NORTH AYRSHIRE COUNCIL

23 February 2021

Cabinet

Title:	**Strategic Risk Register 2021/22**
Purpose:	To seek Cabinet approval of the Strategic Risk Register for 2021/22.
Recommendation:	That Cabinet approves the Council's Strategic Risk Register for 2021/22.

1. Executive Summary

1.1 The Strategic Risk Register has been reviewed and updated for 2021/22.

1.2 It is recommended that six current risks remain on the Strategic Risk Register at their existing risk scores – Financial Environment, Inequalities, Cyber Security, Transformation, Climate Change and Community Capacity Building & Empowerment. It is recommended that the Financial Sustainability of the Health and Social Care Partnership risk score is reduced from 20 to 16.

1.3 Furthermore, the risk for Brexit has been removed from the Strategic Risk Register as the risk score has significantly reduced (risk score 9) due to agreement on a trade deal between the UK Government and the EU.

1.4 Covid-19 was added to the Strategic Risk Register as the pandemic emerged and subsequent wording has been developed to reflect this risk.

2. Background

2.1 North Ayrshire Council is committed to ensuring that it is proactive in identifying and managing the risks impacting on the authority. The Council recognises that a certain amount of risk is inevitable if the organisation is to achieve its objectives.

2.2 The aim of risk management is to reduce the likelihood and/or impact of risk by identifying and controlling risks to the Council. If risk is to be managed appropriately, and Services are aware of these risks, risk management can contribute positively towards the organisation's decision-making processes, making the Council more innovative and effective in its approach to service delivery.

2.3 The most significant risks are identified through the Council's Strategic Risk Register (SRR), recognising the challenges facing the Council and demonstrating the arrangements in place to manage these risks.

2.4 The Strategic Risk Register has been reviewed and updated for 2021/22 and is attached at Appendix 1 to this report. For each of the risks detailed within the register a number of components are identified:

- Risk proximity factors.
- Risk score.
- Potential effect on the Council's priorities.
- Internal controls currently in place.
- Assessment of controls, and
- Additional actions identified.

2.5 To assist in the assessment of each risk, the Council's agreed risk matrix was used to ensure consistency. This is used to assess the likelihood of occurrence (on a scale from 1 to 5) and the significance of the impact of the risk should it occur (on a scale from 1 to 5). The risk score is the product of likelihood multiplied by impact. Only those risks rated as high or very high (10 or above) will feature on the SRR to ensure a focus on managing the most significant risks.

2.6 Six current risks remain on the Strategic Risk Register at their existing risk scores – Financial Environment, Inequalities, Cyber Security, Transformation, Climate Change and Community Capacity Building & Empowerment.

2.7 The existing risk relating to 'Financial Sustainability of the Health and Social Care Partnership' score has decreased from 20 to 16.

2.8 The risk for Brexit has been removed from the Strategic Risk Register as the risk score has significantly reduced due to agreement on a trade deal between the UK Government and the EU.

2.9 Covid-19 was added to the Strategic Risk Register as the pandemic emerged and subsequent wording has been developed to reflect this risk for 2021/22. Furthermore, a Risk Horizon Scanning Workshop for the Chief Officers Leadership Team was facilitated by the Council's Risk Partner, Zurich Municipal, on 2 December 2020. The purpose of the workshop was to;

- Identify new and emerging risks arising in the aftermath of Covid-19
- Assess how North Ayrshire Council's risk landscape has changed following Covid-19
- Visualise the current perception of risk within North Ayrshire Council
- Compare Zurich Municipal's view on key risks with our own view
- Use the information and insight gained to agree some next steps in addressing risk

2.10 The eight Strategic Risks are categorised as follows:

Very High Risks

- **Financial Environment** - this risk reflects the ongoing financial challenge faced by the Council. (risk score 20)
- **Inequalities** - this highlights the socio-economic inequalities faced in North Ayrshire. (risk score 20)
- **Covid-19 Impact** - there is a developing risk to the Council from the ongoing impacts from the pandemic. (risk score 20)

High Risks

- **Financial Sustainability of the Health and Social Care Partnership** - this reflects the ongoing financial challenges faced by the Partnership and the risk these present to the Council. (risk score 16)
- **Cyber Security** – this reflects the ongoing risk from external cyber-attack which is being faced by all organisations. The Scottish Government has put in place a Cyber-Resilience Action Plan which the Council is complying with. (risk score 16)
- **Transformation** - this reflects the wider risks associated with delivering the current Transformation Programme and developing a pipeline of future initiatives. (risk score 16)
- **Climate Change** – this risk in in line with the declaration by the Council of a Climate Change Emergency during 2019 (risk score 16).
- **Community Capacity Building and Empowerment** - this highlights the challenges associated with community empowerment (risk score 12).

2.11 Council Services have identified high level strategic actions within their planning for 2021/22 to help the Council mitigate against its strategic risks. These actions are detailed in summary format in the Risk Management Action Plans following each Risk within Appendix 1. These actions will assist with performance monitoring and reporting on the strategic risks.

2.12 The Council's Internal Audit Plan 2021/22 was approved at the Audit and Scrutiny Committee on 12th January 2021 and is risk-based with clear links in place between the audit plan and the key risks the Council face.

3. Proposals

3.1   Cabinet is requested to approve the Strategic Risk Register 2021/22.

4.   Implications/Socio-economic Duty

Financial

4.1   The Council continues to have a robust long- and medium-term financial planning framework. Key strands include development of key transformation themes and the establishment of an Investment Fund that will generate future savings alongside delivery of a number of key Council priorities.

Human Resources

4.2   None.

Legal

4.3   None.

Equality/Socio-economic

4.4   The risk to the Council is that North Ayrshire residents, and in particular certain groups, will experience increasing levels of poverty and its effects. Current control measures fall into two categories - measures to address the root causes of socio-economic inequalities and mitigation measures to minimise the impacts of poverty.

Environmental and Sustainability

4.5   The Council has declared a climate change emergency and has in place an Environmental Sustainability and Climate Change Strategy. Significant work to help mitigate the risk of flooding is included within the Capital Plan.

Key Priorities

4.6   A successful risk management framework helps to underpin the delivery of the Council's strategic priorities in the Council Plan 2019-2024.

Community Wealth Building

4.7   None.

5.   Consultation
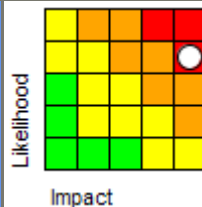
5.1   The Strategic Risk Register has been reviewed in consultation with the Executive Leadership Team and the Corporate Risk Management Group.

Thomas Reaney
Head of Service (Recovery and Renewal)

For further information please contact **Alex Fitzharris, Risk Manager, Recovery and Renewal,** on **01294-324515**.

Background Papers
None.

Appendix 1 - Strategic Risk Report 2021/22

Risk Code	SRR2122_R01	Risk Title	Financial Environment	Latest Note Date	28-Jan-2021
Risk Owner	Mark Boyd				

Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures	Likelihood	Impact
The risk is that the level of funding from Scottish Government to local government will require the Council to take increasingly difficult and challenging decisions, potentially operating with increased levels of risk to ensure service delivery and investment in assets align with available resources. Although the 2021/22 local government settlement represents an increase of 0.84% in core grant funding, this has to continue to be looked at within the context of financial pressures facing the council including pay, contractual and demographic pressures over the short, medium and long term. The continuation of single year settlements makes effective medium and long term financial planning challenging. It is recommended that following the settlement and within the wider financial pressure context, the risk score remains unchanged at this time. Any consideration to change this will only occur following a sustained period of annual growth in core revenue funding. The Council is exposed to financial risk as a result of the financial performance of the IJB; more detail on this is set out at risk SRR03.	Funding not keeping pace with demand and cost means that there will be a reduction in some service areas potentially resulting in higher risks for service users.	Robust monitoring of the Council's revenue and capital budgets is in place as well as regular reporting of financial performance of the IJB to Cabinet and Audit and Scrutiny. To assist financial planning The Long Term Financial Outlook (LTFO) to 2030/31 was approved at Council on 16 December 2020 - this is the cornerstone of the Council's financial planning in the medium to long term. The Council is currently preparing to deliver a balanced budget for 2021/22 with work being progressed to further develop the Transformation and Renewal programme over the period 2021/22 to 2030/31. The development and monitoring framework to support this activity is currently being progressed. This framework will capture plans to address anticipated budget gaps over the medium to long term. Based on the anticipated outturn position in 2020/21 for the IJB, there is a high degree of confidence to achieve the annual debt repayment to the Council of £1.497m, therefore reducing overall debt to £3.796m. This position is further supported by the creation of a potential surplus position to help enable the delivery of the IJB Transformation programme.	4	5

Status	Risk Score	Heat Map		Change in Score	Approach
Stable	20			No change	Treat
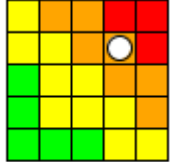
Strategic Risk Action Plan			Date Updated	28-Jan-2021
Analysis of Effectiveness of Controls	**Further Action Required**	**Target Date for Completion**	**Officers Responsible**	**Current Status: RAG**
Regular financial monitoring of Revenue and Capital Budgets	**28 January 2021:** Bi-monthly monitoring	31-Mar-2024	Mark Boyd	🟢
Deliver balanced Budget for 2021/22	**28 January 2021:** No update	04-Mar-2021	Mark Boyd	🟢
Develop Renewal Programme monitoring framework to capture and monitor plans to address funding gap over medium and long-term	**28 January 2021:** Governance arrangements have now been agreed and include programme development and monitoring through the Transformation Board and ELT.	31-Mar-2021	Mark Boyd; Thomas Reaney	🟢
Maintain Financial Governance Arrangements for IJB	**28 January 2021:** Bi-monthly monitoring.	31-Mar-2024	Mark Boyd	🟢

Risk Code	SRR2122_R02	Risk Title	Inequalities		Latest Note Date	27-Jan-2021
Risk Owner		Audrey Sutton				

Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures	Likelihood	Impact
North Ayrshire residents, and in particular certain excluded groups, will experience increasing levels of poverty and its effects, as a result both of the economic situation and Covid-19. Health inequality is closely linked to poverty, employment and people's earliest experiences as children, and will increase. The population of North Ayrshire is projected to fall over the next 10 years but there will also be a larger proportion of the population considered dependent (not economically active).	The impact on specific risk groups is greatest for our children, young people and families, unemployed people and those in in-work poverty and people exposed to the risks of drug and alcohol addiction. Demand for HSCP and Council Services will increase. As reductions in resources increase, early intervention and prevention activities are at risk, thus increasing the potential for an increase in costly crisis interventions. The local economy will be impacted by reduced spending power by economically inactive residents.	Tackling inequalities is a strategic priority of the Community Planning Partnership (CPP), the Council and the HSCP. Current poverty-related controls fall into two categories: measures to address the root causes of socio-economic inequalities – income through employment or benefits – and mitigation measures to minimise the impacts of poverty. A range of strategies are in place: Fair for All, Children's Services Plan, the Child Poverty Action Plan, Economic Renewal Strategy, Community Wealth Building, the Ayrshire Growth Deal. The HSCP tackles inequalities in areas of economy, health and community. Through the HSCP strategic plan, the Partnership sets out actions to tackle inequality through its Partnership Pledge and across its strategic priorities. The Alcohol and Drug Partnership has a focus on drug and alcohol misuse, with a focus on reducing the numbers of drug related deaths. The 'Housing First' programme provides tenancies for the most vulnerable homeless people in North Ayrshire, initially targeting households with addiction and mental health issues on discharge from prison. Through Covid-19 responses a whole system approach is being developed to support residents through a place based model. We continue to progress work to fulfil our commitment in equality of opportunity in employment for all our employees.	5	4

Status	Risk Score	Heat Map		Change in Score	Approach
Increasing	20			No Change	Treat

Heat Map: Likelihood (vertical axis), Impact (horizontal axis)

Strategic Risk Action Plan			Date Updated	27-Jan-2021
Analysis of Effectiveness of Controls	**Further Action Required**	**Target Date for Completion**	**Officers Responsible**	**Current Status: RAG**
Many of the current controls are in early stages of implementation: Fair for All (ongoing) Children's Services Plan (new plan) Child Poverty Action Plan (new annual plan) HSCP Strategic Plan (new plan) Economic Renewal Strategy (new strategy) Community Wealth Building (new strategy) Ayrshire Growth Deal (in ongoing development)	**27 January 2021:** Each of these strategies, taken together, and further developed and implemented, should make a significant contribution to inequalities.	31-Mar-2024	Audrey Sutton; Caroline Cameron	🟢
Recovery & Renewal Strategy Implementation	**27 January 2021:** The implementation of this strategy includes children and young people service transformation, locality working via hubs and place-based approaches to joined up service provision	31-Mar-2022	Thomas Reaney	🟢

Risk Code	SRR2122_R03	Risk Title	Financial Sustainability of the Health and Social Care Partnership	Latest Note Date	27-Jan-2021
Risk Owner		Caroline Cameron			

Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures	Likelihood	Impact
Uncertainty of future funding against growing demand and demographic pressures. Resources have not kept pace with the demand for and cost of social care services. If the partnership does overspend the debt owed to the Council will increase. This could reduce confidence in the ability to operate within available resources. Covid-19 has the potential to impact our ability to meet an on-line budget position and ensure repayment of debt. If Covid-19 response is not fully funded the IJB may be required to recover any overspend in-year. Improved financial position in 20-21 projected to underspend after allowing for the planned 20-21 debt repayment reduces risk proximity.	Historically the HSCP have not managed to contain spend within the delegated budget. As a consequence, there is a debt to be repaid by the partnership to the Council. Funding levels could result in savings being made that are not in alignment with the strategic plan. This would impact on the future demand levels e.g. reduction in early intervention and prevention means that future demand is increased. Funding levels impact on the partnerships requirement to transform services at scale and pace to deliver services in a more sustainable way and secure a shift in the balance of care from institutional to community-based services. The partnership requires to put in place a Financial Recovery Plan if there is a projected overspend.	IJB actively monitors the partnership financial position. Directors of Finance of the Council and Health Board have oversight. Regular updates are provided to the Council's Cabinet and Audit and Scrutiny Committee. The Chief Finance and Transformation Officer within the HSCP support's the delivery of transformation at scale and pace. (Note: vacant post at present and recruitment underway). A Medium-Term Financial Plan has been developed and is being refreshed. Transformation Board overseeing the programme of service re-design. Council's budget has £1.5m earmarked to support repayment of the outstanding debt (currently £5.3m). Integrated approach to managing totality of NHS and LA resources delegated to the IJB. Robust processes for monitoring projects and the monthly financial position ensuring financial projections can inform any correction action. Financial returns are submitted to the Scottish Government (SG) on a regular basis. Significant funding for IJBs for Covid-19 response, supported by regular returns to SG. Previous financial settlements have seen both partners meet the SG settlement conditions with any additional resources passed to the IJB.	4	4

Status		Risk Score		Heat Map		Change in Score	Approach
Reducing		16				Reduced from 20 to 16	Tolerate
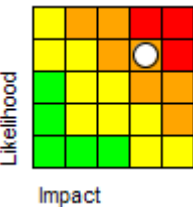
Strategic Risk Action Plan			Date Updated	27-Jan-2021
Analysis of Effectiveness of Controls	**Further Action Required**	**Target Date for Completion**	**Officers Responsible**	**Current Status: RAG**
Sustainability - Budget outlook report and budget setting paper are effective but further action is required.	**21 January 2021:** 1) Integrated Strategic Plan and Budget 2) Refresh the medium-term financial plan	31-Mar-2021	Mark Boyd; Caroline Cameron	🟢
Budget Monitoring - Regular budget monitoring reports to IJB is effective.	**21 January 2021:** No additional actions planned at this time but will keep under review.	31-Mar-2024	Mark Boyd; Caroline Cameron	
Corrective Action – Transformation Board and Recovery Plan is effective	21 January 2021: No additional actions planned at this time but will keep under review.	31-Mar-2024	Mark Boyd; Caroline Cameron	

Risk Code	SRR2122_R04	Risk Title	Cyber Security		Latest Note Date	27-Jan-2021
Risk Owner		Fiona Walker				

Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures	Likelihood	Impact
The potential compromise of business operations or a data breach orchestrated via either digital channels or the IT infrastructure. This can include targeting of the user base. Risk derives from both Council operations and those of its supply chain.

The increasing importance of delivering services through digital channels and maximising efficiency through effective and secure use of technology. This includes a growing adoption of cloud-based computing resources which extend processing capabilities, and associated risks, beyond the Council's network.

The Covid-19 pandemic has accelerated the adoption of remote and mobile working practices by staff. While this ensures business continuity, such a distributed work force increases the complexity of protecting against cyber and data protection risks. | Failure by Services to adopt and comply with strategies, policies and procedures may result in a failure to adequately ensure the desired levels of cyber-security required to maintain and protect council systems and data.

There may be a significant impact on the authority through the release of personal and/or sensitive information resulting in a loss of public confidence and significant financial loss incurred through fines and service disruption.

A successful cyber-attack (malicious external or internal action) on the Council's IT environments could also result in significant service disruption, loss of income streams and possible data loss.

Impacts of a cyber-attack could include economic (i.e. inability to collect online payments), societal disruption (i.e. loss of diaries and client appointments), and reputational damage (i.e. loss of public confidence in digital services). | It is recognised that it is not possible for any organisation to expect to be completely protected against continually evolving cyber threats. A threat actor with sufficient motivation, resource and capability will be able to compromise the most secure system.

The Council takes a sociotechnical approach to reducing risk by continually developing protective measures through technical, organisational and people-focused controls.

Technical controls are implemented in areas such as network defences, secure configuration of systems, user authentication, malware protection, and vulnerability management. These are based on best practice and independently tested on an annual basis to confirm their effectiveness in accordance with compliance schemes.

The Council maintains a comprehensive set of policies, standards, guidelines, metrics and reporting mechanisms as part of its information security governance structure. A comprehensive training and awareness programme is delivered to nurture a cyber-aware workforce and culture. | 4 | 4 |

Status	Risk Score	Heat Map		Change in Score	Approach
				Change in Score	Approach
Stable	16			No change	Treat
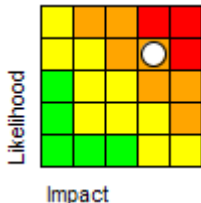
Strategic Risk Action Plan			Date Updated	27-Jan-2021
Analysis of Effectiveness of Controls	**Further Action Required**	**Target Date for Completion**	**Officers Responsible**	**Current Status: RAG**
Security Controls and Compliance – Overall, the current controls remain effective. However, they are continually reviewed to ensure they remain effective in countering emerging threats and risks.	**21 January 2021:** PSN IT Health Check assessments and compliance certification.	31-Mar-2021	Fiona Walker	🟢
	21 January 2021: Introduction of improved authentication controls, such as removal of password expiry and deployment of multi-factor authentication.	31-Dec-2021	Fiona Walker	🟢
	21 January 2021: Deployment of new anti-malware solution.	30-Jun-2021	Fiona Walker	🟢
Remote Working Security Controls – These have shown to be effective during the pandemic response with limited need for additional solutions.	**21 January 2021:** Deployment of a new remote access Always-On VPN service in-line with new best practice.	31-Dec-2021	Fiona Walker	🟢
Incident Detection and Response – Recent cyber-attacks on public sector organisations highlight the need for robust incident detection and response procedures and technologies. The current response procedures been shown to be effective based on incidents experienced so far, however detection capabilities will need to be reviewed and improved.	**21 January 2021:** Review of existing monitoring controls	31-Mar-2021	Fiona Walker	🟢
	21 January 2021: Development of a strategic approach on protective monitoring and incident response	30-Sep-2021	Fiona Walker	🟢
	21 January 2021: Implementation of new protective monitoring technologies and procedures.	31-Dec-2021	Fiona Walker	🟢
	21 January 2021: Review the benefits of Cyber Insurance and procure, if appropriate.	30-Jun-2021	Fiona Walker	🟢
Training and Awareness – The pandemic has impacted on the cyber training	**21 January 2021:**	30-Jun-2021	Fiona Walker	🟢

programme with the long-term cancellation of all classroom-based training. However, a new online course was launched to compensate for this.	Review effectiveness of online course.			
	21 January 2021: Re-instate classroom training, when possible.	31-Dec-2021	Fiona Walker	🟢
	21 January 2021: Use the Cyber Scotland Week national campaign to increase cyber awareness	28-Feb-2021	Fiona Walker	🟢

Risk Code	SRR2122_R05	Risk Title		Transformation		Latest Note Date		28-Jan-2021
Risk Owner		Thomas Reaney						
Risk Proximity Factors		Consequences / Impact		Existing Risk Control Measures		Likelihood		Impact
There is an overarching corporate risk that transformation and change management activities, which are core to the future delivery models and long-term financial sustainability of both the Council and Health and Social Care Partnership, fail to deliver.		Failure to deliver transformational change will impact on the Council's financial sustainability, effectiveness of service delivery and delivery of the outcomes set out in the Council Plan 2019-24 and the Local Outcome Improvement Plan (LOIP). Failure to deliver the HSCP Transformation programmes across the Partnership, involving North Ayrshire Council (NAC) and NHS Ayrshire & Arran (NHSAA) services may lead to the identified outcomes not being delivered; resulting in financial instability, reduced performance, deteriorating patient outcomes, and reputational damage within North Ayrshire Health and Social Care Partnership (NAHSCP). Failure to embed cultural transformation activities may lead to difficulties in building future workforce capacity and in ensuring we have an engaged, skilled and knowledgeable workforce to meet service demand.		The transformation programme aligns to the Council Plan and is monitored via the Chief Officer Leadership Team (COLT), the Executive Leadership Team (ELT) and the Transformation Boards. A Benefits Tracking monitoring tool is being developed to ensure financial and wider outcomes, aligned to our Transformation plan, are captured. HSCP have an established Transformation Board to closely monitor progress with plans, regular updates on programme to the IJB and regular meetings with the Chief Executive and S95 Officer to review progress and mitigation plans. IJB will approve budget and Strategic Plan for 2021-22 in March 2021 which will align financial plans with transformational strategic change ambitions. Cultural transformation activities continue to evolve to support the Council's transformation and improve effectiveness and capability. This includes sharing learning and skills, engagement, design experiments and a whole systems approach to transformation and change. Our workforce planning approach utilises a variety of tools and techniques, such as career development, succession planning, vacancy management, redeployment and early release schemes to ensure our workforce requirements for the future, in terms of skills and capabilities, are planned. Each Head of Service has a workforce plan, and these are monitored six-monthly with continued HR support and guidance to ensure service review and redesign of the workforce is on track.		4		4
Status		Risk Score	Heat Map			Change in Score		Approach
						No change		Treat

Stable	16			
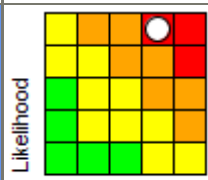
Strategic Risk Action Plan			Date Updated	28-Jan-2021
Analysis of Effectiveness of Controls	**Further Action Required**	**Target Date for Completion**	**Officers Responsible**	**Current Status: RAG**
Existing controls remain effective and are constantly reviewed. However, in order to enhance these, additional actions have been developed	Develop a new Benefits Tracking Tool to capture financial savings and other benefits, such as environmental gains. The tool should also include potential medium-long terms savings (up to 10 years ahead) and workforce planning.	30-Jun-2021	Mark Boyd; Thomas Reaney	🟢
🟢	Develop governance arrangements around the reporting and management of the Transformation Programme.	30-Jun-2021	Thomas Reaney	🟢

Risk Code	SRR2122_R06	Risk Title	Climate Change	Latest Note Date	27-Jan-2021
Risk Owner		Yvonne Baulk			

Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures	Likelihood	Impact
Climate change is expected to continue and worsen in the future if no action is taken, with increases to mean global temperatures, sea level rise and the increasing frequency and severity of weather events such as floods, heatwaves, droughts and storms.

More frequent and intense heavy rainfall events increase the risk of soil erosion and flooding.

Rises in mean sea level increases risks of coastal erosion, flooding, saltwater intrusion and soil salinisation (risk to agricultural land and freshwater habitats).

Severe weather is already affecting public services across Scotland, with operational, reputational, financial and legal consequences.

There is also an ongoing impact of severe winter weather including snowfall and freezing temperatures which impact service delivery and the integrity of our roads open space and buildings infrastructure. This shift in weather patterns caused by climate change is also affecting biodiversity across Scotland. | Increased frequency of severe weather conditions and flooding events may lead to more instances of damage to Council infrastructure and property, interruptions to service delivery and increased demands on services, often with little notice.

Risk to life, transport disruption and pollution to the local environment, as well as impact adversely on the local economy if businesses are unable to operate.

Council requirement to provide immediate response and manage the adverse effects of more frequent and severe weather emergency situations, including support to local communities and businesses.

The Council is required to comply with the 'Public Bodies Climate Change Duties' under the Climate Change (Scotland) Act 2009. These duties require the Council to assess the risks, threats and opportunities associated with climate change and identify actions to increase resilience to climate change. | North Ayrshire Council declared a Climate Emergency in June 2019, committing to act on climate change and reduce carbon emissions. In January 2020 the Council approved the target to become net-zero carbon by 2030.

The third iteration of the Environmental Sustainability & Climate Change Strategy is being finalised and will be presented to Cabinet in Spring 2021 for approval. Climate Change Adaptation has been included as a workstream within the new strategy, utilising Adaptation Scotland's Capability Framework to ensure North Ayrshire takes a strong, proactive approach to adapting to climate change

The Flood Risk Management Strategy has been developed into a 6-year plan which began in 2016. A second plan, which will follow on, is in development.

In addition, actions to mitigate Climate Change risk are held within strategies such as the Core Paths Plan, Outdoor Access Strategy, Local Biodiversity Action Plan, and Weather and Winter Emergencies Plan. Asset management plans are in place which are regularly reviewed for our Roads, Fleet, Housing, Property and Open Spaces.

Furthermore, through the Ayrshire Civil Contingencies Team there are emergency planning arrangements in place in the event of severe weather and flooding conditions causing major disruption and damage to the area or to individual communities within it. | 4 | 4 |

Status	Risk Score	Heat Map		Change in Score	Approach
Stable	16			No change	Treat

Strategic Risk Action Plan			Date Updated	27-Jan-2021
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG
Reducing Carbon Emissions: North Ayrshire Council declared a Climate Emergency in June 2019, committing to act on climate change and reduce carbon emissions. In January 2020 the Council approved the target to become net-zero carbon by 2030. We have seen a significant reduction in overall carbon emissions in the first half of 2020/2021 from 17,184tCO2 to 9,738 tCO2. Existing controls remain effective and are under review as our response to climate change develops and we progress towards achieving net zero by the 2030 target.	**26 January 2021:** Implementation of the 3rd Environmental Sustainability & Climate Change Strategy, which Includes a Roadmap with actions towards achieving the target. The ESCCS 3 contains workstreams: • Affordable Warmth • Green Economy • Transport and Travel • Natural Environment • Sustainable Operations • Carbon Absorption • Climate Change Adaptation, which follows Adaptation Scotland's Capability Framework, to build a climate resilient North Ayrshire. Ongoing work to support renewable energy generation, energy from waste, increased energy efficiency in domestic and non-domestic properties, active travel and actions within the North Ayrshire Local Biodiversity Action Plan.	31-Mar-2023	Yvonne Baulk	🟢
The Flood Risk Management Strategy: This has been developed into a 6-year plan which began in 2016. The strategy involves taking a proactive approach to flood protection, using modelling to identify vulnerable assets. Assets will then be protected on a prioritised basis taking financial damages and other impacts such as danger to life and disruption into account. Existing controls remain effective and are under review as our response to climate change develops and we progress towards achieving net zero by 2030 target.	**26 January 2021:** To continue the implementation of the flood risk management strategy and to develop the next flood risk plan. Adaptation to the impacts of climate change can be seen in the Flood Protection Schemes being developed and delivered in the Upper Garnock Valley and Millport.	31-Mar-2022	David Hammond	🟢

Risk Code	SRR2122_R07	Risk Title	Community Capacity Building and Empowerment	Latest Note Date	27-Jan-2021
Risk Owner		Rhona Arthur			

Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures	Likelihood	Impact
Unrealistic timescales for implementation of aspects of legislation of the Community Empowerment Act (Scotland) 2015, such as Community Asset Transfer. Pressure to support community capacity building and the variation of needs within a reducing workforce. Duplication of effort across HSCP and Locality Partnerships to foster community participation and deliver engagement activities. Complying with the complex consultation legislation in service redesign.	Where the risk is not managed effectively the potential benefits of community capacity building and empowerment may be lost. Widening inequality gap between those communities where levels of capacity and engagement with the empowerment agenda are high and those with less social capital where interest remains low, which constrains the ability to influence the planning and delivery service. Any disconnect between the Council's aspirations, community appetite for increasing ownership of assets and what communities themselves feel able and prepared to commit to can result in community assets reverting back to Council. Accelerating asset transfer risks losing services and facilities. Over-engagement carries disengagement and engagement fatigue.	Ongoing commitment to community empowerment and locality partnerships from CPP. Six locality partnerships and alignment with HSCP locality arrangements. Leadership of the CPP Senior Officers' Group. Enabling approach with community partners and support with third sector interface to build capacity and identify opportunities for growth and sustainability. Reviewed guidance and processes relating to asset transfer, allotment and Community Councils. Participatory budgeting approach local grants, commitment to PB with partners and leading practice in mainstreaming participatory approaches External funding bid help for groups through regular meetings with third sector, funders and funding officers. Membership of The Consultation Institute.	3	4

Status	Risk Score	Heat Map		Change in Score	Approach
				No change	Tolerate
Stable	12				

Strategic Risk Action Plan			Date Updated	27-Jan-2021
Analysis of Effectiveness of Controls	**Further Action Required**	**Target Date for Completion**	**Officers Responsible**	**Current Status: RAG**
Implementation of CEA: Existing controls remain effective and are keep under review to monitor the impact of Covid-19.	**26 January 2021:** Ongoing Locality Partnerships and Community Asset Transfer programme. Further development of Locality Hubs and participatory budgeting approaches. Implementation of NA Food System and Food Growing Strategy.	31-Mar-2024	Rhona Arthur	🟢
Implementation of CEA**:** Existing controls remain effective and are keep under review to monitor the impact of Covid-19.	**26 January 2021:** Complete of Best Value Audit Review 2020 actions.	30-Jun-2021	Rhona Arthur	🟢
Staff capacity: Existing controls remain effective and are keep under review to monitor the impact of Covid-19.	**26 January 2021:** Continue to refine processes and develop staff skills, working closely with organisations and third sector through Community Empowerment Collective.	31-Mar-2024	Rhona Arthur	🟢
Alignment of engagement: Existing controls remain effective and are adapting to respond to the impact of Covid-19.	**26 January 2021:** Share the learning from the Arran Locality Partnership Pilot. Continue to develop the NA Virtual Community Centre and Engagement Hub. Digital participation and social inclusion initiatives to support engagement.	31-Mar-2024	Rhona Arthur	🟢
Consultation: Existing controls remain effective and are adapting to respond to the impact of Covid-19.	**26 January 2021:** Continue to work closely with The Consultation Institute regarding service change and to keep staff skills updated.	31-Mar-2024	Rhona Arthur	🟢

Risk Code	SRR2122_R08	Risk Title	Covid-19 Impact	Latest Note Date	28-Jan-2021
Risk Owner	Thomas Reaney				

Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures	Likelihood	Impact
Repeat waves of the pandemic and new strains emerging. There are ongoing and interrelated strategic risks impacted by the pandemic ranging from increased technology/cyber risk, financial, supply chain, inequalities to how this affects our transformation ambitions. Concurrent' resilience risks such as EU Exit and 'Blackstart' power resilience risks add a layer of complexity to the ongoing management of the pandemic.	Reduction in Council service provision in order to redirect and focus on prioritised activities or impacts on efficiency due to enhanced 'Covid secure' controls. Delays to key plans, objectives and projects. Consequences from this period including financial loss, backlogs, socioeconomic, health and mental health impacts on our staff and communities. The disruption to proactive work in the community has been detrimental to inequalities, poverty, socio-economic and health workstreams.	Strategic, tactical and operational response groups formed. Effective internal and external digital communication strategy in place. Covid-19 hub model adopted during response by North Ayrshire and Anchor Community Partners. The 'North Ayrshire Food System' has been developed to ensure enhanced resilience. Ongoing interpretation of guidance, involvement with national and local resilience partners and horizon scanning. Increased work on concurrent resilience risk planning. Refreshing the approach to Business Continuity Management. Work to identify recovery, renewal and transformation opportunities.	5	4

Status	Risk Score	Heat Map		Change in Score	Approach
Stable	20			No change	Treat

Strategic Risk Action Plan			Date Updated	28-Jan-2021
Analysis of Effectiveness of Controls	**Further Action Required**	**Target Date for Completion**	**Officers Responsible**	**Current Status: RAG**
Recovery: Existing controls remain effective and are under review as situation develops. However, in order to enhance these, additional actions have been developed	**21 January 2021:** Fulfilment of the Councils renewal and recovery strategy and associated action plan.	31-Mar-2022	Thomas Reaney	🟢
Business Continuity: Existing controls remain effective but are under review to ensure lessons from Covid-19 are incorporated.	**21 January 2021:** Revise Councils approach to business continuity including the development of an electronic Business Continuity Plan.	31-Oct-2021	Thomas Reaney	🟢