



**Item: 27**

**Policy and Resources Committee: 25 November 2025**

**Corporate Risk Register**

**Report by Director of Infrastructure and Organisational Development**

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## **1. Overview**

- 1.1. The Council understands that it is important to recognise and manage the many risks which are inherent in its activities, and in the services which it provides for the benefit of the community.
- 1.2. The Council has therefore adopted a policy on Risk Management, established a Risk Management Strategy and implemented procedures in support of the policy and strategy, which include the production and regular review of risk registers. This activity is recognised as a key component of sound corporate governance.
- 1.3. The Council will promote its risk management policy objectives by systematically identifying, evaluating, and thereafter seeking to control and monitor risks which would potentially endanger, or which could have a detrimental effect on the services provided by Orkney Islands Council, or to residents of Orkney.
- 1.4. The Council wishes to acknowledge that risk can never be eliminated in its entirety. The Council also wishes to recognise that managing risk can also identify positive opportunities which, with the appropriate level of control, may lead to service improvements and financial benefits. Therefore, the measures which the Council adopts are the principles of good management practice which seek to control and balance risk and opportunity. Specifically, in the area of risk management, the Council seeks to:
  - Always meet its statutory obligations and to act within the law.
  - Safeguard the public at large, the Council's members, employees, pupils, tenants and all persons to whom the Council has a duty of care.
  - Protect its property, including buildings, equipment, vehicles and other assets and resources.
  - Preserve and enhance service delivery.
  - Maintain effective control of public funds.
  - Maintain and enhance the Council's reputation.
  - Safeguard and enhance the quality of Orkney's environment.

- 1.5. Appropriate risk management arrangements include a risk register, as well as a risk tolerance level, which must be reviewed and updated on a continuous basis. These must also be reviewed formally by the Corporate Leadership Team and by Elected Members, in accordance with the Risk Management Policy and Strategy 2024 to 2026.
- 1.6. The risks on the Corporate Risk Register are identified and divided into appropriate risk cluster headings, for example Political, Economic, Reputational, Technological, Legislative, Environmental, Performance Management, Customer, Managerial, Financial, Legal, Partnership or Physical.
- 1.7. The Corporate Risk Register is the risk register which sits at the top of a hierarchy of Directorate and Service Risk Registers, all of which are reviewed regularly in accordance with the Risk Management Strategy and Policy 2024.
- 1.8. Any new risks which arise throughout the year are added to the relevant risk register when required. It is the aim to reduce the number of risks on the Corporate Risk Register and an ongoing focus to manage risks downward to Directorate Risk Registers where possible.

## **2. Recommendations**

- 2.1. It is recommended that members of the Committee:
  - i. Approve the updated Corporate Risk Register, as at November 2025, attached as Appendix 1 to this report.

## **3. Background**

- 3.1. The Corporate Risk Register was last reviewed by the Policy and Resources Committee on 26 November 2024
- 3.2. The Corporate Leadership Team has reviewed the Corporate Risk Register, with the results attached as Appendix 1 to this report.
- 3.3. Any updates are highlighted in change tracking attached as Appendix 2 to this report.
- 3.4. Risk scores have been changed for Risk 9 Partnerships from 9 to 6. While this risk is still present, with the updated risk score of 6 it has been moved from the Corporate Risk Register to be updated into the Directorate Risk Register.

- 3.5. The Target Risk Score for Risk 1 has been revised from 25 to 15 in response to comment from the Committee at the time of last review.
- 3.6. The Target Risk Scores have been updated to note the expected factors, e.g. A Target Risk Score of 12 now reads as 12 (3x4) or 12 (4x3), to highlight target likelihood and target impact.
- 3.7. Updates have been made in the narratives of Risk 1, Risk 3, Risk 5, Risk 6, Risk 7, Risk 10, Risk 11, Risk 12, Risk 13, Risk 14, Risk 15 and Risk 17. In most cases these reflect updates in the Mitigating Actions.
- 3.8. No new risks have been added.
- 3.9. With the deletion of Risk 9, there are now 17 Risks listed on the Corporate Risk Register. The deleted risk is presented in the register with full text strikethrough.

**For Further Information please contact:**

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**Implications of Report**

- 1. Financial:** There are no financial implications arising directly from this report.
- 2. Legal:** Effective risk management helps the Council to meet its statutory obligations and discharge its legal duties of care.
- 3. Corporate Governance:** None.
- 4. Human Resources:** None
- 5. Equalities:** Not applicable.
- 6. Island Communities Impact:** Not applicable.
- 7. Links to Council Plan:** Not applicable.
- 8. Links to Local Outcomes Improvement Plan:** Not applicable.
- 9. Environmental and Climate Risk:** None.
- 10. Risk:** Effective risk management helps the Council to meet its statutory obligations and discharge its legal duties of care.
- 11. Procurement:** Not applicable.
- 12. Health and Safety:** None.
- 13. Property and Assets:** None.
- 14. Information Technology:** None.
- 15. Cost of Living:** None.

## **List of Background Papers**

Council's Risk Management Policy and Strategy 2024 to 2026.

## **Appendix**

Appendix 1: Corporate Risk Register November 2025. – Track Changes.

Appendix 2: Corporate Risk Register November 2025

# Appendix 1: Corporate Risk Register – November 2025

## Strategic Risks

Cluster.	Risk No.	Risk.	Owner.
Physical.	1.	Transport.	Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development
Financial.	2.	Economic Sustainability.	Chief Executive and Director of Enterprise and Resources.
Reputational.	3.	Adverse Communications.	Chief Executive.
Physical.	4.	Workforce.	Director of Infrastructure and Organisational Development.
Physical.	5.	Asset Management.	Director of Infrastructure and Organisational Development.
Economic.	6.	Economic.	Director of Enterprise and Resources.
Technological.	7.	Cyber Security.	Chief Executive and Director of Infrastructure and Organisational Development.
Technological.	8.	Connectivity.	Director of Enterprise and Resources.
Partnership.	9.	Partnerships.	Director of Education, Communities and Housing and Chief Executive(tbc).
Legislative.	10.	Procurement.	Chief Executive.
Legislative.	11.	Health and Safety.	Director of Infrastructure and Organisational Development.
Physical.	12.	Climate Change	Director of Infrastructure and Organisational Development.
Financial.	13.	Housing.	Director of Education, Communities and Housing.
Professional.	14.	Childcare Services.	Director of Education, Communities and Housing.
Physical.	15.	Pandemic.	Director of Infrastructure and Organisational Development.
Legislative.	16.	Children and Young People.	Chief Officer, Orkney Health and Social Care Partnership.
Economic.	17.	Budget Shortfall (UHI).	Director of Education, Communities and Housing.
Reputational.	18.	Additional Support Needs	Director of Education, Communities and Housing.

## Risks by cluster

Cluster.	Risk No.	Risk.	Owner.
Economic.	6.	Economic.	Director of Enterprise and Resources.
Economic.	17.	Budget Shortfall (UHI).	Director of Education, Communities and Housing.
Financial.	2.	Economic Sustainability.	Chief Executive and Director of Enterprise and Resources.
Financial.	13.	Housing.	Director of Education, Communities and Housing.
Legislative.	16.	Children and Young People.	Chief Officer, Orkney Health and Social Care Partnership.
Legislative.	11.	Health and Safety.	Director of Infrastructure and Organisational Development.
Legislative.	10.	Procurement.	Chief Executive.
Partnership.	9.	Partnerships.	Director of Education, Communities and Housing and Chief Executive(tbc).
Physical.	5.	Asset Management.	Director of Infrastructure and Organisational Development.
Physical.	1.	Transport.	Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development
Physical.	15.	Pandemic.	Director of Infrastructure and Organisational Development.
Physical.	4.	Workforce.	Director of Infrastructure and Organisational Development.
Physical.	12.	Climate Change.	Director of Infrastructure and Organisational Development.
Professional.	14.	Childcare Services.	Director of Education, Communities and Housing.
Reputational.	3.	Adverse Communications.	Chief Executive.
Reputational.	18.	Additional Support Needs	Director of Education, Communities and Housing.
Technological	7.	Cyber Security.	Chief Executive and Director of Infrastructure and Organisational Development.
Technological.	8.	Connectivity.	Director of Enterprise and Resources.

## Risks by owner

Owner.	Cluster.	Risk Number.	Risk.
Director of Education, Communities and Housing.	Economic.	17.	Budget Shortfall (UHI).
Director of Education, Communities and Housing.	Reputational.	18.	Additional Support Needs.
Director of Education, Communities and Housing.	Financial.	13.	Housing.
Director of Education, Communities and Housing.	Professional.	14.	Childcare Services.
Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development	Physical.	1.	Transport.
Director of Enterprise and Resources.	Economic.	6.	Economic.
Director of Enterprise and Resources.	Technological.	8.	Connectivity.
Chief Executive and Director of Enterprise and Resources.	Financial.	2.	Economic Sustainability.
Director of Infrastructure and Organisational Development.	Physical.	12.	Climate Change.
Director of Infrastructure and Organisational Development.	Physical.	5.	Asset Management.
Chief Executive and Director of Infrastructure and Organisational Development.	Technological.	7.	Cyber Security.
Director of Infrastructure and Organisational Development.	Legislative.	11.	Health and Safety.
Director of Infrastructure and Organisational Development.	Physical.	15.	Pandemic.
Chief Executive.	Reputational.	3.	Adverse Communications.
Director of Infrastructure and Organisational Development.	Physical.	4.	Workforce.
<del>Director of Education, Communities and Housing and Chief Executive(tbc).</del>	Partnership.	9.	Partnerships.
Chief Executive.	Legislative.	10.	Procurement.
Chief Officer, Orkney Health and Social Care Partnership.	Legislative.	16.	Children and Young People.

## Risks by rating

Owner.	Cluster.	Risk Number.	Risk.	Risk Rating.
Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development	Physical.	1.	Transport.	25.
Chief Executive and Director of Enterprise and Resources.	Financial.	2.	Economic Sustainability.	25.
Director of Enterprise and Resources.	Economic.	6.	Economic.	25.
Director of Infrastructure and Organisational Development.	Physical.	12.	Climate Change	20
Director of Education, Communities and Housing.	Reputational.	18.	Additional Support Needs	20
Director of Infrastructure and Organisational Development.	Physical.	4.	Workforce.	16.
Director of Enterprise and Resources.	Technological.	8.	Connectivity.	16.
Director of Education, Communities and Housing.	Economic.	17.	Budget Shortfall UHI	16.
Director of Infrastructure and Organisational Development.	Physical.	15.	Pandemic.	15.
Chief Executive and Director of Infrastructure and Organisational Development.	Technological.	7.	Cyber Security.	12.
Chief Executive.	Reputational.	3.	Adverse Communications.	12.
Director of Infrastructure and Organisational Development.	Physical.	5.	Asset Management.	12.
Director of Education, Communities and Housing.	Financial.	13.	Housing.	12.
Director of Education, Communities and Housing.	Professional.	14.	Childcare Services.	12.
Chief Executive.	Legislative.	10.	Procurement.	9.
Chief Officer, Orkney Health and Social Care Partnership.	Legislative.	16.	Children and Young People.	8.
Director of Infrastructure and Organisational Development.	Legislative.	11.	Health and Safety.	6.
Director of Education, Communities and Housing and Chief Executive(tbc).	Partnership.	9.	Partnerships.	6.

## Risk matrix

LIKELIHOOD		IMPACT				
		1.	2.	3.	4.	5.
		Insignificant	Minor	Moderate	Major	Severe
5.	Almost Certain.	Medium	Medium	High	High	Extreme
4.	Likely.	Medium	Medium	Medium	High	Extreme
3.	Possible.	Low	Medium	Medium	High	High
2.	Unlikely.	Low	Low	Medium	Medium	High
1.	Rare.	Low	Low	Low	Medium	High

Risk Number.	Risk Title.	Cluster.	Owner.						
1.	Transport	Physical.	Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development						
<b>Likelihood:</b>	5.	<b>Impact:</b>	5.	<b>RAG:</b>	Red.	<b>Current Risk Score:</b>	25.	<b>Target Risk Score:</b>	15 (3x5)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<b>1a. Internal Ferries.</b>  Failure to secure agreement with Scottish Government on appropriate funding arrangements to deliver the Scottish Ferries Plan in relation to ferry and terminal replacement for Orkney.  Ferry and Terminal replacement programme currently unfunded with ageing infrastructure.	<b>Internal Ferries.</b>  Ferries reach end of service life with no solution in place. High repair costs indicate that buying new would be more cost effective. Deterioration of piers infrastructure. Reductions in lifeline provisions for the community are below Scottish Ferries Plan standards. Services become unaffordable.	<b>Internal Ferries.</b>  Ferries reach end of life with no replacement – rapid service deterioration. Excessive support costs as aged ferries kept running. Reduced capacity and flexibility to maintain scheduled services. Excessive running costs of old ferries. No opportunities to achieve expected service levels. Risk of delay in procurement leading to reduced capability to purchase fit for purpose new tonnage. Buying piecemeal also reduces economy of scale; community unrest due to people depopulating the isles due to lack of lifeline transport connectivity.	<b>Internal Ferries.</b>  Treat	<b>Internal Ferries.</b>  Ongoing dialogue with the Scottish Government through the Ferries Taskforce. £3M of funding for development of the business case for vessel replacement was secured from the Scottish Government in 2024/25. A further £10m for connectivity was received in 2025/26.
<b>1b. External Ferries.</b>  Loss of service on the lifeline ferry route.	<b>External Ferries.</b>  Scottish Government announcement of reduction in ferry timetable, ferry replacement, RET or rescheduling of service.	<b>External Ferries.</b>  Reduction in available spaces. Transport disruption. Re-routing of supply import/ export lines. Pressure on non-lifeline ferry.	<b>External Ferries.</b>  Treat.	<b>External Ferries.</b>  Relationship with contract provider. Lobby Scottish Government.

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<b>1c. Air.</b> Loss of internal/ external air service currently operated by Loganair. Reduction in services.	<b>Air.</b> Collapse of business. Tender application for internal air service.	<b>Air.</b> Increased demand on internal ferries. Lack of transport provision for itinerant service provision. Increased demand for temporary accommodation.	<b>Air.</b> Tolerate.	<b>Air.</b> Relationship with contract provider. Lobby Scottish Government. Review of tender specification.
<b>1d. Causeways.</b> Failure of the Churchill barriers, given their age (now 70+ years old) combined with increasing use of heavier vehicles, especially but not only associated with the freight vehicles using the external ferry service from St Margaret's Hope. Barrier 1 is known to have a degraded surface and the presence of some voids within the structure. Barrier 2 continues to be problematic to cross in adverse weather conditions, specifically where tidal and wind conditions produce overtopping. Closure of the barriers are required to maintain public safety, usually for 2 hours either side of a high tide when certain weather/tidal conditions prevail.	<b>1d. Causeways.</b> Failure in substrate leading to road closure.	<b>1d. Causeways.</b> No alternative route. Disruption for linked south isles residents. Disruption for businesses due to ferry access, displacement of employees, lack of supply routes. Increased freight costs. Ferry availability during peak periods.	<b>1d. Causeways.</b> Treat.	<b>1d. Causeways.</b> Engineering studies on Barrier 1 road surface and substrate complete, including an assessment of any voids within the barrier structure. No further action required at this time. Previous studies on Barrier 2 overtopping with suggested engineering control measures widely known. No further action required at this time. Traffic management arrangements are in place. The decision to close the barriers is taken by Police Scotland, in consultation with OIC and HM Coastguard. Implementation of the decision falls to OIC Roads staff. Patching and maintenance of the road surfaces as required. Opportunities to flag concern with Scottish Government are taken, where possible.

Risk Number.	Risk Title.					Cluster.	Owner.		
2.	Economic Sustainability					Financial.	Chief Executive and Director of Enterprise and Resources.		
Likelihood:	5.	Impact:	5.	RAG:	Red.	Current Risk Score:	25.	Target Risk Score:	16 (4x4)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Reduced funding across Council Services.	Increase to energy costs. Increase to CPI/RPI costs.	Community unrest. Unhappy service users.	Treat.	Ownership of the Budget Setting Process by the Corporate Leadership Team / Extended Corporate Leadership Team with openness and transparency around the identification of potential areas for re-provisioning of services.
Reduced income as a result of economic pressures.	Increase in transportation and delivery costs.	Elected members unable to meet need.		Development of a range of actions (savings and other budget improvement measures) to address whatever financial environment the Council faces to inform future business and budget planning.
Increased costs to capital projects.	Increase to running costs for Council fleet and internal ferries.	Loss of credibility of Council. Inability to deliver the range of services expected and legal challenge.		A strategy on the use of Reserves.
Increased costs to revenue budgets.	Increase of salaries due to pay awards. Increase to cost of living.	Capital projects are delivered late or not at all leading to increased costs and difficulties in delivering services.		Delivery of budget savings will be monitored within Services and reported to the Policy and Resources Committee.
Increased energy costs.	Increase in expectations from community.	Local economy adversely impacted by labour shortages and high price of materials.		There must be an acknowledgement of reality with the focus on continuation of the delivery of minimum Statutory Provision versus Statutory with Discretion, Non-Statutory but Essential or Discretionary Expenditure whilst having regard to the Council Priorities.
Increased demands to existing services.	Increase in rent and Council Tax default.	Non-payment of rent and Council Tax.		Improved project planning with much longer lead in times.
Lack of capacity to deliver core services.	Increase in requests for statutory services.	Inability to pay for Council services.		Additional staff capacity in Infrastructure and Organisational Development to manage the capital programme.
Impacts to supply chain.	Reduction in grant from Scottish Government.	Increased demand on Food Banks, free school meals, school clothing grants, crisis grants, Scottish Welfare Fund.		The Child Poverty Action Plan.
Increased costs to capital replacement programme.	Reduction in requests for Council paid services.	Financial pressures impacting adversely on mental wellbeing, and		Signposting to financial advice.
Impacts to Council investments.	Reduction in capacity to deliver services.			Exploration of market supplements.
Inflationary rises.	Reduction in investments. Expectations outstrip capacity to deliver.			
	The Scottish Government fails to provide sufficient funding for essential services.			

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>Council tax levy during period.</p> <p>Impact on staffing recruitment and retention.</p> <p>Availability of key products.</p>	<p>UK Government fails to provide funding equivalent to shortfall consequent from loss of EU Funding following UK exit from European Union.</p> <p>Government movement to energy cost caps.</p>	<p>relationships leading to increased demand on Council wellbeing services.</p> <p>Strike action on pay leading to disruption in the delivery of Council services.</p> <p>Inability to recruit or retain staff.</p> <p>Community expectations are not reduced due to a failure to communicate and engage effectively with communities.</p> <p>Failure to demonstrate the value of the Council's ongoing services to the public.</p> <p>Living costs outstrip available income as a result of pay awards, benefits and other income receipts not keeping up with inflation leading to inability to meet household outgoings.</p>		<p>Promotion in the reduction of energy usage and access to funding for energy improvements to domestic and commercial properties e.g. Warmer Homes Scotland Hybrid working policy.</p> <p>Reduction in heating and utilities usage for offices.</p>

Risk Number.	Risk Title.					Cluster.	Owner.	
3.	Adverse reactions in communications with staff, the public and stakeholders including social media.					Reputational.	Chief Executive.	
Likelihood:	4.	Impact:	3.	RAG:	Amber	Current Risk Score:	12.	Target Risk Score:

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>The Council's resources made available by Government will continue to reduce or remain static over the next few years despite growing need and demand. The Council is increasingly reliant on the use of its General Fund and Strategic Reserve Fund resources to maintain services whilst areas for savings / efficiencies and income generation are progressed.</p> <p>The Council must ensure that communities continue to be appropriately engaged about the efficiency measures and inevitable transformation / service changes and are proactively informed so that customer expectations are realistic.</p> <p>There is the potential that staff do not feel engaged in the inevitable change processes or valued as active contributors to corporate change, service realignments or developments.</p>	<p>Customers have unrealistic expectations of what Council services can deliver.</p> <p>Customers do not understand the reasons for the changes and blame the Council.</p> <p>Good ideas are not harvested from effective community consultation.</p> <p>Failure to demonstrate the value of the Council's on-going services to the public.</p> <p>Council is unable to demonstrate the ability to work corporately.</p> <p>Staff are not given the opportunity to engage with and contribute to service transformation / redesign or reductions; staff become disengaged in essential change processes.</p> <p>The Council does not maintain an effective presence on social media as a communication tool.</p> <p>The opportunity for reasonable debate, scrutiny and discourse of Council work is replaced by aggressive and abusive comment on issues and activities, reducing the quality and effectiveness of information to drive decision</p>	<p>Reputational risk.</p> <p>Misplaced criticism.</p> <p>Good ideas lost.</p> <p>Confusion about what the Council's priorities are.</p> <p>More difficult to align resources to priorities.</p> <p>Lack of understanding of what the Council wants to achieve.</p> <p>Changes are not achieved.</p> <p>Staff morale is adversely affected.</p> <p>Customers may not get a joined-up service.</p> <p>Inter-service tensions undermine corporate achievements.</p> <p>Legal implications.</p> <p>Exclusion of sectors of the community.</p>	Treat.	<p>A Communications and Engagement Strategy 2024-2028 was approved by the Council in December 2024.</p> <p>Supporting Delivery Plans have been developed.</p> <p>A Communications Plan (Internal and External) for the budget setting process – which will include a public survey – will be developed ahead of the Scottish Government's Draft Budget announcement, due to be delivered in January 2026. There is also a specific action within the External Communications Delivery Plan around exploring the use of explainer videos to communicate budget information and messaging to the public.</p> <p>In addition, work continues to publicise the Council's objectives and priorities, existing services and service change to ensure that communities are engaged.</p> <p>There is continuing use of digital communications, including the increased use of social media as a platform and tool for community engagement.</p> <p>A review of community engagement methods is underway as part of the Communications and Engagement Strategy 2024-2028.</p> <p>Feedback from public consultations such as Orkney Matters 2 will be fed into this process.</p> <p>Proactive press releases and campaigns are prepared and released to promote positive</p>

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>There is potential that the Council fails to manage how we respond to social media - both to take advantage of the potential benefits of social media and additionally to mitigate the misuse of social media including online abuse and the unchecked propagation of disinformation that can circulate online creating negative discourse.</p>	<p>making, community fragmentation and disenfranchisement.</p>			<p>stories about the services provided by the Council.</p>

<b>Risk Number.</b>		<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>		
4.		Workforce planning – lack of skills, experience and capacity.				Physical.	Director of Infrastructure and Organisational Development.		
<b>Likelihood:</b>	4.	<b>Impact:</b>	4.	<b>RAG:</b>	Amber.	<b>Current Risk Score:</b>	16.	<b>Target Risk Score:</b>	6. (3x2)

<b>Vulnerability.</b>		<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
Insufficient workforce planning actions underway to shape future workforce through redeployment, succession planning, recruitment, training etc. Capacity issues make it difficult for the service to realise its priorities. Increasingly limited and competitive market for recruitment of key leadership and professional roles.	<p>Council staff become overstretched.</p> <p>Council staff become demoralised.</p> <p>The Council does not have the right staff, in the right place, at the right time, to deliver set priorities and / or statutory functions.</p> <p>The Council is unable to meet its statutory obligations.</p> <p>Statutory officers are unable to discharge their statutory functions adequately.</p> <p>EU nationals unable to gain Visas to work in the UK or unwilling to move to the UK under a more challenging post Brexit process.</p>	<p>Council cannot manage within its resources.</p> <p>Existing workforce becomes overstretched.</p> <p>Key pieces of work are not able to be undertaken.</p> <p>Service standards drop and vulnerable people are placed at risk.</p> <p>Council is reactive rather than proactive.</p> <p>An increased risk in legal challenges and complaints.</p> <p>Risk of financial penalties.</p> <p>Recruitment taking place from a smaller pool of potential staff.</p>	Treat.	<p>Review of staffing model seeking to increase staffing resource where possible in pressure areas has been completed and implemented.</p> <p>New corporate People Plan has been developed to identify and address strategic workforce challenges.</p> <p>Projects within the Council Plan and Directorate Delivery Plans are in planned to target improvements in Transforming Our Council including workforce planning, culture and performance.</p> <p>More proactive approach to recruitment, succession planning and attraction of people to live and work in Orkney.</p> <p>Adoption of Investors in People in 2022.</p> <p>Leadership Development programme to grow / upskill leaders.</p> <p>Development of programmes around youth employment, attracting young people into the workforce and improving career pathways.</p> <p>Continued use and development of remote and flexible working will encourage improved working methods and retention of key staff.</p> <p>Inclusion of staff in re-design of operations.</p> <p>Social Work Traineeship introduced to 'grow our own workforce' and reduce the need for agency staff.</p>	

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
				<p>Care at Home posts regraded to recognise the increased complexity of the role and make the salary more attractive to those considering a career in care.</p> <p>Joint initiative with UHI Orkney to create a 6-week 'Introduction to Care' taster course. Guaranteed interviews for participants who complete the course.</p> <p>Increased commitment to proactive communications particularly related to staff and trade unions.</p> <p>Regular monthly Trade Union meeting at corporate level.</p> <p>Formal Consultation protocol as agreed with the Trade Unions and approved by Council in 2023.</p> <p>Regular staff / Trade Union meetings at Service level, when required.</p> <p>Change in emphasis of staff engagement to include the process of change.</p>

Title						Cluster		Owner	
5 Failure to ensure we obtain and retain maximum benefit from Council's assets.						Physical		Chief Executive	
Likelihood	4	Impact	3	RAG	Amber	Current Risk Score	12	Target Risk Score	9 (3x3)

Vulnerability	Trigger	Consequences	Options	Mitigating Actions
<p>The Council may not have enough funds to sustain assets, replace ageing assets and develop key assets (also see Risk 1 which is particularly significant).</p> <p>Essential buildings and infrastructure for travel, communications etc must be maintained to ensure property and roads, IT, telecoms and other infrastructure continue to be able to support the Council's services.</p>	<p>The Council cannot maintain or develop its essential assets to provide public services.</p> <p>The Council cannot implement an asset management strategy.</p> <p>The public is unable to communicate with services.</p> <p>Professionals are unable to communicate with each other to provide effective services.</p>	<p>Roads and buildings deteriorate.</p> <p>IT infrastructure cannot support services.</p> <p>Unused / surplus buildings.</p> <p>Services are not delivered.</p> <p>Lifeline routes compromised.</p> <p>Risk of accident and potential claim.</p> <p>Vulnerable people are at risk.</p> <p>Communication is not possible between agencies to co-ordinate services.</p> <p>Council's reputation is at risk.</p>	Treat	<p>The Corporate Asset Management Plan 2026-2031 has been updated and will be considered by Asset Management Subcommittee in November 2025. The plan overarches multiple subsidiary asset management plans and strategies including property, fleet and plant, waste, ICT, open spaces, harbours and housing.</p> <p>Property Asset Management Plan 2024 to 2029 considered by Asset Management Subcommittee in September 2024.</p> <p>ICT &amp; Cybersecurity Strategy 2025-2029 was considered by Asset Management Subcommittee in 2025 while the existing ICT Asset Management Plan 2021-2026 last updated in 2021 will be reviewed in 2026.</p> <p>The Plant and Vehicle Asset replacement programme is a 3-year rolling programme which is reviewed January/February of each year.</p> <p>Asset Management for Open Spaces and Play Areas is informed by the Physical Activity and Wellbeing Strategy (2025) and the Play Area Strategy (2021), led by Active Communities.</p>

Vulnerability	Trigger	Consequences	Options	Mitigating Actions
				<p>Asset Management of Roads is set out in the Roads Asset Management Plan 2023-2028 and the associated Roads Management and Maintenance Plan 2023-2028.</p> <p>The Fleet Asset Management Plan is out of date and requires to be updated. This will be completed by the end of financial year 2025/26.</p> <p>All asset replacement programmes (budgets) for roads, fleet and property (revenue repairs and capital improvements), are monitored in detail to ensure planned, cyclical, reactive and emergency works are completed in context of significant budget pressures (efficiencies).</p> <p>Where works exceed the capacity of the annual budget, these are escalated to the Capital Project Appraisal (CPA) process.</p> <p>The Capital Programme Board (CLT) has executive ownership of the CPA process and Capital Programme and approves and endorses Capital projects before CPA1 approval at Service Committee and CPA2 approval at Policy and Resources Committee.</p> <p>The Capital Programme Advisory Board meets on a 6-monthly basis and provides a forum for member oversight and comment outwith the formal Committee Process.</p>

Risk Number.	Risk Title.					Cluster.	Owner.		
6.	Inability to sustain and enhance economic opportunities.				Economic.		Director of Enterprise and Resources.		
Likelihood:	5.	Impact:	5.	RAG:	Red.	Current Risk Score:	25.	Target Risk Score:	20. (5x4)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Commercial sectors are vulnerable to market forces and changing national and international economic circumstances.</p> <p>Orkney's population is also ageing, leading to a range of challenges and opportunities in managing the impact of this demographic shift in terms of service provision.</p> <p>Deliverability of key project and political agendas including the Islands Deal, Harbours Masterplan, Grid and Digital Connectivity, Shared Prosperity Fund, Ferry Replacement, Arctic Strategy and Innovation Freeport concepts.</p> <p>COVID 19 Recovery and Response challenges.</p> <p>Insolvency of or desertion by private companies with Section 75 obligations revert those responsibilities to Council</p>	<p>The Council fails to support a diverse economy.</p> <p>Decline in farming and other traditional industries.</p> <p>External market forces and economic factors lead to increasing pressure on local businesses.</p> <p>Cost of transportation threatens travel of goods and people to and from Orkney.</p> <p>The Council fails to support emerging industries.</p> <p>The Council fails to ensure community benefits arise from developing industries.</p> <p>The Council fails to secure long term benefits from Renewables sector.</p> <p>Increasing pressure on services for older people.</p> <p>Reducing work age.</p> <p>Government fails to deliver on or support economic opportunities and regulatory change or an appropriately designed and timed Shared Prosperity Fund.</p>	<p>Local economy struggles pushing additional responsibilities onto the public sector.</p> <p>Council budgets become increasingly pressed.</p> <p>Staffing shortages.</p> <p>Loss of jobs, increase in unemployment, reduced economic performance.</p> <p>Council is left with burdens of site remediation.</p>	Treat.	<p>The budgets for revenue repairs and capital improvements are reviewed annually as part of the Council's budget process.</p> <p>Seek to identify additional options for delivery of the maintenance programmes.</p> <p>Where unavoidable pressures are identified these are managed through an allocated 'contingency' or capacity within the Enterprise and Sustainable Regeneration Directorate given positive trading performance.</p> <p>To ensure the delivery of approved plans is achieved, there has been additional investment in people resources in roads, waste, fleet and soon to be the quarry and property teams (as part of workload analysis and mini restructuring).</p> <p>Political engagement and lobbying at UK and Scottish Government levels.</p> <p>Establishment of Crown Estate Economic Development Fund to support local business.</p>

Title						Cluster		Owner	
7 Inadequate information security and management, and inadequate cyber security						Technological		Chief Executive	
Likelihood	Impact	RAG	High Risk	Current Risk Score	12	Target Risk Score	6 (2x3)		

Vulnerability	Trigger	Consequences	Options	Mitigating Actions
The Council fails to maintain an adequate audit trail of all information created.	Inappropriate disclosure, sharing, retention or loss of data.	Customer distress and harm. Financial and legal implications.	Treat	The Records Management Improvement Plan sets out further actions required to ensure the Council maintains compliance with its legal responsibilities, including the Data Protection Act 2018.
The Council does not handle, share and release all of its data adequately.	Failure to comply with information governance legislation including the Data Protection Act 2018.	Reputational risk.		Senior Management leadership is in place regarding delivery of the Records Management Improvement Plan. In order to support key elements of the Plan, the Council has implemented an Electronic Document and Records Management System (EDRMS) through the use of the Microsoft 365 platform, with full implementation achieved across the Council in March 2025.
The Data Protection Act 2018 has introduced new duties for the Council.	Unauthorised access to systems, loss or theft of a device containing sensitive data, phishing or credential harvesting, accidental disclosure, or system misconfiguration.	Inability to access information when required. Failure to deliver services.		PSN reaccreditation is achieved via a major penetration testing and vulnerability scanning exercise and is in date.
Failure to implement and maintain suitable cyber controls to protect assets.	Internal process failures, such as inappropriate data sharing, weak password enforcement, or expired certificates.	Failure to share information leading to duplication of effort. Not responding to information requests on time.		IT Security is managed proactively and there is an ongoing programme of patching / updating the hardware and software in operation across the Council.
Wider cybersecurity incidents in the private and public sector have major impacts on Orkney's supply chains, food security or transport	External cybersecurity incidents in key organisations concerned in the supply of goods and materials inhibits the delivery and distribution of food, fuel or other key resources to locations such as Orkney.	Complaints against the Council.		As part of the Council's resilience planning, it has completed cybersecurity exercises designed by

Vulnerability	Trigger	Consequences	Options	Mitigating Actions
				<p>the National Cyber Security Centre and adapted by officers, focused on a Cybersecurity Ransomware attack with attendance from all Council services and reported to Corporate Leadership Team.</p> <p>Ongoing work on business continuity actions, aligned to Cyber Scotland incident response planning.</p> <p>The Council has implemented a multi-site infrastructure to host its on-premises services and data and immutable backup and disaster recovery.</p> <p>Services as assessed by the Information Security Officer with providers required to complete a questionnaire to provide assurance that their arrangements are satisfactory.</p> <p>The Council participates in and supports national cybersecurity and resilience partnerships to ensure good communication and promotion of cybersecurity cyber-resilience and business continuity in the Council, in the community and across sectors.</p>

<b>Risk Number.</b>		<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>	
<b>Likelihood:</b>	<b>Impact:</b>	<b>RAG:</b>			<b>Current Risk Score:</b>	<b>16.</b>	<b>Target Risk Score:</b>	<b>8. (2x4)</b>
8.		Inadequate availability and reliability of ultrafast and mobile connectivity across Orkney.				Technological.	Director of Enterprise and Resources.	

<b>Vulnerability.</b>		<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>	
Failure to lobby Governments to address the current digital divide and put in place infrastructure to ensure a step change in speeds.	Lack of mobile coverage.	Failure to lobby Governments to address the current digital divide and put in place infrastructure to ensure a step change in speeds.	Orkney fails to secure maximum and equitable geographic coverage of availability and reliability of ultrafast broadband and mobile connectivity across Orkney, and the required improvements to Broadband services and mobile network across the islands are not delivered.	Failure to attract inward investment.	Treat.	Continue to support political lobbying and seek opportunities to progress policy.
Failure to press the Government to deliver a longer-term plan to ensure that there are the right mechanisms, partnerships and commercial models in place.	Limited subsea backhaul constrains network speeds while failures leave homes and business at risk of disruption.	Orkney is unable to attract inward investment and sustain fragile communities.	Failure to attract skilled employees.	Digital isolation across age groups.	Support the Scottish Government in the roll out of R100 infrastructure in Orkney, including improvements to subsea backhaul.	
		Educational infrastructure disadvantaged by lack of service.	Failure to realise opportunities in respect of Telehealth, Telecare, mobile working and tele-learning.	Poor online public service access including welfare benefits, etc.	Support development and introduction of alternative commercial models, including 5G infrastructure.	
		Critical links to the Scottish Mainland fail leaving Orkney with poor or no digital connectivity.	Disruption to homes and business operations.		The Council has commissioned development of a digital strategy for Orkney which presents options for enhancing digital connectivity provision. Leveraging the benefits of the Council's membership of SWAN2 and the additional infrastructure delivered to support this.	

Risk Number.	Risk Title.	Cluster.	Owner.		
9.	Lack of development of effective partnerships.	Partnership.	Director of Education, Communities and Housing and Chief Executive(tbc).		
Likelihood:	Impact:	RAG:	Current Risk Score:	Target Risk Score:	

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>The Council must develop partnership working to maximise use of the cumulative resource and impact on outcomes for the Community Planning Partnership.</p> <p>Resource and key staffing constraints may affect the success of partnerships.</p> <p>Changing ministerial roles in UK Government or Scottish Government which delay progress with key issues.</p> <p>The Scottish Government has started to explore the feasibility of the Single Authority Model Public Service Reform.</p> <p>Engagement with the National initiatives to ensure proposals do not create unintended consequences which may hinder partners' ability to deliver best outcomes for Orkney.</p> <p>Potential for a Scottish Government Independence referendum may cause further instability and delays in decision making.</p>	<p>The Council does not implement a robust and effective framework for managing its key partnerships.</p> <p>The resource and key staffing pressures on the parent bodies affect the reputation of the partnership.</p> <p>National developments relating to the redesign of adult care services may not take account of the unique requirements of delivering effective care services in remote and rural areas.</p> <p>Ministers in governments change role/ remit.</p>	<p>Impact upon service delivery.</p> <p>Loss of reputation due to inability to meet statutory requirements.</p> <p>Efficiencies not achieved.</p> <p>Reduced ability to deliver on important projects for vulnerable people and their families.</p> <p>Reduced ability to support and protect individuals and families by delivering effective care services within Orkney.</p> <p>Dialogue with ministerial colleagues prolonged and repeated thus delaying progress.</p>	Treat.	<p>The Council will continue to work closely with partners under current frameworks which are monitored closely to ensure they are robust, effective and deliver good governance.</p> <p>The Council will continue to review existing partnerships and explore new ones as opportunities arise to suit Orkney as a whole.</p> <p>Engagement with Scottish Ministers in respect of the Local Governance review and Single Islands Authority feasibility Public Service Reform.</p> <p>Engage with the Scottish Government through COSLA.</p> <p>As a separate legal entity, the Integration Joint Board (IJB) will consider its own actions relating to this risk on the IJB's risk register.</p> <p>Engagement with UK Ministers will continue.</p>

Risk Number.	Risk Title.	Cluster.	Owner.	
10.	Inadequate procurement compliance and sustainable communities.	Legislative.	Chief Executive.	
Likelihood:	Impact:	RAG:	Current Risk Score:	Target Risk Score:
3.	3.	Yellow.	9.	6.(2x3)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Financial and non-financial savings not fully achieved.</p> <p>Procurement Legislation, Policy and Procedures not adhered to.</p> <p>Ongoing engagement to be maintained to support local businesses to help them participate in procurement opportunities, building on the Meet the Buyer events which are held as required to highlight contract specific tendering opportunities.</p>	<p>Legal challenge is a possibility unless the Procurement Regulations are complied with and processes followed.</p> <p>Officers fail to understand the limitations that the Procurement Regulations place on the Council.</p> <p>Officers do not follow due process and tendering must be repeated.</p> <p>Anticipated savings may not be fully realised through collaborative contracts.</p> <p>The local economy may not be as well supported as it could be.</p> <p>Member / officer disharmony due to lack of understanding of responsibilities.</p>	<p>Financial loss due to legal challenge.</p> <p>Reputational harm.</p> <p>Delays in services being procured due to re-tendering or court action.</p> <p>Loss to the local economy.</p> <p>Loss of effectiveness and efficiency.</p> <p>Lost opportunity in terms of savings.</p>	Treat.	<p>Procurement Consultative Group comprising Elected Members and Officers is in place and meets when required.</p> <p>Procurement Working Group (Officers with delegated procurement authority) set up to provide training, support and a corporate approach to procurement exercises and priorities.</p> <p>Frequent communication with this group is in place, with information provided by email, and training on the use of the updated Contract Standing Orders and Procurement Plan was provided by the Procurement Team in April 2024.</p> <p>Procurement Improvement Plan developed and kept under review.</p> <p>A new Procurement Strategy, to align with the Council Plan 2023-2028, was consulted upon over Summer 2023 and was adopted by the Council in December 2023.</p> <p>An updated Sustainable Procurement Policy, to align with the Council's Climate Change Strategy and Action Plan, was approved by the Council in December 2024.</p> <p>The Procurement Manual was reviewed and updated in April 2025.</p> <p>Procurement and Commercial Improvement Programme (PCIP) assessment by Scotland Excel was undertaken in March 2024 and feedback received.</p>

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
				<p>Meet the Buyer events held successfully as required e.g. for the operation of a new nursery in June 2024.</p> <p>Contracts Register is now updated continuously with reference to the Procurement Plan, and the importance of the Contracts Register is stressed to all staff who are making purchasing decisions.</p> <p>Proactive work with the Corporate Administration Group to look at the creation and use of local Framework Agreements, for example, a local framework for stationery.</p> <p>Contract Standing Orders under regular review, with the last formal review carried out in February 2024 and updated Contract Standing Orders formally approved by Council in March 2024.</p>

Risk Number.	Risk Title.					Cluster.	Owner.	
11.	Health and Safety non-conformance.					Legislative.	Director of Infrastructure and Organisational Development.	
Likelihood:	3.	Impact:	2.	RAG:	Yellow.	Current Risk Score:	6.	Target Risk Score:

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Non-compliance with health and safety policies, rules and procedures by employees, members of the public, contractors etc.	Reportable accidents, work related ill health and dangerous occurrences.	<p>Staff exposed to unnecessary risk or harm.</p> <p>Increase in staff absence or sickness.</p> <p>Reduction in staff morale.</p> <p>Enforcement action from the Health and Safety Executive. This may include improvement and prohibition notices and prosecution.</p> <p>Material breaches, if identified, are subject to cost recovery by way of 'fees for intervention'.</p> <p>Civil action resulting in the payment of compensation for injury or damage etc.</p>	Treat.	<p>Frequency of Safety Committee meetings increased including a review of adverse events.</p> <p>Corporate Leadership Team to promote a positive health and safety culture.</p> <p>Occupational Health, Safety and Welfare Policy updated in February 2025 and approved by Council.</p> <p>Significant focus on Health and Safety incident reporting including increased incident and near miss reporting and proactive engagement with services as detailed in reports to Safety Committee and in Annual Report.</p> <p>Proactive health and safety to feature as a standing item in Senior Management meetings as appropriate.</p> <p>IOSH 'Leading Safely' training has been refreshed for the majority of Corporate Leadership Team and Extended Corporate Leadership Team members.</p> <p>Assessment of training needs for new members to be completed and training to be held in person. This will be complemented with resilience training as part of a review to be put into a programme, with a view to commencing the offering once finalised by December 2025.</p> <p>Ongoing increased levels in corporate reporting of incidents via focussed Service engagement across the organisation.</p> <p>Proactive Health and Safety campaigns organised and promoted to all Council employees.</p>

Risk Number.	Risk Title.					Cluster.	Owner.		
12.	Climate Change					Physical.	Director of Infrastructure and Organisational Development		
Likelihood:	4	Impact:	5	RAG:	Red	Current Risk Score:	20	Target Risk Score:	12 (3x4)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Council infrastructure impacted by extreme and unpredictable weather, resulting in increased costs of maintenance and weakened or disrupted delivery of services including travel disruption.</p> <p>Communities facing increased frequency of coastal flooding and increased volumes of surface water.</p> <p>Local economic production affected by climate impacts.</p> <p>Transition to support climate response initiatives require significant capital investment.</p> <p>Climate impacts on food security – both production and supply chain.</p>	<p>Extreme and unpredictable sustained weather (lightning, winds, tides) causes increased damage or wear and tear to Council infrastructure.</p> <p>Increased severity of coastal flooding leads to damage of property in coastal communities, while surface water levels impact transport routes and agricultural activities in the community.</p> <p>Surface water and other climate impacts affect normal activity cycles impacting food production including agriculture.</p> <p>Move to Net Zero requires capital funding and resourcing beyond Council capacity.</p> <p>Climate impacts the production and supply of essential goods</p>	<p>Weakened or disrupted delivery of Council services including transport, roads maintenance, property access and digital services.</p> <p>Increased costs of service delivery reduce capacity due to constraints in budgets.</p> <p>Reduced economic output in Orkney requires increased Council interventions.</p> <p>Failure to meet targets or reductions in funding of other Council Priorities to support initiatives.</p> <p>Key aspects of food supply to Orkney disrupted and not sufficient due to “just-in-time” nature of supply chain in this area.</p>	<p>Treat.</p>	<p>Declaration of Climate Emergency. Council Plan has specific climate related goals including Net Zero.</p> <p>Local Heat and Energy Efficiency Strategy</p> <p>Flood Risk Management Plan 2022 – 2028.</p> <p>Coastal Change Adaptation Plan <a href="#">approved by Council</a>, and consultation events underway (Autumn 2025). Action plans to be set up, delivery will be dependent on funding. LIDAR work is complete, data is available to be used as part of the development of local plans.</p> <p>Resilience review and response to SEPA Flood Warnings as an Incident Management process.</p> <p>Baseline energy strategic review due to complete early 2026; with first phase final reporting to Policy and Resources Committee in November 2025.</p> <p>Work with Community partners on developing Orkney’s food resilience has commenced following the seminar on food security and resilience.</p>

Risk Number.	Risk Title.	Cluster.	Owner.	
13.	House Build Programme – Risk of being unable to fully utilise Affordable Housing Supply Programme funding from the Scottish Government.	Financial.	Director of Education, Communities and Housing.	
Likelihood:	Impact:	RAG:	Current Risk Score:	Target Risk Score:
4.	3.	Amber	12.	9.(3x3)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>A range of factors are affecting the Council's ability to spend the Affordable Housing Supply Programme's funding, in partnership with relevant delivery partners. These factors include:</p> <p>Contractors are currently under significant pressure with substantial amounts of work and limited resources.</p> <p>The Housing Revenue Account holds a relatively high level of debt, and debt repayments are substantial.</p> <p>The cost of meeting the Scottish Social Housing Net Zero Standard which is expected to be required by 2032 is serving to exacerbate Housing Revenue Account challenges. Similar challenges exist for other delivery partners.</p> <p>Price rises impacting on materials and labour, coupled with supply issues, will impact on the affordability of the house build programme</p>	Inability to commit to fully utilising the funding that the Scottish Government allocate to Orkney each financial year.	<p>Loss of funding that is essential to Orkney meeting need for social / affordable housing.</p> <p>Rising pressure as more applicants further increase pressure on the Council's growing housing waiting list.</p> <p>Difficulties in the Council meeting its statutory homelessness requirements through placing households into permanent accommodation.</p> <p>Barriers to implementing the Rapid Rehousing Transition Plan. Inflationary impact on other housing sectors, particularly the private rented sector.</p> <p>Negative impact on local economy if economically active households or those requiring to live and work in Orkney cannot secure affordable housing in the area.</p> <p>Orkney residents including families are increasingly</p>	Treat.	<p>Hub North/Indigo House assisted the Council to undertake key strategic work including the Housing Needs and Demand Assessment (including analysis of need amongst essential workers), Local Housing Strategy, Strategic Housing Investment Plan and Housing Revenue Account Business Plan.</p> <p>The Housing Supply Target for Orkney has been determined to be 1,040 properties over a 10-year term with a 60/40 affordable split.</p> <p>Housing Market Partnership established with a range of key partners. All parties involved in seeking to deliver house build in partnership. These include Housing, Infrastructure and Organisational Development (Environmental, Property Development and Planning), NHS Orkney, Orkney Housing Association Ltd, Scottish Government, Scottish Water etc.</p> <p>Also looking at processes around house build so we can move this forward. This includes looking at potentially bringing in an alternative provider.</p> <p>Working in partnership with Scottish Government and other delivery partners to deliver projects.</p> <p>Off the shelf purchases are being undertaken (while considering the ability for the properties concerned to be brought up to the energy efficiency standards required by the Council</p>

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>and more generally on the Housing Revenue Account. The impact of the above on the level of affordability of rents for tenants, given that a small Housing Revenue Account suffers from limited economies of scale. Orkney generally has rents which are within the highest six in Scotland.</p> <p>There is a lack of resource across all partner agencies (and the construction sector) which places limitations on responsiveness to additional demands.</p>		<p>being priced out of the private rented sector, cannot secure a suitable mortgage and / or are not high enough up the priority list to secure social rented housing. The frustration this causes can increase the likelihood that some of these households leave Orkney, resulting in further inhibition to the social fabric and economy of Orkney.</p>		<p>where relevant). Currently house prices are such that the number of off the shelf purchases is likely to be low.</p> <p>The Council is working through its role as housing enabler to seek to bring in an additional housing association with development capacity.</p>

Risk Number.	Risk Title.				Cluster.	Owner.		
Likelihood:	Impact:	3.	RAG:	Amber	Current Risk Score:	12.	Target Risk Score:	9. (3x3)
14.	Early Learning and Childcare Expansion Plan.				Reputational.		Director of Education, Communities and Housing.	

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Leadership capacity.	Failure to recruit high quality candidates.	Lack of leadership in settings.	Treat.	Refocus the Leadership pathway to develop leadership capacity within the workforce.
Insufficient number of high quality and / or qualified practitioners.	Failure to recruit high quality candidates.	Vacant posts and repeated recruitment.  Impact on quality and outcomes for children.  Failure to meet quality requirements and National Standard.		Support practitioners to gain qualifications relevant to their role, including SVQs and degrees  Continue head teacher training to support development of pedagogical leadership capacity.  Work with UHI Orkney to review the availability and quality of courses on offer.
Insufficient budget to meet emerging demands of Scottish Government and regulatory bodies.	New legislation/policy insufficiently funded for the local context (e.g. discretionary deferrals, nursery milk and snack, safe staffing ).	Budget overspend.		Ensure Orkney attendance at national meetings / forums to ensure the remote and rural voice is heard.  Ensure Elected Members and the Corporate Leadership Team are well briefed prior to national meetings.
Financial model for 0-3 service becomes unviable.	Inability to appoint adequate numbers of practitioners to ensure maximum ratio and maximum income.	Greater than acceptable losses.  Service failure in workplaces due to lack of childcare available.		Carefully monitor occupancy, staff ratios and fee payment to ensure the setting is running as efficiently as possible.

Title						Cluster		Owner	
15 Pandemic						Pandemic		Chief Executive	
Likelihood	3	Impact	5	RA G	High Risk	Current Risk Score	15	Target Risk Score	9 (3x3)

Vulnerability	Trigger	Consequences	Options	Mitigating Actions
<p>A pandemic or similar incident regarding widespread health infection and illness would present a major challenge to the community and the Council with impacts including both immediate health and wellbeing and also to the continuity of core services and ways of life, if organisational structures, workforce arrangements, or service dependencies are not sufficiently resilient to widespread disruption of people, supply chains, or operational environments.</p> <p>This may include high reliance on physical presence, limited capacity for remote working, inadequate infection control measures, or dependence on single</p>	<p>In the event of a declaration of a global pandemic by World Health Organisation which leads to the declaration of a Major Emergency and temporary amendments to Standing Orders.</p> <p>Confirmed infection within the workforce, mandated lockdown or travel restrictions, non-availability of key personnel, interruption to supply chains, or the rapid escalation of public health measures affecting operations.</p> <p>Changes in demand, government policy, or public behaviour that significantly alter service delivery patterns.</p>	<p>Service Delivery:</p> <p>Failure to carry out statutory duties - demand outstrips capacity.</p> <p>Cessation of non-urgent and elective work.</p> <p>Unable to provide certain services.</p> <p>Delays to capital programmes.</p> <p>Ability to successfully resolve emergency incidents.</p> <p>Deterioration in staff experience adversely affecting team performance.</p> <p>Financial management and budgetary impact:</p> <p>Incurring additional unbudgeted spend</p> <p>Increased costs, reduced income, impact on capital projects etc.</p> <p>Appropriate governance.</p> <p>Ability to pay staff.</p> <p>Legacy financial impact.</p> <p>Impact on Strategic Reserve Fund.</p> <p>Health and Safety:</p>	Treat	<p>Learning points and outcomes from Covid-19 pandemic and current participation in the national resilience Exercise Pegasus (on a global pandemic) will lead to further reform and update of Pandemic Mitigating Actions including Business Continuity planning,</p> <p>Staff Deployment Considerations, Risk Assessments, Communications covering response and recovery.</p>

<b>Vulnerability</b>	<b>Trigger</b>	<b>Consequences</b>	<b>Options</b>	<b>Mitigating Actions</b>
<p>suppliers for critical goods and services.</p> <p>Insufficient business continuity planning, unclear communication protocols, or lack of cross-training to cover essential roles.</p> <p>These weaknesses reduce the organisation's ability to maintain continuity of service, protect staff, and adapt quickly to sustained disruption.</p>		<p>Failure to provide appropriate PPE.</p> <p>Ability to carry out statutory duties and support frontline response.</p> <p>Exposure to virus, potential spreading and related absences.</p> <p>Potential harm to critical service users and providers.</p> <p>Demand outstrips supply for business-as-usual supplies.</p> <p>Demand outstrips supply for PPE.</p> <p>If the organisation does not seek to maintain and improve officer and staff wellbeing during the response to Pandemic, there is a risk of increased absences, loss of discretionary effort and overall decrease in operational capacity.</p> <p>Lack of scrutiny surrounding Council functions.</p> <p>Mandatory duties of the Council – schooling, social services.</p> <p>Permissive duties of the Council – education and economic development.</p> <p>Regulatory powers – trading standards, environmental health and licensing.</p> <p>Joint working arrangements.</p>		

Risk Number.	Risk Title.	Cluster.	Owner.						
16.	Inability to deliver core protection and support services for children and young people.	Legislative.	Chief Officer, Orkney HSCP.						
<b>Likelihood:</b>	2.	<b>Impact:</b>	4.	<b>RAG:</b>	Yellow.	<b>Current Risk Score:</b>	8.	<b>Target Risk Score:</b>	6. (2x3)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Children and young people are vulnerable due to the Council's need to improve policies, procedures and services as part of multi-agency child protection and support services, highlighted in the 'Report of a joint inspection of services for children and young people in need of care and protection in Orkney', February 2020.	Children and young people in need of protection and/or support do not have their needs met by the multi-agency team.	Children and young people are exposed to harm; children and young people are not provided with the best chances in early life; children and young people are not supported in closing the opportunity gap.  When performance shortfalls are highlighted in inspection reports, this clearly drives improvement. However, a collateral consequence can be that it makes it more difficult to attract permanent good quality staff to work in Orkney children's and young people's social work and social care services, exacerbating vulnerabilities.	Treat.	<p>Comprehensive multi-agency improvement plan has been developed which addresses all areas for improvement.</p> <p>Progress with this plan is closely monitored by the Chief Officers' Group and the relevant partner governance bodies.</p> <p>A follow-up inspection was undertaken by the Care Inspectorate and reported in August 2021. The findings indicated we have made significant progress and there was still considerable work to be done. Findings were mainly consistent with our own view of where we are in children's services improvement from a self-evaluation perspective which was positive.</p> <p>The findings have been reported to Council and IJB and the Improvement Plan has been adjusted to reprioritise key actions.</p> <p>The Second Progress Review was undertaken by the Care Inspectorate and reported in May 2022. The findings indicated that considerable further work had been completed since the first Progress Review and key improvement areas were progressed.</p> <p>Inspections in Summer 2024 across four regulated Services in Children &amp; Families have all reflected significant notable improvement in performance with grades moving to good. This reflects a significant lift with consistency across the grades which evidences improvement</p> <p>The Care Inspectorate will not require a further Progress Review</p>

Vulnerability.		Trigger.		Consequences.		Options.	Mitigating Actions.				
Risk Number.		Risk Title.				Cluster.	Owner.				
17.		UHI Orkney (previously known as Orkney College UHI) Budget Shortfall				Economic	Director of Education, Communities and Housing.				
Likelihood:	4.	Impact:	4	RAG:	Amber	Current Risk Score:		16.	Target Risk Score: 9 (3x3)		

Vulnerability.		Trigger.		Consequences.		Options.	Mitigating Actions.		
<p>UHI Orkney fails to achieve zero budget.</p> <p>UHI Orkney requires financial support from the Council to continue to operate in a sustainable manner.</p> <p>Curriculum and/or staffing cuts are required to balance budget.</p>		<p>Flat/capped funding from Scottish Funding Council in Further Education (FE) sector.</p> <p>Challenges in recruiting sufficient Higher Education (HE) students and subsequent shortfall in activity-based funding.</p> <p>Demand for student support services significantly above budgeted provision and rising.</p> <p>Signing up to the National Recognition and Procedure Agreement for Scotland's Colleges.</p> <p>Staff costs at 70% of budget; Distant Islands Allowance not funded by Scottish Funding Council.</p> <p>Rising costs (see Risk 2 which is particularly significant).</p> <p>Expenditure on staff costs insufficiently offset by grant, fee, credit and commercial income.</p> <p>Insufficient funding to sustain aging property assets, which are self-financed by UHI Orkney.</p>		<p>UHI Orkney cannot manage within its resources.</p> <p>Falling student satisfaction.</p> <p>Student Support expenditure above budget and/or needs go unmet meaning vulnerable students are placed at risk, increased risk in course delivery and practice, additional pressure and strain on teaching staff or refusal/ inability to accommodate some students.</p> <p>Reputational damage, increased complaints against the College and legal challenge.</p> <p>Staff exposed to unnecessary risk or harm.</p> <p>Increase in staff absence or sickness.</p> <p>Reduction in staff morale.</p> <p>Lack of skills, experience and capacity (link to Risk 4).</p> <p>Growth potential lost.</p> <p>Reduced curriculum leads to skill shortages in the local economy and restricts economic growth for Orkney.</p>		Treat.	<p>Advance from loans fund approved to balance 2024/25 budget and to set balanced budget for 2025/26</p> <p>Officer Task Force instigated, reporting to Education, Leisure and Housing Committee in November 2025 and February 2026.</p> <p>Improve and reinforce budget monitoring.</p> <p>Work with budget holders collaboratively to understand the budget as a whole and take collective responsibility for balancing income and expenditure across the College.</p> <p>Ensure appropriate budget profiling and timely invoicing to support budget monitoring.</p> <p>Implement common course viability assessments ensuring all teaching staff resource is directed to income-generating activity, or less viable but locally significant delivery is offset by income elsewhere.</p> <p>Increase corporate training via UHI Orkney for OIC staff training.</p> <p>Work with Island Colleagues to request unions to push for Distant Islands Allowance to be incorporated into national pay bargaining for academic staff.</p> <p>Capitalise on the rebranding of the College and strongly promote the strengths of UHI Orkney.</p>		

Vulnerability.		Trigger.		Consequences.		Options.	Mitigating Actions.			
Risk Number.		Risk Title.				Cluster.	Owner.			
18		Support for Learning and Inclusion – Catering for additional support needs in schools and nurseries				Reputational	Director of Education, Communities and Housing.			
Likelihood:	4	Impact:	5	RAG:	RED	Current Risk Score:	20	Target Risk Score: 12 (3x4)		

Vulnerability.		Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Data from the last 6 years indicates significant growth in the number of children and young people in Orkney with additional support needs. In 2017 31% of our children and young people were considered to have additional support needs. In 2022 the number was 41%. This includes 50.5% of our young people in secondary school.</p> <p>The number of support staff in schools has not increased in line with growth need.</p> <p>Due to rising costs in other areas and changes in funding in others, the baseline funding for support staff in school is no longer sufficient to maintain the current level of staffing.</p> <p>Due to the above circumstances, we have a growing level of unmet need across our schools and nurseries which poses significant risk to the local authority.</p>		<p>Growing needs in schools and insufficient funding.</p>	<p>Due to the increasing level of unmet need, the Education service risks failing to meet their statutory duty in meeting the needs of all children and young people. If challenged on a specific case, we could be taken to tribunal.</p> <p>The growing need and lack of support staff puts increasing pressure on existing staff structures which makes recruitment and retention difficult and adds to our high rates of sickness absence.</p> <p>A lack of capacity for early intervention means problems become more complex before they are addressed. This requires more resource and a greater cost as a result. Without support at an early stage, long term outcomes for young people in our community become poorer.</p> <p>Unmet needs in the classroom place more pressure on teaching staff and the ability to make improvements in overall attainment and progress for all children and young people suffers as a result.</p> <p>Social, emotional and behavioural needs are increasing rapidly and we are seeing a rise in serious incidents, including incidents of violent behaviour in schools.</p>	Treat.	<p>Creating early intervention pathways to ensure support is in place for children, young people and their families at the earliest possible stage.</p> <p>Work with colleagues in CLD&amp;E to extend the work of the Pupil Equity Team to put in place support at the earliest possible stage for children, young people and families.</p> <p>Investing in the current workforce through training and professional learning to increase existing capacity.</p> <p>Centralising the resource to enable dynamic and targeted staffing and reducing the number of temporary short-term contracts.</p>

## Appendix 2: Corporate Risk Register – November 2025

### Strategic Risks

Cluster.	Risk No.	Risk.	Owner.
Physical.	1.	Transport.	Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development
Financial.	2.	Economic Sustainability.	Chief Executive and Director of Enterprise and Resources.
Reputational.	3.	Adverse Communications.	Chief Executive.
Physical.	4.	Workforce.	Director of Infrastructure and Organisational Development.
Physical.	5.	Asset Management.	Director of Infrastructure and Organisational Development.
Economic.	6.	Economic.	Director of Enterprise and Resources.
Technological.	7.	Cyber Security.	Chief Executive and Director of Infrastructure and Organisational Development.
Technological.	8.	Connectivity.	Director of Enterprise and Resources.
Partnership.	9.	Partnerships.	Director of Education, Communities and Housing and Chief Executive(tbc).
Legislative.	10.	Procurement.	Chief Executive.
Legislative.	11.	Health and Safety.	Director of Infrastructure and Organisational Development.
Physical.	12.	Climate Change	Director of Infrastructure and Organisational Development.
Financial.	13.	Housing.	Director of Education, Communities and Housing.
Professional.	14.	Childcare Services.	Director of Education, Communities and Housing.
Physical.	15.	Pandemic.	Director of Infrastructure and Organisational Development.
Legislative.	16.	Children and Young People.	Chief Officer, Orkney Health and Social Care Partnership.
Economic.	17.	Budget Shortfall (UHI).	Director of Education, Communities and Housing.
Reputational.	18.	Additional Support Needs	Director of Education, Communities and Housing.

## Risks by cluster

Cluster.	Risk No.	Risk.	Owner.
Economic.	6.	Economic.	Director of Enterprise and Resources.
Economic.	17.	Budget Shortfall (UHI).	Director of Education, Communities and Housing.
Financial.	2.	Economic Sustainability.	Chief Executive and Director of Enterprise and Resources.
Financial.	13.	Housing.	Director of Education, Communities and Housing.
Legislative.	16.	Children and Young People.	Chief Officer, Orkney Health and Social Care Partnership.
Legislative.	11.	Health and Safety.	Director of Infrastructure and Organisational Development.
Legislative.	10.	Procurement.	Chief Executive.
Partnership.	9.	Partnerships.	Director of Education, Communities and Housing and Chief Executive(tbc).
Physical.	5.	Asset Management.	Director of Infrastructure and Organisational Development.
Physical.	1.	Transport.	Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development
Physical.	15.	Pandemic.	Director of Infrastructure and Organisational Development.
Physical.	4.	Workforce.	Director of Infrastructure and Organisational Development.
Physical.	12.	Climate Change.	Director of Infrastructure and Organisational Development.
Professional.	14.	Childcare Services.	Director of Education, Communities and Housing.
Reputational.	3.	Adverse Communications.	Chief Executive.
Reputational.	18.	Additional Support Needs	Director of Education, Communities and Housing.
Technological	7.	Cyber Security.	Chief Executive and Director of Infrastructure and Organisational Development.
Technological.	8.	Connectivity.	Director of Enterprise and Resources.

## Risks by owner

Owner.	Cluster.	Risk Number.	Risk.
Director of Education, Communities and Housing.	Economic.	17.	Budget Shortfall (UHI).
Director of Education, Communities and Housing.	Reputational.	18.	Additional Support Needs.
Director of Education, Communities and Housing.	Financial.	13.	Housing.
Director of Education, Communities and Housing.	Professional.	14.	Childcare Services.
Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development	Physical.	1.	Transport.
Director of Enterprise and Resources.	Economic.	6.	Economic.
Director of Enterprise and Resources.	Technological.	8.	Connectivity.
Chief Executive and Director of Enterprise and Resources.	Financial.	2.	Economic Sustainability.
Director of Infrastructure and Organisational Development.	Physical.	12.	Climate Change.
Director of Infrastructure and Organisational Development.	Physical.	5.	Asset Management.
Chief Executive and Director of Infrastructure and Organisational Development.	Technological.	7.	Cyber Security.
Director of Infrastructure and Organisational Development.	Legislative.	11.	Health and Safety.
Director of Infrastructure and Organisational Development.	Physical.	15.	Pandemic.
Chief Executive.	Reputational.	3.	Adverse Communications.
Director of Infrastructure and Organisational Development.	Physical.	4.	Workforce.
Director of Education, Communities and Housing and Chief Executive(tbc).	Partnership.	9.	Partnerships.
Chief Executive.	Legislative.	10.	Procurement.
Chief Officer, Orkney Health and Social Care Partnership.	Legislative.	16.	Children and Young People.

## Risks by rating

Owner.	Cluster.	Risk Number.	Risk.	Risk Rating.
Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development	Physical.	1.	Transport.	25.
Chief Executive and Director of Enterprise and Resources.	Financial.	2.	Economic Sustainability.	25.
Director of Enterprise and Resources.	Economic.	6.	Economic.	25.
Director of Infrastructure and Organisational Development.	Physical.	12.	Climate Change	20
Director of Education, Communities and Housing.	Reputational.	18.	Additional Support Needs	20
Director of Infrastructure and Organisational Development.	Physical.	4.	Workforce.	16.
Director of Enterprise and Resources.	Technological.	8.	Connectivity.	16.
Director of Education, Communities and Housing.	Economic.	17.	Budget Shortfall UHI	16.
Director of Infrastructure and Organisational Development.	Physical.	15.	Pandemic.	15.
Chief Executive and Director of Infrastructure and Organisational Development.	Technological.	7.	Cyber Security.	12.
Chief Executive.	Reputational.	3.	Adverse Communications.	12.
Director of Infrastructure and Organisational Development.	Physical.	5.	Asset Management.	12.
Director of Education, Communities and Housing.	Financial.	13.	Housing.	12.
Director of Education, Communities and Housing.	Professional.	14.	Childcare Services.	12.
Chief Executive.	Legislative.	10.	Procurement.	9.
Chief Officer, Orkney Health and Social Care Partnership.	Legislative.	16.	Children and Young People.	8.
Director of Infrastructure and Organisational Development.	Legislative.	11.	Health and Safety.	6.
Director of Education, Communities and Housing and Chief Executive(tbc).	Partnership.	9.	Partnerships.	6.

## Risk matrix

		IMPACT					
		1.	2.	3.	4.	5.	
		Insignificant	Minor	Moderate	Major	Severe	
LIKELIHOOD	5.	Almost Certain.	Medium	Medium	High	High	Extreme
	4.	Likely.	Medium	Medium	Medium	High	Extreme
	3.	Possible.	Low	Medium	Medium	High	High
	2.	Unlikely.	Low	Low	Medium	Medium	High
	1.	Rare.	Low	Low	Low	Medium	High

Risk Number.	Risk Title.	Cluster.	Owner.							
1.	Transport	Physical.	Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development							
Likelihood:	5.	Impact:	5.	RAG:	Red.	Current Risk Score:	25.	Target Risk Score:	15 (3x5)	Deleted: 25.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<b>1a. Internal Ferries.</b>  Failure to secure agreement with Scottish Government on appropriate funding arrangements to deliver the Scottish Ferries Plan in relation to ferry and terminal replacement for Orkney.  Ferry and Terminal replacement programme currently unfunded with ageing infrastructure.	<b>Internal Ferries.</b>  Ferries reach end of service life with no solution in place. High repair costs indicate that buying new would be more cost effective. Deterioration of piers infrastructure. Reductions in lifeline provisions for the community are below Scottish Ferries Plan standards. Services become unaffordable.	<b>Internal Ferries.</b>  Ferries reach end of life with no replacement – rapid service deterioration. Excessive support costs as aged ferries kept running. Reduced capacity and flexibility to maintain scheduled services. Excessive running costs of old ferries. No opportunities to achieve expected service levels. Risk of delay in procurement leading to reduced capability to purchase fit for purpose new tonnage. Buying piecemeal also reduces economy of scale; community unrest due to people depopulating the isles due to lack of lifeline transport connectivity.	<b>Internal Ferries.</b>  Treat	Ongoing dialogue with the Scottish Government through the Ferries Taskforce. £3M of funding for development of the business case for vessel replacement was secured from the Scottish Government <a href="#">in 2024/25. A further £10m for connectivity was received in 2025/26.</a>
<b>1b. External Ferries.</b>  Loss of service on the lifeline ferry route.	<b>External Ferries.</b>  Scottish Government announcement of reduction in ferry timetable, ferry replacement, RET or rescheduling of service.	<b>External Ferries.</b>  Reduction in available spaces. Transport disruption. Re-routing of supply import/ export lines. Pressure on non-lifeline ferry.	<b>External Ferries.</b>  Treat.	Relationship with contract provider. Lobby Scottish Government.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<b>1c. Air.</b>  Loss of internal/ external air service currently operated by Loganair. Reduction in services.	<b>Air.</b>  Collapse of business. Tender application for internal air service.	<b>Air.</b>  Increased demand on internal ferries. Lack of transport provision for itinerant service provision. Increased demand for temporary accommodation.	<b>Air.</b>  Tolerate.	<b>Air.</b>  Relationship with contract provider. Lobby Scottish Government. Review of tender specification.
<b>1d. Causeways.</b>  Failure of the Churchill barriers, given their age (now 70+ years old) combined with increasing use of heavier vehicles, especially but not only associated with the freight vehicles using the external ferry service from St Margaret's Hope.  Barrier 1 is known to have a degraded surface and the presence of some voids within the structure.  Barrier 2 continues to be problematic to cross in adverse weather conditions, specifically where tidal and wind conditions produce overtopping.  Closure of the barriers are required to maintain public safety, usually for 2 hours either side of a high tide when certain weather/tidal conditions prevail.	<b>1d. Causeways.</b>  Failure in substrate leading to road closure.	<b>1d. Causeways.</b>  No alternative route. Disruption for linked south isles residents. Disruption for businesses due to ferry access, displacement of employees, lack of supply routes. Increased freight costs. Ferry availability during peak periods.	<b>1d. Causeways.</b>  Treat.	<b>1d. Causeways.</b>  Engineering studies on Barrier 1 road surface and substrate complete, including an assessment of any voids within the barrier structure. No further action required at this time. Previous studies on Barrier 2 overtopping with suggested engineering control measures widely known. No further action required at this time. Traffic management <a href="#">arrangements are in place</a> . The decision to close the barriers <a href="#">is</a> taken by Police Scotland, in consultation with OIC and HM Coastguard. Implementation of the decision falls to OIC Roads staff. <a href="#">Patching and maintenance of the road surfaces as required.</a> <a href="#">Opportunities to flag concern with Scottish Government are taken, where possible.</a>

Risk Number.	Risk Title.	Cluster.	Owner.						
2.	Economic Sustainability	Financial.	Chief Executive and Director of Enterprise and Resources.						
<b>Likelihood:</b>	5.	<b>Impact:</b>	5.	<b>RAG:</b>	Red.	<b>Current Risk Score:</b>	25.	<b>Target Risk Score:</b>	16 (4x4)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Reduced funding across Council Services.	Increase to energy costs. Increase to CPI/RPI costs.	Community unrest. Unhappy service users.	Treat.	Ownership of the Budget Setting Process by the Corporate Leadership Team / Extended Corporate Leadership Team with openness and transparency around the identification of potential areas for re-provisioning of services.
Reduced income as a result of economic pressures.	Increase in transportation and delivery costs.	Elected members unable to meet need.		Development of a range of actions (savings and other budget improvement measures) to address whatever financial environment the Council faces to inform future business and budget planning.
Increased costs to capital projects.	Increase to running costs for Council fleet and internal ferries.	Loss of credibility of Council. Inability to deliver the range of services expected and legal challenge.		A strategy on the use of Reserves.
Increased costs to revenue budgets.	Increase of salaries due to pay awards.	Capital projects are delivered late or not at all leading to increased costs and difficulties in delivering services.		Delivery of budget savings will be monitored within Services and reported to the Policy and Resources Committee.
Increased energy costs.	Increase to cost of living.	Local economy adversely impacted by labour shortages and high price of materials.		There must be an acknowledgement of reality with the focus on continuation of the delivery of minimum Statutory Provision versus Statutory with Discretion, Non-Statutory but Essential or Discretionary Expenditure whilst having regard to the Council Priorities.
Increased demands to existing services.	Increase in expectations from community.	Non-payment of rent and Council Tax.		Improved project planning with much longer lead in times.
Lack of capacity to deliver core services.	Increase in rent and Council Tax default.	Inability to pay for Council services.		Additional staff capacity in Infrastructure and Organisational Development to manage the capital programme.
Impacts to supply chain.	Increase in requests for statutory services.	Increased demand on Food Banks, free school meals, school clothing grants, crisis grants, Scottish Welfare Fund.		The Child Poverty Action Plan.
Increased costs to capital replacement programme.	Reduction in grant from Scottish Government.	Financial pressures impacting adversely on mental wellbeing, and		Signposting to financial advice.
Impacts to Council investments.	Reduction in requests for Council paid services.			Exploration of market supplements.
Inflationary rises.	Reduction in capacity to deliver services.			
	Reduction in investments.			<b>Deleted:</b> Increased applications for use of the Welfare Fund.
	Expectations outstrip capacity to deliver.			
	The Scottish Government fails to provide sufficient funding for essential services.			

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Council tax levy during period.	UK Government fails to provide funding equivalent to shortfall consequent from loss of EU Funding following UK exit from European Union.	relationships leading to increased demand on Council wellbeing services.		Promotion in the reduction of energy usage <u>and access to funding for energy improvements to domestic and commercial properties e.g. Warmer Homes Scotland</u> Hybrid working policy.
Impact on staffing recruitment and retention.	Government movement to energy cost caps.	Strike action on pay leading to disruption in the delivery of Council services. Inability to recruit or retain staff. Community expectations are not reduced due to a failure to communicate and engage effectively with communities. Failure to demonstrate the value of the Council's ongoing services to the public. Living costs outstrip available income as a result of pay awards, benefits and other income receipts not keeping up with inflation leading to inability to meet household outgoings.		Reduction in heating <u>and utilities usage</u> for offices.
Availability of key products.				<b>Deleted:</b> costs

Risk Number.	Risk Title.	Cluster.	Owner.	
3.	Adverse reactions in communications with staff, the public and stakeholders including social media.	Reputational.	Chief Executive.	
Likelihood:	Impact:	RAG:	Current Risk Score:	Target Risk Score:
4.	3.	Amber	12.	9. (3x3)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>The Council's resources made available by Government will continue to reduce or remain static over the next few years despite growing need and demand. The Council is increasingly reliant on <u>the use of</u> its General Fund and Strategic Reserve Fund resources to maintain services whilst areas for savings / efficiencies and income generation are progressed.</p> <p>The Council must ensure that communities continue to be appropriately engaged about the efficiency measures and inevitable transformation / service changes and are proactively informed so that customer expectations are realistic.</p> <p>There is the potential that staff do not feel engaged in the inevitable change processes or valued as active contributors to corporate change, service realignments or developments.</p>	<p>Customers have unrealistic expectations of what Council services can deliver.</p> <p>Customers do not understand the reasons for the changes and blame the Council.</p> <p>Good ideas are not harvested from effective community consultation.</p> <p>Failure to demonstrate the value of the Council's on-going services to the public.</p> <p>Council is unable to demonstrate the ability to work corporately.</p> <p>Staff are not given the opportunity to engage with and contribute to service transformation / redesign or reductions; staff become disengaged in essential change processes.</p> <p>The Council does not maintain an effective presence on social media as a communication tool.</p> <p>The opportunity for reasonable debate, scrutiny and discourse of Council work is replaced by aggressive and abusive comment on issues and activities, reducing the quality and effectiveness of information to drive decision</p>	<p>Reputational risk.</p> <p>Misplaced criticism.</p> <p>Good ideas lost.</p> <p>Confusion about what the Council's priorities are.</p> <p>More difficult to align resources to priorities.</p> <p>Lack of understanding of what the Council wants to achieve.</p> <p>Changes are not achieved.</p> <p>Staff morale is adversely affected.</p> <p>Customers may not get a joined-up service.</p> <p>Inter-service tensions undermine corporate achievements.</p> <p>Legal implications.</p> <p>Exclusion of sectors of the community.</p>	Treat.	<p><u>A Communications and Engagement Strategy 2024-2028 was approved by the Council in December 2024.</u></p> <p><u>Supporting Delivery Plans have been developed.</u></p> <p><u>A Communications Plan (Internal and External) for the budget setting process – which will include a public survey – will be developed ahead of the Scottish Government's Draft Budget announcement, due to be delivered in January 2026. There is also a specific action within the External Communications Delivery Plan around exploring the use of explainer videos to communicate budget information and messaging to the public.</u></p> <p>In addition, work continues to publicise the Council's objectives and priorities, existing services and service change to ensure <u>that</u> communities are engaged.</p> <p><u>There is continuing use of digital communications, including the increased use of social media as a platform and tool for community engagement.</u></p> <p><u>A review of community engagement methods is underway as part of the Communications and Engagement Strategy 2024-2028.</u></p> <p>Feedback from public consultations such as Orkney Matters 2 will be fed into <u>this</u> process.</p> <p>Proactive press releases and campaigns are prepared and released to promote positive</p>

**Deleted:** Development of revised Communication and Engagement Plan for the Council

**Deleted:** Development of a

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
There is potential that the Council fails to manage how we respond to social media - both to take advantage of the potential benefits of social media and additionally to mitigate the misuse of social media including online abuse and the unchecked propagation of disinformation that can circulate online creating negative discourse.	making, community fragmentation and disenfranchisement.			stories about the services provided by the Council.

Risk Number.	Risk Title.	Cluster.	Owner.						
4.	Workforce planning – lack of skills, experience and capacity.	Physical.	Director of Infrastructure and Organisational Development.						
<b>Likelihood:</b>	4.	<b>Impact:</b>	4.	<b>RAG:</b>	Amber.	<b>Current Risk Score:</b>	16.	<b>Target Risk Score:</b>	6. (3x2)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Insufficient workforce planning actions underway to shape future workforce through redeployment, succession planning, recruitment, training etc. Capacity issues make it difficult for the service to realise its priorities. Increasingly limited and competitive market for recruitment of key leadership and professional roles.	<p>Council staff become overstretched.</p> <p>Council staff become demoralised.</p> <p>The Council does not have the right staff, in the right place, at the right time, to deliver set priorities and / or statutory functions.</p> <p>The Council is unable to meet its statutory obligations.</p> <p>Statutory officers are unable to discharge their statutory functions adequately.</p> <p>EU nationals unable to gain Visas to work in the UK or unwilling to move to the UK under a more challenging post Brexit process.</p>	<p>Council cannot manage within its resources.</p> <p>Existing workforce becomes overstretched.</p> <p>Key pieces of work are not able to be undertaken.</p> <p>Service standards drop and vulnerable people are placed at risk.</p> <p>Council is reactive rather than proactive.</p> <p>An increased risk in legal challenges and complaints.</p> <p>Risk of financial penalties.</p> <p>Recruitment taking place from a smaller pool of potential staff.</p>	Treat.	<p>Review of staffing model seeking to increase staffing resource where possible in pressure areas has been completed and implemented.</p> <p>New corporate People Plan has been developed to identify and address strategic workforce challenges.</p> <p>Projects within the Council Plan and Directorate Delivery Plans are in planned to target improvements in Transforming Our Council <u>including</u> workforce planning, culture and performance.</p> <p>More proactive approach to recruitment, succession planning and attraction of people to live and work in Orkney.</p> <p>Adoption of Investors in People in 2022.</p> <p>Leadership Development programme to grow / upskill leaders.</p> <p>Development of programmes around youth employment, attracting young people into the workforce and improving career pathways.</p> <p>Continued use and development of remote and flexible working will encourage improved working methods and retention of key staff.</p> <p>Inclusion of staff in re-design of operations.</p> <p>Social Work Traineeship introduced to 'grow our own workforce' and reduce the need for agency staff.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>Care at Home posts regraded to recognise the increased complexity of the role and make the salary more attractive to those considering a career in care.</p> <p>Joint initiative with UHI Orkney to create a 6-week 'Introduction to Care' taster course.</p> <p>Guaranteed interviews for participants who complete the course.</p> <p>Increased commitment to proactive communications particularly related to staff and trade unions.</p> <p>Regular monthly Trade Union meeting at <u>corporate</u> level.</p> <p>Formal Consultation protocol as agreed with the Trade Unions and approved by Council in 2023.</p> <p>Regular staff / Trade Union meetings at Service level, when required.</p> <p>Change in emphasis of staff engagement to include the process of change.</p>

<u>Title</u>						<u>Cluster</u>		<u>Owner</u>	
<u>5 Failure to ensure we obtain and retain maximum benefit from Council's assets.</u>						<u>Physical</u>		Chief Executive	
<u>Likelihood</u>	<u>4</u>	<u>Impact</u>	<u>3</u>	<u>RAG</u>	<u>Amber</u>	<u>Current Risk Score</u>	<u>12</u>	<u>Target Risk Score</u>	<u>9 (3x3)</u>

<u>Vulnerability</u>	<u>Trigger</u>	<u>Consequences</u>	<u>Options</u>	<u>Mitigating Actions</u>
<u>The Council may not have enough funds to sustain assets, replace ageing assets and develop key assets (also see Risk 1 which is particularly significant).</u>	<u>The Council cannot maintain or develop its essential assets to provide public services.</u>  <u>The Council cannot implement an asset management strategy.</u>	<u>Roads and buildings deteriorate.</u>  <u>IT infrastructure cannot support services.</u>  <u>Unused / surplus buildings.</u>  <u>Services are not delivered.</u>  <u>Lifeline routes compromised.</u>  <u>Risk of accident and potential claim.</u>  <u>Vulnerable people are at risk.</u>  <u>Communication is not possible between agencies to co-ordinate services.</u>  <u>Council's reputation is at risk.</u>	<u>Treat</u>	<u>The Corporate Asset Management Plan 2026-2031 has been updated and will be considered by Asset Management Subcommittee in November 2025. The plan overarches multiple subsidiary asset management plans and strategies including property, fleet and plant, waste, ICT, open spaces, harbours and housing.</u>  <u>Property Asset Management Plan 2024 to 2029 considered by Asset Management Subcommittee in September 2024.</u>  <u>ICT &amp; Cybersecurity Strategy 2025-2029 was considered by Asset Management Subcommittee in 2025 while the <u>existing ICT Asset Management Plan 2021-2026 last updated in 2021 will be reviewed in 2026.</u></u>  <u>The Plant and Vehicle Asset replacement programme is a 3-year rolling programme which is reviewed January/February of each year.</u>  <u>Asset Management for Open Spaces and Play Areas is informed by the Physical Activity and Wellbeing Strategy (2025) and the Play Area Strategy (2021), led by Active Communities.</u>
<u>Essential buildings and infrastructure for travel, communications etc must be maintained to ensure property and roads, IT, telecoms and other infrastructure continue to be able to support the Council's services.</u>				

**Deleted:** Plans has commenced on Open Spaces and thereafter Heritage....

<u>Vulnerability</u>	<u>Trigger</u>	<u>Consequences</u>	<u>Options</u>	<u>Mitigating Actions</u>
				<p><u>Asset Management of Roads is set out in the Roads Asset Management Plan 2023-2028 and the associated Roads Management and Maintenance Plan 2023-2028.</u></p> <p><u>The Fleet Asset Management Plan is out of date and requires to be updated. This will be completed by the end of financial year 2025/26.</u></p> <p><u>All asset replacement programmes (budgets) for roads, fleet and property (revenue repairs and capital improvements), are monitored in detail to ensure planned, cyclical, reactive and emergency works are completed in context of significant budget pressures (efficiencies).</u></p> <p><u>Where works exceed the capacity of the annual budget, these are escalated to the Capital Project Appraisal (CPA) process.</u></p> <p><u>The Capital Programme Board (CLT) has executive ownership of the CPA process and Capital Programme and approves and endorses Capital projects before CPA1 approval at Service Committee and CPA2 approval at Policy and Resources Committee.</u></p> <p><u>The Capital Programme Advisory Board meets on a 6-monthly basis and provides a forum for member oversight and comment outwith the formal Committee Process.</u></p>

Risk Number.	Risk Title.				Cluster.	Owner.			
6.	Inability to sustain and enhance economic opportunities.				Economic.	Director of Enterprise and Resources.			
Likelihood:	5.	Impact:	5.	RAG:	Red.	Current Risk Score:	25.	Target Risk Score:	20. (5x4)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Commercial sectors are vulnerable to market forces and changing national and international economic circumstances.</p> <p>Orkney's population is also ageing, leading to a range of challenges and opportunities in managing the impact of this demographic shift in terms of service provision.</p> <p>Deliverability of key project and political agendas including the Islands Deal, Harbours Masterplan, Grid and Digital Connectivity, Shared Prosperity Fund, Ferry Replacement, Arctic Strategy and Innovation Freeport concepts.</p> <p>COVID 19 Recovery and Response challenges.</p> <p><a href="#">Insolvency of or desertion by private companies with Section 75 obligations revert those responsibilities to Council</a></p>	<p>The Council fails to support a diverse economy.</p> <p>Decline in farming and other traditional industries.</p> <p>External market forces and economic factors lead to increasing pressure on local businesses.</p> <p>Cost of transportation threatens travel of goods and people to and from Orkney.</p> <p>The Council fails to support emerging industries.</p> <p>The Council fails to ensure community benefits arise from developing industries.</p> <p>The Council fails to secure long term benefits from Renewables sector.</p> <p>Increasing pressure on services for older people.</p> <p>Reducing work age.</p> <p>Government <u>fails</u> to deliver on or support economic opportunities and regulatory change <u>or</u> an appropriately designed and timed Shared Prosperity Fund.</p>	<p>Local economy struggles pushing additional responsibilities onto the public sector.</p> <p>Council budgets become increasingly pressed.</p> <p>Staffing shortages.</p> <p>Loss of jobs, increase in unemployment, reduced economic performance.</p> <p><a href="#">Council is left with burdens of site remediation.</a></p>	Treat.	<p>The budgets for revenue repairs and capital improvements are reviewed annually as part of the Council's budget process.</p> <p>Seek to identify additional options for delivery of the maintenance programmes.</p> <p>Where unavoidable pressures are identified these are managed through an allocated 'contingency' or capacity within the Enterprise and Sustainable Regeneration Directorate given positive trading performance.</p> <p>To ensure the delivery of approved plans is achieved, there has been additional investment in people resources in roads, waste, fleet and soon to be the quarry and property teams (as part of workload analysis and mini restructuring).</p> <p>Political engagement and lobbying at UK and Scottish Government levels.</p> <p>Establishment of Crown Estate Economic Development Fund to support local business.</p>

Title				Cluster	Owner				
7 Inadequate information security and management, and inadequate cyber security				Technological	Chief Executive				
Likelihood	3	Impact	4	RAG	High Risk	Current Risk Score	12	Target Risk Score	6 (2x3)

Vulnerability	Trigger	Consequences	Options	Mitigating Actions
The Council fails to maintain an adequate audit trail of all information created.	Inappropriate disclosure, sharing, retention or loss of data.	Customer distress and harm. Financial and legal implications. Reputational risk. Inability to access information when required. Failure to deliver services. Failure to share information leading to duplication of effort. Not responding to information requests on time. Complaints against the Council.	Treat	The Records Management Improvement Plan sets out further actions required to ensure the Council maintains compliance with its legal responsibilities, including the Data Protection Act 2018. Senior Management leadership is in place regarding delivery of the Records Management Improvement Plan. In order to support key elements of the Plan, the Council has implemented an Electronic Document and Records Management System (EDRMS) through the use of the Microsoft 365 platform, with full implementation achieved across the Council in March 2025. PSN reaccreditation is achieved via a major penetration testing and vulnerability scanning exercise and is in date. IT Security is managed proactively and there is an ongoing programme of patching / updating the hardware and software in operation across the Council. As part of the Council's resilience planning, it has completed cybersecurity exercises designed by
The Council does not handle, share and release all of its data adequately.	Failure to comply with information governance legislation including the Data Protection Act 2018.			
The Data Protection Act 2018 has introduced new duties for the Council.	Unauthorised access to systems, loss or theft of a device containing sensitive data, phishing or credential harvesting, accidental disclosure, or system misconfiguration.			
Failure to implement and maintain suitable cyber controls to protect assets.	Internal process failures, such as inappropriate data sharing, weak password enforcement, or expired certificates.			
Wider cybersecurity incidents in the private and public sector have major impacts on Orkney's supply chains, food security or transport	External cybersecurity incidents in key organisations concerned in the supply of goods and materials inhibits the delivery and distribution of food, fuel or other key resources to locations such as Orkney.			

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<u>Vulnerability</u>	<u>Trigger</u>	<u>Consequences</u>	<u>Options</u>	<u>Mitigating Actions</u>
				<p>the National Cyber Security Centre and adapted by officers, focused on a Cybersecurity Ransomware attack with attendance from all Council services and reported to Corporate Leadership Team.</p> <p>Ongoing work on business continuity actions, aligned to Cyber Scotland incident response planning.</p> <p>The Council has implemented a multi-site infrastructure to host its on-premises services and data and immutable backup and disaster recovery.</p> <p>Services as assessed by the Information Security Officer with providers required to complete a questionnaire to provide assurance that their arrangements are satisfactory.</p> <p>The Council participates in and supports national cybersecurity and resilience partnerships to ensure good communication and promotion of cybersecurity cyber-resilience and business continuity in the Council, in the community and across sectors.</p>

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Risk Number.	Risk Title.	Cluster.	Owner.						
8.	Inadequate availability and reliability of ultrafast and mobile connectivity across Orkney.	Technological.	Director of Enterprise and Resources.						
<b>Likelihood:</b>	4.	<b>Impact:</b>	4.	<b>RAG:</b>	Amber.	<b>Current Risk Score:</b>	16.	<b>Target Risk Score:</b>	8. (2x4)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Failure to lobby Governments to address the current digital divide and put in place infrastructure to ensure a step change in speeds.</p> <p>Lack of mobile coverage.</p> <p>Failure to press the Government to deliver a longer-term plan to ensure that there are the right mechanisms, partnerships and commercial models in place.</p> <p>Limited subsea backhaul constrains network speeds while failures leave homes and business at risk of disruption.</p>	<p>Orkney fails to secure maximum and equitable geographic coverage of availability and reliability of ultrafast broadband and mobile connectivity across Orkney, and the required improvements to Broadband services and mobile network across the islands are not delivered.</p> <p>Orkney is unable to attract inward investment and sustain fragile communities.</p> <p>Educational infrastructure disadvantaged by lack of service.</p> <p>Critical links to the Scottish Mainland fail leaving Orkney with poor or no digital connectivity.</p>	<p>Failure to attract inward investment.</p> <p>Failure to attract skilled employees.</p> <p>Digital isolation across age groups.</p> <p>Failure to realise opportunities in respect of Telehealth, Telecare, mobile working and tele-learning.</p> <p>Poor online public service access including welfare benefits, etc.</p> <p>Disruption to homes and business operations.</p>	Treat.	<p>Continue to support political lobbying and seek opportunities to progress policy.</p> <p>Support the Scottish Government in the roll out of R100 infrastructure in Orkney, including improvements to subsea backhaul.</p> <p>Support development and introduction of alternative commercial models, including 5G infrastructure.</p> <p>The Council has commissioned development of a digital strategy for Orkney which presents options for enhancing digital connectivity provision. Leveraging the benefits of the Council's membership of SWAN2 and the additional infrastructure delivered to support this.</p>

Risk Number.	Risk Title.	Cluster.	Owner.	
9.	Lack of development of effective partnerships.	Partnership.	Director of Education, Communities and Housing and Chief Executive(tbc).	
Likelihood:	Impact:	RAG:	Current Risk Score:	Target Risk Score:
3.	2.	Yellow.	9.	6.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>The Council must develop partnership working to maximise use of the cumulative resource and impact on outcomes for the Community Planning Partnership. Resource and key staffing constraints may affect the success of partnerships. Changing ministerial roles in UK Government or Scottish Government which delay progress with key issues. The Scottish Government has started to explore the feasibility of the Single Authority Model Public Service Reform. Engagement with the National initiatives to ensure proposals do not create unintended consequences which may hinder partners' ability to deliver best outcomes for Orkney. Potential for a Scottish Government Independence referendum may cause further instability and delays in decision making.</p>	<p>The Council does not implement a robust and effective framework for managing its key partnerships. The resource and key staffing pressures on the parent bodies affect the reputation of the partnership. National developments relating to the redesign of adult care services may not take account of the unique requirements of delivering effective care services in remote and rural areas. Ministers in governments change role/ remit.</p>	<p>Impact upon service delivery. Loss of reputation due to inability to meet statutory requirements. Efficiencies not achieved. Reduced ability to deliver on important projects for vulnerable people and their families. Reduced ability to support and protect individuals and families by delivering effective care services within Orkney. Dialogue with ministerial colleagues prolonged and repeated thus delaying progress.</p>	Treat.	<p>The Council will continue to work closely with partners under current frameworks which are monitored closely to ensure they are robust, effective and deliver good governance. The Council will continue to review existing partnerships and explore new ones as opportunities arise to suit Orkney as a whole. Engagement with Scottish Ministers in respect of the Local Governance review and Single Islands Authority feasibility Public Service Reform. Engage with the Scottish Government through COSLA. As a separate legal entity, the Integration Joint Board (IJB) will consider its own actions relating to this risk on the IJB's risk register. Engagement with UK Ministers will continue.</p>

Risk Number.	Risk Title.	Cluster.	Owner.	
10.	Inadequate procurement compliance and sustainable communities.	Legislative.	Chief Executive.	
Likelihood:	Impact:	RAG:	Current Risk Score:	Target Risk Score:
3.	3.	Yellow.	9.	6.(2x3)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Financial and non-financial savings <u>not fully achieved</u>. Procurement Legislation, Policy and Procedures not adhered to. Ongoing engagement to be maintained to support local businesses to help them participate in procurement opportunities, building on the Meet the Buyer events which are held as required to highlight contract specific tendering opportunities.</p>	<p>Legal challenge is a possibility unless the Procurement Regulations are complied with and processes followed. Officers fail to understand the limitations that the Procurement Regulations place on the Council. Officers do not follow due process and tendering must be repeated. Anticipated savings may not be fully realised through collaborative contracts. The local economy may not be as well supported as it could be. Member / officer disharmony due to lack of understanding of responsibilities.</p>	<p>Financial loss due to legal challenge. Reputational harm. Delays in services being procured due to re-tendering or court action. Loss to the local economy. Loss of effectiveness and efficiency. Lost opportunity in terms of savings.</p>	Treat.	<p>Procurement Consultative Group comprising Elected Members and Officers is in place and meets when required. Procurement Working Group (Officers with delegated procurement authority) set up to provide training, support and a corporate approach to procurement exercises and priorities. Frequent communication with this group is in place, with information provided by email, and training on the use of the updated Contract Standing Orders and Procurement Plan was provided by the Procurement Team in April 2024. Procurement Improvement Plan developed and kept under review. A new Procurement Strategy, to align with the Council Plan 2023-2028, was consulted upon over Summer 2023 and was adopted by the Council in December 2023.</p> <p><u>An updated Sustainable Procurement Policy</u>, to align with the Council's Climate Change Strategy and Action Plan, <u>was approved by the Council in December 2024</u>.</p> <p><u>The Procurement Manual was reviewed and updated in April 2025</u>.</p> <p>Procurement and Commercial Improvement Programme (PCIP) assessment by Scotland Excel was undertaken in March 2024 and feedback received.</p>

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Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>Meet the Buyer events held successfully as required e.g. for the operation of a new nursery in June 2024.</p> <p>Contracts Register is now updated continuously with reference to the Procurement Plan, and the importance of the Contracts Register is stressed to all staff who are making purchasing decisions.</p> <p>Proactive work with the Corporate Administration Group to look at the creation and use of local Framework Agreements, for example, a local framework for stationery.</p> <p>Contract Standing Orders under regular review, with the last formal review carried out in February 2024 and updated Contract Standing Orders formally approved by Council in March 2024.</p>

Risk Number.	Risk Title.	Cluster.	Owner.	
11.	Health and Safety non-conformance.	Legislative.	Director of Infrastructure and Organisational Development.	
Likelihood:	Impact:	RAG:	Current Risk Score:	Target Risk Score:
3.	2.	Yellow.	6.	4. (2x2)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Non-compliance with health and safety policies, rules and procedures by employees, members of the public, contractors etc.	Reportable accidents, work related ill health and dangerous occurrences.	<p>Staff exposed to unnecessary risk or harm.</p> <p>Increase in staff absence or sickness.</p> <p>Reduction in staff morale.</p> <p>Enforcement action from the Health and Safety Executive. This may include improvement and prohibition notices and prosecution.</p> <p>Material breaches, if identified, are subject to cost recovery by way of 'fees for intervention'.</p> <p>Civil action resulting in the payment of compensation for injury or damage etc.</p>	Treat.	<p>Frequency of Safety Committee meetings increased including a review of adverse events.</p> <p>Corporate Leadership Team to promote a positive health and safety culture.</p> <p><a href="#">Occupational Health, Safety and Welfare Policy updated in February 2025 and approved by Council. Significant focus on Health and Safety incident reporting including increased incident and near miss reporting and proactive engagement with services as detailed in reports to Safety Committee and in Annual Report.</a></p> <p>Proactive health and safety to feature as a standing item in Senior Management meetings as appropriate.</p> <p><a href="#">IOSH 'Leading Safely' training has been refreshed for the majority of Corporate Leadership Team and Extended Corporate Leadership Team members. Assessment of training needs for new members to be completed and training to be held in person. This will be complemented with resilience training as part of a review to be put into a programme, with a view to commencing the offering once finalised by December 2025.</a></p> <p>Ongoing <u>increased levels</u> in corporate reporting of incidents via focussed Service engagement across the organisation.</p> <p>Proactive Health and Safety campaigns organised and promoted to all Council employees.</p>

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Risk Number.	Risk Title.				Cluster.	Owner.			
12.	Climate Change				Physical.	Director of Infrastructure and Organisational Development			
Likelihood:	4	Impact:	5	RAG:	Red	Current Risk Score:	20	Target Risk Score:	12 (3x4)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Council infrastructure impacted by extreme and unpredictable weather, resulting in increased costs of maintenance and weakened or disrupted delivery of services including travel disruption.</p> <p>Communities facing increased frequency of coastal flooding and increased volumes of surface water.</p> <p>Local economic production affected by climate impacts.</p> <p>Transition to support climate response initiatives require significant capital investment.</p> <p><a href="#">Climate impacts on food security – both production and supply chain.</a></p>	<p>Extreme and unpredictable sustained weather (lightning, winds, tides) causes increased damage or wear and tear to Council infrastructure.</p> <p>Increased severity of coastal flooding leads to damage of property in coastal communities, while surface water levels impact transport routes and agricultural activities in the community.</p> <p>Surface water and other climate impacts affect normal activity cycles impacting food production including agriculture.</p> <p>Move to Net Zero requires capital funding and resourcing beyond Council capacity.</p> <p><a href="#">Climate impacts the production and supply of essential goods</a></p>	<p>Weakened or disrupted delivery of Council services including transport, roads maintenance, property access and digital services.</p> <p>Increased costs of service delivery reduce capacity due to constraints in budgets.</p> <p>Reduced economic output in Orkney requires increased Council interventions.</p> <p>Failure to meet targets or reductions in funding of other Council Priorities to support initiatives.</p> <p><a href="#">Key aspects of food supply to Orkney disrupted and not sufficient due to "just-in-time" nature of supply chain in this area.</a></p>	Treat.	<p>Declaration of Climate Emergency.</p> <p><a href="#">Council Plan has specific climate related goals including Net Zero.</a></p> <p>Local Heat and Energy Efficiency Strategy</p> <p>Flood Risk Management Plan 2022 – 2028</p> <p><a href="#">Coastal Change Adaptation Plan approved by Council, and consultation events underway (Autumn 2025). Action plans to be set up, delivery will be dependent on funding. LIDAR work is complete, data is available to be used as part of the development of local plans.</a></p> <p>Resilience review and response to SEPA Flood Warnings as an Incident Management process.</p> <p><a href="#">Baseline energy strategic review due to complete early 2026; with first phase final reporting to Policy and Resources Committee in November 2025.</a></p> <p><a href="#">Work with Community partners on developing Orkney's food resilience has commenced following the seminar on food security and resilience.</a></p>

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Risk Number.	Risk Title.	Cluster.	Owner.						
13.	House Build Programme – Risk of being unable to fully utilise Affordable Housing Supply Programme funding from the Scottish Government.	Financial.	Director of Education, Communities and Housing.						
<b>Likelihood:</b>	4.	<b>Impact:</b>	3.	<b>RAG:</b>	Amber	<b>Current Risk Score:</b>	12.	<b>Target Risk Score:</b>	9.(3x3)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>A range of factors are affecting the Council's ability to spend the Affordable Housing Supply Programme's funding, in partnership with <u>relevant delivery partners</u>. These factors include:</p> <p>Contractors are currently under significant pressure with substantial amounts of work and limited resources.</p> <p>The Housing Revenue Account holds a relatively high level of debt, and debt repayments are substantial.</p> <p>The cost of meeting the <u>Scottish Social Housing Net Zero Standard which is expected to be required by 2032</u> is serving to exacerbate Housing Revenue Account challenges. <u>Similar challenges exist for other delivery partners</u>.</p> <p>Price rises impacting on materials and labour, coupled with supply issues, will impact on the affordability of the house build programme</p>	<p>Inability to commit to fully utilising the funding that the Scottish Government allocate to Orkney each financial year.</p>	<p>Loss of funding that is essential to Orkney meeting need for social / affordable housing.</p> <p>Rising pressure as more applicants further increase pressure on the Council's growing housing waiting list.</p> <p>Difficulties in the Council meeting its statutory homelessness requirements through placing households into permanent accommodation.</p> <p>Barriers to implementing the Rapid Rehousing Transition Plan. Inflationary impact on other housing sectors, particularly the private rented sector.</p> <p>Negative impact on local economy if economically active households or those requiring to live and work in Orkney cannot secure affordable housing in the area.</p> <p>Orkney residents including families are increasingly</p>	Treat.	<p>Hub North/Indigo House <u>assisted the Council to undertake</u> key strategic work including the Housing Needs and Demand Assessment (including analysis of need amongst essential workers), Local Housing Strategy, Strategic Housing Investment Plan and Housing Revenue Account Business Plan.</p> <p><u>The Housing Supply Target for Orkney has been determined to be 1,040 properties over a 10-year term with a 60/40 affordable split.</u></p> <p>Housing Market Partnership established with a range of key partners. <u>All parties involved in seeking to deliver house build in partnership</u>. These include Housing, Infrastructure and Organisational Development (Environmental, Property Development and Planning), NHS Orkney, Orkney Housing Association Ltd, Scottish Government, Scottish Water etc.</p> <p>Also looking at processes around house build so we can move this forward. This includes looking at potentially bringing in an alternative provider.</p> <p><u>Working in partnership with Scottish Government and other delivery partners</u> to deliver projects.</p> <p>Off the shelf purchases are being undertaken (while considering the ability for the properties concerned to be brought up to the energy efficiency standards required by the Council</p>

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Four properties are in development at Moar Drive, Kirkwall.¶ The second stage of the build project at Carness, Kirkwall with 14 further properties being developed.¶ Orkney Housing Association Ltd has a small development project which complements the Council's.¶

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Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>and more generally on the Housing Revenue Account. The impact of the above on the level of affordability of rents for tenants, given that a small Housing Revenue Account suffers from limited economies of scale. Orkney generally has rents which are within the highest six in Scotland.</p> <p>There is a lack of resource across all partner agencies (and the construction sector) which places limitations on responsiveness to additional demands.</p> <p>▼</p>		<p>being priced out of the private rented sector, cannot secure a suitable mortgage and / or are not high enough up the priority list to secure social rented housing. The frustration this causes can increase the likelihood that some of these households leave Orkney, resulting in further inhibition to the social fabric and economy of Orkney.</p>		<p>where relevant). Currently house prices are such that the number of off the shelf purchases is likely to be low.</p> <p>The Council is working through its role as housing enabler to seek to bring in an additional housing association with development capacity.</p>

**Deleted:** Orkney Housing Association Limited is also limited in the number of properties that it can develop due to financial constraints of their own. This increases the pressure on the Council to build to utilise the available funding.

Risk Number.		Risk Title.			Cluster.	Owner.			
14.		Early Learning and Childcare Expansion Plan.			Reputational.	Director of Education, Communities and Housing.			
Likelihood:	4.	Impact:	3.	RAG:	Amber	Current Risk Score:	12.	Target Risk Score:	9. (3x3)

Vulnerability.		Trigger.	Consequences.	Options.	Mitigating Actions.
Leadership capacity.		Failure to recruit high quality candidates.	Lack of leadership in settings.	Treat.	Refocus the Leadership pathway to develop leadership capacity within the workforce.
Insufficient number of high quality and / or qualified practitioners.		Failure to recruit high quality candidates.	Vacant posts and repeated recruitment. Impact on quality and outcomes for children. Failure to meet <u>quality requirements and National Standard</u> .		<p>Support practitioners to gain <u>qualifications relevant to their role, including SVQs and degrees</u></p> <p><u>Continue</u> head teacher training to support development of pedagogical leadership capacity.</p> <p><u>Work with UHI Orkney to review the availability and quality of courses on offer.</u></p>
Insufficient budget to meet emerging demands of Scottish Government and regulatory bodies.		New legislation/policy insufficiently funded for the local context (e.g. discretionary deferrals, nursery milk and snack, safe staffing ).	Budget overspend.		<p>Ensure Orkney attendance at national meetings / forums to ensure the remote and rural voice is heard.</p> <p>Ensure Elected Members and the Corporate Leadership Team are well briefed prior to national meetings.</p>
Financial model for 0-3 service becomes unviable.		Inability to appoint adequate numbers of practitioners to ensure maximum ratio and maximum income.	Greater than acceptable losses. Service failure in workplaces due to lack of childcare available.		Carefully monitor occupancy, staff ratios and fee payment to ensure the setting is running as efficiently as possible.

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**Deleted:** Work with the UHI Orkney and the Scottish Government ELC Improvement team to plan alternative pathways.¶

Title					Cluster		Owner	
15 Pandemic					Pandemic		Chief Executive	
<u>Likelihood</u>	<u>3</u>	<u>Impact</u>	<u>5</u>	<u>RA G</u>	<u>High Risk</u>	<u>Current Risk Score</u>	<u>15</u>	<u>Target Risk Score</u> <u>9 (3x3)</u>

Vulnerability	Trigger	Consequences	Options	Mitigating Actions
<p>A pandemic or similar incident regarding widespread health infection and illness would present a major challenge to the community and the Council with impacts including both immediate health and wellbeing and also to the continuity of core services and ways of life, if organisational structures, workforce arrangements, or service dependencies are not sufficiently resilient to widespread disruption of people, supply chains, or operational environments.</p> <p>This may include high reliance on physical presence, limited capacity for remote working, inadequate infection control measures, or dependence on single</p>	<p>In the event of a declaration of a global pandemic by World Health Organisation which leads to the declaration of a Major Emergency and temporary amendments to Standing Orders.</p> <p>Confirmed infection within the workforce, mandated lockdown or travel restrictions, non-availability of key personnel, interruption to supply chains, or the rapid escalation of public health measures affecting operations.</p> <p>Changes in demand, government policy, or public behaviour that significantly alter service delivery patterns.</p>	<p>Service Delivery: Failure to carry out statutory duties - demand outstrips capacity. Cessation of non-urgent and elective work. Unable to provide certain services. Delays to capital programmes. Ability to successfully resolve emergency incidents. Deterioration in staff experience adversely affecting team performance. Financial management and budgetary impact: Incurring additional unbudgeted spend Increased costs, reduced income, impact on capital projects etc. Appropriate governance. Ability to pay staff. Legacy financial impact. Impact on Strategic Reserve Fund. Health and Safety:</p>	Treat	<p>Learning points and outcomes from Covid-19 pandemic and current participation in the national resilience Exercise Pegasus (on a global pandemic) will lead to further reform and update of Pandemic Mitigating Actions including Business Continuity planning.</p> <p>Staff Deployment Considerations, Risk Assessments, Communications covering response and recovery.</p>

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Vulnerability	Trigger	Consequences	Options	Mitigating Actions
<p><u>suppliers for critical goods and services.</u></p> <p><u>Insufficient business continuity planning, unclear communication protocols, or lack of cross-training to cover essential roles.</u></p> <p><u>These weaknesses reduce the organisation's ability to maintain continuity of service, protect staff, and adapt quickly to sustained disruption.</u></p>		<p><u>Failure to provide appropriate PPE.</u></p> <p><u>Ability to carry out statutory duties and support frontline response.</u></p> <p><u>Exposure to virus, potential spreading and related absences.</u></p> <p><u>Potential harm to critical service users and providers.</u></p> <p><u>Demand outstrips supply for business-as-usual supplies.</u></p> <p><u>Demand outstrips supply for PPE.</u></p> <p><u>If the organisation does not seek to maintain and improve officer and staff wellbeing during the response to Pandemic, there is a risk of increased absences, loss of discretionary effort and overall decrease in operational capacity.</u></p> <p><u>Lack of scrutiny surrounding Council functions.</u></p> <p><u>Mandatory duties of the Council – schooling, social services.</u></p> <p><u>Permissive duties of the Council – education and economic development.</u></p> <p><u>Regulatory powers – trading standards, environmental health and licensing.</u></p> <p><u>Joint working arrangements.</u></p>		

Risk Number.	Risk Title.	Cluster.	Owner.						
16.	Inability to deliver core protection and support services for children and young people.	Legislative.	Chief Officer, Orkney HSCP.						
<b>Likelihood:</b>	2.	<b>Impact:</b>	4.	<b>RAG:</b>	Yellow.	<b>Current Risk Score:</b>	8.	<b>Target Risk Score:</b>	6. (2x3)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Children and young people are vulnerable due to the Council's need to improve policies, procedures and services as part of multi-agency child protection and support services, highlighted in the 'Report of a joint inspection of services for children and young people in need of care and protection in Orkney', February 2020.	Children and young people in need of protection and/or support do not have their needs met by the multi-agency team.	Children and young people are exposed to harm; children and young people are not provided with the best chances in early life; children and young people are not supported in closing the opportunity gap.  When performance shortfalls are highlighted in inspection reports, this clearly drives improvement. However, a collateral consequence can be that it makes it more difficult to attract permanent good quality staff to work in Orkney children's and young people's social work and social care services, exacerbating vulnerabilities.	Treat.	<p>Comprehensive multi-agency improvement plan has been developed which addresses all areas for improvement.</p> <p>Progress with this plan is closely monitored by the Chief Officers' Group and the relevant partner governance bodies.</p> <p>A follow-up inspection was undertaken by the Care Inspectorate and reported in August 2021. The findings indicated we have made significant progress and there was still considerable work to be done. Findings were mainly consistent with our own view of where we are in children's services improvement from a self-evaluation perspective which was positive.</p> <p>The findings have been reported to Council and IJB and the Improvement Plan has been adjusted to reprioritise key actions.</p> <p>The Second Progress Review was undertaken by the Care Inspectorate and reported in May 2022. The findings indicated that considerable further work had been completed since the first Progress Review and key improvement areas were progressed.</p> <p>Inspections in Summer 2024 across four regulated Services in Children &amp; Families have all reflected significant notable improvement in performance with grades moving to good. This reflects a significant lift with consistency across the grades which evidences improvement</p> <p>The Care Inspectorate will not require a further Progress Review</p>

Vulnerability.		Trigger.	Consequences.		Options.	Mitigating Actions.				
Risk Number.		Risk Title.			Cluster.	Owner.				
17.		UHI Orkney (previously known as Orkney College UHI) Budget Shortfall			Economic	Director of Education, Communities and Housing.				
Likelihood:	4.	Impact:	4	RAG:	Amber	Current Risk Score:	16.	Target Risk Score:	9 (3x3)	

Vulnerability.		Trigger.	Consequences.		Options.	Mitigating Actions.		
<p>UHI Orkney fails to achieve zero budget.</p> <p>UHI Orkney requires financial support from the Council to continue to operate in a sustainable manner.</p> <p>Curriculum and/or staffing cuts are required to balance budget.</p>		<p>Flat/capped funding from Scottish Funding Council in Further Education (FE) sector.</p> <p>Challenges in recruiting sufficient Higher Education (HE) students and subsequent shortfall in activity-based funding.</p> <p>Demand for student support services significantly above budgeted provision and rising.</p> <p>Signing up to the National Recognition and Procedure Agreement for Scotland's Colleges.</p> <p>Staff costs at 70% of budget; Distant Islands Allowance not funded by Scottish Funding Council.</p> <p>Rising costs (see Risk 2 which is particularly significant).</p> <p>Expenditure on staff costs insufficiently offset by grant, fee, credit and commercial income.</p> <p>Insufficient funding to sustain aging property assets, which are self-financed by UHI Orkney.</p>	<p>UHI Orkney cannot manage within its resources.</p> <p>Falling student satisfaction.</p> <p>Student Support expenditure above budget and/or needs go unmet meaning vulnerable students are placed at risk, increased risk in course delivery and practice, additional pressure and strain on teaching staff or refusal/ inability to accommodate some students.</p> <p>Reputational damage, increased complaints against the College and legal challenge.</p> <p>Staff exposed to unnecessary risk or harm.</p> <p>Increase in staff absence or sickness.</p> <p>Reduction in staff morale.</p> <p>Lack of skills, experience and capacity (link to Risk 4).</p> <p>Growth potential lost.</p> <p>Reduced curriculum leads to skill shortages in the local economy and restricts economic growth for Orkney.</p>		Treat.	<p>Advance from loans fund approved to balance 2024/25 budget and to set balanced budget for 2025/26</p> <p>Officer Task Force instigated, reporting to <u>Education, Leisure and Housing Committee</u> in November 2025 and February 2026.</p> <p>Improve and reinforce budget monitoring.</p> <p>Work with budget holders collaboratively to understand the budget as a whole and take collective responsibility for balancing income and expenditure across the College.</p> <p>Ensure appropriate budget profiling and timely invoicing to support budget monitoring.</p> <p>Implement common course viability assessments ensuring all teaching staff resource is directed to income-generating activity, or less viable but locally significant delivery is offset by income elsewhere.</p> <p>Increase corporate training via UHI Orkney for OIC staff training.</p> <p>Work with Island Colleagues to request unions to push for Distant Islands Allowance to be incorporated into national pay bargaining for academic staff.</p> <p>Capitalise on the rebranding of the College and strongly promote the strengths of UHI Orkney.</p>		

- Deleted:** Participation of budget holders in budget setting.¶ Ensure all grant and teaching income is claimed. ¶
- Deleted:** ; insufficient funds budgeted for pending pay increases.
- Deleted:** Business planning undertaken with commercial/research areas of College. ¶ Restructure admissions process to ensure timely processing of applications to support student numbers.¶
- Deleted:** beyond budget
- Deleted:** see
- Deleted:** which is particularly significant
- Deleted:** Explore provision of student support via schools for Senior Phase.¶
- Deleted:** with limited scope to offset from other budget lines.¶ Commercial income below budget, particularly in Orkney Research Centre for Archaeology (ORCA).

Vulnerability.		Trigger.		Consequences.		Options.	Mitigating Actions.			
Risk Number.		Risk Title.				Cluster.	Owner.			
18		Support for Learning and Inclusion – Catering for additional support needs in schools and nurseries				Reputational	Director of Education, Communities and Housing.			
Likelihood:	4	Impact:	5	RAG:	RED	Current Risk Score:	20	Target Risk Score: 12 (3x4)		

Vulnerability.		Trigger.	Consequences.		Options.	Mitigating Actions.	
<p>Data from the last 6 years indicates significant growth in the number of children and young people in Orkney with additional support needs. In 2017 31% of our children and young people were considered to have additional support needs. In 2022 the number was 41%. This includes 50.5% of our young people in secondary school.</p> <p>The number of support staff in schools has not increased in line with growth need.</p> <p>Due to rising costs in other areas and changes in funding in others, the baseline funding for support staff in school is no longer sufficient to maintain the current level of staffing.</p> <p>Due to the above circumstances, we have a growing level of unmet need across our schools and nurseries which poses significant risk to the local authority.</p>		<p>Growing needs in schools and insufficient funding.</p>	<p>Due to the increasing level of unmet need, the Education service risks failing to meet their statutory duty in meeting the needs of all children and young people. If challenged on a specific case, we could be taken to tribunal.</p> <p>The growing need and lack of support staff puts increasing pressure on existing staff structures which makes recruitment and retention difficult and adds to our high rates of sickness absence.</p> <p>A lack of capacity for early intervention means problems become more complex before they are addressed. This requires more resource and a greater cost as a result. Without support at an early stage, long term outcomes for young people in our community become poorer.</p> <p>Unmet needs in the classroom place more pressure on teaching staff and the ability to make improvements in overall attainment and progress for all children and young people suffers as a result.</p> <p>Social, emotional and behavioural needs are increasing rapidly and we are seeing a rise in serious incidents, including incidents of violent behaviour in schools.</p>		Treat.	<p>Creating early intervention pathways to ensure support is in place for children, young people and their families at the earliest possible stage.</p> <p>Work with colleagues in CLD&amp;E to extend the work of the Pupil Equity Team to put in place support at the earliest possible stage for children, young people and families.</p> <p>Investing in the current workforce through training and professional learning to increase existing capacity.</p> <p>Centralising the resource to enable dynamic and targeted staffing and reducing the number of temporary short-term contracts.</p>	