Item: 8

Policy and Resources Committee: 18 February 2020.

Corporate Risk Register.

Report by Executive Director of Corporate Services.

1. Purpose of Report

To consider the updated Corporate Risk Register as at January 2020.

2. Recommendations

It is recommended:

2.1.

That the updated Corporate Risk Register as at January 2020, 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 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, evaluation, 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 or 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 including the following documents, which must be maintained and updated on an ongoing / continuous basis and reviewed formally by the Senior Management team every 6 months, and by elected members every 12 months.

- A risk register.
- As appropriate, an action plan to address the issues raised in the above document. Action plans are optional for amber risks and compulsory for red risks.

3.5.

The risks on each register are categorised into strategic or operational risks and then sub-divided into appropriate risk cluster headings, for example financial, staffing, economic, political, partnerships, governance and communication.

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, attached as Annex 1 to this report, was last reviewed by the Policy and Resources Committee on 25 November 2018 and subsequently approved by Council.

4.2.

An updated Corporate Risk Register was prepared for submission to the Policy and Resources Committee on 26 November 2019, in accordance with the scheduled annual review timetable. However, given that public discussion of some of the vulnerabilities and risks contained within the Corporate Risk Register may have breached pre-election period obligations, in respect of the General Election held on 12 December 2019, it was withdrawn.

4.3.

The Corporate Risk Register was reviewed by the Senior Management Team in May 2019 and October 2019 and again January 2020. Annex 1 contains the results of this review.

4.4.

There are 14 risks recorded on the register, one more than for the previous period. The risk relating to the burial grounds – safety issues has been removed as this work is now accommodated within normal operational business.

4.5.

Two new risks have been added to the register, namely Risk 13 – House build programme and Risk 14 – Early Learning and Childcare Expansion Plan, details of which are contained within the register.

4.6.

Risk 02 – Finance – Council Services has been amended to include Capital Programme slippage within the vulnerability assessment.

4.7.

The risk matrix, on page 3 of the risk register, has been amended to show that all risks that have an impact of 4, or Catastrophic, are shown as red. This is in line with the recommendation from the Internal Audit review of Corporate Governance and Risk Management, which was accepted by the Monitoring and Audit Committee on 26 September 2019.

5. Risk Appetite

5.1.

Risk appetite is the level of risk that is acceptable to the Council. In reviewing the Corporate Risk Register, the Senior Management Team is also accountable for reviewing the risk appetite for the Council.

5.2.

The determination of the risk appetite of the Council is not a one-off exercise: the risk appetite is subjective and fluid and can change due to external and internal factors such as the economy and environmental changes.

5.3.

Best practice is that the risk appetite of an organisation would be reviewed, and updated where required, on a 6 to 12-month basis. The Orkney Islands Council policy states that Executive Directors are responsible for ensuring that proper arrangements are in place to manage risk. At such a review, the risk appetite should be considered, and the risk tolerance determined for the forthcoming 12-month period.

5.4.

The matrix shows the current appetite for risk, which was reviewed by the Senior Management Team in October 2019 and considered to be appropriate. The matrix balances an appetite for managed risk in relation to enterprising opportunities with the need to provide effective, safe services within our communities.

6. Corporate Governance

This report relates to 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.

7. Financial Implications

There are no financial implications arising directly from this report.

8. Legal Aspects

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

9. Contact Officers

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10. Annex

Annex 1: Corporate Risk Register – January 2020.

Corporate Risk Register – January 2020

Strategic Risks

Cluster.	Risk Number.	Owner.
Financial.	1, 8.	Executive Director of Development and Infrastructure.
Financial.	2.	Chief Finance Officer.
Financial.	5.	Executive Director of Corporate Services.
Financial.	13	Executive Director of Education, Leisure and Housing.
Staffing.	4.	Executive Director of Corporate Services.
Economic Recovery and Sustainability.	6.	Executive Director of Development and Infrastructure.
Partnerships.	10.	Chief Executive.
Partnerships.	9.	Executive Director of Corporate Services.
Governance.	12.	Chief Executive and Head of IT and Facilities.
Communication.	3.	Chief Executive.
	14.	Executive Director of Education, Leisure and Housing.

Operational Risks

Cluster.	Risk Number.	Owner.
Financial.		
Staffing.		
Political.		
Partnerships.		
Governance.	7, 11. 14	Executive Director of Corporate Services. Executive Director of Education, Leisure and Housing
Communication.		

Risk Matrix
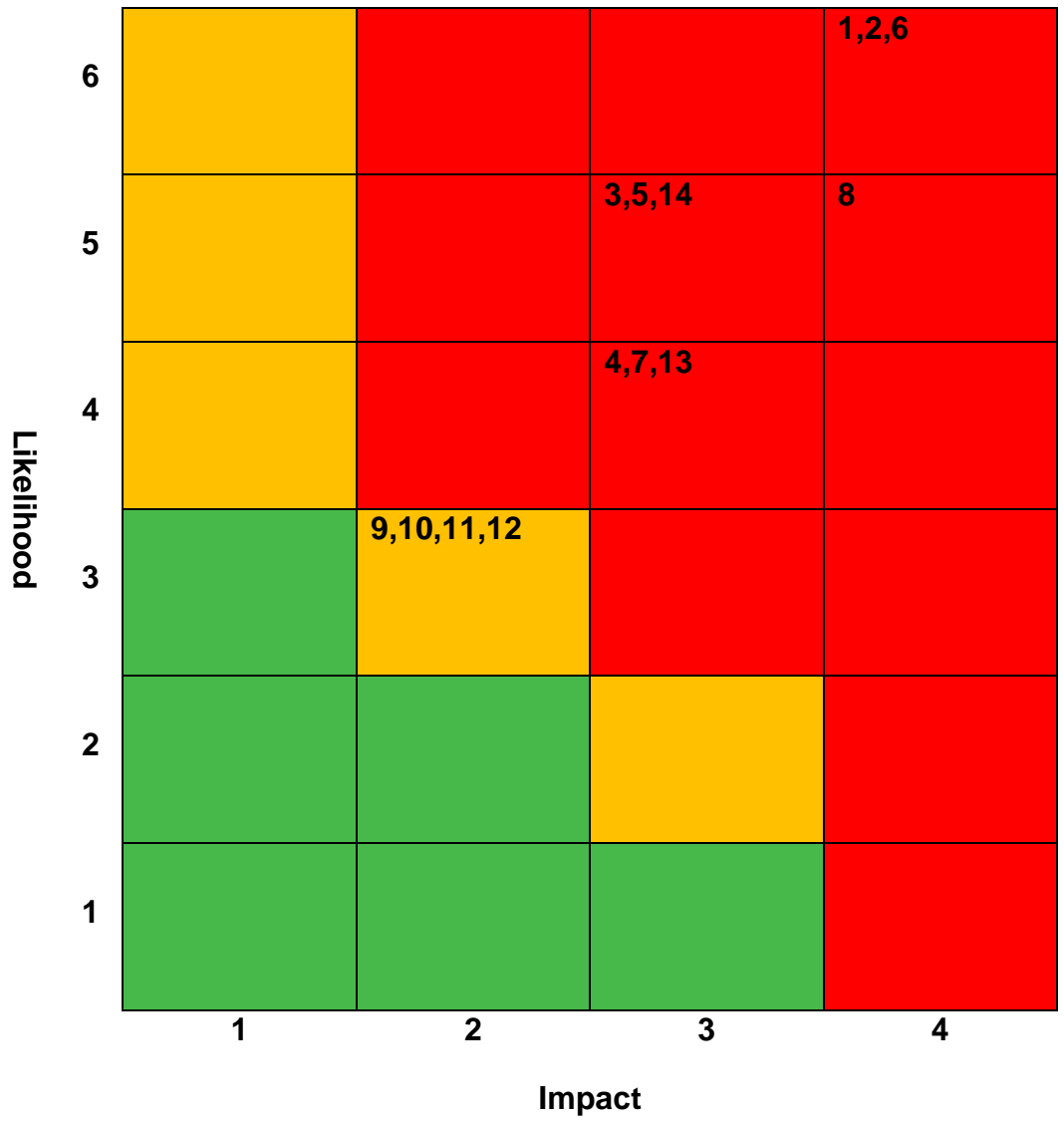
Impact:
4 = Catastrophic
3 = Critical
2 = Significant
1 = Negligible

Likelihood:
6 = Very High
5 = High
4 = Significant
3 = Low
2 = Very Low
1 = Almost Impossible

Risk Title: 01 – 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 could lead to a loss of service and running of ferry services

Likelihood.	6.	Impact.	4.	RAG.	Red.	Current Risk Score.	24.	Target Risk Score.	6.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Ferry and Terminal replacement programme currently unfunded with ageing infrastructure. Annual revenue costs are unaffordable.	Ferries reach end of service life with no solution in place. High repair costs indicate that buying new would be more cost effective. Deterioration of piers infrastructure. Reductions in lifeline provisions for the community are below Scottish Ferries Plan standards. Services become unaffordable.	Ferries reach end of life with no replacement – rapid service deterioration. Excessive support costs as aged ferries kept running. Reduced capacity and flexibility to maintain scheduled services. Excessive running costs of old ferries. No opportunities to achieve expected service levels. 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 lifeline transport connectivity.	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. Continue to seek additional specific funding sources to protect lifeline services in Orkney, and its outlying communities, is not significantly disaffected, i.e. Transport Grant for replacement ferries.

Risk Title: 02 – Finance – Council services – inability to maintain services and meet changing demands

Likelihood.	6.	Impact.	4.	RAG.	Red.	Current Risk Score.	24.	Target Risk Score.	12.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Public services are sustaining a period of reduced funding and there is a significant concern that resources will be insufficient to meet future need. A lack of capacity in the Council staffing to deliver the capital programme. A lack of capacity in the local contractors to deliver Council projects and difficulty in attracting competition for smaller projects. Capital funding is insufficient to replace ageing assets or provide new assets required for new priorities.	Expectations outstrip capacity to deliver. Community expectations are not reduced due to a failure to communicate and engage effectively with communities. Failure to demonstrate the value of the council's ongoing services to the public. The Scottish Government fails to provide enough funding for essential services.	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.	Ownership of the Budget Setting Process by the Senior Management Team / Corporate Management Team with openness and transparency around the identification of potential areas for re-provisioning of services. The delivery of budget savings will be monitored within Services and reported to the Policy and Resources Committee. 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. Improved project planning with much longer lead in times. Additional staff capacity in Development and Infrastructure to manage the capital programme.

Risk Title: 03 – Adverse reaction to communications with staff, the public and stakeholders including social media

Likelihood.	5.	Impact.	3.	RAG.	Red.	Current Risk Score.	15.	Target Risk Score.	12.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
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 ensure that communities continue to be appropriately engaged about efficiency measures and inevitable service changes, and proactively informed so that customer expectations are realistic. Risk of breakdown in communications with the Scottish Government over discussions regarding the Single Agency Model. There is the potential that staff do not feel engaged in change processes or valued as active contributors to corporate change, service	Customers have unrealistic expectations of what Council services can deliver. Customers do not understand the reasons for the changes and blame the Council. Good ideas are not harvested from effective community consultation. Failure to demonstrate the value of the Council's on-going services to the public. Council is unable to demonstrate the ability to work corporately. Staff are not given the opportunity to contribute to corporate development; staff become disengaged in essential change processes. The Council does not maintain an effective presence in social media as a communication tool.	Reputational risk. Misplaced criticism. Good ideas lost. Confusion about what the Council's priorities are. More difficult to align resources to priorities. Lack of understanding of what the Council wants to achieve. Changes are not achieved. Staff morale is adversely affected. Customers may not get a joined-up service. Inter-service tensions undermine corporate achievements. Legal implications. Exclusion of sectors of the community.	Robust communication and engagement strategies and plans are in place to publicise the Council's objectives and priorities, existing services and service change to ensure communities are engaged. Proactive press releases prepared to promote positive stories about the services provided by the Council The current Communication and Engagement Strategy was updated to reflect our increasing use of social media as a tool to inform and engage with people across our community.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
realignments or developments. The Council fails to manage how we respond to social media and to take advantage of the potential benefits of social media.			

Risk Title: 04 - Workforce planning – lack of skills, experience and capacity

Likelihood.	4.	Impact.	3.	RAG.	Red.	Current Risk Score.	12.	Target Risk Score.	6.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Insufficient workforce planning actions underway to shape future workforce through redeployment and training etc. Capacity issues make it difficult for the service to realise its priorities.	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.	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.	Service workforce plans in place (2019). Service workforce planning actions to be included in Service Plans and monitored more regularly. Corporate workforce plan priorities reviewed and updated in April 2019. Acceptance by senior management in relation to re-deployment of staff including those in other services. Consideration of enhanced approach to redeployment and retraining. Careful consideration to the release of staff by voluntary means to ensure required skills are retained. More proactive approach to recruitment, succession planning and attraction of people to live and work in Orkney.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
			Continued use and development of flexible working will encourage improved working methods and retention of key staff.
			Inclusion of staff in re-design of operations.
			Increased commitment to proactive communications particularly related to staff and trade unions.
			Regular monthly Trade Union meeting at Corporate level.
			Regular staff / Trade Union meetings at Service level, when required.
			Change in emphasis of staff engagement to include the process of change.

Risk Title: 05 – Failure to ensure we obtain and retain maximum benefit from Council's assets

Likelihood.	5.	Impact.	3.	RAG.	Red.	Current Risk Score.	15.	Target Risk Score.	12.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
The Council may not have enough funds to sustain assets, replace ageing assets and develop key assets (also see risk 01 which is particularly significant). Essential buildings and infrastructure for travel, communications etc must be maintained to ensure	The Council cannot maintain or develop its essential assets to provide public services. The Council cannot implement an asset management strategy. The public is unable to communicate with services. Professionals are unable to communicate with each	Roads and buildings deteriorate. IT infrastructure cannot support services. Unused / surplus buildings. Services are not delivered. Lifeline routes compromised. Risk of accident and potential claim. Vulnerable people are at risk.	Corporate Asset Management Plan updated in 2019 and covers the period 2019 – 2023. Existing Property Asset Management Plan is kept up to date and reviewed regularly. The 2019 to 2023 plan is being re-written and is due to be considered by the Asset Management Sub-committee in November 2019. Existing ICT Asset Management Plan is kept up to date and reviewed regularly. It will be formally revised in 2020.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
property and roads, IT, telecoms and other infrastructure continue to be able to support the Council's services.	other to provide effective services.	Communication is not possible between agencies to co-ordinate services. Council's reputation is at risk.	The Existing Fleet and Plant Asset Management plan (2013 to 2018) is being reviewed in 2019. Until this is refreshed the asset replacements are delivered via a shorter 3-year plan running to end of March 2022. This plan is reviewed annually to prioritise planned purchases with individual client areas. Service Asset Management Plans to be written on Open Spaces and Heritage. They have been completed for Roads in terms of the R.A.M.P. (Roads Asset Management Plan) and the R.M.M.P. (Roads Management and Maintenance Plan). 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). Capital Planning and Asset Management Working Group holds monthly meetings to consider prioritisation of future works.

Risk Title: 06 – Inability to sustain and enhance economic opportunities

Likelihood.	6.	Impact.	4.	RAG.	Red.	Current Risk Score.	24.	Target Risk Score.	12.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Commercial etc 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. Current uncertainties associated with the Brexit arrangements for our future workforce.	The Council fails to support a diverse economy. Decline in farming and other traditional industries. External market forces and economic factors lead to increasing pressure on local businesses. Cost of transportation threatens travel of goods and people to and from Orkney. The Council fails to support emerging industries. The Council fails to ensure community benefits arise from developing industries. The Council fails to secure long term benefits from Renewables sector. Increasing pressure on services for older people. Reducing work age population.	Local economy struggles pushing additional responsibilities onto the public sector. OIC budgets become increasingly pressed. Staffing shortages. Loss of external funding due to Brexit.	The budgets for revenue repairs and capital improvements are reviewed annually as part of the councils "growth and pressures" process linked to the budget process. Seek to identify additional options for delivery of the maintenance programmes. Where unavoidable pressures are identified these are managed through an allocated "contingency" or capacity within the directorate given positive trading performance. 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). 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 and will agree the content of the following 5-year period(s) in 2019 to 2020 financial year. This considers the OIC internal and external people resource, contractor capacity and how funded (internally or externally, noting island deal possibilities)

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
			Seek to identify additional options for delivery of the maintenance programmes.

Risk Title: 07 – Inadequate information security and management, and inadequate cyber security – With the increase in the use of publicly visible technology, there is an increased risk of exposure to threats from criminal and other malicious parties

Likelihood.	4.	Impact.	3.	RAG.	Red.	Current Risk Score.	12.	Target Risk Score.	6.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
The Council fails to maintain an adequate audit trail of all information created. The Council does not handle, share and release all its data adequately. The Data Protection Act 2018 has introduced new duties for the Council. Failure to implement and maintain suitable cyber controls to protect assets.	Inappropriate disclosure, sharing, retention or loss of data. Failure to comply with information governance legislation including the Data Protection Act 2018.	Customer distress and harm. Financial and legal implications. Reputational risk. Inability to access information when required. Failure to deliver services Failure to share information leading to duplication of effort. Not responding to information requests on time. Complaints against the Council.	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. Senior Management leadership in place with regards to the delivery of the Records Management Improvement Plan. The council met the Cyber Essential (Basic) accreditation as required by the Scottish Government in February 2018; the target for this was June 2018. Cyber Essential + accreditation achieved, April 2019. PSN reaccreditation achieved, September 2019. IT Security is managed proactively and there is an ongoing programme of patching / updating the hardware and software in operation across the council.

Risk Title: 08 – Inadequate Access to superfast Broadband across Orkney and mobile connectivity

Likelihood.	5.	Impact.	4.	RAG.	Red.	Current Risk Score.	20.	Target Risk Score.	8.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Failure to lobby Governments to address the current digital divide and put in place infrastructure to ensure a step change in speeds. Failure to access mobile coverage. 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.	Orkney fails to secure maximum and equitable geographic coverage of superfast Broadband, wireless connectivity and significant improvements to Broadband services and mobile network across the islands. Orkney is unable to attract inward investment and sustain fragile communities. Educational infrastructure disadvantaged by lack of service.	Failure to attract inward investment. Failure to attract skilled employees. Digital isolation across age groups. Failure to realise opportunities in respect of Telehealth, Telecare, mobile working and tele-learning. Poor online public service access including welfare benefits, etc.	Continue to support political lobbying and seek opportunities to progress policy. Support the Scottish Government in the roll out of R100 infrastructure in Orkney. Support the development and introduction of alternative commercial models, including 5G infrastructure.

Risk Title: 9 – Lack of sustainability of partnerships and clarity of responsibilities and outcomes

Likelihood.	3.	Impact.	2.	RAG.	Amber.	Current Risk Score.	6.	Target Risk Score.	6.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Working in partnership exposes the Council to some degree of reputational risk, depending on the stability	The Council does not implement a robust and effective framework for managing its key partnerships.	Uncertainty about roles. Impact upon service delivery. Loss of reputation due to inability to meet statutory requirements. Tension between partners.	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.

of the arrangements and outcomes delivered. Resource constraints may affect the success of Health and Social Care partnership.	Governance is not effective in relation to a partnership and objectives are not met. The resource pressures on the parent bodies affect the reputation of the partnership. The Outsourcing and Partnerships review does not deliver expected results.	Efficiencies not achieved. Relationships with other bodies deteriorate. Reduced ability to deliver on important projects for vulnerable people and their families.	The Council will continue to review existing partnerships and explore new ones under the Outsourcing and Partnerships project. Governance and risk will be key areas in this work to ensure objectives / outcomes are achieved and no unintended consequences arise. Commitment from Cabinet Secretary received, which supports joint working.

Risk Title: 10 – Inadequate procurement compliance and sustainable communities

Likelihood.	3.	Impact.	2.	RAG.	Amber.	Current Risk Score.	6.	Target Risk Score.	6.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Financial and non-financial savings have not yet been fully explored. 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.	Legal challenge is a possibility unless the Procurement Regulations are complied with and processes followed. Officers fail to understand the limitations that the Procurement Regulations place on the Council. Officers do not follow due process and tendering must be repeated. Anticipated savings may not be fully realised through collaborative contracts.	Financial loss due to legal challenge. Reputational harm. Delays in services being procured due to re-tendering or court action. Loss to the local economy. Loss of effectiveness and efficiency. Lost opportunity in terms of savings.	Procurement Member Officer Working Group in place. Procurement Working Group (Officers) to be set up which will provide training, support and a corporate approach to Procurement exercises and priorities. Frequent communication with this group is already in place and training on the use of PCS Tender was completed by 19 staff in January 2018. Procurement Improvement Plan developed and kept under review. Sustainable Procurement Strategy approved by Members in February 2018. Procurement Manual Updated, April 2019.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
	The local economy may not be as well supported as it could be. Member / officer disharmony due to lack of understanding of responsibilities.		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 developed. Meet the Buyer event for October 2019 was held successfully. Contracts Register is now updated at least monthly and the use of the Contracts Register is stressed to all staff who are making purchasing decisions. Proactive work with the Corporate Admin Group to look at the creation and use of local Framework Agreements, in the first instance this will develop a local framework for stationery. Contract Standing Orders under regular review.

Risk Title: 11 – Health and Safety non-conformance

Likelihood.	3.	Impact.	2.	RAG.	Amber.	Current Risk Score.	6.	Target Risk Score.	4.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
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.	Enforcement action from the Health and Safety Executive. This may include Improvement and prohibition notices and prosecution.	Frequency of Safety Committee meetings increased. Senior Management Team to promote a positive health and safety culture.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
		Material breaches, if identified, are subject to cost recovery by way of "fees for intervention". Civil action resulting in the payment of compensation for injury or damage etc.	Proactive health and safety to feature as a standing item in Senior Management Team and Corporate Management Team meetings. IOSH "Leading Safely" training has been refreshed for all Corporate Management Team and Senior Management Team members. Proactive Health and Safety campaigns organised and promoted to all Council employees started in April 2018. Review and potential investment of additional service-focused resources to strengthen operational health and safety effectiveness (one post in Development and Infrastructure Service potentially).

Risk Title: 12 - Brexit – Implications following a "hard" no deal outcome

Likelihood.	4.	Impact.	4.	RAG.	Red.	Current Risk Score.	16.	Target Risk Score.	12.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Loss of access to the single market, with associated implications around trade delays and reduction in supply. Loss of EU funding for projects and businesses in Orkney. Disruption to current workforce and future	Restrictions to the supply chain. Restrictions on the free movement of people and workers' rights within the EU area.	Insufficient supply of essential commodities (food, medical supplies, fuel). Negative impact on projects and businesses in Orkney should funding streams end and not be replaced. Difficulty in retaining staff and attracting new staff from the EU to work for the Council, possibly	The Council "Island proofed" any Scottish Government response and fully participates in discussions with CoSLA, the Scottish Government and other groups as needed. Member Officer Working Group to be convened as soon as final terms of the Brexit deal are known.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
restrictions on ability to recruit.		leading to service delivery difficulties due to staff shortages, as well increased pressure on other staff. Requirement for Export Health Certificates (issued by Environmental Health service) for all aquaculture and shellfish exports.	Urgent discussions within the Community Planning Partnership once the terms of Brexit are known. Urgent escalation of high / severe risks to the Scottish Government, including the operational difficulties with regards to Environmental Health Certificates. Working with CoSLA to develop and deliver key communications and guidance for existing staff from EU countries. Assessing impact on current staffing establishment. Tactical Incident Management Team, and Strategic Incident Management Team to be stood up as required. Both were in operation from December 2018 to April 2019, and then reconvened in September 2019. Internal No Deal EU Exit action plan actively managed and reviewed regularly. Working to ensure adequate staffing capacity within Environmental Health service to deal with substantial increase in workload.

Risk Title: 13 – House build Programme – Risk of being unable to fully utilise Affordable Housing Supply Programme funding from the Scottish Government

Likelihood.	4	Impact.	3	RAG.	Red	Current Risk Score.	12	Target Risk Score.	9

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
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: There are issues affecting Scottish Water's sewer and a need to separate surface water run off to free up capacity. The Housing Revenue Account holds a relatively high level of debt and debt repayments are substantial; The cost of meeting the Energy Efficiency Standard for Social Housing 2 by 2032 is serving to exacerbate issues with the Housing Revenue Account; 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	Inability to commit to spending funding by 31 March 2020 and / or to deliver an increased housing stock by 31 March 2021.	Loss of funding to Orkney which would have been available for much needed social / affordable housing; Rising pressure on the Council's housing waiting list as a result of households having to wait longer to be rehoused; Difficulties with meeting the Council's statutory requirements in respect of homelessness by being able to move households into permanent accommodation; Issues with being able to deliver the Rapid Rehousing Transition Plan, only some of which are related to the Affordable Housing Supply Programmes funding; Potential impact on other housing sectors, particularly the private rented sector as a result of a lack of social rented housing; Potential impact on economy if households cannot secure affordable housing in the area. Equally progressing a large number of build projects at one time may impact on prices for other building projects in the future. There is limited flexibility inside the school roll projections for Glaitness Primary School, developing in the	A house build group has been meeting monthly with membership from the Council's Housing Service, Development and Infrastructure, the Scottish Government, Scottish Water and Orkney Housing Association Ltd. Various actions are underway. These include: A build project at Carness, Kirkwall is underway with 14 properties on-site currently and a further 18 to follow in the coming months; Infrastructure funding has been secured to correct sound issues at the Pumping Station which will allow planning permission to be granted for the remaining 18 properties at Carness, Kirkwall. Discussions are ongoing with Scottish Water to endeavour to free up sufficient capacity to enable additional planning applications to be approved; Orkney Housing Association are in discussions with Scottish Water and the Council's Planning Service to allow a scheme for 12 houses at the Crafty to progress; Orkney Housing Association are endeavouring to progress 8 units at Kirk Park in Orphir; Within the Council, governance is being sought to enable the Council to build 4

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
has rents which are within the highest 6 in Scotland; There is a lack of resource across all partner agencies (and the construction sector) to facilitate being able to respond quickly to additional demands.		catchment area may have some impact accordingly.	properties at Watersfield, Kirkwall, 2 properties at Repeater Road, Kirkwall, 8 properties at Garson, Stromness, and 2 properties at MacDonald Drive in St Margaret's Hope and to seek various design and build contracts. 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).

Risk Title: 14 – Early Learning and Childcare Expansion Plan

Likelihood.	5	Impact.	3	RAG.	Red	Current Risk Score.	15	Target Risk Score.	12

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Leadership capacity	Failure to recruit high quality candidates	Vacant posts Lack of leadership in settings Impact in quality and outcomes for children Poor inspection grades	Leadership pathway to support the development of leadership capacity on workforce Supporting practitioners to gain BA in childhood practice Head teacher training to enable HT's to develop pedagogical leadership

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Practitioner sufficiency	Failure to recruit high quality candidates	Failure to meet National Standard Impact in quality and outcomes for children Poor inspection grades Failure to meet National Standard Inability to open setting	Raise profile of ELC as a career: careers fairs, DYW Establish MA's and trainee posts in settings Establish student pathway with progressive experiences in setting to enable graduating students to meet person specification in EYP job description Deliver early years course to SVQ trainees and MA's Explore possibility of running SVQ from central team
Delay in completing large settings leading to lack of capacity **Failure to meet the National Standard**	Delay in completion renovation works at Dounby, Papdale, Glaitness and St Andrews Care Inspectorate Inspection grades of adequate or lower	Lack of places for children in August 2020 Short improvement period (6 to 12 months) after which funded ELC will no longer be able to be offered at that setting	Contingency plans in place for each of the settings Increased training offer: Leadership pathway Early years course (12x half day sessions) running twice 2 year old course (6x half day sessions) Maths course (8x half day sessions)

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
			LLLI (8x half day sessions)
			Nursery central teaching team increased by 1fte
			Teaching team upskilled to be able to deliver training including:
			Outdoor/nature kindergarten experiences Learning Language and Loving It Family worker (LEYP) established in team- supporting the roll out of PEEP etc
Insufficient budget to meet emerging demands of Scottish Government in relation to expansion	Risk of overspend on budget	Budget overspend	Lobby Scottish Government to enable them to understand the unique island challenges relating to new policies
			Ensure Orkney attendance at national meetings/forums to ensure the remote and rural voice is heard
			Ensure elected members are well briefed prior to national meetings
Closure of Peedie Breeks and impact on funded ELC places	Closure of PB and loss of spaces	LA unable to meet statutory requirement	Work with Community Planning Partners to explore solutions
		Staff losses in settings in mainland Orkney due to lack of childcare	Expand the scope for Council led statutory provision