

ANGUS COUNCIL

SCRUTINY AND AUDIT COMMITTEE – 15 JUNE 2023

PROPOSED DETAILED RISK REPORTING TO SCRUTINY AND AUDIT COMMITTEE

REPORT BY CATHIE WYLLIE, SERVICE LEADER - INTERNAL AUDIT

ABSTRACT

This report presents the proposed programme of detailed risk information to be presented to the Scrutiny and Audit Committee from August 2023 to April 2024 and seeks Members' agreement to the proposals.

1. RECOMMENDATION

It is recommended that the Committee:

- (i) Agree, or propose alternative to, the proposed programme of risks to be presented through to April 2024.

2. ALIGNMENT TO THE COUNCIL PLAN

The contents of this report provide the committee with a means to understand the key corporate risks that may prevent achievement of the Council Plan, and the steps being taken to mitigate these risks.

3. BACKGROUND

3.1 Report 256/21 introduced detailed risk presentations to the Scrutiny and Audit Committee. The following process was agreed: "A programme to bring one risk to each S&A committee meeting, except the June meeting which has a full agenda due to year end reporting, should be agreed at the start of each year. The risks to be included should be new risks, the highest scoring risks, or risk with large scoring fluctuation."

3.2 The risk owner, and/or their nominated team members will make a short (5 to 8 minutes) presentation to S&A on the risk, covering for example

- why the risk is included in the risk register
- internal controls that are already in place
- what the impact of risk realisation might be
- why scoring sits where it does
- the mitigating actions in place, or progress in implementing planned mitigations
- barriers/challenges to mitigation.

3.3 Members will then be able to discuss what they have heard and ask questions to further aid their understanding of the risk and how it impacts on Council business. It is envisaged that the detailed template sitting behind each risk in the risk register would provide this information.

4. PROPOSED PROGRAMME

- 4.1 The following timetable for 2023/24 is proposed based on the Corporate Risk Register at 9 May 2023 (Appendix 1).

S&A meeting date	Risk to be presented	Risk score	Risk Target
22 August 2023	Financial Sustainability	25	9
26 October 2023	Legislation	9	6
28 November 2023	Transforming for the Future	15	6
23 January 2024	IT resilience & Cyber-attack (Business Continuity)	16	8
7 March 2024	National Care Service (if included in CRR by then)	TBC	TBC
23 April 2024	Climate Change	16	12

- 4.2 The Pandemic – Covid-19 has not been included despite its score of 16 because of the WHO's recent decision that COVID-19 no longer qualifies as a global emergency. Legislation has been added this year as it has not been in the programme before and the other risks scoring 9 have been included previously.
- 4.3 If there are significant changes in risk score ranking, or a new risk is added to the risk register during the year, S&A members will be asked to review the programme. It is not anticipated this will require many changes.

5. FINANCIAL IMPLICATIONS

There are no financial implications.

6. EQUALITY IMPACT ASSESSMENT

An Equality Impact Assessment is not required, as this report presents a programme for reporting to committee and does not impact on people.

Background Papers

NOTE: One background paper as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) was relied on to any material extent in preparing this report.

256/21 Proposed detailed risk reporting to Scrutiny and Audit Committee

REPORT AUTHOR

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List of Appendices:-
Appendix 1 Corporate Risk Register Summary at 9 May 2023

Appendix 1

Corporate Risks	Strategic Owner	Score	Target	DoT	Corporate Risk Profile						
01 Financial Sustainability	Ian Lorimer	25	9	↑	Impact	Critical (5)			1	3	1
02 Transforming for the Future	Margo Williamson	15	6	↔		Major (4)		2		3	
03 Performance Management	Vivien Smith	6	4	↔		Significant (3)		1	3		
04 Partnerships	Vivien Smith	9	6	↔		Marginal (2)					
05 Information Governance	Jackie Buchanan	8	8	↔		Negligible (1)					
06 Public Protection	Kathryn Lindsay	8	8	↔		Very Low (1)	Low (2)	Low to High (3)	High (4)	Very High (5)	
07 Legislation	Jackie Buchanan	9	6	↔		Likelihood					
08 IT Resilience & Cyber Attack (Business Continuity)	Sharon Faulkner	16	8	↔	Emerging Risks – being monitored						
09 Health & Safety Compliance	Mark Armstrong	9	6	↓	National Care Service – awaiting completion of legislative process						
10 Climate Change	Alison Smith	16	12	↔							
11 Pandemic – COVID19	Margo Williamson	16	12	↔							

N.B. Corporate Risk Profile represents number of risks with that score

Critical – cost overrun>10% of annual budget or fail to deliver multiple critical objectives or national press coverage or results in senior officer resignation

Major – cost overrun>5% of annual budget or fail to deliver a critical objective or local press coverage or failure to deliver a statutory service

Significant – cost overrun>3% of annual budget or may fail to deliver a critical objective

Marginal – cost overrun>2% of annual budget or local disruption to service(s) but statutory services & strategic objectives still delivered

Negligible – cost overrun<2% of annual budget or some disruption to service(s) but manageable

Very High – 80-99% likely **High** – 60-70% likely **Low to High** – 40-59% likely **Low** – 20-39% likely **Very Low** – 1-19% likely