ABSTRACT

This report presents the Corporate Risk Register following its mid year review.

1. RECOMMENDATION

The Sub-Committee note the terms of this report and in particular consider the content of the Corporate Risk Register as updated by the Chief Officers’ Management Team.

2. BACKGROUND

An integral component of the council’s risk management strategy is a corporate risk register which identifies the strategic risks facing the council.

The risk register is subject to annual and, to ensure ongoing accuracy and relevance, quarterly reviews. These reviews are undertaken by the Chief Officers Management Team.

Following both the annual and mid year reviews it falls to this committee to determine whether the scope and coverage of the risk register is sufficient prior to submission to the Strategic Policy Committee which has overall responsibility for the council’s risk management strategy arrangements.

In conducting the review the Chief Officers Management Team consider if:

i) there are any risks that are no longer relevant,
ii) there are any risks for which the risk score should change,
iii) progress on actions has had sufficient impact on a risk to require a change to the risk score,
iv) the control measures are still appropriate and robust, and
v) whether any new risks should be incorporated within the register.

The review is also informed by departmental risk registers which identify operational risks facing departments with any emerging risks across departments considered for elevation to the corporate risk register.

3. CORPORATE RISK REGISTER MID YEAR REVIEW

Appendix 1 details those risks within the Corporate Risk Register following the mid year review.

Each risk is ranked based on an assessment of the likelihood of it occurring and the probable effect if it does. This is done by scoring each risk in terms of likelihood and potential impact using the scale outlined in Appendix 2, the score taking into account those controls which are currently in place to manage the risk. The score for likelihood and potential impact is then multiplied to give an overall risk score using the risk matrix, also outlined in the appendix.

Definitions of the levels of likelihood are also outlined in Appendix 2. It is more difficult to give definitions of the levels of potential impact given the wide variety of potential risks but the appendix also gives general guidance in this regard.
An integral part of the Corporate Risk Register are risk management action plans, which in accordance with the strategy, are prepared for those risks which fall above the risk tolerance line, which is the emboldened line which appears in the risk matrix in Appendix 2.

The risk tolerance line is a dividing line between those risks which cannot be tolerated and therefore must actively be managed (although there will be some risks which we cannot influence either in full or in part) and those risks which can be tolerated because there are sufficient actions/controls in place to minimise the likelihood of the risk event occurring and/or to mitigate the effect of the risk should it occur.

There are three risks which, following the mid year review, fall above the risk tolerance line, risks 1, 2 and 3, and action plans for these are outlined in Appendix 3.

That is not to say that those risks below the risk tolerance line do not need to be managed. They do, but the existing controls/actions which are in place are considered to be sufficient to keep the risk below the tolerance line.

Further detail on the risks below the risk tolerance line are incorporated in Appendix 4.

4. FINANCIAL IMPLICATIONS

There are no financial implications associated with the terms of this report.

5. HUMAN RIGHTS IMPLICATIONS

There are no human rights implications associated with this report.

6. EQUALITIES IMPLICATIONS

The issues contained in this report fall within an approved category that has been confirmed as exempt from an equalities perspective.

7. CONSULTATION

The Director of Corporate Services, Head of Finance and Head of Law and Administration have been consulted on the terms of this report.

RICHARD STIFF
CHIEF EXECUTIVE

HMR

NOTE  No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.
### Likelihood Definitions

<table>
<thead>
<tr>
<th>Factor</th>
<th>Multiplier</th>
<th>Description</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very High</td>
<td>5</td>
<td>More than 90% chance of occurrence</td>
<td>Regular occurrence. Circumstances frequently encountered – daily/weekly.</td>
</tr>
<tr>
<td>High</td>
<td>4</td>
<td>75-90% chance of occurrence</td>
<td>Likely to happen within 12 months.</td>
</tr>
<tr>
<td>Low to High</td>
<td>3</td>
<td>41% - 74% chance of occurrence</td>
<td>Likely to happen at some point within the next 1-2 years.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Circumstances occasionally encountered (few times a year).</td>
</tr>
<tr>
<td>Low</td>
<td>2</td>
<td>10% - 40% chance of occurrence</td>
<td>Only likely to happen within 3 or more years.</td>
</tr>
<tr>
<td>Very Low</td>
<td>1</td>
<td>Less than 10% chance of occurrence</td>
<td>Has rarely/never happened before.</td>
</tr>
</tbody>
</table>

### Potential Impact Guidance

- **Critical** - would cause service, operations, programme or plan failure.
- **Major** - would have severe impact on service, operations, programme or plan. Would require action in terms of changes or increased costs if overall plans to be achieved.
- **Significant** - would impact on service, operations, programme or plan and would require remedial action.
- **Marginal** - would have minimal impact on service, operations or plan.
- **Negligible** - would only have minor, if any, impact on service, operations, programme or plan.

### Risk Matrix

<table>
<thead>
<tr>
<th>Impact</th>
<th>Critical (5)</th>
<th>5</th>
<th>10</th>
<th>15</th>
<th>20</th>
<th>25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major (4)</td>
<td>4</td>
<td>8</td>
<td>12</td>
<td>16</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Significant (3)</td>
<td>3</td>
<td>6</td>
<td>9</td>
<td>12</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Marginal (2)</td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>8</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Negligible (1)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Very Low (1)</td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Low (2)</td>
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<td></td>
<td></td>
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<tr>
<td></td>
<td>Low to High (3)</td>
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<td></td>
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<tr>
<td></td>
<td>High (4)</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Very High (5)</td>
<td></td>
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</tr>
</tbody>
</table>
### CORPORATE RISK REGISTER

#### Risk Matrix

<table>
<thead>
<tr>
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<th>Major (4)</th>
<th>Significant (3)</th>
<th>Marginal (2)</th>
<th>Negligible (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5</td>
<td>8</td>
<td>9</td>
<td>6</td>
<td>1</td>
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<tr>
<td></td>
<td>10</td>
<td>12</td>
<td>12</td>
<td>8</td>
<td>4</td>
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<tr>
<td></td>
<td>15</td>
<td>16</td>
<td>15</td>
<td>10</td>
<td>5</td>
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<td>20</td>
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<td></td>
<td>25</td>
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</tr>
</tbody>
</table>

#### Likelihood

- Very Low (1)
- Low (2)
- Low to High (3)
- High (4)
- Very High (5)

<table>
<thead>
<tr>
<th>Risk</th>
<th>Likelihood</th>
<th>Potential Impact</th>
<th>Overall Risk Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 The Council is not in a position to deliver its existing range and level of services due to funding reductions.</td>
<td>5</td>
<td>4</td>
<td>20</td>
</tr>
<tr>
<td>2 Services are disrupted as a result of IT infrastructure failure.</td>
<td>4</td>
<td>4</td>
<td>16</td>
</tr>
<tr>
<td>3 Arrangements not sufficiently well developed to meet legislative obligations for carbon reductions.</td>
<td>3</td>
<td>4</td>
<td>12</td>
</tr>
<tr>
<td>4 The IT infrastructure does not have the capacity to fully use technology to address changing demands.</td>
<td>3</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>5 Efficiency reviews do not improve service delivery or realise efficiencies.</td>
<td>3</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>6 The Council fails to meet current and changing needs of customers and citizens.</td>
<td>3</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>7 The Council does not deliver on national policy directives and commitments.</td>
<td>3</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>8 The Council fails to redesign services in response to changes in demographics.</td>
<td>2</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>9 Data loss involving personal and confidential data.</td>
<td>2</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>10 The Council remains vulnerable to equal pay claims.</td>
<td>2</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>11 Governance arrangements are not sufficiently well developed to satisfy external audit.</td>
<td>2</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>12 Effective performance management arrangements are not fully embedded across the Council.</td>
<td>2</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>13 Arrangements are not sufficiently well developed to meet commitments under the terms of the national climate change declaration (excluding carbon reduction).</td>
<td>2</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>14 The Council does not meet its obligations under the Singe Equalities Act.</td>
<td>2</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>15 Sickness absence targets are not met.</td>
<td>2</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>16 The Council is unable to continue delivering key services to the public to an acceptable degree following the occurrence of an incident.</td>
<td>1</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>17 The Council is not in a position to deliver on proposed savings and workforce reduction.</td>
<td>1</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>18 The Council receives a shared risk assessment assurance and improvement plan which is critical of council progress in the preceding year.</td>
<td>1</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>19 The Council's estate is not fit for purpose.</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>
IDENTIFIED RISK / RISK ACTION PLAN:

Section A – Identified Risk

Risk Description 1

The Council is not in a position to deliver its existing range and level of services due to funding reductions.

Actions/Controls already in place

An updated Medium Term Financial Strategy 2011/12 to 2014/15 agreed at Angus Council on 24 June 2010 (R484/10 refers) maps out the scale of the financial and service challenge faced by the Council over the next 4 years.

A specific briefing on the scale of the financial challenge was delivered to members in June 2010.

Draft budget savings proposals for 2012/13 and 2013/14 have been prepared by each department.

An efficiency programme has been established which seeks to minimise the effect on service provision arising from funding cuts.

Budget set for 2011/12.

Likelihood

It is known that savings will need to be made over a number of years and that there will be resultant implications on the range and level of services.

Potential Impact

Service user dissatisfaction
Single agenda focused interest groups emerge
Adverse media publicity
Any unwillingness to make difficult political choices could de-stabilise the Council’s long term financial health

Likelihood Score: 5
Potential Impact Score: 4
Overall Risk Score: 20
### Section B – Risk Action Plan

**Actions/Controls to reduce Likelihood/Potential Impact**

<table>
<thead>
<tr>
<th>Action</th>
<th>Responsibility</th>
<th>Target Date</th>
<th>Success Criteria</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintain a close awareness of national developments</td>
<td>Director of Corporate Services/Head of Finance</td>
<td>Ongoing</td>
<td>Budget strategy informed by and responsive to national developments.</td>
<td></td>
</tr>
<tr>
<td>Update Medium Term Financial (MTF) Strategy</td>
<td>Head of Finance</td>
<td>June 2012</td>
<td>MTF Strategy in place.</td>
<td></td>
</tr>
<tr>
<td>Departments to revisit draft budget savings proposals for 2012/13 ad 2013/14 and prepare proposals for 2014/15</td>
<td>Chief Executive/ Directors</td>
<td>August 2012</td>
<td>Draft savings proposals agreed to inform development of budget strategy and inform consultation strategy.</td>
<td></td>
</tr>
<tr>
<td>Programme of Policy and Budget Strategy Group meetings</td>
<td>Head of Finance</td>
<td>April 2011 – January 2012</td>
<td>Budget Strategy developed.</td>
<td></td>
</tr>
<tr>
<td>Conduct a budget savings communication &amp; consultation exercise with customers &amp; staff</td>
<td>Chief Executive/ Head of Finance</td>
<td>February 2012</td>
<td>Public and staff suitably informed and involved – given opportunity to contribute views before budget decisions are made.</td>
<td>Council seen to be making tough but fair decisions and the reasons for these decisions being well understood.</td>
</tr>
<tr>
<td>Apply an informed PR strategy</td>
<td>PR Manager</td>
<td>February 2012</td>
<td>Efficiency savings delivered on time and to target.</td>
<td></td>
</tr>
<tr>
<td>PRG to maintain pressure to deliver on the efficiency programme, service reviews etc</td>
<td>Chief Executive</td>
<td>March 2012</td>
<td>Suitable challenge of income assumptions and charging proposals through the budget process.</td>
<td></td>
</tr>
<tr>
<td>Seek to maximise income levels from all sources to reduce the need for service cuts</td>
<td>Director of Corporate Services/Head of Finance</td>
<td>February 2012</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
IDENTIFIED RISK / RISK ACTION PLAN:

Section A – Identified Risk

Risk Description

Services are disrupted as a result of IT infrastructure failure

Actions/Controls already in place

The Corporate Network (Angus Net) has been upgraded to provide dual links between burghs. This allows automatic re-routing of network traffic if a single link fails.

The storage area network is duplicated to provide replication of data assets.

The hardware for line of business applications is designed to be resilient with many components duplicated or mirrored to support component failure without impacting service.

Support contracts for Angus Net and the main line of business applications are designed to provide supplier response within the designated return to service objectives contained in the corporate business continuity plans.

Projects in 2010/11 have been focused on virtualisation of physical IT hardware assets. This allows services to be moved and delivered in new locations more readily compared to the same process on physical devices. Pilot projects are complete for desktop, application and data virtualisation. Projects being progressed in 2011/12 are focusing on scale up of these pilots, initially on the Orchardbank Campus and further informed by the Corporate Asset Management Group review activity.

The provision of a new primary data centre including associated funding has been agreed by Angus Council.

Likelihood

Investment in core technology undertaken as part of the financial plan over years 2009/10, 2010/11 has, and in 2011/12 and beyond is, being targeted to improve resilience and remove identified single points of failure where possible.

The corresponding investment to house the IT services in physical environments that are fit for purpose has been agreed as part of the Datacentre Options Appraisal with a view to delivering a new fit for purpose primary environment in Forfar.

A second options appraisal for a secondary support provision at a separate location has been drafted and is subject to committee approval and funding provision.

In the meantime the physical environments are an area of risk in respect of electrical supply, cooling and building fabric.

Potential Impact

Gradual reduction of dependencies on single physical devices or network circuits to maintain service levels.

Whilst IT services may not experience a direct failure, disruption to the physical environment can cause serious disruption to the continued operation and delivery of service.
**Likelihood Score:** 4  
**Potential Impact Score:** 4  
**Overall Risk Score:** 16  

### Section B – Risk Action Plan

**Actions/Controls to reduce Likelihood/Potential Impact**

<table>
<thead>
<tr>
<th>Action</th>
<th>Responsibility</th>
<th>Target Date</th>
<th>Success Criteria</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide a new fit for purpose primary data centre in Forfar.</td>
<td>Head of IT</td>
<td>30-Sept-2012</td>
<td>Completion of new Data centre in Forfar</td>
<td>Timescale for provision determined by procurement timescales. Options Appraisal for secondary provision is drafted and is subject to committee approval and funding provision.</td>
</tr>
<tr>
<td>Develop plans to explore the viability and necessity for a secondary provision.</td>
<td>Head of IT</td>
<td>31-Aug-2011</td>
<td>Production of Option Appraisal for a secondary Data Centre.</td>
<td>Options exercise complete. Delivery of preferred option is dependent on agreeing a share arrangement with a partner body and availability of funding. A further progress commentary will be provided as part of ongoing update process.</td>
</tr>
<tr>
<td>Assess options for provision of IT services duplicating connection to the internet, GSx and mobile data services at 2 physical locations to enable continuity of service.</td>
<td>Head of IT</td>
<td>30-Jun-2011</td>
<td>Production of costed proposals for duplicate connection.</td>
<td>Explored and incorporated in both primary and secondary data centre option appraisal exercises.</td>
</tr>
<tr>
<td>Explore the opportunities provided by external contractors who specialise in mobile / fixed data centre recovery services and consider these in conjunction with the options for providing data centre locations within Angus.</td>
<td>Head of IT</td>
<td>30-Jun-2011</td>
<td>Identification of options based on ‘soft market testing’ to determine appropriateness of services to meet business continuity requirements.</td>
<td></td>
</tr>
<tr>
<td>Continue the key projects outlined in the capital plan for continued development of virtual IT services to improve application resilience.</td>
<td>Head of IT</td>
<td>31-Mar-2012</td>
<td>Improved resilience arising from completion of capital plan projects contained 2011/12.</td>
<td></td>
</tr>
</tbody>
</table>
Section A – Identified Risk

Risk Description: 3

Arrangements not sufficiently well developed to meet legislative obligations for carbon reductions.

Actions/Controls already in place

- High level management arrangements are in place.
- Automatic meter reading is operational and benefits accruing.
- Achieved Carbon Trust Accreditation.
- Conducted first phase of carbon trading simulation and preparing for phase two.
- Appropriate Standing Orders and related documents updated incorporating respective responsibilities for carbon reduction commitment and climate challenge.

Likelihood

At risk due to resource constraints and competing priorities in a climate of financial constraints.
It is a potential high risk covering a 40 year demanding objective period.

Potential Impact

Financial, legal and reputational penalties for failure to comply with scheme and meet set targets
Adverse media scrutiny
Subject to performance comparison with neighbouring and other local authorities and other participants

Likelihood Score: 3
Potential Impact Score: 4
Overall Risk Score: 12
**Section B – Risk Action Plan**

**Actions/Controls to reduce Likelihood/Potential Impact**

<table>
<thead>
<tr>
<th>Action</th>
<th>Responsibility</th>
<th>Target Date</th>
<th>Success Criteria</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establish appropriate levels of resources commensurate with meeting council set targets.</td>
<td>Director of Corporate Services</td>
<td>February 2011</td>
<td>Appropriate resource level put in place.</td>
<td>A permanent as opposed to temporary resource measure is necessary. Temporary resource provisions in 2010/11 are now being made permanent following approval of a submission for additional resources supplemented by budget virement actions within the Property Division during the budget setting process for 2011/12. Provision has also been made corporately, for the costs in 2011/12 of the purchase of carbon allowances as required by the CRC Energy Efficiency Scheme Order 2010. Action has been completed to recruit and appoint to the two new permanent energy technician posts. However the Senior Energy Technician has resigned and action is in hand to fill this vacancy. The PR&amp;R Fund has been utilised to redeploy resources for additional remedial works to heating systems and controls in 2011/12 to improve performance whilst maintaining normal levels of Spend to Save investment. Opportunities to benefit from the new Feed in Tariff and Renewable Heat Incentive government renewables encouragement schemes are being investigated. A report has been prepared explaining the schemes for submission to the Carbon Reduction Member/Officer Steering Group.</td>
</tr>
<tr>
<td>Determine medium to long-term targets to at least 2020 (42% global target predicted)</td>
<td>Director of Corporate Services</td>
<td>September 2011</td>
<td>Clear targets established to inform resources and strategies.</td>
<td>Tie into Climate Change Scotland Act 2009. A report has been prepared for consideration by the Carbon Reduction Member/Officer Steering Group providing proposed energy consumption and carbon dioxide emissions reduction targets but these will now need to be complemented by recent guidance regarding the planned increases in the cost of carbon allowances from 2011/12 to 2020/21 and their impact on the council budget unless severe mitigation is achieved.</td>
</tr>
<tr>
<td>Action</td>
<td>Responsibility</td>
<td>Target Date</td>
<td>Success Criteria</td>
<td>Comment</td>
</tr>
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<td>----------------------------------------------------------------------</td>
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<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Establish detailed management arrangements at corporate and operational level.</td>
<td>Director of Corporate Services</td>
<td>June 2011</td>
<td>Arrangements in place.</td>
<td>The Carbon Reduction Member/Officer Group has approved corporate reduction targets which have been approved by the Strategic Policy Committee. A meeting of the Carbon Reduction Working Group is awaited which will discuss how these targets are to be achieved. Council-wide impact for carbon footprint. High level management arrangements have been established by approval of Strategic Policy committee and have now been formally established through an initial meeting of the Carbon Reduction Member/Officer Steering Group. Management arrangements and resources within Property have been established. Monthly reporting to departments has been established; the Final Budget Volume Energy page has been amended to show all relevant energy consumption and carbon dioxide emissions data for 2011/12. Arrangements are in-hand to issue detailed information on energy consumption; carbon dioxide emissions and budget provision on a building by building basis to each department although the budgets will need to be adjusted when contract rates for 2011/12 are known. Remits of Committee and Delegations to Chief Officers have been amended to reflect respective new duties. A report has been approved by the Corporate Services Committee establishing the necessary financial management arrangements to purchase carbon allowances. Best practice discussions have taken place with neighbouring authorities and will continue. Property has been working with the Climate Change Working Group and the Roads division to encourage strategies to reduce carbon dioxide emissions associated with vehicles and travel and street lighting. A meeting of the Carbon Reduction Working Group is awaited which will discuss how these targets are to be achieved.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
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<th>Success Criteria</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undertake carbon management review following receipt of guidance from</td>
<td>Director of Corporate</td>
<td>June 2011</td>
<td>New action plan approved.</td>
<td>Commitment required across departments. A series of reports have been prepared for consideration by the Carbon Reduction Member/Officer Steering Group providing an overview on this guidance and proposed energy consumption and carbon dioxide emissions reduction targets [see earlier]. The CRC carbon dioxide emissions footprint for 2010/11 has been determined and will be adjusted by the end-of-year position for submission under the CRC scheme. Progress has been reported graphically to the Corporate Services Committee. Feedback from the Audit Scotland Energy Efficiency audit report and the review matrix used to assess the performance implementing the Local Authority Carbon Management Plan are to be rationalised into an updated action plan incorporating other actions identified by best practice, opportunity and from Scottish Government guidance. Awaiting the next Carbon Reduction Member/Officer Steering Group.</td>
</tr>
<tr>
<td>Scottish Government.</td>
<td>Services</td>
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</tr>
</tbody>
</table>
IDENTIFIED RISK / RISK ACTION PLAN:

Section A – Identified Risk

Risk Description

The IT infrastructure does not have the capacity to fully use technology to address changing demands.

Actions/Controls already in place

Investment in technology undertaken as part of the financial plan over years 2009/10, 2010/11 has, and in 2011/12 and beyond is designed to improve the capability and functionality of the technology infrastructure. The investment programme in financial year 2011/12 and beyond, and identified in the Financial Plan 2010/14 will result in the implementation, on a phased basis, of a revised IT infrastructure capable of supporting the council’s future business requirements, of for example, enabling an agile workforce through mobile, home and flexible working. The identified projects being:

- Establish a fit for purpose Datacentre Environment to host major information technology systems and services
- Corporate Infrastructure Renewal to sustain the technology infrastructure
- Telecoms Infrastructure Renewal to sustain the telecoms infrastructure
- Email Service Replacement to provide an enhanced resilient service
- Citrix Environment Enhancement to support delivery of additional operational applications
- Implement technology to enable Agile Working to be implemented by service departments
- Enhance the Consolidated Storage Infrastructure to extend and enhance capacity
- Unified Communications project to enable interactive document sharing and co-operative working
- Desktop Replacement Programme migrating to standardised desktop thin client workstations
- AngusNet Phase 3 to enable improved broadband connectivity to rural primary schools

Likelihood

The identified risk is being managed as detailed above, with the phased introduction of a revised, fit for purpose, IT Infrastructure funded primarily from entries in the Financial Plan 2010/14. It should however be noted that future business requirements may necessitate additional capability.

Potential Impact

Additional resource requirements.

Likelihood Score: 3
Potential Impact Score: 3
Overall Risk Score: 9
Identified Risk / Risk Action Plan:

Section A – Identified Risk

Risk Description 5

Efficiency reviews do not improve service delivery or realise efficiencies.

Actions/Controls already in place

Reviews agreed by PRG and Scrutiny and Audit Sub Committee.
Progress reports.
Review outcomes reported to and considered by PRT, Scrutiny and Audit Sub Committee and Service Committee where appropriate.
Efficiency Statements.

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Potential Impact</th>
</tr>
</thead>
</table>
| All reviews should result in improved service delivery or realise efficiencies. | Failure to achieve efficiencies  
Lack of improvement to services  
External Audit criticism  
Failure to realise budgeted savings targets |

Likelihood Score: 3
Potential Impact Score: 3
Overall Risk Score: 9
IDENTIFIED RISK / RISK ACTION PLAN:

Section A – Identified Risk

Risk Description 6

The Council fails to meet current and changing needs of customers and citizens.

Actions/Controls already in place

Customer Services Programme Board.
Customer Services Strategy in place.
ACCESS arrangements.
Customer Satisfaction Surveys.
Have Your Say.
Citizens Panel.
Complaints Procedure – Reporting on complaints and compliments.

Likelihood  Potential Impact
It is unlikely that the expectations of all interest groups can be met. Poor responses to satisfaction surveys Potential media criticism

Likelihood Score: 3
Potential Impact Score: 3
Overall Risk Score: 9
### IDENTIFIED RISK / RISK ACTION PLAN:

**Section A – Identified Risk**

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Council does not deliver on national policy directives and commitments.</td>
<td></td>
</tr>
</tbody>
</table>

**Actions/Controls already in place**

- Single Outcome Agreement.
- Angus Community Planning Partnership.
- Service Plans.
- Budget Setting Process.
- Performance Management / Reporting Arrangements.

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Potential Impact</th>
</tr>
</thead>
</table>
| It is unlikely that the council will fail to deliver unless a conscious decision was made not to. | Media criticism  
External Audit criticism  
National Government criticism |

Likelihood Score: 3  
Potential Impact Score: 3  
Overall Risk Score: 9
IDENTIFIED RISK / RISK ACTION PLAN:

Section A – Identified Risk

Risk Description

The Council fails to redesign services in response to changes in demographics.

Actions/Controls already in place

- Change Programme Board overseeing the implementation of recommendations from the Best Value Review of Older People’s Services.
- Redesign of Learning Disability Services – identification of needs of young people with profound disabilities.
- School Estate Management Procedures and School/Pre-School Placement Procedures take due account of demographic changes.

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Potential Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is a chance that resources may not be available to implement changes in timescales identified.</td>
<td>Adverse publicity</td>
</tr>
<tr>
<td></td>
<td>Lack of improvement to services</td>
</tr>
<tr>
<td></td>
<td>Service user/family dissatisfaction</td>
</tr>
</tbody>
</table>

Likelihood Score: 2
Potential Impact Score: 4
Overall Risk Score: 8
IDENTIFIED RISK / RISK ACTION PLAN:

Section A – Identified Risk

Risk Description

Data loss involving personal and confidential data.

Actions/Controls already in place

The introduction of 2 high capacity centralised data stores as outlined in the Financial Plan 2009/13 under the heading Consolidated Storage will offer improved data storage, resilience and back-up over a phased period of time.

Part of the allocation identified in the Financial Plan 2010/11 under the heading Flexible Working has been identified to introduce encryption capability on laptop computers which will protect data assets.

Actions identified in the report “Data Transfer Between Council Departments and Third Parties” compiled jointly by Internal Audit and IT, published in June 2009, are relevant, for example the introduction of encrypted data sticks.

Expansion of the GSX link will permit greater access to the secure transfer of data via email and applications across the Government secure network.

A Records Management Co-ordinators Group has been established.

The Council approved a policy for records appraisal, retention and disposal in 2007 (Report No 1203/07) which set out the principles for retaining records, whether electronic or paper. A retention schedule forms part of that report and was informed by guidance from the Records Management Society – Guidance to Local Authorities. That policy remains the current guidance to departments.

Proposal for an Information Management Policy, Group and Action Plan facilitated by Head of Law and Administration.

Three separate document handling systems are currently installed within service departments and consideration will be given to assessing whether to roll out further document handling systems across the remaining departments and whether that will bring tangible benefits/safeguards to the Council.

Likelihood

The risk is being pro-actively managed through corporate measures and guidance but there is an element of risk in a departmental context.

Potential Impact

High media interest
Reputation damage
Public loss of confidence

Likelihood Score: 2
Potential Impact Score: 4
Overall Risk Score: 8
**IDENTIFIED RISK / RISK ACTION PLAN:**

*Section A – Identified Risk*

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Council remains vulnerable to equal pay claims.</td>
<td></td>
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</tbody>
</table>

**Actions/Controls already in place**

- Single Status implemented.
- Watching brief being kept by Assistant Chief Executive.
- Link up with legal firm with equal pay expertise.

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Potential Impact</th>
</tr>
</thead>
</table>
| The council still remains vulnerable to claims in the aftermath of single status but given evidence to date it is unlikely that there will be a large amount of claims. | Cost  
Adverse publicity |

- **Likelihood Score:** 2
- **Potential Impact Score:** 4
- **Overall Risk Score:** 8
**IDENTIFIED RISK / RISK ACTION PLAN:**

*Section A – Identified Risk*

**Risk Description 11**

Governance arrangements are not sufficiently well developed to satisfy external audit.

**Actions/Controls already in place**

- Revised chairing arrangements for Scrutiny and Audit Sub Committee.
- Corporate Governance Working Group undertakes annual self assessment of governance arrangements.
- Chief Executive submits annual report to Scrutiny and Audit Sub Committee on governance arrangements.
- Chief Internal Auditor undertakes annual review of governance arrangements.

**Likelihood**

| While these actions address this risk political engagement and support is required otherwise the likelihood of this risk being realised is increased. |

**Potential Impact**

- Adverse publicity
- Adverse comment from External Auditors

| Likelihood Score: 2 | Potential Impact Score: 3 | Overall Risk Score: 6 |
### IDENTIFIED RISK / RISK ACTION PLAN:

**Section A – Identified Risk**

**Risk Description**

Effective performance management arrangements are not fully embedded across the Council.

**Actions/Controls already in place**

- Performance management framework.
- Performance monitoring arrangements.
- Corporate community planning team work refocussed.
- Performance indicators revised.
- Service standards introduced.
- Self assessment being rolled out across departments.
- New performance management system procured.
- Performance links between SOA, thematic and service plans established.
- Range of communication methods being considered to increase staff understanding of improvement agenda.

**Likelihood**

<table>
<thead>
<tr>
<th>Likelihood Score:</th>
<th>2</th>
</tr>
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</table>

**Potential Impact**

<table>
<thead>
<tr>
<th>Potential Impact Score:</th>
<th>3</th>
</tr>
</thead>
</table>

**Overall Risk Score:** 6
**IDENTIFIED RISK / RISK ACTION PLAN:**

**Section A – Identified Risk**

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrangements are not sufficiently well developed to meet commitments under the terms of the national climate change declaration (excluding carbon reduction).</td>
<td></td>
</tr>
</tbody>
</table>

**Actions/Controls already in place**

- Council signed Climate Change Declaration in 2007.
- Climate Change Strategy Group established.
- Carbon Management Plan progressed.
- Local Climate Impacts Profile for Angus published.
- Travel Plan published.
- Zero Waste Plan being implemented.
- Street Lighting Pilot study undertaken.
- Eco Schools Programme established.
- Fleet Management review.
- Flood Prevention measures.
- Climate change embedded in Community Planning actions.

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Potential Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meeting government emission reduction targets will get progressively harder year on year.</td>
<td>Failure will likely give rise to adverse publicity and possible breach of legislation.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Likelihood Score:</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential Impact Score:</td>
<td>3</td>
</tr>
<tr>
<td>Overall Risk Score:</td>
<td>6</td>
</tr>
</tbody>
</table>
**IDENTIFIED RISK / RISK ACTION PLAN:**

*Section A – Identified Risk*

### Risk Description

<table>
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<tr>
<th>14</th>
</tr>
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</table>

The Council does not meet its obligations under the Singe Equalities Act.

### Actions/Controls already in place

- Corporate Equalities Officer Group in place.
- Departments report on equalities issues in annual report.
- Equalities representative in each department.
- Single Equality Scheme in place.

### Likelihood

<table>
<thead>
<tr>
<th>2</th>
</tr>
</thead>
</table>

It is considered that the likelihood of this occurrence is low.

### Potential Impact

- Cost to the council
- Adverse publicity
- Action taken against council by EHRC

### Likelihood Score: 2

### Potential Impact Score: 3

### Overall Risk Score: 6
IDENTIFIED RISK / RISK ACTION PLAN:

Section A – Identified Risk

Risk Description 15

Sickness absence targets are not met.

Actions/Controls already in place

Absence management guidelines.
Return to work interviews.
Counselling service available.
Physiotherapy support available.
Management of stress guidelines.
Quarterly monitoring to Performance Review Group and Scrutiny and Audit Sub Committee.

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Potential Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>If sickness absence actively managed the likelihood of occurrence is low.</td>
<td>High sick pay costs. Possible disruption to services. Poor SPI performance. Adverse publicity.</td>
</tr>
</tbody>
</table>

Likelihood Score: 2
Potential Impact Score: 3
Overall Risk Score: 6
### Section A – Identified Risk

**Risk Description:**
The Council is unable to continue delivering key services to the public to an acceptable degree following the occurrence of an incident.

**Actions/Controls already in place**
- Emergency Plans.
- Business Continuity Plans for identified critical activities. (not all council services are defined as critical).
- Incident Management Plans.
- Tayside Strategic Co-ordinating Group – Multi-agency/partnership approach for response and recovery of major incident/emergency.
- Training & Exercising programme.
- Community Risk Register.
- Building Managers Manual.

**Likelihood**
Incidents will occur; however the likelihood of the council being unable to continue to deliver critical activities is low.

**Potential Impact**
- Risk to life
- Impact/risks to other agencies with a dependency on council services in relation to collaboration/joint provision of services
- Financial implications; income and payments particularly benefits etc
- Reputation

**Likelihood Score:** 1  
**Potential Impact Score:** 5  
**Overall Risk Score:** 5
IDENTIFIED RISK / RISK ACTION PLAN:

Section A – Identified Risk

Risk Description 17
The Council is not in a position to deliver on proposed savings and workforce reduction.

Actions/Controls already in place

- Quarterly monitoring of staffing figures.
- Formal Vacancy management arrangements within departments.
- Early retiral/voluntary redundancy systems incorporating early payback expectation.
- Monthly budget monitoring and projected outturn exercises.
- Budget monitoring a standing item on Departmental Management Team meetings.

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Potential Impact</th>
</tr>
</thead>
</table>
| Proposed savings/workforce reduction integral to budget setting process and highly unlikely departmental proposals would be submitted/agreed that will not be able to be delivered. | Budget overspend
Need to find alternative savings |

Likelihood Score: 1
Potential Impact Score: 4
Overall Risk Score: 4
IDENTIFIED RISK / RISK ACTION PLAN:

Section A – Identified Risk

Risk Description

The Council receives a shared risk assessment assurance and improvement plan which is critical of council progress in the preceding year.

Actions/Controls already in place

Corporate Improvement Plan.
Corporate Improvement Plan progress monitoring arrangements in place.

Likelihood | Potential Impact
---|---
If the actions in the corporate improvement plan are met and services continue to perform at their current level it is considered that the likelihood of occurrence is low. | Adverse publicity
| Criticism within Scrutiny and Audit Sub Committee

Likelihood Score: 1
Potential Impact Score: 3
Overall Risk Score: 3
Section A – Identified Risk

Risk Description

The Council’s estate is not fit for purpose.

Actions/Controls already in place

- Second version of the Council’s Corporate Asset Management Plan providing an overview of the property portfolio approved by Corporate Services Committee in June 2008.
- Separate documentation on a property by property basis prepared and regularly monitored and updated.
- Prioritised spend programmes prepared to inform utilisation of available budgets.
- Corporate Asset Management Group formed and carrying out reviews of all property held on a geographical basis across the county.
- An investigation into flexible/home/mobile working is underway.

Likelihood

- Very low risk determined that any key Council building will be declared unfit for purpose.

Potential Impact

- Alternative accommodation arrangements for affected staff would need to be applied.
- Staff dissatisfaction
- Service to public suffers at least initially
- Contingency plans have been prepared per Business Continuity management arrangements

Likelihood Score: 1
Potential Impact Score: 2
Overall Risk Score: 2