Property Asset Management Plan is kept up to date and reviewed regularly. The 2019 to 2023 plan was re-written and considered by the Asset Management Sub-committee in November 2019.</p> <p>Existing ICT Asset Management Plan was updated in 2021 and approved by Asset Management Sub-Committee.</p> <p>The Fleet and Plant Asset replacement programme is under review and will be updated in 2022.</p> <p>The capital programme 2018 to 2023 is fully committed. Work is underway to agree the 2024 to 2029 programme in the current financial year, noting that funding pressure will not necessarily see any significant investment in maintaining assets above current levels or address any backlog issues. It should be further noted that the impacts of the Covid-19 Pandemic and Brexit have increased costs and added significant delays to some programmes, including extreme supply chain delays being experienced by our contractors.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>Service Asset Management Plans has commenced on Open Spaces and thereafter Heritage. They have been completed for Roads in terms of the Roads Asset Replacement Programme 2022-2025 and the Roads Maintenance Programme 2022-2023.</p> <p>Estates PID being progressed, tender for consultancy support was unsuccessful at first attempt, and it will be revised and reissued in August 2022.</p> <p>All asset replacement programmes (budgets) for roads, waste, fleet and property (revenue repairs and capital improvements), are monitored in detail to ensure planned, cyclical, reactive and emergency works are completed in context of significant budget pressures (efficiencies).</p> <p>The Council agreed to draw £2.1 million from reserves to address a backlog of roads maintenance when it set the budget for 2021 / 22. This additional funding is being fed into maintenance budgets over two financial years.</p> <p>The Council agreed in December 2021 to a number of areas where additional one-off funding of £3.9 million on maintenance repair and replacement should be expended.</p> <p>Capital Planning and Asset Management Working Group holds monthly meetings to consider prioritisation of future works.</p>

Risk Number.		Risk Title.				Cluster.		Owner.	
6.		Inability to sustain and enhance economic opportunities.				Economic.		Corporate Director for Enterprise and Sustainable Regeneration.	
Likelihood:	5.	Impact:	5.	RAG:	Red.	Current Risk Score:	25.	Target Risk Score:	20.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Commercial sectors are vulnerable to market forces and changing national and international economic circumstances. Orkney's population is also ageing, leading to a range of challenges and opportunities in managing the impact of this demographic shift in terms of service provision.</p> <p>Deliverability of key project and political agendas including the Islands Deal, Harbours Masterplan, Grid and Digital Connectivity, Shared Prosperity Fund, Ferry Replacement, Arctic Strategy and Innovation Freeport concepts.</p> <p>COVID 19 Recovery and Response challenges.</p>	<p>The Council fails to support a diverse economy.</p> <p>Decline in farming and other traditional industries.</p> <p>External market forces and economic factors lead to increasing pressure on local businesses.</p> <p>Cost of transportation threatens travel of goods and people to and from Orkney.</p> <p>The Council fails to support emerging industries.</p> <p>The Council fails to ensure community benefits arise from developing industries.</p> <p>The Council fails to secure long term benefits from Renewables sector.</p> <p>Increasing pressure on services for older people.</p> <p>Reducing work age Government fail to deliver on or support economic opportunities and Regulatory change and an appropriately</p>	<p>Local economy struggles pushing additional responsibilities onto the public sector.</p> <p>Council budgets become increasingly pressed.</p> <p>Staffing shortages.</p> <p>Loss of external funding due to Brexit.</p> <p>Loss of jobs, increase in unemployment, reduced economic performance.</p>	Treat.	<p>The budgets for revenue repairs and capital improvements are reviewed annually as part of the Council's budget process.</p> <p>Seek to identify additional options for delivery of the maintenance programmes.</p> <p>Where unavoidable pressures are identified these are managed through an allocated 'contingency' or capacity within the Enterprise and Sustainable Regeneration Directorate given positive trading performance.</p> <p>To ensure the delivery of approved plans is achieved, there has been additional investment in people resources in roads, waste, fleet and soon to be the quarry and property team (as part of workload analysis and mini restructuring).</p> <p>To ensure the size and scale of the capital programme is realistic in terms of affordability, pace and thereby resources, members have agreed the 2018 to 2023 programme. This considers the Council's internal and external people resource, contractor capacity and how funded (internally or externally, noting island deal possibilities).</p>

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
	<p>designed and timed Shared Prosperity Fund.</p> <p>Lack of capacity to deliver sufficient support to post COVID-19 economy.</p> <p>Lack of Government support for unique islands impacts of COVID-19 e.g. tourism 3 winters scenario, population.</p>			<p>Political engagement and lobbying at UK and Scottish Government levels.</p> <p>Effective working of Economic Recovery Steering Group.</p> <p>Establishment of Crown Estate Economic Development fund to support local business.</p>

<b>Risk Number.</b>	<b>Risk Title.</b>	<b>Cluster.</b>	<b>Owner.</b>						
7.	Inadequate information security and management, and inadequate cyber security – With the increase in the use of publicly visible technology and the increasing ingenuity and elaborateness of threat actors there is an increased risk of exposure to threats from criminal and other malicious parties.	Technological.	Corporate Director for Neighbourhood Services and Infrastructure.						
<b>Likelihood:</b>	3.	<b>Impact:</b>	4.	<b>RAG:</b>	Amber.	<b>Current Risk Score:</b>	12.	<b>Target Risk Score:</b>	6.

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>The Council fails to maintain an adequate audit trail of all information created.</p> <p>The Council does not handle, share and release all its data adequately.</p> <p>The Data Protection Act 2018 has introduced new duties for the Council.</p> <p>Failure to implement and maintain suitable cyber controls to protect assets.</p>	<p>Inappropriate disclosure, sharing, retention or loss of data.</p> <p>Failure to comply with information governance legislation including the Data Protection Act 2018.</p>	<p>Customer distress and harm.</p> <p>Financial and legal implications.</p> <p>Reputational risk.</p> <p>Inability to access information when required.</p> <p>Failure to deliver services.</p> <p>Failure to share information leading to duplication of effort.</p> <p>Not responding to information requests on time.</p> <p>Complaints against the Council.</p>	Treat.	<p>The Records Management Improvement Plan sets out further actions required to ensure that the Council maintains compliance with its legal responsibilities, including the Data Protection Act 2018.</p> <p>Senior Management leadership in place regarding delivery of the Records Management Improvement Plan.</p> <p>The Council met the Cyber Essential (Basic) accreditation as required by the Scottish Government in February 2018; the target for this was June 2018.</p> <p>Cyber Essential + accreditation achieved, April 2019. Noted that the Information Services Programme Board decided, in June 2019, not to seek re-accreditation of CE+ for 2020 on the basis that all the same criteria, and more, was tested as part of the Public Services Network (PSN) compliance activity.</p> <p>PSN reaccreditation was validated from 1 May 2021 to 1 May 2022 and work is underway to achieve re-accreditation.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>IT Security is managed proactively and there is an ongoing programme of patching / updating the hardware and software in operation across the Council.</p> <p>As part of the Council's resilience planning, it has completed an exercise in a box, designed by the National Cyber Security Centre and adapted by officers, focused on a Cybersecurity Ransomware attack with attendance from all Council services and reported to Corporate Leadership Team. Ongoing work on business continuity actions, aligned to Cyber Scotland incident response planning, following this is now in progress.</p> <p>The Council has invested in a new dual site hyperconverged infrastructure to host its on-premises production services and data with work now progressing to deploy the secondary unit to a disaster recovery location.</p> <p>There has been an extensive programme of replacement to upgrade the council desktop PCs to Windows 10 which has been completed. Any devices which are not compliant are restricted from network access.</p>



Risk Number.		Risk Title.				Cluster.		Owner.	
8.		Inadequate availability and reliability of ultrafast and mobile connectivity across Orkney.				Technological.		Corporate Director for Enterprise and Sustainable Regeneration.	
<b>Likelihood:</b>	4.	<b>Impact:</b>	4.	<b>RAG:</b>	Amber.	<b>Current Risk Score:</b>	16.	<b>Target Risk Score:</b>	8.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Failure to lobby Governments to address the current digital divide and put in place infrastructure to ensure a step change in speeds.</p> <p>Lack of mobile coverage.</p> <p>Failure to press the Government to deliver a longer-term plan to ensure that there are the right mechanisms, partnerships and commercial models in place.</p> <p>Limited subsea backhaul constrains network speeds while failures leave homes and business at risk of disruption.</p>	<p>Orkney fails to secure maximum and equitable geographic coverage of availability and reliability of ultrafast broadband and mobile connectivity across Orkney, and the required improvements to Broadband services and mobile network across the islands are not delivered.</p> <p>Orkney is unable to attract inward investment and sustain fragile communities.</p> <p>Educational infrastructure disadvantaged by lack of service.</p> <p>Critical links to the Scottish Mainland fail leaving Orkney with poor or no digital connectivity</p>	<p>Failure to attract inward investment.</p> <p>Failure to attract skilled employees.</p> <p>Digital isolation across age groups.</p> <p>Failure to realise opportunities in respect of Telehealth, Telecare, mobile working and tele-learning.</p> <p>Poor online public service access including welfare benefits, etc.</p> <p>Disruption to homes and business operations.</p>	Treat.	<p>Continue to support political lobbying and seek opportunities to progress policy.</p> <p>Support the Scottish Government in the roll out of R100 infrastructure in Orkney, including improvements to subsea backhaul.</p> <p>Support development and introduction of alternative commercial models, including 5G infrastructure.</p> <p>The Council has commissioned development of a digital strategy for Orkney which presents options for enhancing digital connectivity provision. The draft strategy will be reported to Council for consideration in September 2022.</p>

<b>Risk Number.</b>	<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>			
9.	Lack of development of effective partnerships.				Partnership.	Corporate Director for Strategy, Performance and Business Solutions.			
<b>Likelihood:</b>	3.	<b>Impact:</b>	3.	<b>RAG:</b>	Yellow.	<b>Current Risk Score:</b>	9.	<b>Target Risk Score:</b>	6.

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>The Council must develop partnership working to maximise use of the culminative resource and impact on outcomes for the community Planning Partnership.</p> <p>Working in partnership exposes the Council to some degree of reputational risk, depending on the stability of the arrangements and outcomes delivered.</p> <p>Resource and key staffing constraints may affect the success of partnerships.</p> <p>Changing ministerial roles in UK Government delays progress with key issues.</p> <p>The Scottish Government has not progressed the Local Governance Review pilot of the Single Authority Model.</p> <p>The Scottish Government's intention to create a National Care Service and</p>	<p>The Council does not implement a robust and effective framework for managing its key partnerships.</p> <p>The resource and key staffing pressures on the parent bodies affect the reputation of the partnership.</p> <p>National developments relating to the redesign of adult care services may not take account of the unique requirements of delivering effective care services in remote and rural areas.</p> <p>Ministers in governments change role/ remit.</p>	<p>Impact upon service delivery.</p> <p>Loss of reputation due to inability to meet statutory requirements.</p> <p>Efficiencies not achieved.</p> <p>Reduced ability to deliver on important projects for vulnerable people and their families.</p> <p>Reduced ability to support and protect individuals and families by delivering effective care services within Orkney.</p> <p>Dialogue with ministerial colleagues prolonged and repeated thus delaying progress.</p>	<p>Treat.</p>	<p>The Council will continue to work closely with partners under current frameworks which are monitored closely to ensure they are robust, effective and deliver good governance.</p> <p>The Council will continue to review existing partnerships and explore new ones as opportunities arise to suit Orkney as a whole.</p> <p>Engagement with Scottish Ministers in respect of the Local Governance review which supports joint working will be sought.</p> <p>Engage with the Scottish Government through COSLA. As a separate legal entity, the IJB will consider its own actions relating to this risk on the IJB's risk register.</p> <p>Engagement with UK Ministers will continue.</p>

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>to amend the functions of Integration Joint Boards could see social care in Orkney delivered in a different way.</p> <p>Scottish Government referendum may cause further instability and delays in decision making.</p>				

<b>Risk Number.</b>	<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>			
10.	Inadequate procurement compliance and sustainable communities.				Legislative.	Corporate Director for Strategy, Performance and Business Solutions.			
<b>Likelihood:</b>	3.	<b>Impact:</b>	2.	<b>RAG:</b>	Yellow.	<b>Current Risk Score:</b>	6.	<b>Target Risk Score:</b>	6.

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>Financial and non-financial savings have not yet been fully explored.</p> <p>Further work to be done to support local businesses to help them participate in procurement opportunities, building on the Meet the Buyer event which was first held in August 2016.</p>	<p>Legal challenge is a possibility unless the Procurement Regulations are complied with and processes followed.</p> <p>Officers fail to understand the limitations that the Procurement Regulations place on the Council.</p> <p>Officers do not follow due process and tendering must be repeated.</p> <p>Anticipated savings may not be fully realised through collaborative contracts.</p> <p>The local economy may not be as well supported as it could be.</p> <p>Member / officer disharmony due to lack of understanding of responsibilities.</p>	<p>Financial loss due to legal challenge.</p> <p>Reputational harm.</p> <p>Delays in services being procured due to re-tendering or court action.</p> <p>Loss to the local economy.</p> <p>Loss of effectiveness and efficiency.</p> <p>Lost opportunity in terms of savings.</p>	<p>Treat.</p>	<p>Procurement Consultative Group comprising Elected Members and Officers is in place and meets when required.</p> <p>Procurement Working Group (Officers with delegated procurement authority) set up to provide training, support and a corporate approach to procurement exercises and priorities.</p> <p>Frequent communication with this group is in place and training on the use of the new Procurement Plan and the Sustainable Procurement Impact Assessment was completed in Spring/Summer 2021.</p> <p>Procurement Improvement Plan developed and kept under review. A new Procurement Strategy will be drafted and go out for consultation following the finalisation of the new Council Plan for 2023 onwards and will align with any new Council priorities.</p> <p>Sustainable Procurement Strategy approved by Members in February 2018.</p> <p>Following external consultation in Summer 2021 a new version, including a Sustainable Procurement Impact Assessment, was agreed by Council in March 2022.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>Procurement Manual, updated in April 2019, is currently under review and is due to be finalised in Autumn 2022.</p> <p>Procurement and Commercial Improvement Programme (PCIP) assessment by Scotland Excel completed in September 2019. OIC score showed a good improvement from 49% to 58%. Action plan to meet recommendations is being implemented.</p> <p>Meet the Buyer event for October 2019 was held successfully. Event for 2020 put on hold due to the pandemic and targeted event held in 2021. Smaller contract-specific Meet the Buyer Events have been held, such as the Isles Kerbside Collection Services in 2021 and Food Supply Catering Contracts in August 2022.</p> <p>Contracts Register is now updated continuously with reference to the Procurement Plan, and the importance of the Contracts Register is stressed to all staff who are making purchasing decisions.</p> <p>Proactive work with the Corporate Admin Group to look at the creation and use of local Framework Agreements, for example, a local framework for stationery.</p> <p>Contract Standing Orders under regular review, with the last formal review carried out in Spring 2022. This update incorporated the new OIC Management Structure and updates to financial thresholds.</p> <p>COVID-19 Supplier Relief Programme implemented.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>Actions following the Internal Audit review of Quarry Procurement Procedures in March 2021 have been progressed as planned. Procurement Plan process has been implemented and all officers with Delegated Procurement Authority have attended a workshop, as have a number of other key OIC staff.</p>

<b>Risk Number.</b>	<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>			
11.	Health and Safety non-conformance.				Legislative.	Corporate Director for Neighbourhood Services and Infrastructure.			
<b>Likelihood:</b>	3.	<b>Impact:</b>	2.	<b>RAG:</b>	Yellow.	<b>Current Risk Score:</b>	6.	<b>Target Risk Score:</b>	4.

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
Non-compliance with health and safety policies, rules and procedures by employees, members of the public, contractors etc.	Reportable accidents, work related ill health and dangerous occurrences.	<p>Staff exposed to unnecessary risk or harm. Increase in staff absence or sickness. Reduction in staff morale. Enforcement action from the Health and Safety Executive. This may include Improvement and prohibition notices and prosecution.</p> <p>Material breaches, if identified, are subject to cost recovery by way of 'fees for intervention'.</p> <p>Civil action resulting in the payment of compensation for injury or damage etc.</p>	Treat.	<p>Frequency of Safety Committee meetings increased including a review of adverse events.</p> <p>Corporate Leadership Team to promote a positive health and safety culture.</p> <p>Revamp of Health and Safety Policy and supporting guidance.</p> <p>Proactive health and safety to feature as a standing item in Senior Management meetings as appropriate.</p> <p>IOSH 'Leading Safely' training has been refreshed for the majority of Corporate Leadership Team and Extended Corporate Leadership Team members. Assessment of training needs for new members to be completed in Sept 2022 and recommendations implemented in Q3 2022/23</p> <p>Proactive Health and Safety campaigns organised and promoted to all Council employees started in April 2018.</p> <p>Review and potential investment of additional service-focused resources to strengthen operational health and safety effectiveness (one 0.6 FTE additional post within Neighbourhood Services and Infrastructure agreed April 2022).</p>

Vulnerability.		Trigger.		Consequences.		Options.	Mitigating Actions.		
Risk Number.		Risk Title.				Cluster.		Owner.	
12.		Climate Change				Physical.		Corporate Director for Neighbourhood Services & Infrastructure	
<b>Likelihood:</b>	4	<b>Impact:</b>	5	<b>RAG:</b>	Red	<b>Current Risk Score:</b>	20	<b>Target Risk Score:</b>	12

Vulnerability.		Trigger.		Consequences.		Options.	Mitigating Actions.	
<p>Council infrastructure impacted by extreme and unpredictable weather, resulting in increased costs of maintenance and weakened or disrupted delivery of services including travel disruption.</p> <p>Communities facing increased frequency of coastal flooding and increased volumes of surface water.</p> <p>Local economic production affected by climate impacts.</p> <p>Transition to support climate response initiatives require significant capital investment.</p>		<p>Extreme and unpredictable sustained weather (lightning, winds, tides) causes increased damage or wear &amp; tear to council infrastructure.</p> <p>Increased severity of coastal flooding leads to damage of property in coastal communities, while surface water levels impact transport routes and agricultural activities in the community.</p> <p>Surface water and other climate impacts affect normal activity cycles impacting food production including agriculture.</p> <p>Move to Net Zero requires capital funding and resourcing beyond Council capacity.</p>		<p>Weakened or disrupted delivery of Council services including transport, roads maintenance, property access and digital services.</p> <p>Increased costs of service delivery reduce capacity due to constraints in budgets.</p> <p>Reduced economic output in Orkney requires increased Council interventions.</p> <p>Failure to meet targets or reductions in funding of other Council Priorities to support initiatives.</p>		Treat.	<p>Declaration of Climate Emergency.</p> <p>New Council Plan has specific climate related goals including Net Zero.</p> <p>Local Heat and Energy Efficiency Strategy</p> <p>Flood Risk Management Plan 2022 – 2028</p> <p>Resilience review and response to SEPA Flood Warnings as an Incident Management process.</p>	



Risk Number.		Risk Title.				Cluster.	Owner.		
13.		House Build Programme – Risk of being unable to fully utilise Affordable Housing Supply Programme funding from the Scottish Government.				Financial.	Corporate Director for Education, Leisure and Housing.		
<b>Likelihood:</b>	4.	<b>Impact:</b>	3.	<b>RAG:</b>	Amber	<b>Current Risk Score:</b>	12.	<b>Target Risk Score:</b>	9.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>A range of factors are affecting the Council's ability to spend the Affordable Housing Supply Programme's funding, in partnership with Orkney Housing Association Ltd. These factors include:</p> <p>Contractors are currently under significant pressure with substantial amounts of work and limited resources.</p> <p>Issues affecting Scottish Water's sewerage system in Kirkwall and a need to separate surface water run off to free up capacity.</p> <p>The Housing Revenue Account holds a relatively high level of debt, and debt repayments are substantial.</p> <p>The cost of meeting the Energy Efficiency Standard for Social Housing 2 by 2032 is serving to</p>	<p>Inability to commit to fully utilising the funding that the Scottish Government allocate to Orkney each financial year.</p>	<p>Loss of funding that is essential to Orkney meeting need for social / affordable housing.</p> <p>Rising pressure as more applicants further increase pressure on the Council's growing housing waiting list.</p> <p>Difficulties in OIC meeting its statutory homelessness requirements through placing households into permanent accommodation.</p> <p>Barriers to implementing the Rapid Rehousing Transition Plan.</p> <p>Inflationary impact on other housing sectors, particularly the private rented sector.</p> <p>Negative impact on local economy if economically active households or those requiring to live and work in Orkney cannot</p>	<p>Treat.</p>	<p>A house-build group has been established and meets regularly, drawing membership from the Council's Housing Service, Environmental, Property and IT Services, the Scottish Government, Scottish Water and Orkney Housing Association Ltd.</p> <p>Multiple actions are being progressed. These include:</p> <p>Four properties to be developed at Moar Drive, Kirkwall.</p> <p>The third stage of the build project at Carness, Kirkwall is planned with 14 further properties to be developed.</p> <p>45 design and build properties are being sought to include 8 mid-market rent properties.</p> <p>A project to develop the infrastructure at Soulisquoy, Kirkwall will be taken which will ultimately support 130 properties.</p> <p>Works are being taken forward to endeavour to address some of issues around water / sewerage in part of Kirkwall.</p> <p>Orkney Housing Association Ltd has social rented housing projects planned for Evie (4), Toab (2) and Holm (4) and a programme of 15 new supply shared equity properties at various locations.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>exacerbate Housing Revenue Account challenges.</p> <p>Price rises impacting on materials and labour, coupled with supply issues, will impact on the affordability of the house build programme and more generally on the Housing Revenue Account.</p> <p>The impact of the above on the level of affordability of rents for tenants, given that a small Housing Revenue Account suffers from limited economies of scale. Orkney generally has rents which are within the highest 6 in Scotland.</p> <p>Given the cost of living crisis, there will be a pressure to limit rent rises for financial year 2022/23.</p> <p>There is a lack of resource across all partner agencies (and the construction sector) which places limitations on responsiveness to additional demands.</p> <p>Orkney Housing Association Limited is also limited in the number of properties that it can</p>		<p>secure affordable housing in the area.</p> <p>Young Orkney families are increasingly being priced out of the private rented sector, cannot secure a suitable mortgage and / or are not high enough up the priority list to secure social rented housing. The frustration this causes can increase the likelihood that some of these households leave Orkney, resulting in further inhibition to the social fabric and economy of Orkney.</p>		<p>Off the shelf purchases are being investigated and considered (while considering the ability for the properties concerned to be brought up to the energy efficiency standards required by the Council where relevant). Currently house prices are such that the number of off the shelf purchases is likely to be low.</p>

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
develop due to financial constraints of their own. This increases the pressure on the Council to build to utilise the available funding.				

<b>Risk Number.</b>	<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>			
14.	Early Learning and Childcare Expansion Plan.				Reputational.	Corporate Director for Education, Leisure and Housing.			
<b>Likelihood:</b>	4.	<b>Impact:</b>	3.	<b>RAG:</b>	Amber	<b>Current Risk Score:</b>	12.	<b>Target Risk Score:</b>	10.

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
Leadership capacity.	Failure to recruit high quality candidates.	Lack of leadership in settings.	Treat.	Refocus the Leadership pathway to develop leadership capacity within the workforce.
Insufficient number of high quality and / or qualified practitioners.	Failure to recruit high quality candidates.	Vacant posts and repeated recruitment. Impact on quality and outcomes for children. Failure to meet National Standard.		Support practitioners to gain BA in Childhood Practice and establish requirement within job description. Implementation of head teacher training to support development of pedagogical leadership capacity. Work with the Orkney College UHI and the Scottish Government ELC Improvement team to plan alternative pathways. Work with Orkney College UHI to review the availability and quality of courses on offer.
Insufficient budget to meet emerging demands of Scottish Government.	New legislation/policy insufficiently funded for the local context (e.g. discretionary deferrals, nursery milk and snack).	Budget overspend.		Lobby Scottish Government so that they take account of the unique island challenges relating to new policies. Ensure Orkney attendance at national meetings / forums to ensure the remote and rural voice is heard.
Financial model for 0-3 service becomes unviable.	Inability to appoint adequate numbers of practitioners to	Greater than acceptable losses.		Ensure Elected Members and the Corporate Leadership Team are well briefed prior to national meetings. Review and revise parental service contract with consideration for advance payments.

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
	ensure maximum ratio and maximum income.	Service failure in workplaces due to lack of childcare available.		Carefully monitor occupancy, staff ratios and fee payment to ensure the setting is running as efficiently as possible.

<b>Risk Number.</b>	<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>			
15.	Pandemic.				Pandemic.	Corporate Director for Neighbourhood Services and Infrastructure.			
<b>Likelihood:</b>	3.	<b>Impact:</b>	5.	<b>RAG:</b>	Amber.	<b>Current Risk Score:</b>	15.	<b>Target Risk Score:</b>	10.

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
The spread of a pandemic virus is likely to significantly hamper the ability of the Council to perform its statutory functions.	World Health Organisation declaration of a global pandemic. The declaration of a Major Emergency has led to the appointment of an Emergency Controller and the introduction of Emergency Governance Arrangements, approved by Council on 23 March 2020 which included temporary amendments to the Council's Standing Orders.	Service Delivery: Failure to carry out statutory duties - demand outstrips capacity. Cessation of non-urgent and elective work. Unable to provide certain services. Delays to capital programmes. Ability to successfully resolve emergency incidents. Ability to respond to concurrent events including Brexit or those contained within the Community Risk Register. Deterioration in staff experience adversely affecting team performance. Financial management and budgetary impact: Incurring additional unbudgeted spend	Treat.	Business Continuity Planning. Redeployment to move staff from non-critical areas to more front-line roles. Amend operational procedures where required e.g. to reflect physical distancing, enhanced hygiene requirements to control/minimise spread within ongoing operational activities. Consideration of issues within Strategic, Tactical and Operational environments. Creation of RENEW framework. Enhanced risk assessments in relation to Pandemic. Regular staff updates online and directly from Chief Executive. Positive staff leadership. Provision of online support packages through HR. Continuation of Duty Tactical Lead arrangements through any declaration of an emergency. Specific Finance code organised to record all spending relating to pandemics Central tracker evolving to capture COVID-19 costs, develop forecasts (revenue, capital, cash flow, procurement),

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
		<p>Increased costs, reduced income, impact on capital projects etc.</p> <p>Appropriate governance.</p> <p>Ability to pay staff.</p> <p>Legacy financial impact.</p> <p>Impact on Strategic Reserve Fund.</p> <p>Health and Safety:</p> <p>Failure to provide appropriate PPE.</p> <p>Ability to carry out statutory duties and support frontline response.</p> <p>Exposure to virus, potential spreading and related absences.</p> <p>Potential harm to critical service users and providers.</p> <p>Demand outstrips supply for business-as-usual supplies.</p> <p>Demand outstrips supply for PPE.</p> <p>If the organisation does not seek to maintain and improve officer and staff wellbeing during the response to Pandemic, there is a risk of increased absences, loss of discretionary effort and</p>		<p>management of stock, policy changes and Scottish Government reporting.</p> <p>Finance embedded in Strategic Incident Management Team.</p> <p>Communication with Scottish Government ongoing regarding forecast additional costs and corresponding additional funding required to deliver services to the standard required.</p> <p>Home working solutions in place for staff where required.</p> <p>Dialogue with Banks regarding processes.</p> <p>Some internal audit capacity maintained.</p> <p>Co-ordination of ordering of Personal Protective Equipment (PPE) through Selbro.</p> <p>Collaboration with NHS Orkney regarding PPE availability.</p> <p>Initial ordering issues overtaken with use of Scotland Excel.</p> <p>Pre planner and continual procurement of relevant supplies to support frontline response.</p> <p>Use of NHS National Services Scotland (NSS) and own routes to market.</p> <p>Critical identification of PPE need.</p> <p>Engagement with Highland and Islands Local Resilience Partnership to identify shortages and need.</p> <p>Procurement reviewing suppliers to allow fast track enabling of different routes to market.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
		<p>overall decrease in operational capacity.</p> <p>Lack of scrutiny surrounding Council functions.</p> <p>Mandatory duties of the Council – schooling, social services.</p> <p>Permissive duties of the Council – education and economic development.</p> <p>Regulatory powers – trading standards, environmental health and licensing.</p> <p>Joint working arrangements.</p>		<p>Guidance in respect of available support published on Council website.</p> <p>Advice provided regarding managerial and physical distancing - reduction in face-to-face meetings.</p> <p>Alternative solutions for meetings and working for home were implemented around Microsoft Teams, Microsoft OneDrive and Microsoft SharePoint with additional remote access secure VPN services used when necessary.</p> <p>Council meetings can be held online through Microsoft Teams and audiocast to the public. Recordings of these are published on the Council website together with the associated minutes.</p> <p>Confidential meetings held with Corporate Leadership Team and Elected members when required to discuss declared Pandemic matters.</p> <p>The Strategic Incident Management Team meets regularly to enable swift determination of strategic matters.</p> <p>The Incident Management Team meets regularly to manage operational and tactical issues.</p> <p>Corporate Leadership Team and Extended Corporate Leadership Teams continue to meet to address ongoing Council business.</p> <p>The response and recovery arrangements are regularly reviewed to ensure the declaration of a major emergency remains relevant.</p>



Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>Emergency response working strategy and structural arrangements are regularly reviewed.</p> <p>Debriefs arranged to capture initial identified points from initial response to the pandemic. Actions arising from the debriefs are being progressed.</p>

Risk Number.		Risk Title.			Cluster.		Owner.		
16.		Inability to deliver core protection and support services for children and young people.			Legislative.		Chief Officer, Orkney HSP.		
<b>Likelihood:</b>	3.	<b>Impact:</b>	5.	<b>RAG:</b>	Amber.	<b>Current Risk Score:</b>	15.	<b>Target Risk Score:</b>	10.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Children and young people are vulnerable due to the Council's need to improve policies, procedures and services as part of multi-agency child protection and support services, highlighted in the 'Report of a joint inspection of services for children and young people in need of care and protection in Orkney', February 2020.	Children and young people in need of protection and/or support do not have their needs met by the multi-agency team.	Children and young people are exposed to harm; children and young people are not provided with the best chances in early life; children and young people are not supported in closing the opportunity gap. When performance shortfalls are highlighted in inspection reports, this clearly drives improvement. However, a collateral consequence can be that it makes it more difficult to attract permanent good quality staff to work in Orkney children's and young people's social work and social care services, exacerbating vulnerabilities.	Treat.	Comprehensive multi-agency improvement plan has been developed which addresses all areas for improvement. Progress with this plan is closely monitored by the Chief Officers' Group and the relevant partner governance bodies. A follow-up inspection was undertaken by the Care Inspectorate and reported in August 2021. The findings indicate we have made significant progress and there is still considerable work to be done. Findings are mainly consistent with our own view of where we are in children's services improvement from a self-evaluation perspective which is positive. The findings have been reported to Council and IJB and the Improvement Plan had been adjusted to reprioritise key actions. A further Progress Review by the Care Inspectorate, focusing on outcomes, will commence in February 2022 and will be reported in August from which we shall evaluate our improvement position. The Second Progress Review was undertaken by the Care Inspectorate and reported in May 2022. The findings indicated that considerable further work had been completed since the first

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>Progress Review and key improvement areas were being progressed. The Care Inspectorate will not require a further Progress Review and have asked for a further Position Statement to be submitted in spring 2023.</p>