MORAY COUNCIL CORPORATE RISK REGISTER

AS AT MAY 2021

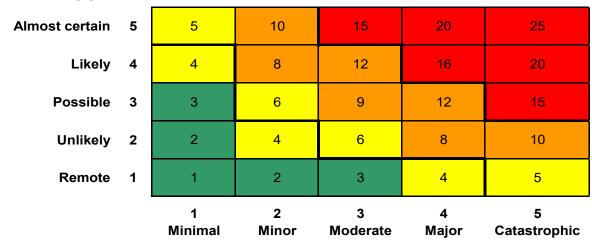| SUMMARY OF PRINCIPAL RISKS		
Nature of Risk	**Main issues**	**Risk Score**
1. **Political**	Political differences detract from focus on priority matters; decision making processes are strained and ineffective; partnership working is not optimised relying too heavily on council inputs.	**20**
2. **Financial**	Demand for services outstrips available budget. Council is unable to make savings or generate income that meets expectations of government, citizens or regulators.	**16**
3. **HR (Staffing)**	Inability to recruit and retain well qualified or experienced staff, staff workloads are unsustainable. Additional pressures associated with pandemic results in increased absenteeism and reduced staff morale.	**16**
4. **Regulatory**	Expected governance standards are unmet. Statutory or regulatory breaches occur. Council is subject to censure.	**16**
5. **Environmental**	Impact of climate change including severe weather events.	**16**
6. **Reputational**	Council decisions result in litigation/judicial review; expectations from external inspections and of service users are not met; performance targets set at levels not commensurate with capacity to deliver.	**15**
7. **Operational Continuity and Performance**	Council performance falls below acceptable level for sustained period; impacts of the pandemic and the need to focus on priorities; transformational change impacts on service delivery.	**12**
8. **IT (Technological)**	Major disruption in continuity of ICT operations; new ways of working create added pressures for ICT staff; data security is compromised.	**20**
9. **Economic Recovery**	Risk of prolonged economic downturn following the pandemic and withdrawal from European Union. Macro-economic conditions may affect local area investment and growth potential.	**16**

RISK CLASSIFICATION

RISK RATING	LOW	MEDIUM	HIGH	VERY HIGH
RISK MOVEMENT	DECREASE	NO CHANGE	INCREASE	

The process for managing risk is documented separately in the council's risk policy, strategy and guidance notes. The risk rating is calculated by reference to assessed likelihood and impact (on a scale of 1 to 5) for each identified risk. The minimum score (lowest risk) being 1x1=1, the maximum (highest risk) 5x5 =25. Scores of 3 and below are ranked low, green; between 4 and 6 medium, yellow; between 8 and 12 high, amber; and 15 and above very high, red, as per the table below.

LIKELIHOOD

		1 Minimal	2 Minor	3 Moderate	4 Major	5 Catastrophic
Almost certain	5	5	10	15	20	25
Likely	4	4	8	12	16	20
Possible	3	3	6	9	12	15
Unlikely	2	2	4	6	8	10
Remote	1	1	2	3	4	5

IMPACT

1.

Description of Risk: *Political:* Political priorities are not achieved; decision making processes are ineffective; partnership working is not optimised. Addressing this risk is central to the future provision of public services in Moray. While wider external political influences will continue to shape the future direction of the council in terms of its ability deliver services either on its own or in partnership with others, the Aug 2020 Best Value Assurance Report (BVAR) highlighted the challenges arising from the political balance. In Sept 2020 a decision by Council resulted in the present Administration continuing but there is a high risk of political differences that may impact on the effectiveness of decision-making in the lead up to the local government elections and beyond. This has the potential to impact on the council's ability to secure effective continuity of leadership and respond positively to the recommendations in the BVAR. However, even in this environment, the Council has taken forward challenging areas such as the Learning Estate Strategy and has now set a number of budgets through successful cross party working. Covid-19 has also created a need for agile decision making, ensuring that the council can respond both quickly and efficiently. Accordingly the likelihood score has dropped from 5 to 4.

Lead: Council Administration / Chief Executive / Corporate Management Team

Risk Rating: low/medium/high/very high	**Rationale for Risk Rating:**
VERY HIGH **Likelihood 4 x Impact 5 = Score 20**	The likelihood is assessed at a high level given that it is likely the council will continue to operate in a political environment with a minority administration. This will have consequential impacts when considering service reduction and redesign arising from changing political emphasis on issues such as poverty, climate and education. It also increases decision making time through increased political preparatory work, which impacts on pace of change. The impact of the pandemic has rightly focused attention on immediate priorities; as a consequence plans to transform services in a manner which is sustainable and acceptable to the various political interests both internal and external to the council are expected to take longer and may be more difficult to achieve
Risk Movement: increase/decrease/no change	**Risk Appetite:**
DECREASE from 25 to 20	There remains an appetite for the council to be successful in delivering best value services for its citizens against a challenging background of increasing demand and diminishing resources and a need to identify service priorities. Political stability will be key to ensuring progress is made towards addressing the recommendations made in the recent BVAR with the follow up audit likely to take place around the time of the local government elections.
Controls:	**Current and Proposed Mitigating Actions:**

Ten year strategic plan Moray 2027 (the Local Outcomes Improvement Plan) approved to be delivered jointly by the council and its community planning partners. Council Corporate Plan approved in March 2020 Plans emphasise prevention and resilience to reduce partner interventions and aid securing of sustainable outcomes. Suite of Governance Documents in place and regularly updated. Elected members fully briefed and aware of political uncertainties Engagement at councillor and officer level with government, COSLA and audit bodies re political challenges facing the council Moray Economic Strategy 2019-2029 published setting out ambitions for the wider Moray community and business Establishment of political group leaders' regular meetings to discuss areas of risk and determine areas of consensus and disagreement, principally on budget issues. BVAR response plan approved	Corporate Management Team/Senior Management Team will continue to provide support and advice to elected members on sustainability of any proposals for change. Monitoring officer to continue statutory role of ensuring legality of decision making processes. Specific resourcing of projects and priorities to provide and advance clear plans to deliver objectives over time
Current performance: The framework for political governance has been affirmed and supports the Council's administration in the development and implementation of its stated priorities. However circumstances make it more challenging to deliver at pace on a sustained basis.	**Comments:** Political risks can be mitigated to some extent by structures and processes that regulate the workings of the council and these continue to be developed. However, risks are likely to remain high in the current economic climate and while uncertainty and fine political balance remains.

2.

Description of Risk: *Financial:* There is a risk of financial failure with demand outstripping available budget. Savings require to be made although the position has significantly improved with a more positive position on general reserves and a lower savings target to be achieved than in previous years. This risk has been actively managed to provide significant savings to improve the situation and work is ongoing through a transformation programme to deliver different models of service delivery and manage demand in future. This has the potential to impact on all sectors of the community. The council is constrained in its ability to generate funding through local taxation and has limited options to ensure it continues to meet statutory obligations and that service delivery is aligned with available funding. Uncertainty makes planning more difficult and the impact of external factors including the pandemic and withdrawal from the European Union is unclear. There is also an impact on services the council delivers jointly with partners as described in the LOIP ten year plan, particularly the need potentially to part funding of IJB overspends, and although Growth Deal funding has been secured, maintaining adequate funding for core services remains a significant risk.

Lead: Corporate Management Team/ Senior Management Team/ Chief Financial Officer (Section 95 Officer)

Risk Rating: low/medium/high/very high	**Rationale for Risk Rating:**
VERY HIGH **Likelihood 4 x Impact 4 = score 16**	Continuing budget pressures affecting the council and the wider public sector. Financial plan recognises the need for budget savings and further development of the medium to long term financial plan is underway. The Council has consistently delivered significant savings which in recent years have been agreed by the council in advance of the date when the budget must be set. Council financial reserves are in an improved position and no longer close to minimum 'safe' levels hence reduction is risk likelihood from 5 to 4.
Risk Movement: increase/decrease/no change	**Risk Appetite:**
DECREASE from 20 to 16	The council has no risk appetite for financial failure given its statutory requirement to manage its resources in a responsible and prudent manner and to continue to deliver statutory services. However it also recognises, as a consequence of financial constraints, that services have been curtailed in certain areas resulting in a diminution of performance. Expectations of service users will require to be managed. There is also a recognition that public finances generally are constrained, although there has been a more positive recent settlement and the council's reserve position has improved to provide a degree of contingency; and that in this regard, Moray Council is facing the same risks as others across the UK.

Controls:	Current and Proposed Mitigating Actions:
Financial plan in place with budget projections in place for current and next two financial years. Financial pressures identified. Medium and longer term financial strategy developed. Regular budget monitoring reports (on capital and revenue)presented to council Financial regulations in place and regularly reviewed. Property Asset Management Plan established, including Capital Strategy Treasury Management strategy. Procurement Policies and Practice Energy Monitoring. Internal and External Auditing Plans in place for participatory budgeting	Work to develop medium and long term financial plans continuing. Lobbying Scottish Government and COSLA regarding funding allocations Work of the 'Transforming the Council' and Programme Boards including the BVAR and the Improvement and Modernisation Programme to inform further change. Monitoring of Covid-19 associated costs, offset by central grants. Asset base requires sustainable rationalisation and learning estate strategy now agreed by council Moray Growth Deal type inward investment secured albeit progress slowed as a consequence of the pandemic More Community Engagement/Public Consultations. . Potential for redesign of services. Annual pricing review on charges for services.
Current performance: Despite the additional demands on staff during the Covid-19 response a balanced budget for 2021/22 has been achieved and, given lower than planned expenditure on service costs, the council has seen its free reserves increase slightly at year end.	**Comments:** Financial risk is likely to remain high for the foreseeable notwithstanding controls in place and planned mitigating actions.

Description of Risk: *Human Resources (People):* Effect of planned staffing reductions on services, both on staff directly affected and on workloads of staff in teams where staff numbers are reduced. Capacity of smaller teams to deal with business as usual and additional Covid-19 demands. Although the Council has responded well during the pandemic both in continuing normal service delivery and establishing new response based services, the pandemic has created an entirely new working environment with many employees now working from home and teachers moving to provide online learning, a situation that may impact on employees' ability to carry out their roles effectively, as well as having the potential to impact on staff mental health and morale in both the short to medium term.

Inability to recruit and retain well qualified or experienced staff, staff unprepared for change, lack of staff engagement, inadequate health and safety arrangements. With staff the council's most important resource, there is a need to ensure employees are equipped to embrace change and deliver services in different and innovative ways that as far as possible are sustainable at a time when resources are reducing.   There is a particular impact on schools arising from the teacher shortage in certain subject areas and challenges recruiting head teachers, although this has improved. Shortages in key areas can affect attainment and inspection outcomes are impacted when there is no consistent leadership over time in a school. Recruitment can also be challenging for specialist and experienced staff which can have a consequential impact on service delivery. This is currently an issue with some specific professional areas such as Engineering and for senior management posts, but is not as prevalent across professional posts as it was, accordingly risk likelihood has been reduced from 4o to 3). Consequential pressures will apply in HR.

Lead: Depute Chief Executive (Education, Communities and OD); Head of HR, ICT and OD.

Risk Rating: low/medium/high/very high	Rationale for Risk Rating:
VERY HIGH **Likelihood 4 x Impact 4 = Score 16**	Reduced ability of smaller teams to deal with competing and complex demands exacerbated by additional Covid-19 demands; Reduced ability of smaller teams to forward plan across a wider Council agenda and be ready with a strategic response. Difficult to recruit in certain specialist areas including certain subject teachers; vehicle technicians, specialist professional posts and senior management. Staff turnover leads to loss of expertise and 'corporate memory' but workforce planning is used to offset this, especially for key roles. Inability to meet service demands and secure continuous improvement. Staff morale and productivity is adversely affected as a consequence of the pandemic.

Risk Movement: increase/decrease/no change	Risk Appetite:
DECREASE from 20 to 16	Employees are the council's most important resource and a skilled and motivated workforce is essential for the delivery of council services. During the pandemic a degree of negative impact on staff has had to be tolerated as a result of the change to homeworking which contributed to stress or isolation for some as they adapted. It is recognised that the challenge to recruit staff to certain specialist jobs remains with particular impacts around senior management posts and on leadership capacity. Council pay and grading policies limit incentives that may aid in the filling of vacancies. Inability to attract suitable staff in sufficient numbers creates risks including but not limited to staff morale, poor service quality, inability to secure best value, and censure by regulators.
Controls: Corporate Workforce Plan, (reviewed and updated annually) in place Leadership Development Programme established Moray Management Methods promote consistency Employee Review and Development Programmes in place for teaching and non - teaching staff Reduced scope of HR activity reported to Policy and Resources Committee Employee Communications & Engagement Framework (including Interchange) Workforce Culture Group Health and Work Policy Health and Safety Policies and Annual Report. Absence Management Policy Working from Home Policy	Current and Proposed Mitigating Actions: Ensure senior management capacity revised following external review is sustainable and is sufficient to deliver the transformational change programme required to secure financial stability, in addition to 'business as usual'. Annual Review of Workforce Strategy and Plan and activity to address the main themes of health and wellbeing, leadership capacity, employee engagement and workforce development to ensure organisational capacity for the future. Activity to address specific recruitment and retention issues. Managing vacancies with regard to available skills Continue to review and develop the leadership development strategy and associated activity. Continue to develop modular training opportunities for staff Ongoing promotion of health and safety risk assessments, including for COVID, and of zero tolerance approach to safety breaches. Development of Safety Management Systems. Review and rationalisation of property assets estate – fewer schools would enable improved deployment of teaching resources

Current performance: The promotion of key staffing policies as described above has strengthened staff engagement and support in recent years; however, workload pressures as identified in the staff survey and highlighted in the BVAR may impact on staff morale going forward. In addition, the switch to home working for many of the staff will be creating its own challenges. Most recently a number of key posts have been approved for recruitment, including project managers within Children's Services.	Comments: This risk is being actively managed but may be impacted upon further should staffing arrangements or levels be subject to change in the incoming period.

4.

Description of Risk: *Regulatory:* Expected governance standards are unmet. Council is subject to censure.
The council is heavily regulated by statute, by national guidance and through local policy and procedures and, within its systems, has established checks and balances to support delivery of intended outcomes. Nevertheless in the current climate there is a risk that senior staff are diverted from their day to day responsibilities increasing the possibility that regulatory requirements are unmet, with attendant legal and financial implications and increasing the possibility that the council is unable to sustain delivery of best value services.

Lead: Corporate Management Team/ Chief Financial Officer/ Monitoring Officer/ Heads of Service

Risk Rating: low/medium/high/very high	**Rationale for Risk Rating:**
VERY HIGH **Likelihood 4 x Impact 4 = Score 16**	Governance arrangements have been developed over many years. Systems and processes are subject to on-going review and development within services Corporate support and review in relation to performance, audit, and inspection. Change increases the risk of system breakdown and non- compliance with regulatory requirements.
Risk Movement: increase/decrease/no change	**Risk Appetite:**
NO CHANGE	The council has zero appetite for regulatory failure and takes seriously its responsibility for effective management of resources and delivery of services. A robust approach is taken to securing governance arrangements which includes suitable systems of internal control.
Controls: Governance statement prepared annually in line with best practice guidance. Monitoring officer oversees governance processes. Constitutional documents available to direct good governance. Performance management framework developed. External scrutiny and inspection programme Internal and external audit arrangements	**Current and Proposed Mitigating Actions:** Governance oversight by Corporate Management Team, Monitoring Officer and audit bodies, in accordance with agreed plans where applicable. Introduction of a simplified committee structure as well as delegated decision making powers to the Chief Executive during the pandemic. Develop remit of scrutiny function to be fulfilled by the Audit and Scrutiny Committee Pro-active management response to issues raised in inspection reports. Consider governance implications of proposed changes to service delivery arrangements e.g. use of Arm's Length External Organisations.

	Continued active participation in delivery of joint services with statutory and other partners as appropriate.
Current performance: The council considers its current governance arrangements to be fit for purpose however ownership of these arrangements specifically around the development of the annual governance statement needs to be strengthened. The current simplified committee structure and delegation of decision making powers to the Chief Executive has allowed the council to be more agile and reactive during the pandemic.	**Comments:** The public sector is highly regulated with legislation and best practice guidance adopted both corporately and within services to ensure openness and accountability for the use of public funds. Established practices are likely to be challenged by change and by expectations of service users

5.

Description of Risk: *Environmental:* Ability of the Council to respond to climate change emergency, to keep up with the pace of changing carbon reduction, waste and environmental targets. Impact of climate change and severe weather events; ability to deal with unforeseen emergencies is compromised by inadequate resilience. The council continues to invest in projects to address climate change issues, to manage energy use and ensure the council is well placed to respond to crisis situations in conjunction with the emergency services and other partners. A reducing workforce in Direct Services has an impact on the council's ability to respond to emergency environmental situations in future.

Risk Rating: low/medium/high/very high	**Rationale for Risk Rating:**
HIGH **Likelihood 4 x Impact 4 = Score 16**	This risk has been increased (likelihood and impact from 3 to 4) due to targets being set by Government and by the Council in relation to the Climate Emergency. Local flood risk management plans approved for Findhorn, Nairn, and Speyside and North East Areas. Moray Development Plan considers climate change issues.
Risk Movement: increase/decrease/no change	**Risk Appetite:**
INCREASE from 9 to 16	Proportionality is reflected in risk appetite such that the development and application of preventative measures mitigates risks to pre-determined and agreed levels recognising it is neither feasible nor affordable to wholly eliminate every environmental risk that may be faced.
Controls: Local flood risk management plans prepared and approved. Non statutory flood schemes being progressed Council part of North of Scotland Regional Resilience Partnership Energy from waste plant being developed with neighbouring North East councils to replace landfill site. Recycling awareness promoted and high rates achieved. Street light replacement programme completed to reduce carbon emissions and energy costs Emergency response co-ordinators and support staff identified and trained Council coordination centre established and operational; crisis communications secured	**Current and Proposed Mitigating Actions:** Update flood risk register as works progress Provide update reports to Council committees on progress Continued liaison with other agencies Continue programme of exercises to test resilience / adequacy of responses to incidents Sustainable transport options under consideration. Introduction of Climate Change Strategy 2020 – 2030. External contractors engaged to support e.g. winter maintenance during extreme weather events.
Current performance: Existing controls and mitigating actions seek to maintain and enhance Moray's reputation as a thriving area and a great place to live.	**Comments:** The council recognises its role in promoting policies and applying regulations which contribute to a

	sustainable environment and the recently approved Climate Change Strategy will further strengthen this commitment.

6.

Description of Risk: *Reputational:* Not meeting performance targets (e.g. attainment - complexity of solutions and number of influencing factors as well as small resource); Not delivering on key projects within IMP, growth deal, over spending or failing on a school build; failure on Best Value delivery plan,: Major adult or child protection failure: Missing a major policy direction or funding opportunity because resources are so tight.

The council provides services to all sectors of the community and while committed to high service standards, the diversity of service provision and the expectations of the public may increase the risk that the council's reputation could be called into question. This risk generally is considered to be managed through performance management, organisational development, the application of codes of conduct, complaints procedures and similar, however any reduction in services to any individual or group of individuals may justly or otherwise impact on the Council's reputation.

Lead: Corporate Management Team/ Heads of Service/Chief Financial Officer

Risk Rating: low/medium/high/very high	**Rationale for Risk Rating:**
VERY HIGH **Likelihood 5 x Impact 3 = Score 15**	The risk rating has regard to established systems, procedures and controls designed to prevent adverse reputational damage, recognising that at a time of service reduction and curtailment with limited consultation there is a higher possibility of increased criticism of council services, and the council will be subject to increased scrutiny and inspection during the year across a number of service areas.
Risk Movement: increase/decrease/no change	**Risk Appetite:**
NO CHANGE	The council is committed to continuous improvement in the delivery of services either on its own or with partners. It seeks to deliver these services having regard to its equality duty and has set targets for doing so through a customer charter. However it is accepted that increased reputational damage is a potential consequence of service reduction or cessation.
Controls: A suite of policy, strategy governance organisational development, project management and performance management measures in place to enable delivery of the services to a standard which mitigates the risk of significant damage to the council's reputation. Consultation protocols established and range of consultation and engagement with public and workforce carried out over period of time	**Current and Proposed Mitigating Actions:** Ongoing review, redesign and implementation of policy, strategy governance, organisational development, project management and performance management. Develop support for improvement across the three key themes of • Resources; • Finances; and • Attainment.

Customer charter in place and customer focus strategy developed to improve citizen engagements and provide a consistent experience across services Formal complaints procedures in place Performance management reporting framework updated Corporate Management Team monitors external inspection processes and outcomes. Freedom of Information processes	Regular meetings with officers and inspection agencies to support and challenge progress towards improvement. Risks to be fully considered in committee reports requiring a decision. Effectiveness of customer focus strategy to be monitored Means of communicating changes impacting service users to be closely monitored Improved outcome reporting of service delivery and linked performance indicator measures
Current performance: The council has received a critical BVAR inspection report although in large measure reputational damage has been avoided given the current commitment shown by members and officers to ensuring continuity of key services during the pandemic It is unlikely the risk of reputational damage can ever be fully eliminated given the breadth of services the council provides, nonetheless, the council takes its obligation to mitigate risk through establishment and application of controls detailed above.	**Comments:** A range of measures are in place to regulate how the council interacts with citizens and to address any issues where recipients of services are dissatisfied with outcomes.

7.

Description of Risk: *Operational Continuity and Performance:* The council is unable to deliver services or performance falls below acceptable levels for a sustained period; insufficient business continuity planning; changes in working practices impact on service delivery. This risk has particular significance during the pandemic and it is encouraging that the council has been able to respond in a manner such that delivery of critical services have been maintained, particularly for vulnerable service users who are dependent on the timely delivery of many council services.. Equally, going forward post COVID it is recognised that operational continuity and performance may be affected as a consequence of service re-design and changes in service delivery in areas such as Customer Contract, and there is a need to carefully align resources available to service delivery standards in areas where services are being reduced.

Lead: Corporate Management Team/ Heads of Service

Risk Rating: low/medium/high/very high	**Rationale for Risk Rating:**
HIGH **Likelihood 3 x Impact 4 =12**	There are three strands to this risk; firstly, the need to ensure that business continuity arrangements remain fit for purpose, in particular for service areas deemed critical; secondly, to ensure that operational continuity and performance standards are reviewed and refined during COVID recovery to reflect short term and longer term changes in service delivery; and thirdly, that we capitalise on improvements learned during the COVID response such as community resilience and digital working.
Risk Movement: increase/decrease/no change	**Risk Appetite:**
NO CHANGE	The risk appetite reflects a requirement to sustain delivery of statutory services and ensure the needs of the vulnerable service users are met, recognising that reducing or restricting discretionary services is likely to affect some sectors of the community and have a 'knock-on' effect on operational continuity and performance.
Controls: List of critical functions agreed by Corporate Management Team Business continuity plans in place for key services although the scope of these will need to be reviewed post pandemic in terms of what can be reasonably foreseen and is achievable. Organisational Development Team promoting workforce and leadership development Communication strategy for informing service users of impending changes to services developed.	**Current and Proposed Mitigating Actions:** Incident management log to be established covering known issues arising from UK withdrawal from the European Union Update service risk registers and link to business continuity plans. Business continuity plans to be reviewed taking into account staff changes and service reconfigurations Ensure clear links between identified risks and service plans are maintained. Review Performance Management Framework to ensure it aligns appropriately to revisions to service provision.

	Service Prioritisation to ensure delivery of vital and key services during the pandemic.
Current performance: A range of measures is in place to secure operational continuity and performance for current service provision, with it being recognised that these measures may need to be revisited as a consequence of change. Service delivery has also been reduced with a focus on ensuring that key and vital services are provided as a priority.	**Comments:** Developments under this risk category are predicated on change with risks around operational continuity and performance dependent on the nature and scale of services delivered in future periods.

8.

Description of Risk: *IT (Technological)* Major disruption in continuity of ICT operations; data security is compromised. Changes in working practices post pandemic reliant on ICT infrastructure, capacity and support. The threat of cyber-attacks on ICT systems is on the rise, and the council has a range of measures in place to limit the risks of data being corrupted or accessed for unauthorised purposes. The risk cannot be eliminated with attacks being nuanced over time and requiring the council to constantly be alert to new threats. The prevalence of working from home results in greater isolation, and increases the risk that staff may become susceptible to malicious emails.

Lead: Corporate Management Team/ Depute Chief Executive (Education, Communities and OD)/ Head of HR ICT and OD

Risk Rating: low/medium/high/very high	**Rationale for Risk Rating:**
VERY HIGH **Likelihood 4 x Impact 5 = 20**	A recurring theme from senior management relative to their experiences during the course of the pandemic is that the success of their services in many respects is predicated on the availability of robust and adaptable ICT systems. This creates an elevated risk that has been recognised centrally, albeit it brings with it a number of challenges in terms of resourcing changed ways of working both to infrastructure and in terms of staffing to support that change in a timely manner. Meanwhile cyber security continues to have a high profile and the ICT service has a suite of controls in place to mitigate known risks in this area. Intelligence in relation to recent successful cyber-attacks has highlighted that the disruption to the affected organisations can be widespread, and the recovery process is likely to take a significant amount of time to restore business operations fully. Accordingly he risk impact has been raised from 4 to 5.
Risk Movement: increase/decrease/no change	**Risk Appetite:**
RISK INCREASED from 16 to 20	There is zero appetite for service interruption or data loss, as this has the potential for catastrophic impact on service delivery and the cost of system disruption or data protection breaches can run to hundreds of thousands of pounds. The security and continuity of ICT services is therefore of vital importance and this is reflected in the range of controls in place
Controls: Corporate Information Security Policy. Disaster Recovery Plans. Senior Information Risk Officer. External accreditation processes for Network Security (Public Services Network, Cyber Essentials Plus)	**Current and Proposed Mitigating Actions:** Assess control as part of plans for developing digital services ICT Action Plan Participation in the Scottish Government Cyber Resilience Programme Information Assurance Group re-established Extend accreditation process to include the Education ICT network

Environmental Controls for Data Centre (cooling, fire, flood and backup power) Boundary Firewalls and Internet Gateways (email and web filtering) Data control enhanced through network controls Malware Protection Patch management (Applications and Infrastructure) Third Party Maintenance Agreements (Applications and Infrastructure) Main financial system supported in-house Information Assurance Group Records Management Policy Data breach reporting arrangements Working from home policy/guidance	Update ICT Business Continuity Plan Review Corporate Information Security Policy Investigate and implement Cloud Services as appropriate (Microsoft Office 365) Introduction of guidance, policies, and staff awareness programme to ensure employees working from home are doing so safely in terms of ICT security. Implement recommendations from Records Management audit
Current performance: The risks associated with the delivery of ICT are constantly evolving, and the controls outlined above together with on-going vigilance are necessary to prevent disruption to critical services.	**Comments:** The suite of controls in place reflects the council's commitment to securing data held and used in the effective delivery of modern council services.

9.

Description of Risk: Economic Recovery. Risk of prolonged economic downturn following the pandemic and exit from European Union with the possibility of a recession. Potential for further national lockdowns will put additional strain on the already struggling local economy. Higher inflation and any increase in interest rates longer term may have an impact on capital projects including the Moray Growth Deal. Continued and/or increased unemployment may have impact on council tax revenues and business failures may create similar pressures on business rates. There may be increased demand for welfare benefits and money advice services. All of which are factors outside the control of Moray Council but will have an influence on how the council reacts and plans for the future.

Lead: Corporate Management Team/ Depute Chief Executive (Economy, Environment and Finance)

Risk Rating: low/medium/high/very high	**Rationale for Risk Rating:**
HIGH **Likelihood 4x Impact 3 = 16**	Both the current pandemic and exit from the European Union are likely to have both short and long term effects on the local economy. Great uncertainty will make planning challenging and the future economic landscape of Moray is yet to be defined. Moray Council's inputs, both as a driver and supporting force, will be crucial to aiding economic recovery.
Risk Movement: increase/decrease/no change	**Risk Appetite:**
NEW RISK	There is a strong appetite for Moray to flourish as a community and economic recovery is a priority for the Council. Works are continuing with the Moray Growth Deal and current efforts are focused on providing support to businesses and other external organisations. Partnership working is also being encouraged to generate a synergy effect and ensure support is delivered efficiently and with optimal impacts.
Controls: Moray Economic Strategy 2019 – 2029 including Moray Skills Investment Plan. Moray Growth Deal Partnership working with Highlands and Islands Enterprise, Moray College UHI, Skills Development Scotland and more. Money Advice Service providing support to citizens as required.	**Current and Proposed Mitigating Actions:** Funding for Growth Deal agreed in Aug 2020 bringing total investment to the area of over £100m. Recruitment drive for key project leads in the Early Years STEM and Bus Revolution projects.

Current performance: Service delivery has been concentrated to providing vital and statutory services reacting in response to the pandemic. Pace has begun to pick up on the Moray Growth Deal with key projects now coming on stream in the near future with committee approval being granted for the first two.	**Comments:** The current situation coupled with future uncertainty will make economic recovery challenging. Key steps have been taken to establish a long term strategy, providing the backbone for the road to economic revival.