

REPORT TO: AUDIT AND GOVERNANCE COMMITTEE

MEETING DATE: 17 June 2025

BY: Chief Executive

SUBJECT: Corporate Risk Register

1 PURPOSE

- 1.1 To present to the Audit and Governance Committee the Corporate Risk Register (Appendix 1) for discussion, comment and noting.

The Corporate Risk Register has been developed in keeping with the Council's Risk Management Strategy and is a live document which is reviewed and refreshed on a regular basis, led by the Corporate Risk Working Group (RWG).

2 RECOMMENDATIONS

- 2.1 It is recommended that the Audit and Governance Committee notes the Corporate Risk Register and in doing so, is asked to note that:
- the relevant risks have been identified and that the significance of each risk is appropriate to the current nature of the risk.
 - the total profile of the Corporate risk can be borne by the Council at this time in relation to the Council's appetite for risk.
 - although the risks presented are those requiring close monitoring and scrutiny over the next year, many are in fact longer term risks and are likely to be a feature of the risk register over a number of years.
 - note that the Council Management Team will review all risks in the Corporate Risk Register on a regular basis.

3 BACKGROUND

- 3.1 The Risk Register has been compiled by the Corporate RWG on behalf of and in consultation with Council Management Team. All risks have been evaluated using the standard (5x5) risk matrix (Appendix 2) which involves multiplying the likelihood of occurrence of a risk (scored 1-5) by its potential impact (scored 1-5). This produces an evaluation of risk as either 'low (1-4)', 'medium' (5-9), 'high' (10-19) or 'very high' (20-25).

- 3.2 The Council's response in relation to adverse risk or its risk appetite is such that:
- Very High risk is unacceptable, and measures should be taken to reduce, transfer or treat the risk to a more tolerable position;
 - High risk may be tolerable providing the Council is assured that adequate and effective control measures are in place;
 - Medium risk is tolerable with control measures that are cost effective;
 - Low risk is broadly acceptable without any further action to prevent or mitigate risk.
- 3.4 The 2025 Corporate Risk Register as updated, currently includes 5 Very High Risks, 7 High Risks, 7 Medium Risks and 1 Low Risk. All most recent updates to risk text are highlighted in red.
- 3.6 In accordance with the Risk Management Strategy 'Very High' and 'High Risks' identified in the Corporate Risk Register will be subject to closer scrutiny by the Council Management Team, the Cabinet and the Audit and Governance Committee.
- 3.7 The CMT sub-group on Risk Management meets on a bi-monthly basis to monitor and drive Risk Management council-wide and to review the Corporate Risk Register. This group includes the Executive Directors and ensures that Risk is given prominence by CMT.
- 3.6 Committee can be reassured that CMT, its Risk Management Sub-Group, the Corporate Risk Management Group and its Linking Risks Sub-Group, continue to closely monitor all Corporate Risks. Informed by global and national risks, via the annual Global Risk Report produced by the World Economic Forum in January each year, and by the Scottish Government's National Risk Assessment (NRA) produced annually, every effort is made to ensure that the Corporate Risk Register reflects current and future risks with appropriate mitigations in place.

4 POLICY IMPLICATIONS

- 4.1 In noting this report the Council will be ensuring that risk management principles, as detailed in the Corporate Risk Management Strategy, are embedded across the Council.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy

6 RESOURCE IMPLICATIONS

- 6.1 Financial –The financial impact of the associated risks and measures remain under regular close monitoring and review. Any unplanned and unbudgeted costs that arise in relation to any of the corporate risks identified will be subject to review by the Council Management Team, and if required will be reported to Council.

6.2 Personnel – There are no immediate implications, however, given the current significant staffing challenges and operational impacts resulting, this area is under constant review.

6.3 Other – Effective implementation of the Corporate Risk Register will require the support and commitment of the risk owners identified within the register.

7 BACKGROUND PAPERS

7.1 Appendix 1 – Corporate Risk Register

7.2 Appendix 2 – Risk Matrix

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DATE	06 June 2025	

East Lothian Council Corporate Risk Register

Risk ID	Category	Title	Description	Impact	Probability	Current Risk Score	Residual Risk Score	Corrective Actions	Review Date	Latest Update
			<p>Rapid rehousing policy requires the Council to transform homelessness services, place people quickly into permanent accommodation (negating use of temporary accommodation) and significantly reduce temporary accommodation stock. Resource allocation, further exacerbated by a series of legislative change, has been and will continue to be insufficient for service transformation.</p> <p>Legislative change regarding local connection came into force in 2022 and requires the Council to accept rehousing responsibility for additional homeless cases. This adds to pressures posed by discretion around intentionality. Changes continue to be enacted without clear guidance on practical implementation, placing the Council at risk regarding threats of judicial review and presentations from neighbouring authorities are exacerbating existing pressures. With 33% of homeless assessments in September / October 2024 from households outwit EL, and circa 5-10 live section 38 referrals at October 2024 over and above this, the position is concerning.</p> <p>There is a higher financial cost burden for the general services budget due to increased costs due to a recent retendering exercise.</p> <p>Ongoing breaches of the Unsuitable Accommodation Order due to a shortage of 'suitable' temporary accommodation, and subsequent daily breaches.</p>					<p>618 - Further iterations of Rapid Rehousing Transition Plans (RRTP) with clear plans to transform homelessness services kept under regular review in context of resource allocation and changing legislation.</p> <p>619 - Continue new build activity to increase housing stock, exploring potential to further increase supply within context of the growth agenda.</p> <p>620 - Mid-market rent properties coming forward to be targeted at homeless / threatened with homelessness households.</p> <p>621 - The leader will write to both UK and SG asking for an urgent response to the affordable housing emergency.</p> <p>622 - Housing Options Training Toolkit is being rolled out to Community Housing and Homelessness staff to improve homelessness prevention and complement new Prevention Duty anticipated 2025, with revised approach to be agreed and implemented.</p> <p>623 - Implementation of recent changes to Allocations Policy agreed at Cabinet September 2024</p> <p>624 - Plan to reduce service demand, temporary accommodation, and associated costs to continue being rolled out and monitored closely.</p> <p>625 - Revised Homelessness Operations Policy is ongoing, alongside comprehensive review of existing policies and procedures, to ensure service is operating efficiently and effectively.</p>		

R287	Legal	Homelessness and Housing Pressures	<p>Enforceable temporary accommodation standards framework implemented from 2021/22 which further reduces the existing portfolio of 'suitable' accommodation and includes specific requirements re occupancy agreements / temporary accommodation handbook.</p> <p>Proposed changes re the new prevention duty poses further risk to existing practice. Implementation will likely result in increased referrals and homeless assessments.</p> <p>Reduced supply of private lets due to landlords' ongoing concerns re Private Residential Tenancy, legislative change, welfare reform impacts and cost of living increase, resulting in increased rents. This is further exacerbated by reliance on the PRS as a suitable housing option for Ukraine households. A significant increase in LHA rates from April 2024 makes private lets even more unaffordable.</p> <p>The policy area of migrant homelessness and destitution is becoming increasingly complex within a context of limited guidance.</p> <p>There are ongoing concerns regarding limited flow through the housing system and inability to accommodate people in emergency accommodation, due to lack of supply. This can impact upon the ability to source emergency accommodation at times of crisis.</p>	5	5	25	20	<p>626 - Improved partnership working RSLs could potentially result in formal revisions to nominations for single person households.</p> <p>627 - Continue to engage with the Scottish Government to review and monitor the impact that legislative changes and Resettlement Schemes are having on meeting RRTP ambitions</p> <p>628 - Significant resource channelled to improve void turnaround times including establishing a team to address long-term major works voids.</p> <p>629 - Rollout of revised approach to occupancy agreements / handbooks.</p> <p>630 - Further communication with the Housing Minister is likely, regarding requests for assistance to help alleviate housing pressures</p> <p>631 - Planned tenancy conversions and temporary increase in % allocations to increase flow through the system and enable reduction in temporary accommodation to be met.</p> <p>632 - Review of Response, Accommodation and Prevention Teams to enable more efficient ways of working, cost savings and increased focus on prevention for vulnerable groups via service transformation.</p> <p>633 - The City Region is taking a holistic approach to reviewing and understanding the pressures across the region, particularly in relation to Homelessness and Ukraine to help find a more joined up solution</p> <p>634 - Ongoing engagement with SHR to gather further information and</p>	02/07/2025	16/05/2025
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			<p>SHR has highlighted ELC is at heightened risk from systemic failure, noting breaches and length of stay in temporary accommodation.</p> <p>Reduction/slowdown in the Affordable Housing Supply Programme can be expected given the recent reduction in SG investment meaning less affordable housing properties coming forward to meet the needs of homeless households.</p> <p>The Homelessness Service is at risk of being unable to operate within budget going forward, due to a combination of rising costs generally, procurement of emergency accommodation which directly resulted in increasing costs, increasing demand from outwit EL, and lengthy periods of time in temporary accommodation.</p>					assurance re service with an ask to provide updates on capacity to meet statutory duties re-temporary accommodation and UAO.		
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R267	Financial Impact	Maintenance of Assets	<p>The Council has a significant asset base covering a wide range of services. Many of these physical assets require significant capital investment to ensure they meet both condition and suitability asset requirements and will also require significant on-going maintenance to ensure they can be maintained to an appropriate condition.</p> <p>There is a risk that the Council will not have the available financial resource and staffing requirement to carry out essential repairs and maintenance programmes to ensure buildings are maintained in a good condition, and on-going capital investment is required to ensure suitability and condition of buildings remain appropriate and aligned to national conditions.</p> <p>Failure to carry out repairs and maintenance programmes could result in unavailability of buildings e.g. school closure and reputational damage to the Council and could ultimately result in a failure of building elements and impacts on safe operation of an asset with the risk of closure or enforcement by Statutory or Regulatory authorities.</p> <p>Failure to carry out repairs and maintenance programmes could result in injury/loss of life of public building users and legal action against the Council. There is also a high risk to health and safety and of reputational damage.</p> <p>The risks posed through the identification of RAAC/Siporex and subsequent costs from the implications in respect of management, remediation and or total loss of assets.</p> <p>There remains significant cost pressures aligned to on-going cost of construction including challenges around availability and supply of goods/ services.</p> <p>There are a growing range of new policy requirements aligned to public infrastructure and funding including net zero and energy targets, which require additional monitoring, specification requirements and costs. These require significant additional finance commitment and staff resource is required to achieve this, assess the current status, and plan works to bring buildings up to the required standard.</p>	5	5	25	20	<p>531 - On-going monitoring of condition and other data to inform the planned delivery of works required to ensure buildings comply with statutory and legal requirements and are maintained in a safe operating condition.</p> <p>532 - The service continues to regularly evaluate the current situation as regards material availability and works to mitigate any adverse effects of cancelled or delayed orders for this year's major summer works programme.</p> <p>533 - Review and identify staffing resource required within SACPM, Education and Engineering Services.</p> <p>534 - Identification and management of assets affected by RAAC and Siporex with option appraisals to identify remediation and or demolition and future provision.</p> <p>535 - The Asset and Engineering teams will use both the asset review, available budgets and asset management partnership working to identify temporary and permanent solutions.</p> <p>536 - Contingency plans are being prepared to mitigate restricted use or unavailability of parts of buildings following assessments. Council Management and Executive Team to be made aware of emergency planning proposals.</p> <p>537 - The security of secondary school grounds will be reviewed with Education and will be prioritised in terms of risk and available capital and revenue budget. Work is ongoing.</p> <p>538 - The security of primary school grounds will be reviewed with Education and will be prioritised in terms of risk and available capital and revenue budget.</p> <p>539 - Progress with work to support the asset review including Place Based Asset Review which will assist in prioritising future place-based assets and will inform future capital investment opportunities.</p>	01/05/2026	12/05/2025
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R266	Financial Impact	Managing the Financial Environment	<p>The financial environment continues to present substantial risks to the council's capacity to meet its objectives and sustain service provision over the medium term.</p> <p>The Council faces a significant residual budget gap over the next 5 years, despite efforts to close this through identification of savings and planned increases to council tax income.</p> <p>Pressures arise from:</p> <ul style="list-style-type: none"> - The level and complexity of national funding, with resources not keeping pace with growing demands, and around 70% of national funding being directed to support specific policy obligations and settlement conditions. - Significant increased cost of service delivery arising from previous high inflation and pay settlements. - Growing pressure within demand led services arising from social, demographic and legislative change. - Significant and sustained population growth, giving rise to costs of new associated infrastructure such as new schools. - Significant capital expenditure pressures including higher levels of inflation and interest charges, gaps between s75 contributions and the cost of new infrastructure, significant investment needed to support an aged and wide-ranging asset base, as well as meeting the cost of enhanced infrastructure policy obligations including net zero. <p>The level of unallocated reserves being held by the Council as a contingency to mitigate any unforeseen events remains very low relative to the concurrent risks the Council currently faces. Given the risk environment, it is possible that the current level of reserves may not be sufficient to meet future unplanned events leading to earmarked reserves needing to be redirected.</p> <p>The IJB has set a balanced budget for 2025/26 but has now fully depleted its general reserve meaning that any future budget overspends will need to be met by funding partners in the future. In 2024/25 this has resulted in an additional contribution of £2.8m from the council to the IJB being required.</p>	5	5	25	20	<p>605 - Enhanced programme of monitoring of Council's budget aligned to risk currently being developed.</p> <p>606 - On-going review of Capital Planning and capital infrastructure priorities.</p> <p>609 - Continue to support national discussions through CIPFA Directors of Finance aligned to ensuring the on-going financial sustainability of local government.</p> <p>610 - On-going engagement with Scottish Government and COSLA on local government funding and distribution to support a fair and adequate allocation of resources to deliver local services.</p> <p>612 - Continue to engage with Scottish Government and COSLA to adequately resource the funding requirements associated with population growth arising from the Local Development Plan, taking into consideration both revenue and capital costs.</p> <p>613 - Continue to support regional placed based funding discussions with City Region Deal Partners.</p> <p>615 - The financial and capital strategies will be refreshed and presented to Council in December.</p> <p>616 - Support national conversations aligned to SOLACE / Improvement Service Transformation Programme.</p> <p>640 - Updated scenario planning will be present to Council in August 2025.</p> <p>641 - 2025/26 budget approved by Council. This incorporates significant new investment in demand led services which aims to deliver on the council's priority of targetting resources to areas of highest need, and reduce the risk of in year overspends.</p> <p>642 - Council management team leading on work to model the impact of budget reductions across all service areas. Joint discussions with elected members are progressing through the cross party budget group.</p> <p>643 - Continue to prioritise and support the statutory annual audit process</p>	28/08/2025	01/04/2025
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			<p>This combination of financial challenges facing the council presents a risk to the delivery of current and future obligations within the resources which are now available, and it is important that focus is given to targeting resources at key priority areas, and redesigning services to ensure on-going financial sustainability.</p>			<p>which underpins strong financial governance.</p> <p>644 - CIPFA's financial management code has been adopted and remains under regular review by CMT and Audit & Governance Committee with a view to promoting collective responsibility and a culture of strong financial management across the council.</p> <p>645 - The implementation of the new finance system aims to further support effective financial management and opportunities for efficiency through improved reporting and greater visibility of financial information.</p>		
			<p>Both the UK and Scottish Government have responded to recent immigration and humanitarian crisis by introducing refugee schemes that largely required to be administered by local authorities, with confirmation January 2024 that changes to visa requirements / schemes will enable Ukraine households to remain in the UK until 2026.</p> <p>These schemes are broader in scope and of a significantly greater scale than previous refugee schemes. Consequently, this means greater demands placed on Council services (including service areas not previously involved) in administering the schemes, supporting hosts and refugees as well as placing additional demand on schools and Health and Social Care services. The challenges posed are further compounded by the requirement for local authorities to commit to accommodating refugees via the cap on safer and legal routes and request to assist Mears regarding local procurement of properties and corresponding support requirements.</p> <p>Current challenges include, but are not limited to:</p> <p>Complexity and variation between different schemes and more recent changes to visa extensions to 2026</p>			<p>543 - Quantification of future resource requirements to be identified and articulated as new and changing schemes are rolled out.</p> <p>544 - Working closely with SG and COSLA to inform future iterations of Guidance for clarity and confirming with SG and COSLA colleagues that ELC cannot source social housing properties as housing pressure continues to be extreme.</p>		

R270	Impact on People	Refugee Asylum Schemes	<p>Constant changing and revision of national guidance, which continues to evolve through ongoing discussion between SG, COSLA, Home Office and local authorities</p> <p>Understanding the scale of and resourcing the challenge in the context of existing commitments to the global refugee scheme, Afghan schemes, Asylum dispersal scheme.</p> <p>Clarity as to whether funding will continue going forward at what level and in what form</p> <p>Two Tenancy Support Officer (refugee and asylum seeker) posts ended Nov 2023 and Feb 2024 with no dedicated resource for this client group.</p> <p>Implementation of mandatory national transfer scheme means the Council must accept an allocation of unaccompanied asylum-seeking young people set by the Home Office. Notification will be short notice and frequency is dependent on rate of arrival in the UK. This presents a resource challenge re-provision of accommodation and social work support. The national local crisis in fostering resources is compounding the service risk.</p> <p>A change in Scottish Government policy focus from a 'warm Scots welcome' to delivery of a 'warm Scots future' within the context of wider homelessness and housing pressures.</p> <p>Mears procurement is being carried out with limited communication and arrivals flagged to local authorities with limited notice.</p>	4	5	20	16	<p>545 - Children's services are considering a host families scheme to provide accommodation and support for UASC.</p> <p>546 - Discussions are ongoing with Scottish Government and the Home Office about the increase in numbers of UASC children coming to East Lothian.</p> <p>547 - Work with ALACHO, SOLACE, COSLA and others to ensure future funding arrangements are adequate, in accordance with the revised approach to a warm Scots future.</p> <p>548 - Completion and allocation of seven properties in Haddington (Brown Street) for a small number of Ukraine households to be accommodated in settled accommodation until 2026 as host accommodation comes to an end.</p>	01/07/2025	12/05/2025
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R268	Impact on People	Risk to Services Delivery due to Workforce Challenges	<p>Maintaining a stable and skilled workforce is essential to efficient, effective and safe delivery of services.</p> <p>The Council continues to face on-going workforce challenges to meet the diverse range of services including:</p> <p>Recruitment and retention of staff</p> <p>High level of sickness absence in some service areas, placing pressure on service delivery</p> <p>Impact of pay and grading structure and annual pay awards</p> <p>Attractive employment opportunities in other sectors risks staff migrating out of Council services</p> <p>Impact of Council financial mitigation measures including enhanced recruitment mitigations</p> <p>Aging workforce and impact on succession planning</p> <p>35 hour working week makes Council salaries look lower than neighbouring authorities paying the same hourly rate.</p> <p>Failure to preserve business critical activities within these</p>	4	5	20	15	<p>540 - Update Management Arrangements on Fire Safety and First Aid</p> <p>541 - Workforce planning to be added to service plan templates.</p>	26/03/2026	12/05/2025
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Challenges

services could lead to increased risks in respect of 'life and limb' services, financial and severe reputational damage to the Council.

Insufficient staff can also lead to an inability to open facilities, or to reducing opening hours/days, impacting on local access to services and reducing community programmes of activity, particularly those supporting early intervention and prevention activities.

Staffing challenges may result in a lack of cross-service staff capacity to meet emergency response requirements and any other concurrent risks which may create risks to public safety, bringing reputational damage to the Council.

The Council has a duty of care to the workforce, a breach of which may affect the health, safety and wellbeing of employees leading to increased sickness absence, pressures on service delivery and added potential for employee liability claims against the Council for incidents involving employees or non-employees or enforcement action by the Health & Safety Executive.

542 - A review of the Council's workforce plan action plan.

			<p>Climate change will increase the severity, duration, and frequency of extreme weather events that will disrupt service delivery and reshape the East Lothian area. The same human activity that causes climate change also causes devastation to the natural environment, which further endangers the quality of our area. The Scottish Government's Climate Change Act (2009) requires the Council to support the delivery of the national net zero targets and adaptation programmes.</p> <p>The risks associated with the responsibilities are:</p> <p>Failure to meet our statutory duty under Scotland's Climate Change Act (2009).</p> <p>Failure to meet our statutory duty under the Nature Conservation (Scotland) Act 2004.</p> <p>Lack of financial and staff resources to respond to the climate and nature emergency.</p> <p>Deteriorating natural environment and extreme weather affect our ability to deliver services reliably and to acceptable standards.</p>						553 - Identify budget and funding streams to continue delivering transformational change to Fleet and Asset Management (e.g. staff resources to chase funding opportunities and support services to access them).		
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R272	Impact on People	Climate and Nature Emergency	<p>There are no clear funding paths to meet the budgeted costs to reduce greenhouse gas emissions and adapt to climate change. This includes moving all our energy in buildings and our fleet and supporting infrastructure to zero emission sources. To meet the challenge, investment for Buildings is estimated at £1bn. Fleet is more difficult to calculate at present due to the emerging technology and changes in market costs, but it is noted as a significant investment. Both cannot be met through existing core funding or grant availability.</p> <p>The latest IPCC sixth assessment reports show that we have reached a tipping point where we will face extreme weather and climate change impacts despite efforts to mitigate greenhouse gas emissions. These will be cascading risks that can lead to power outages, shortages of water and supplies, and disruptions to transportation. The Council must reduce its emissions to mitigate the severity of climate change and have robust climate adaptation measures to respond to this growing crisis.</p> <p>The State of Nature Scotland Report (2019) found that 49% of Scottish species have decreased in abundance and 11% are under threat from extinction. Failure to halt biodiversity loss and restore nature will have a detrimental impact on our environment, economy, jobs, health and wellbeing and impact our capacity to adapt to and mitigate the climate crisis.</p> <p>The Council is making progress in reducing the Climate and Nature Emergency risks. However, there is an urgent need to secure the funding, resources, tools and powers to enable us to deliver net zero and become nature positive. Until then, our capability for transformational change to reduce these risks is uncertain.</p>	4	4	16	12	<p>554 - Secure the tools, powers and resources to enable the delivery of a 'Net Zero Council' and a Climate-ready Council.</p> <p>555 - Identify interim emission reduction targets across Council Services. Identify effective and necessary climate adaptation measures for Council assets & services. Implement a monitoring & evaluation framework for both.</p> <p>556 - Engage East Lothian Partnership to include carbon emissions reduction targets in review and update of the East Lothian Plan.</p> <p>557 - Re-engage with the Resilient Communities initiative</p>	01/01/2026	12/05/2025
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R273	Legal	Limitation (Childhood Abuse) (Scotland) Act 2017	<p>The Act covers the period prior to 2004 for civil actions arising from allegations of childhood abuse for children who have been in the care system.</p> <p>The Scottish Child Abuse Inquiry is currently in its 8th Phase, with a 9th identified. Survivors may continue to come forward for the period from 1964 to 2004. Historic and current insurers are put on notice where claims are received. The level of deductible or excess is the financial pressures if historic claims of child abuse are made and upheld against East Lothian Council as the statutory successor.</p> <p>The Council's insurers have indicated that where the policy can respond, they will cover appropriate external legal costs and compensation payments subject to the deductible in force. However, the requirements to comply with SCAI S21 requests are placing significant strain on internal resources within the legal, social work and records management teams for which there is no additional budget.</p> <p>Redress Scotland established to provide survivors with an avenue to compensation where they do not wish to submit a claim directly to a successor organisation. Where the Redress Scheme is not used, any legitimate claimant may still raise action against ELC.</p> <p>Note that there remains a period from 2004 to present which is not covered by Scottish Government proposals/legislation for compensation schemes and as such any legitimate claim arising would need to be taken forward through ELCs Insurers.</p>	4	4	16	12	<p>558 - Discussions planned to consider how to ensure sufficient staffing resource available to deal with claims court actions and submission of S21 requests and recovery of documentation and to preserve the Councils position</p> <p>559 - Fully engage with the SCAI to anticipate and forecast future claims and ensure ELC is represented well in the public hearings.</p> <p>560 - Ensure current social work practice with children who are accommodated away from home meets high professional standards and complies with legislation and national standards to ensure they are safe and reduce the likelihood of any 'new' claims arising.</p> <p>561 - Full review of the overall Council Records Management systems and behaviours required to be undertaken to streamline obtaining the relevant information requested.</p> <p>562 - A draft agreement regarding historical liabilities for the successor authorities of LRC is out for consultation with each authority and it is hoped it will be agreed in 2024.</p>	31/03/2026	12/05/2025
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R271	Impact on Reputation	Cyber Security Threats	<p>External Cyber Security Threats</p> <p>There is a risk that the Council suffers a cyber-attack by a 3rd party (e.g. hacker, terrorism, nation state) causing the loss of access to or the destruction of all or part of its IT infrastructure and / or information systems.</p> <p>This could be caused by a direct attack on the Council or indirectly via an attack on a trusted supplier or element of national infrastructure.</p> <p>The attack vectors continue to evolve and in recent months the supply chain has become a favoured route.</p> <p>The current conflicts in Ukraine and the Middle East are resulting in a continuous risk of Nation State led cyberattacks on the UK which could potentially affect National Infrastructure in a way that has a direct impact on East Lothian Council.</p> <p>Internal IT Security Threats</p> <p>Council IT systems are compromised by the actions of an internal employee - causing the loss of a system, virus/trojan/ransomware infection or loss/disclosure of data.</p> <p>Unpatched/unsecured/hardened "shadow IT" has been identified in some areas this alongside IOT devices. These provide easy path into the ELC network. IT are essentially blind to these devices and systems until they are found and decoupled.</p> <p>Our traditional security architecture needs to align with modern approaches, this has been the key finding for many data breaches, ransomware attacks alongside supply chain attacks which are becoming increasingly intelligent in their attack vectors.</p>	4	4	16	12	<p>549 - Contract a 24x7 Network Operations Centre to monitor our network log and perform MXDR SOC duties</p> <p>550 - ELC to take tech lead for procurement of National SOC project by Digital Office. Initial meetings with 3rd parties around managed SOC SIEM solution initiated.</p> <p>551 - Recruit IT Security Specialist.</p> <p>552 - Evaluate and initiate project to deploy a "Zero trust" Architecture effectively changing how we handle cyber security internally versus our traditional LAN/WAN based network.</p>	01/09/2025	12/05/2025
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R274	Impact on People	Flooding and Coastal Erosion	As the incidence of flooding and coastal erosion increases as an impact of Climate Change, there is an increased risk of disruption and damage to road and path networks, impact on public and community safety, property, businesses, harbours and natural heritage sites and an associated increase in claims against the Council.	4	4	16	9	<p>563 - Flood studies for Dunbar, West Barns & North Berwick (Coastal), Cockenzie, Port Seton, Longniddry & Prestonpans, and Tranent & Macmerrie have been included in the 2021-28 Flood Risk Management Plan and the 2022-28 Forth Estuary LFRMP.</p> <p>564 - As part of the 2022-28 Local Flood Risk Management Plans Flood Protection Schemes for Musselburgh and Haddington are included in the list of actions for the Forth Estuary Local Plan District.</p> <p>565 - ELC have undertaken Flood Studies for Musselburgh and Haddington within the 2016-2022 FRM cycle and are currently progressing the Musselburgh Flood Protection Scheme which is a fully established project.</p> <p>566 - Musselburgh FPS is not yet approved under the Flood Risk Management (Scotland) Act 2009.</p> <p>567 - A full report on Coastal Change in Musselburgh was completed and published in March 2024.</p>	20/03/2026	09/05/2025
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R276	Impact on Reputation	Data Protection Threats	<p>Under the Data Protection Act 2018 and the UK GDPR, the Council is required to ensure that personal data is processed lawfully, fairly and securely. Breaches of the Data Protection Act / GDPR could result in:</p> <ul style="list-style-type: none"> - harm to individuals; - legal action; - fines of up to £17.5 million or 4% of turnover, whichever is higher; - requirement to pay compensation; - adverse publicity; - damage to reputation <p>The Council has a mandatory 72-hour window in which to report relevant breaches to the Information Commissioner's Office.</p> <p>Limited security, procedural and environmental controls at the Dunbar Road records store mean that records and personal data are at risk of security breach and/or accidental loss or destruction. The shift to home/digital working has also placed additional pressures to digitise paper records management systems and ensure new ways of working remain secure.</p> <p>Requests for personal data (SARs) and other information (FOIs) continue to increase persistently in both number and complexity (average increase of 28% every year since 2021). Staffing challenges and disproportionate impact of frequent requesters mean the Council is at higher risk of missing statutory timescales for responses.</p> <p>DP compliance is dependent on good records management. The Council's Records Management Plan 2014-2019 needs to be formally updated to account for GDPR/DPA18 as well as changes to recordkeeping practice across the Council. This is also a requirement of the Public Records (Scotland) Act 2011 (PRSA).</p> <p>Current pressures on Registration service and increased demand from Services for review of Data Sharing Agreements / Data Protection Impact Assessments are impacting capacity to address Records Management.</p>	4	3	12	8	<p>573 - The Team Manager–Information Governance and Team Manager-IT Infrastructure & Security drafting an Information Transformation Strategy</p> <p>575 - Procurement exercise to identify best value for document management services for all paper records. Existing contract has been extended with supplier Oasis by six months to allow for completion amidst other service pressures.</p>	05/05/2025	18/03/2025
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R278	Impact on Service Objectives	Duty of Care to Public	<p>The Council has a responsibility to provide care and support for the people of East Lothian and East Lothian's environment. Any breach of this duty of care may compromise legislative duties, health, safety and wellbeing, impacting on, for example, the protection of children and adults.</p> <p>Failure to fulfil the duty of care could also result in serious harm/death to an individual/s, prosecution, having to pay compensation and have a negative impact on the reputation of the Council.</p> <p>Additional pressure within this area caused by external providers struggling to deliver through staffing issues.</p> <p>The Council took out QBE policy in 2021 with Medmal, which now includes cover for some intrusive medical intervention (e.g. tube feeding or assistance with diabetic pumps). However, prior to this there is a 5 year period where the Council was without any cover, the claims for which may not be submitted for many years (particularly if it relating to children) meaning this risk will remain for some time.</p> <p>Members of the public access services in many public buildings which require to operate within statutory health and safety requirements relating to the building itself, and spaces within it. Some services are provided in the outdoor public realm. Failure to operate services safely both within ELC buildings and in outdoor spaces could risk harm to members of the public and staff, resulting in injury, financial liability and reputational damage.</p> <p>Serious and Organised Crime (SOC) poses a physical and virtual threat, be that human trafficking, drug supply, sexual exploitation, fly-tipping, fraud, unsafe consumer sales et al. These risks can include cyber-attacks, corruption, bribery, IT system infiltration, human 'plants' into organisations. SOC poses risks to our communities through targeting of vulnerable people and their properties e.g. to act as conduits for drug supply, door-step fraud, on-line crime et al.</p>	4	3	12	8	<p>579 - Review of oversight and governance arrangements for assessment. Recent review of Social Governance arrangements undertaken by General Manager for Adult Social Work.</p> <p>580 - Alteration of the workforce model for delivery of care at home service including expansion of internal delivery and piloting of alternative models via Care at Home Change Board.</p> <p>581 - Utilisation of SDS option 3 to support delivery of care at home.</p> <p>582 - Establishment of daily Care at Home Huddle and approval via Change Board to pilot alternative models of Care at Home delivery</p> <p>583 - Continual recruitment underway for care at home with recruitment events designed and held including media, open days etc to encourage applications.</p> <p>584 - Review of existing CAH packages underway to identify any capacity that can be released and support unmet needs at home or currently waiting at hospital</p> <p>585 - Refresh of Serious and Organised Crime Multi-Agency Plan, aligned to review of Anti-social Behaviour Strategy.</p>	04/07/2025	23/04/2025
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R279	Impact on People	National Power Outage	<p>The National Electricity Transmission System (NETS) transports electricity across Great Britain. Total failure of this system would cause a nationwide loss of electricity supplies instantaneously and without warning. This would cause cascading failures across multiple sectors including telecoms, water, gas, sewage, food, health and fuel, and cause significant disruption to public service provision and most businesses and households. These disruptions could lead to physical and psychological casualties or fatalities due to the loss of the services relied upon by many, especially those with health and wellbeing vulnerabilities.</p> <p>ELC must be prepared, as best we can, to respond and recover should widespread electricity failure ever occur. Communications will be seriously interrupted, the care of vulnerable people will become hugely challenging and the continued provision of our critical activities, highlighted within our Business Continuity plans, will be seriously tested.</p>	5	2	10	6	<p>586 - Complete ELC NPO framework Plan</p> <p>587 - All services to carry out an annual BC test based on NPO.</p> <p>588 - Review ELCs usage of UHF and VHF radios for both corporate and community resilience purposes. Purchase radio equipment and appropriate licence to operate. Provide training to Staff on the use of radio equipment during an incident.</p>	30/06/2025	28/04/2025
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East Lothian Council Risk Matrix

Likelihood Description

Likelihood of Occurrence	Score	Description
Almost Certain	5	>90% chance of occurring
Probable	4	70%-90% chance of occurrence
Possible	3	30-70% chance of occurring
Unlikely	2	10-30% chance of occurring
Rare	1	<10% chance of occurring

Impact Description

Impact of Occurrence	Score	Description							
		Impact on Service Objectives	Financial Impact	Physical and/or Psychological Impact on People	Impact on Time	Impact on Reputation	Impact on Assets	Business Continuity	Legal & Regulatory
Catastrophic	5	Catastrophic failure in service delivery and key service standards are not met, long-term catastrophic interruption to operations, several major partnerships are affected	Severe impacts on budgets (emergency Corporate measures to be taken to stabilise Council Finances. Consideration should be given as to whether this is an insured or uninsured risk and whether there may be reliance on reserves. The Council is expected to hold a reserve to budget ratio of 2%.	Single or Multiple fatality and or psychological impact, within council control, leading to fatal accident enquiry.	Serious - in excess of 2 years to recover pre-event position.	Highly damaging, severe loss of public confidence, Scottish Government or Audit Scotland involved. Prolonged regional and national condemnation.	Significant disruption to building, facilities, vehicles or equipment (Loss of building, vehicles, rebuilding required, temporary accommodation required, vital equipment lost without replacement capability available resulting in services being unable to be delivered).	Complete inability to provide service/system, prolonged downtime with no back-up in place.	Catastrophic legal, regulatory, or contractual breach likely to result in substantial fines or other sanctions, including substantial involvement from regulators.
Major	4	Major impact to service quality, multiple service standards are not met, long-term disruption to operations, multiple partnerships affected.	Major impact on budgets (need for Corporate solution to be identified to resolve funding difficulty). Consideration should be given as to whether this is an insured or uninsured risk and whether there may be reliance on reserves.	Number of extensive injuries (major permanent harm) or major psychological impact to employees, service users or public.	Major - between 1 & 2 years to recover pre-event position.	Serious negative national or regional criticism and publicity.	Major disruption to building, facilities, vehicles or equipment (Significant part of building unusable for prolonged period of time, alternative accommodation required, equipment or vehicles unavailable to provide significant elements of service delivery and no appropriate contingency arrangements in place).	Significant impact on service provision or loss of service.	Legal, regulatory, or contractual breach, severe impact to Council, fines and regulatory action publicly enforced.
Moderate	3	Significant fall in service quality, major partnership relationships strained, serious disruption in service standards.	Moderate impact on budgets (can be contained within overall directorate budget).	Serious injury requiring medical treatment or moderate psychological impact to employee, service user or public (semi-permanent harm up to 1yr), council liable.	Considerable - between 6 months and 1 year to recover pre-event position.	Adverse national media public attention with elected members becoming involved.	Moderate disruption to building, facilities, vehicles or equipment (loss of use of building for medium period, loss of equipment or vehicles requires contingency arrangements to be employed and has moderate impact on overall service delivery).	Security support and performance of service/system borderline.	Legal, regulatory, or contractual breach, moderate impact to Council, regulator action and or improvement required of the Council .
Minor	2	Minor impact to service quality, minor service standards are not met, short-term disruption to operations, minor impact on a partnerships	Minor impact on budgets (can be contained within service head's budget).	Non life changing injury or psychological impact to staff or member of the public requiring treatment.	Some - between 2 and 6 months to recover .	Minor adverse local, public or media attention and complaints.	Minor disruption to building, facilities, vehicles or equipment (alternative arrangements in place and covered by insurance, equipment or vehicles unavailable for small period of time minor impact on service).	Reasonable back-up arrangements, minor downtime of service/system.	Legal, regulatory, or contractual breach, minor impact to Council, regulator advice and improvement requested of the Council.
Minimal	1	No impact to service quality, limited disruption to operations.	Minimal impact on budgets (can be contained within unit's budget).	Minor injury or minor psychological impact to employee, service user or public.	Minimal - Up to 2 months to recover .	Public concern restricted to local complaints and of no interest to the media.	Minimal disruption to building, facilities, vehicles or equipment (alternative arrangements in place, equipment or vehicles alternative quickly available to replace or substitute).	No operational difficulties, back-up support in place and security level acceptable.	Legal, regulatory, or contractual breach, negligible impact to Council, regulator suggested improvements requested.

Risk	Impact				
Likelihood	Minimal (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
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

Key

Risk	Low	Medium	High	Very High
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