

REPORT TO: SCRUTINY AND AUDIT COMMITTEE – 24 JUNE 2026

REPORT ON: STRATEGIC RISK REGISTER

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 137-2026

1.0 PURPOSE OF REPORT

- 1.1 To present update on the Council's Strategic Risk Register.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that members:

- note the content of this report;
- note this report was previously considered by City Governance Committee on 8 June 2026;
- note that for future reviews of the Council's Strategic Risk Register, these will be remitted to Scrutiny and Audit Committee in the first instance and members of this Committee will then refer any appropriate matters to City Governance Committee for consideration.

3.0 FINANCIAL IMPLICATIONS

- 3.1 There are no direct financial implications arising from the agreement of these recommendations.

4.0 BACKGROUND

- 4.1 The Council's Risk Management Policy and Strategy was previously considered by City Governance Committee, Article VIII of the Minute of Meeting of 21 August 2023, Report No 227-2023 refers.
- 4.2 The key purpose of the Risk Management Policy and Strategy is to provide a structured framework that enables the Council to identify, assess, manage and monitor risks that could affect the achievement of its objectives. It aims to ensure that comprehensive risk management arrangements are in place, such as corporate and service risk registers, defined responsibilities and regular review processes, so that risks are effectively mitigated and managed as part of day-to-day decision making and governance.
- 4.3 More broadly, the strategy is designed to embed a strong risk-aware culture across the organisation, supporting effective governance, safeguarding resources and reputation, and enabling the Council to deliver its strategic priorities and services while maintaining compliance with statutory and best value requirements
- 4.4 The strategy requires that the Council maintains and reviews a risk register that includes this information and this should be reported to Committee each year.

5.0 RISK MANAGEMENT OVERVIEW

- 5.1 During 2025/26, the Corporate Risk Register was reviewed regularly throughout the year by the Council's Risk and Assurance Board which meets every two months. The Corporate Risk Register was also reviewed by the Council Leadership Team and consideration given to changes and updates to the risks within it.

In February 2026, a risk management workshop was organised for the Extended Council Leadership Team and facilitated by Zurich Resilience Solutions. The workshop considered the

existing Corporate Risk Register risks and a review of the Council's current risk landscape. This approach considered the existing risks and potential emerging threats and risks which have not been fully articulated or developed. The workshop highlighted a potential number of new risks for consideration for inclusion in a revised Strategic Risk Register. These new risks included:

- Cyber Security
- Service Demand
- Public Protection
- Housing and Homelessness

- 5.2 Following the completion of the workshop a further review of the existing Corporate Risk Register was completed by Council Leadership Team, and further consultation identified an updated Risk Register containing several strategic risks. At this time the Council Leadership Team agreed to rename this as the Strategic Risk Register going forward.

6.0 STRATEGIC RISK REGISTER

- 6.1 The updated Strategic Risk Register now contains 9 risks which it considers are most significant to achieving Council objectives and which link to both the Council Plan and the City Plan.
- 6.2 A structured framework is used for assessing both the severity (impact) and probability (likelihood) of risks across a range of domains. Impact is evaluated on a graded scale from 1 (insignificant) to 5 (extreme), allowing risks to be considered consistently across categories such as financial loss, service disruption, reputational damage and safety. For example, the financial domain ranges from losses of less than £10k at the lowest level to losses exceeding £2m at the highest level, while other domains capture wider implications such as legal breaches, environmental harm or major service failure. This ensures that risks are assessed holistically, recognising both direct and indirect consequences for the organisation.
- 6.3 Likelihood is also assessed separately on a scale from 1 (remote) to 5 (almost certain), based on the probability of occurrence. The framework defines these levels clearly from risks that would occur only in exceptional circumstances through to those expected to happen in most circumstances. By combining the impact and likelihood scores, risks can be prioritised, focusing management attention and mitigation resources on those with the highest overall risk rating. This approach supports consistent, evidence-based decision-making and helps senior management understand where risks may threaten objectives, service delivery or statutory compliance.
- 6.4 Inherent risk refers to the level of risk that exists in the absence of any controls or mitigating actions. It represents the natural exposure associated with an activity, project or environment, taking account of factors such as complexity, scale, sensitivity or external conditions. By contrast, current (or residual) risk reflects the level of risk remaining after controls, safeguards and management actions have been applied. In practice, officers assess inherent risk first to understand the full potential impact and likelihood, then evaluate how effective controls are in reducing that risk to an acceptable level. The difference between inherent and current risk therefore provides a clear indication of how much risk has been mitigated and where further control measures may be required.
- 6.5 A summary of the Council's strategic risks including both their inherent and current risk assessment is included below and a more detailed position, including the specific control measures that are in place to manage these risks is included in appendix A.

Risk	Inherent	Current
1) Financial Sustainability	20	15
2) Cyber Security	20	12
3) Climate Change	20	12
4) Workforce Resilience	16	9
5) Service Demand	20	16
6) Public Protection	20	16
7) Housing and Homelessness	20	12

8) Emergency Planning and Infrastructure	20	12
9) Ongoing Legislative Requirements	20	10

- 6.6 The Council Leadership Team has highlighted several internal control measures in place for each risk, and these are detailed in Appendix A. Work is continuing to review these internal controls measures and update them where required to ensure we continue to monitor and manage these risks effectively.
- 6.7 In relation to the service level risk registers, work is also ongoing to review existing risks, whether they are still relevant, review the existing internal controls for each risk, and potentially identify any new risks for inclusion in the service risk registers. The Council will continue to be supported by Zurich Resilience Solutions throughout this exercise.
- 6.8 Finally, an Internal Audit of Risk Management was previously completed and reported to members in June 2025. The agreed actions from this report are currently being taken forward to improve the Council's Risk Management arrangements. Further work on this is required and a recruitment exercise to appoint to the current vacant Corporate Risk Management Co-ordinator to lead this work. Progress on completing this work will be provided to members in due course.

7.0 POLICY IMPLICATIONS

- 7.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

8.0 CONSULTATIONS

- 8.1 The Council Leadership Team was consulted in the preparation of this report.

9.0 BACKGROUND PAPERS

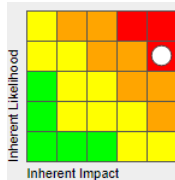
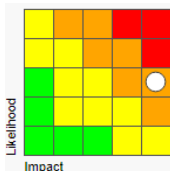
- 9.1 None

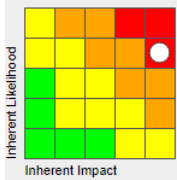
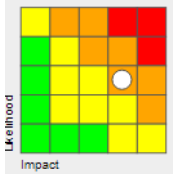
PAUL THOMSON
EXECUTIVE DIRECTOR CORPORATE SERVICES

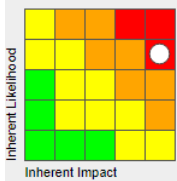
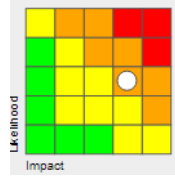
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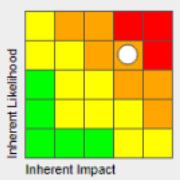
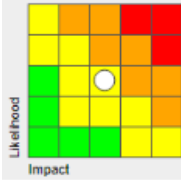
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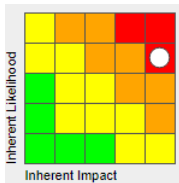
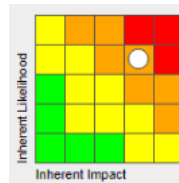
**Dundee City Council
Strategic Risk Register**

Risk	Description	Strategic Owner	Managed By	Inherent Risk			Control Measures	Current Assessment				
				Impact	Like lihood	Score		Impact	Like-lihood	Score		
1) Financial Sustainability												
	There is a risk that the Council is unable to maintain a sustainable financial position over the medium to long term, impacting its ability to meet statutory duties and deliver agreed priorities. This risk arises from ongoing funding pressures, rising demand and cost inflation (particularly in health and social care and homelessness), workforce challenges, and exposure to capital financing and interest rate volatility. Failure to manage these pressures effectively could result in service reductions, increased reliance on reserves, delayed investment, and adverse audit and reputational consequences.	Executive Director of Corporate Services	Head of Corporate Finance	Impact 5 Likelihood 4 Score 20 			Budget Setting & Approval Annual budget setting and approval process (Revenue & Capital) Approval of a 3-year revenue budget to improve medium-term stability Long-term Revenue Budget Forecast to anticipate future financial pressures Financial Strategies Capital Investment Strategy approval Medium-Term Strategy Capital Plan setting and approval process Financial Monitoring Capital and revenue monitoring (regular, structured oversight) Corporate Leadership Team approval and actions regarding revenue monitoring, Capital Strategy Group scrutiny of major financial commitments Business Case & Option Appraisal Requirements All major spend proposals must include: - Option appraisals - Business cases - Formal approval processes Reserves Management - Reserves Policy setting out minimum levels and criteria for use.			Impact 5 Likelihood 3 Score 15 		

					This ensures financial shock absorption and enhances robustness.	
2) Cyber Security						
	There is a risk that the Council's digital services, systems, platforms, suppliers and data are disrupted, compromised or rendered unavailable because of cyber attack, system failure, insufficient resilience or loss of critical data. This risk arises from increasing cyber threats, reliance on digital systems to deliver essential services, legacy infrastructure, and the need to maintain effective security controls, business continuity and disaster recovery arrangements. Failure to manage this risk effectively could result in service disruption, data loss or breach, financial and legal consequences, regulatory non-compliance, and significant reputational damage. The Council is increasingly reliant on interconnected third-party suppliers, cloud hosted services and shared digital infrastructure. Failure or compromise within these supply chains could result in disruption to critical Council services, loss of data availability, financial impact and reputational harm even where Council systems themselves remain secure.	Executive Director of Corporate Services	Head of Digital & Customer Services	Impact 5 Likelihood 4 Score 20 	Technical & Security Controls ICT Disaster Plan Data Centre Back Up Cyber Security Protection Cyber Penetration Testing Payment Card Industry (PCI) Standards Adherence Public Sector Network Accreditation Network Data Security Cyber Incident Response Plan Governance & Partnership Controls Senior Officer Resilience Group Local Resilience Partnership Appointment of Resilience Officer Corporate Emergency & Business Continuity Plans Membership of Government Cyber Security Team Emergency Response Procedures Risk & Assurance Board oversight Regular deep dive system assurance reviews Audit activity Security awareness and leadership training Business continuity exercising Cyber insurance arrangements AI and information governance controls Privileged access management controls	Impact 4 Likelihood 3 Score 12 

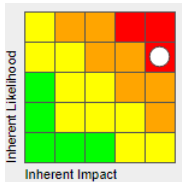
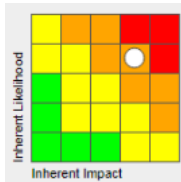
3) Climate Change						
	There is a risk that the impacts of climate change and the requirements of meeting statutory national climate change targets adversely affect the Council's ability to deliver services, protect communities and assets, and achieve its strategic objectives. This risk arises from the increasing frequency and severity of extreme weather events, pressures on infrastructure and public health, and the financial, regulatory and delivery challenges associated with supporting Scotland's transition to net zero emissions by 2045 and related interim targets. Failure to manage this risk effectively could result in service disruption, increased costs, damage to assets, widened inequalities, and significant reputational and regulatory consequences.	Executive Director of Neighbourhood Services	Head of Environment	Impact 5 Likelihood 4 Score 20 	Climate Action Plan aligning with Scottish government targets of Net Zero by 2045 or sooner Net Zero Transition Plan Council Organisational Plan for Net Zero emissions by 2038 Local Heat and Energy Efficiency Strategy & Delivery Plan (LHEES) Biodiversity Action Plan Climate risk and vulnerability assessment (CRVA) Nature-based solutions and surface water management (Water Resilient Dundee, and greenspace management (naturalised grasslands, tree planting, Nature Networks) Broughty Ferry Flood Protection Scheme Sustainable Transport Delivery Plan Public Bodies Climate Change Duties Statutory Annual Report Waste and Recycling Strategy Action Plan 2020-25 Local Food Growing Strategy Collaboration with regional partners (e.g. Climate Ready Tayside, Adaptation Scotland.	Impact 4 Likelihood 3 Score 12 
4) Workforce Resilience						
	There is a risk that the Council is unable to recruit, retain and sustain a workforce with the required capacity, capability and skills to deliver services, meet statutory	Executive Director of Corporate Services	Head of People	Impact 4 Likelihood 4 Score 16	Workforce Capacity, Performance and Wellbeing Controls: Management Capability Development Targeted development of managers	Impact 3 Likelihood 3 Score 9

	duties and achieve strategic priorities. This risk arises from labour market pressures, an ageing workforce, workforce wellbeing and absence challenges, reliance on key individuals and corporate knowledge, skills gaps, and the scale and pace of service transformation. Failure to manage this risk effectively could result in service disruption, increased use of agency and temporary staffing, reduced organisational resilience, delayed transformation activity, financial pressures, and adverse impacts on performance, compliance and reputation.				to strengthen workforce planning, performance management, attendance management and retention, supporting workforce capacity and stability. Workforce Wellbeing and Absence Management Structured wellbeing and attendance management approaches to reduce absence levels and sustain workforce availability and service capacity. Performance and Development Framework (Quality Conversations) Consistent application of performance and development processes to identify capability gaps, support development and improve workforce effectiveness.	
					<u>Workforce Supply and Pipeline Controls:</u> Recruitment and Selection Frameworks Standardised and efficient recruitment processes to support timely hiring and reduce vacancy periods across services. Targeted Recruitment and Early Careers Pipeline Use of Modern Apprenticeships, Graduate Apprenticeships and other targeted approaches to build sustainable workforce pipelines in priority and hard-to-fill areas. Talent Management and Retention Structured approaches to identify, develop and retain key skills and roles, reducing turnover and strengthening workforce stability.	
					<u>Strategic Workforce Planning and Critical Role Resilience:</u>	

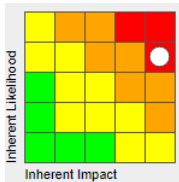
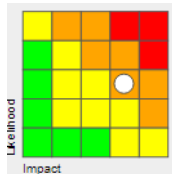
					Strategic Workforce Planning Framework Corporate approach to aligning workforce supply and demand, including service-level workforce planning, scenario modelling and alignment to Council and City Plan priorities. Leadership and Succession Planning Development of leadership capability and succession planning for critical roles to reduce dependency on key individuals and improve organisational resilience. Critical Role and Skills Risk Management Identification of hard-to-fill roles, single points of failure and critical skills gaps, with targeted actions to mitigate recruitment and retention risks. Trade Union Engagement and Workforce Relations Ongoing engagement with Trade Unions to support effective workforce relations, organisational change and workforce stability.	
5) Service Demand						
	There is a risk that increasing and sustained demand for Council services for people with support needs exceeds available capacity and resources, impacting the Council's ability to deliver services effectively and meet statutory duties. This risk arises from demographic change, population growth and ageing, rising levels of complexity and vulnerability, cost-of-living pressures, and increasing demand across all services, particularly	Director, Dundee Health and Social Care Partnership	Head of Health and Community Services DHSCP Head of Children's and Community Justice Social Work	Impact 5 Likelihood 4 Score 20 	Service Redesign & Integrated Delivery Models Implementation of Enhanced Community Care Model, improving community-based provision and reducing pressure on acute and statutory services. Delivery of Whole System Change Programme to redesign pathways and manage complex demand more efficiently. Service triage and prioritisation arrangements to ensure critical needs are met first.	Impact 4 Likelihood 4 Score 16 

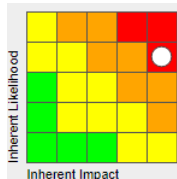
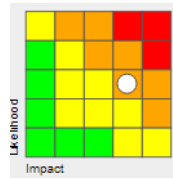
	social care and children and families services. Failure to manage this risk effectively could result in service pressures and backlogs, reduced service quality and outcomes, increased financial pressures, workforce strain, and adverse impacts on the most vulnerable citizens and communities.				Implementation of Whole Family Support Initiative Demand Forecasting & Early Intervention Measures Use of demand modelling and demographic analysis to inform strategic planning. Expansion of prevention and early intervention programmes to reduce escalation of need. Partnership & Commissioning Controls Ongoing integration with NHS Tayside, HSCP, and third sector partners to share resources and improve coordination Digital & Technology Enabled Transformation Digital redesign of processes to increase throughput and reduce administrative burden.	
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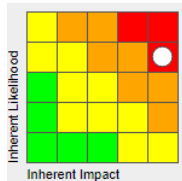
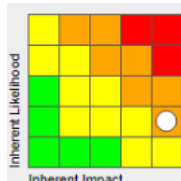
6) Public Protection

There is a risk that the Council is unable to effectively safeguard children, adults at risk and communities from harm, and to fulfil its statutory public protection responsibilities. This risk arises from increasing complexity and volume of demand, workforce capacity and skills pressures, reliance on effective multi-agency partnership working, and sustained demand across health, social care, housing and justice services.	Executive Director of Children & Families and Director Dundee Health and Social Care Partnership	Head of Children & Families, Social Work & Criminal Justice and Head of Health and Community Services DHSCP	Impact 5 Likelihood 4 Score 20 	Statutory Governance Arrangements Established Child Protection, Adult Protection, Community Justice and Chief Social Work Officer governance frameworks, with clear accountability, leadership and reporting lines. Multi-Agency Partnership Working Formal partnership arrangements with Police Scotland, NHS Tayside, education, housing and third sector partners, supported by agreed protocols and escalation routes. Compliance with National Guidance and Reviews Ongoing alignment with national	Impact 4 Likelihood 4 Score 16 
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	The risk is heightened by national and local challenges with the recruitment and retention of internal and external Foster Carers, which reduces the capacity of the system to provide alternative care where assessment indicates this is necessary to safeguard children and young people. Failure to manage this risk effectively could result in harm to individuals, statutory non-compliance, adverse inspection and audit findings, legal challenge, financial costs and significant reputational damage				legislation, statutory guidance and learning from inspections, including actions arising from the national review of child exploitation. Professional Practice Standards and Assurance Use of agreed policies, procedures and practice standards, supported by quality assurance, case sampling and practitioner supervision. Workforce Capacity, Skills and Training Workforce planning, recruitment and retention measures, alongside mandatory training and continuous professional development in public protection roles. Data Governance Clear information-sharing protocols and secure systems to support timely and lawful exchange of information between partners. Performance Monitoring Regular reporting of performance indicators, trends, case volumes and outcomes to senior management and elected members. Audit, Inspection and Continuous Improvement Internal audit activity, self-evaluation and preparedness for external scrutiny, with improvement plans monitored and delivered. Strategic Oversight Regular oversight through corporate governance arrangements, committees and assurance reporting.	
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					Digital and Technology Enabled Transformation Digital redesign of processes to increase throughput and reduce administrative burden.	
7) Housing and Homelessness						
	There is a risk that the Council is unable to effectively meet housing need and fulfil its statutory homelessness duties in the context of sustained and increasing pressure on housing services. This risk arises from a severe shortage of affordable and temporary accommodation, increasing presentations of homelessness, rising complexity of need, construction and supply chain challenges, and wider cost-of-living pressures. The risk is significantly heightened by the Housing Emergency declared by Dundee City Council, reflecting the scale and urgency of local housing pressures. Failure to manage this risk effectively could result in increased use of unsuitable or temporary accommodation, adverse outcomes for households, financial pressures, statutory non-compliance, and reputational damage.	Executive Director of Neighbourhood Services	Head of Housing, Construction & Communities	Impact 5 Likelihood 4 Score 20 	Local Housing Strategy Delivery of approved LHS. Increasing Access to Suitable Permanent Housing Engagement with Registered Social Landlords (RSLs) to maximise available lets for homeless applicants. Use of the private rented sector as an alternative option where appropriate. Expanding Temporary Accommodation Capacity Additional temporary furnished flats created to reduce reliance on B&Bs. Exploring procurement of temporary accommodation through the private sector to meet rising demand. Prevention & Early Intervention Measures Development of a new Prevention, Sustainment and Homeless Strategy and implementation of a flexible prevention budget. Work with partners to identify early risk factors and intervene before homelessness occurs. Oversight and Governance via the Homeless Strategic Partnership Group Multi Agency Collaboration Joint working with social work, HSCP, third sector organisations and RSLs on homelessness prevention and housing pathway development. Strengthened partnership activity to support vulnerable groups and reduce	Impact 4 Likelihood 3 Score 12 

					repeat homelessness via the Homeless Strategic Partnership Group. Operational Oversight & Performance Management Ongoing monitoring of homelessness demand, case duration, temporary accommodation flows, and void property turnaround. Regular reporting to senior management and committees on pressures, risks, and mitigations.	
8) Emergency Planning and Infrastructure						
There is a risk that the Council is unable to effectively prepare for, respond to and recover from emergencies and major incidents, or maintain the resilience of critical infrastructure and essential services. This risk arises from the increasing frequency and complexity of emergencies, including severe weather, public health incidents, infrastructure failure, cyber-related disruption and other civil contingencies, alongside pressures on resources, interdependencies between critical systems, and reliance on effective multi-agency coordination. Failure to manage this risk effectively could result in disruption to essential services, harm to communities, damage to assets and infrastructure, financial and legal consequences, and significant reputational impact.	Executive Director of Neighbourhood Services	Head of Housing, Construction & Communities	Impact 5 Likelihood 4 Score 20 	Emergency Preparedness Corporate Emergency Plan and service-level Business Continuity Plans are reviewed and tested annually. Governance Oversight by the Senior Officers Resilience Group and Risk & Assurance Board; regular reporting to the Council Leadership Team. 24/7 Response Duty Resilience Officer rota and planned Senior Officer on-call system ensure round-the-clock incident management. Partnerships Active participation in the Tayside Local Resilience Partnership and coordination with Police Scotland, NHS Tayside, and others. ICT & Cyber Resilience Disaster recovery plans, off-site backups, cyber incident response protocols, and compliance with national standards.	Impact 4 Likelihood 3 Score 12 	

					Infrastructure Investment Capital Investment Strategy, project governance, and asset management plans to maintain and upgrade critical infrastructure. Severe Weather & Flooding: Dedicated response plans and infrastructure adaptation measures to mitigate climate-related risks. Training & Communication Regular staff training, emergency exercises, and public communication protocols aligned with national guidance.	
9) Ongoing Legislative Requirements						
	The Council faces the risk that the volume, complexity and pace of change in legislative, regulatory and statutory requirements at local, national and UK level exceed organisational capacity to respond effectively. Failure to anticipate, interpret or implement new or amended legislation in a timely and consistent manner could result in non-compliance, legal challenge, regulatory intervention, financial penalties, service disruption and reputational damage, as well as increased pressure on already constrained resources.	Executive Director of Corporate Services	Head of Democratic & Legal Services	Impact 5 Likelihood 4 Score 20 	Corporate horizon scanning and timely reporting of legislative and regulatory changes to Council Leadership Team and Elected Members. Clear senior ownership and governance arrangements for legislative compliance. Access to legal and professional advice to support accurate interpretation and implementation. Proportionate impact assessments to inform prioritisation and resource allocation. Regular review and updating of policies, procedures and guidance. Targeted training for Elected Members and staff on statutory responsibilities. Independent assurance through internal audit, inspection and performance monitoring.	Impact 5 Likelihood 2 Score 10 

					Active engagement with COSLA, SOLACE and sector partners to share intelligence and best practice.	
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