

# RISK MANAGEMENT UPDATE

Cabinet Member for Finance & Procurement, Customer Services and Revenues and Benefits

Date: 27 April 2021

Agenda Item: 7

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Key Decision? NO

Local Ward  
Members



## AUDIT & MEMBER STANDARDS COMMITTEE

### 1. Executive Summary

1.1 To provide the Committee with their routine risk management update.

### 2. Recommendations

2.1 That Members note the risk management update and receive assurance on actions taking place to manage the Council's most significant risks.

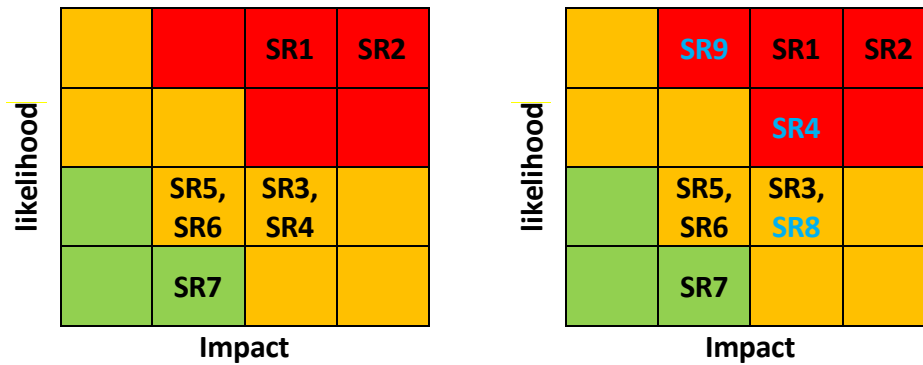
### 3. Background

- 3.1 The purpose of risk management is to effectively manage potential opportunities and threats to the Council achieving its objectives. Part of the Audit & Member Standards Committee's terms of reference is 'to monitor the effectiveness of the Council's risk management arrangements, including the actions taken to manage risks and to receive regular reports on risk management'. This report supports the Committee in achieving this objective.
- 3.2 The strategic risk register is produced by assessing the risk factors that could potentially impact on the Council's ability to deliver its strategic plan. This assessment ensures that there are the right measures in place to control the potential risks to our business objectives. Risks are assessed based on their likelihood of occurrence and their potential impact. Each of these are rated on a scale of 1 (Low), 2 (Medium), 3 (Significant) and 4 (High). By multiplying the two scores together, each risk receives a score.
- 3.3 The Council's approach to risk is detailed within the [risk policy](#) approved by the Committee on 14 November 2019.
- 3.4 The Strategic Risk Register as at March 2021 (agreed with Leadership Team) is detailed at **Appendix 1**. The key changes since the Committee's last risk update (February 2021) are:
- **The current score in SR4 has been increased** from 6 (L3xI2) to 9 (L3xI3) to account for the increasing likelihood of there being a failure to meet governance and / or statutory obligations.
  - **An additional strategic risk, SR8** (Failure to safely, securely and legislatively compliantly deliver the May 2021 elections due to having to run them during pandemic conditions). Upgraded from an 'Other Horizon Scanning Risk' to a strategic risk.
  - **An additional strategic risk, SR9** (Council strategic leadership compromised by the change in Chief Executive). Upgraded in part from an 'Other Horizon Scanning Risk' to a strategic risk.
  - Updates to mitigating controls, actions and lines of assurance have been updated on the Register where applicable.

- ‘Other Horizon Scanning Risks Arising at March 2021’ these risks which are not strategic risks currently, but that need a ‘watching brief’ have also been updated at the end of the Register. The change to procurement as a result of leaving the European Union has been removed as there has been minimal changes to EU practice. SR8 and SR9 upgraded from a scanning risk.

All changes have been highlighted on the Risk Register at **Appendix 1**.

3.5 The Council’s 7 strategic risks at 3 February 2021 (left) and the current 9 strategic risks (right) are shown below:



- **SR1:** Pressures on the availability of finance may mean the Council is not able to deliver the key priorities of the strategic plan.
- **SR2:** Resilience of teams to effectively respond to a further serious disruption to services.
- **SR3:** Capacity and capability to deliver / adapt the new strategic plan to emerging landscape.
- **SR4 (Increased):** Failure to meet governance and / or statutory obligations e.g. breach of the law.
- **SR5:** Failure to adequately respond to the wider socio-economic environment over which the Council may have little control, but which may impact on the growth and prosperity of the local area.
- **SR6:** Failure to innovate and build on positives / opportunities / learning arising (including from the Covid-19 situation) to maximise outcomes for the Council, e.g. technological solutions.
- **SR7:** Threat to the Council’s ICT systems of a cyber-attack.
- **SR8 (Additional):** Failure to safely, securely and legislatively compliantly deliver the May 2021 elections due to having to run them during the pandemic conditions.
- **SR9 (Additional):** Council strategic leadership is compromised by the change in Chief Executive.

3.6 SR1, SR2, SR4 and SR9 remain outside of appetite (within the red zone) and are therefore being actively managed with the aim to bring them back within tolerance. However, there are many external factors associated with these risks, which are beyond the Council’s control.

3.7 Work to review of the effectiveness of our sub strategic (service / operational) and project risk has now been completed. In summary:

- The 3 lines of assurance approach (as used in the Strategic Risk Register) has now been adopted for sub-strategic risks (i.e. service level risks).
- Heads of Service have compiled their first draft service risk registers using the new approach.
- There is no longer a requirement to record and manage risks below service level (services or teams are, however, at liberty to do so if it meets their business requirement).
- Project risks continue to be managed in accordance with accepted project methodology (i.e. PRINCE2).

Alternative Options	None.
Consultation	Leadership Team have been consulted on this Strategic Risk Update.
Financial Implications	Risk management processes consider value for money at all times of the process. Failure to manage risks could lead to the Council being faced with costs that could impact on its ability to achieve its objectives
Contribution to the Delivery of the Strategic Plan	Sound risk management ensures that risks affecting the delivery of the strategic plan are identified and managed.
Equality, Diversity and Human Rights Implications	None.
Crime & Safety Issues	None.
Environmental Impact	Risks arising from climate change and the green agenda are currently a 'watching brief' item for the strategic risk register.
GDPR / Privacy Impact Assessment	Risks associated with non-compliance with GDPR are included within SR4: Failure to meet governance and / or statutory obligations e.g. breach of the law (e.g. Health & Safety, GDPR, procurement, Safeguarding).

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Failure to manage known risks and opportunities proactively	Strategic risks are closely monitored by the Audit & Member Standards Committee, Cabinet Member and Leadership Team.  Reports to Audit & Member Standards Committee provide assurance that active steps are being taken to control risks.	Likelihood – Green Impact - Yellow Severity of risk - Green (tolerable)

<p><b>Background documents:</b></p> <p>Risk Management Update - Audit &amp; Member Standards Committee 3 February 2021. Risk Management Update including the Risk Management Policy – Audit and Member Standards Committee 14 November 2019</p>
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Relevant web links
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## Appendix 1: Strategic Risk Register – March 2021

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
A good council, developing prosperity, shaping place, enabling people	<p><b>SR1 Pressures on the availability of finance may mean the Council is not able to deliver the key priorities of the strategic plan.</b></p> <p>The risk is influenced by:</p> <ul style="list-style-type: none"> <li>The spending review.</li> <li>Local Government Finance Reform including New Homes Bonus, Business Rates and the Fair Funding Review.</li> <li>The financial impact of the Covid-19 pandemic in the current year and beyond.</li> <li>Other Government Policy announcements impacting on Local Government such as the Call for Evidence on Business Rates and Procurement Policy Notes.</li> </ul> <p><b>Owner:</b> Head of Finance &amp; Procurement (Section 151 Officer).</p>	16 (L4xI4)	<ul style="list-style-type: none"> <li>Prudent estimates for Business Rates and New Homes Bonus based on modelling provided by Local Government Finance experts.</li> <li>Risk assessed minimum level of reserves set at £1.6m.</li> <li>Routine budget monitoring reported to Leadership Team, Cabinet and Strategic (OS) Committee.</li> <li>Requirements of the new CIPFA Financial Management Code, information contained in the CIPFA Resilience Index and benchmarking reports from LG Futures.</li> <li>In terms of the Covid-19 pandemic – introduction of enhanced monthly income monitoring and receipt of financial assistance from Government.</li> </ul>	12 (L4xI3) ↔	4 (L2xI2)	<ul style="list-style-type: none"> <li>Update of the Medium Term Financial Strategy <b>Responsibility: Head of Finance and Procurement /will commence in July 2021 and approval in February 2022</b></li> </ul>	<p><b>1<sup>st</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Approved Medium Term Financial Strategy including the Capital Strategy covering 5 years plus a 25 year capital investment model.</li> <li>A longer term financial plan covering a 25 year horizon for revenue budgets.</li> <li>Approved Treasury Management Strategy.</li> <li>Production of monthly budget reports to Managers.</li> <li>Procurement Strategy</li> </ul> <p><b>2<sup>nd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Leadership team review of 3, 6, 8 and 12 month reports to Cabinet and Strategic (OS) Committee.</li> <li>Mid-year and outturn Treasury Management reports to Audit and Member Standards Committee.</li> <li>Initial assessment of LDC's level of compliance with the FM Code to Audit and Member Standards Committee 12/11/2020.</li> </ul>

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							<ul style="list-style-type: none"> <li>• CIPFA Resilience Index with comparative information to nearest statistical neighbours and all District Councils.</li> <li>• Cabinet and Leadership Team are undertaking work to look at options to address the Funding Gap.</li> </ul> <p><b>3<sup>rd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>• External Audit – going concern test and sign off of financial statements 2019/20. Unqualified VFM assessment.</li> <li>• Internal Audits of Accountancy and Budgetary Control 2018/19 -substantial assurance, Capital Strategy 2020/21 – reasonable assurance, Capital Accounting 2020/21 – substantial assurance, Income Management 20/21 – reasonable assurance, Procurement 20/21 limited assurance</li> </ul>


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Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
A good council, developing prosperity, shaping place, enabling people	<b>SR2 Resilience of teams to effectively respond to a further serious disruption to services</b> (e.g. multiple layer disruption arising from flooding, coupled with a local outbreak / subsequent waves of Covid-19 (including the increased risk of transmission of new variants), other pressures - such as seasonal flu).  <b>Owner:</b> Leadership Team	8 (L2x14)	<ul style="list-style-type: none"> <li>Mutual aid assistance</li> <li>Local Resilience Forum (LRF).</li> <li>Tested business continuity arrangements in place.</li> <li>Strong links with the Staffordshire CCU and wider LRF.</li> <li>Actively engaged in ongoing Local Resilience Forum response and recovery work streams.</li> <li>Experienced (from previous waves / national lockdowns re Covid-19) Leadership Team and supporting teams in place to respond.</li> <li>Clear structure and plan in place for Covid-19 waves.</li> <li>Ongoing dialogue with CCU re D20 'BREXIT' risks.</li> <li>Strategic and tactical flood planning work across LRF, to assist in our response and the multi-agency response to such events. This includes identifying</li> </ul>	16 (L4x14) ↔	6 (L2x13)	<ul style="list-style-type: none"> <li>Links to actions arising from recovery strategy e.g. Encourage digital contact, harness and encourage the spirit and commitment shown by the Council and the Community in response to response <b>Leadership Team / October 2021</b></li> <li>Monitor and build on learning from subsequent pandemic waves and D20 Brexit risks (no significant impacts have arisen since the end of the transition period, however this is being monitored) and ongoing involvement in LRF structures such as SCG and TCG is continuing. <b>Leadership Team / October 2021</b></li> </ul>	<b>1st Line:</b> <ul style="list-style-type: none"> <li>Day to day business continuity plans in place.</li> <li>Training programme.</li> </ul>
							<b>2nd Line:</b> <ul style="list-style-type: none"> <li>Annual Report to Leadership Team.</li> <li>CCU test of arrangements feedback.</li> <li>Response and learning from recent incident at Ridware House.</li> <li>Report on recovery plan and climate change to Overview &amp; Scrutiny (O&amp;S).</li> </ul>
							<b>3<sup>rd</sup> Line:</b> <ul style="list-style-type: none"> <li>Internal Audit of business continuity 2019/20 – reasonable assurance, ICT – remote working 20/21 – reasonable assurance.</li> <li>Flash Covid-19 Risk Assurance Business Continuity, Emergency Planning and Recovery 20/21 substantial assurance</li> </ul>
							<b>3<sup>rd</sup> Line:</b>

## Appendix 1: Strategic Risk Register – March 2021

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
			'at risk' areas in the District and specific actions required.				<ul style="list-style-type: none"> <li>External Audit – going concern test and sign off of financial statements 2019/20. Unqualified VFM assessment.</li> <li>Internal Audits of Accountancy and Budgetary Control 2018/19 -substantial assurance, Capital Strategy 2020/21 – reasonable assurance, Capital Accounting 2020/21 – substantial assurance, Income Management 20/21 – reasonable assurance, Procurement 20/21 limited assurance</li> </ul>
A good council, developing prosperity, shaping place, enabling people	<p><b>SR3: Capacity and capability to deliver / adapt the new strategic plan to emerging landscape.</b></p> <p><b>Owner:</b> Leadership Team</p>	6 (L2x13)	<ul style="list-style-type: none"> <li>Regular review of progress against delivery plan outcomes and prioritisation process agreed between Leadership Team and Cabinet.</li> <li>Robust project management.</li> <li>People strategy.</li> <li>Communications to all staff.</li> </ul>	6 (L2x13) ↔	4 (L2x12)	<ul style="list-style-type: none"> <li>Finalisation of people strategy and Workforce development plan to take account of Covid-19 (<i>initial drafts to be updated for agile working and also for new Chief Executive's steer, when appointed</i>)</li> </ul> <p><b>Head of Governance &amp; Performance / June 2021</b></p>	<p><b>1<sup>st</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Day to day business / service planning, financial planning and performance management.</li> </ul> <p><b>2<sup>nd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Delivery Plan reported 6 monthly to Cabinet and shared with Overview &amp; Scrutiny.</li> <li>Quarterly updates to LT on people strategy.</li> </ul> <p><b>3<sup>rd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Internal Audits of People Strategy and Workforce</li> </ul>

## Appendix 1: Strategic Risk Register – March 2021

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
			<ul style="list-style-type: none"> <li>PDRs linked to Strategic and Delivery Plans.</li> <li>Recruitment activity.</li> <li>PDR completion leading to identifying training and development needs.</li> <li>Monitoring resource demands.</li> <li>Mental health / wellbeing systems in place.</li> </ul>				Development 2019/20 – reasonable assurance, Performance Management 19/20 – substantial assurance.
A good council	<p><b>SR4: Failure to meet governance and / or statutory obligations e.g. breach of the law</b> (e.g. Health &amp; Safety, GDPR, procurement, Safeguarding), lack of openness / transparency in decision making, breach of the constitution. This could lead to fines as well as reputational damage.</p> <p><b>Owner:</b> Head of Governance &amp; Performance</p>	9 (L3xI3)	<ul style="list-style-type: none"> <li>Regularly reviewed constitution, policies and procedures.</li> <li>Meta compliance policy training, testing and acceptance systems.</li> <li>Training and awareness for all staff and members.</li> <li>Effective Overview and Scrutiny and Audit &amp; Member Standards Committee oversight.</li> <li>Codes of Conduct.</li> <li>Internal audit.</li> <li>Roles of Section 151 Officer and Monitoring Officer.</li> <li>Shared legal services.</li> </ul>	9 (L3xI3)  Was 6 (L2xL3)	6 (L2xI3)	<ul style="list-style-type: none"> <li>Annual Health &amp; Safety Report to be produced for Employment Committee <b>Head of Governance &amp; Performance / October 2021.</b></li> </ul>	<p><b>1<sup>st</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Day to day processes and Local Code of Governance</li> <li>Forward plans/committee work plans/ delivery plan and service planning.</li> <li>Use of Mod Gov and publication scheme.</li> </ul> <p><b>2<sup>nd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Annual reports to Audit and Member Standards Committee.</li> <li>Regular reports to leadership team.</li> <li>Transparency data publication.</li> </ul> <p><b>3<sup>rd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>RIPA, ICO and Ombudsman reports/returns.</li> </ul>



## Appendix 1: Strategic Risk Register – March 2021

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
			<ul style="list-style-type: none"> <li>• New procurement team.</li> <li>• New Governance Team with additional capacity being recruited.</li> </ul>				<ul style="list-style-type: none"> <li>• External audit of Annual Governance Statement as part of the financial statements.</li> <li>• Internal Audits of Ethics 2019/20 – adequate assurance, Health and Safety 2019/20 – adequate assurance, GDPR follow up 2019/20 – limited assurance, Transparency code follow up 2019/20 reasonable assurance, Safeguarding Inc. modern slavery 2019/20 – reasonable assurance, Committee Reporting 2019/20 – substantial assurance, Legal Compliance (shared service agreement) 2019/20 – reasonable assurance, Equalities 2019/20 – substantial assurance, Management of Property (LA Trading Company) 20/21 – substantial assurance, Procurement 20/21 limited assurance.</li> <li>• External investigations and lessons learnt exercises to address internal control weaknesses.</li> </ul>

## Appendix 1: Strategic Risk Register – March 2021

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
A good council, developing prosperity, shaping place,	<p><b>SR5: Failure to adequately respond to the wider socio-economic environment over which the Council may have little control, but which may impact on the growth and prosperity of the local area,</b> for example, the UK withdrawal from the European Union / Covid-19 crisis, results in an increase in unemployment, business closures coupled with emergence of higher expectation of ongoing support from the Council. Increased demand on Council services such as benefits via increased Universal Credit claims, at the same time that Council suffering reduced income.</p> <p><b>Owner:</b> Leadership Team</p>	9 (L3xI3)	<ul style="list-style-type: none"> <li>Financial assistance from Government to businesses and the public (Grants, Test &amp; Trace Support Payments) particularly in terms of furlough scheme end Oct 20, potential further implications for individuals and businesses arising from potential local lockdowns and Brexit.</li> <li>Prosperity is a key theme in the new Strategic Plan.</li> <li>Economic Development Strategy is in place.</li> <li>Council's effective presence on the Local Enterprise Partnerships.</li> <li>Strong partnership working e.g. Lichfield District Board, Staffs CC, Birmingham Chambers. Lichfield City BID, Burntwood Business Community LGA, DCN,</li> <li>New burdens funding.</li> </ul>	4 (L2xI2) ↔	4 (L2xI2)	<ul style="list-style-type: none"> <li>Continued delivery of immediate actions to support high street economy and business (including visitor economy and hospitality sector).</li> <li>Further government support – the Welcome back Fund - received to extend timescales and assist with the reopening of high streets and support to local businesses through to March 2022. Additional spend on a variety of projects currently in process of being identified.</li> <li>Economic Development, Finance and Revenues and Benefits Services distributing government grants to support businesses</li> </ul>	<p><b>1<sup>st</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Day to day delivery of economic development, housing and health and wellbeing strategies.</li> </ul> <p><b>2<sup>nd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Leadership team review of 3, 6, 8 and 12 month Money Matters reports to Cabinet, Strategic (OS) Committee.</li> <li>Health and Wellbeing Strategy delivery reports.</li> </ul> <p><b>3<sup>rd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Internal Audit of Economic Development Partnership Arrangements 2017/18 – adequate assurance, Tourism 2019/20 – reasonable assurance, Housing Benefits – overpayments 2017/18 – adequate assurance, Housing Benefits – verification and performance 2016/17 – substantial assurance, Housing Benefits and Council Tax Relief 20/21 substantial assurance</li> </ul>

Appendix 1: Strategic Risk Register – March 2021

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
			<ul style="list-style-type: none"> <li>Partnership influences built into business case considerations.</li> <li>Work with redundancy task force</li> <li>Continue to develop and improve the business contact and relationships locally.</li> </ul>			<p>impacted by Covid-19 pandemic. Discretionary Additional Restricted Grant scheme providing for direct business support, start up assistance and skills/training. ARG top up monies to be allocated shortly subject to member agreement.</p> <ul style="list-style-type: none"> <li>Decision taken to defer preparation of new ED Strategy to focus on Covid-19 recovery via the Corporate Recovery Plan and use time to gather intelligence to inform new strategy.</li> <li>Council continues to be a member of the County Redundancy Task Group identifying impacts of Covid-19 on local employment</li> </ul>	

## Appendix 1: Strategic Risk Register – March 2021

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
						levels and particular demographic groups and agreeing responses. <b>Head of Economic Growth and Development/LT</b>	
A good council, enabling people	<p><b>SR6: Failure to innovate and build on positives / opportunities / learning arising (including from the Covid-19 situation) to maximise outcomes for the Council, e.g. technological solutions</b></p> <p><b>Owner:</b> Leadership Team</p>	9 (L3x13)	<ul style="list-style-type: none"> <li>• ICT service plan.</li> <li>• ICT hardware replacement programme.</li> <li>• Migration to HIS and implementing of O365.</li> <li>• Refurbishment and reorganisation of office spaces.</li> <li>• Cyber security e-learning.</li> <li>• Engagement Strategy.</li> <li>• Capture best practice</li> <li>• Reinforce a culture of innovation.</li> <li>• People strategy.</li> <li>• Virtual committee meetings.</li> <li>• Business cases required for all major projects.</li> <li>• Drive to find ongoing efficiencies as part of service / financial planning process.</li> </ul>	4 (L2x12) ↔	1 L1x1	<ul style="list-style-type: none"> <li>• Roll out of MS teams and all functions in train for completion later this year, <b>Information &amp; Communications Technology Manager / October 2021</b></li> <li>• Acceleration of agile working processes, terms and conditions. <b>Head of Governance &amp; Performance / As part of recovery planning processes – June 2021</b></li> <li>• Links to actions arising from recovery strategy e.g. Encourage digital contact, harness and encourage the spirit and commitment shown by the Council</li> </ul>	<p><b>1<sup>st</sup> Line:</b></p> <ul style="list-style-type: none"> <li>• ICT hardware replacement programme providing the right equipment for mobile and flexible working.</li> <li>• Ongoing monitoring of customer (internal and external) feedback.</li> </ul> <p><b>2<sup>nd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>• Monitoring of Lichfield Connects contact levels, trends and reporting on complaints and compliments to Leadership Team.</li> </ul> <p><b>3<sup>rd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>• Local Government Ombudsman.</li> <li>• Flash Covid-19 Risk Assurance Staff Wellbeing 20/21 substantial assurance</li> </ul>

## Appendix 1: Strategic Risk Register – March 2021

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
			<ul style="list-style-type: none"> <li>Customer promise.</li> </ul>			and the Community in response to recovery <b>Leadership Team / Sept 2021</b>	
A good council	<p><b>SR7: Threat to the Council's ICT systems of a cyber-attack</b> following dramatic increase in remote working which if successful could result in loss of data / loss of access to applications – which may incur fines / reputational damage.</p> <p><b>Owner:</b> Head of Corporate Services</p>	3 (L1x13)	<ul style="list-style-type: none"> <li>Use of firewalls and virus protection to manage cyber security, including penetration testing.</li> <li>Strong access level controls (including remote access).</li> <li>Training and regular awareness raising to staff of risks.</li> <li>Digital strategy.</li> <li>PSN compliance checklist.</li> <li>Revision of Service Business Continuity Plans to incorporate lessons learnt from COVID-19.</li> </ul>	2 (L1x12) ↔	2 (L1x12)	<ul style="list-style-type: none"> <li>The move to Health is sufficiently complete that we have been able to end the contract for our hardware maintenance and support with ANS. The migration has presented the opportunity to also upgrade some of our servers to the latest version of Windows Server and close down the oldest servers with the additional security benefits that this brings.</li> <li>The email migration to Office 365 has been completed and the next stage will be to roll out the Office 365 desktop software</li> </ul>	<p><b>1<sup>st</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Day to day operation of ICT Training programme for all staff.</li> <li>Up to date versions of software and implement all IT security patches.</li> </ul> <p><b>2<sup>nd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Regular monitoring and reporting on security issues to Leadership Team.</li> <li>External penetration testing.</li> </ul> <p><b>3<sup>rd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Internal Audit of business continuity 2019/20 – significant assurance (DR plan noted as an action), Cyber Security 2019/20 – reasonable assurance, IT Governance 2019/20 – adequate assurance, IT Application Controls – follow up 2019/20 – reasonable assurance, ICT – remote working 20/21 – reasonable</li> </ul>

## Appendix 1: Strategic Risk Register – March 2021

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
						<p>along with Teams and starting the migration of our file server to Microsoft OneDrive.</p> <ul style="list-style-type: none"> <li>Bringing these elements together opens further opportunities in relation to security and to look at how people log into our systems with the intention of reducing our reliance on passwords and increasing the use of other authentication methods such as secondary devices and biometrics.</li> </ul>	assurance. Flash Covid-19 Business Continuity 20/21 substantial assurance
A good council	<p><b>SR8: Failure to safely, securely and legislatively compliantly deliver the May 2021 elections due to having to run them during pandemic conditions</b> leading to possible legislative action / actions against the Council's</p>	9 (L3x13)	<ul style="list-style-type: none"> <li>Elections risk register in place monitored regularly by the elections team.</li> <li>Health &amp; safety advice obtained, including necessary PPE, social distancing measures to be</li> </ul>	6 (L2x13)	4 (L2x12)	<ul style="list-style-type: none"> <li>Regular team meetings.</li> <li>Involvement of H&amp;S advisor with additional support.</li> <li>Adherence to emerging guidance.</li> </ul>	<p><b>1<sup>st</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Day to day management of elections and management of risk at local level in the elections risk register</li> </ul> <p><b>2<sup>nd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>Returning Officer oversight at elections meetings</li> </ul>

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Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
	<p>Returning Officer / reputational damage.</p> <p><b>Owner:</b> Chief Executive</p>		<p>put in place at polling stations / count venues.</p> <ul style="list-style-type: none"> <li>• Covid-19 outbreak control measures in place.</li> <li>• Pool of reserve staff should staff become infected.</li> <li>• Training and procedure manuals in place to allow for running an election in a Covid environment.</li> <li>• Project plan and risk register in place and actively being managed.</li> <li>• Additional staff recruited to increase capacity.</li> </ul>			<ul style="list-style-type: none"> <li>• Alternative venues and staff identified.</li> </ul> <p>Returning Officer / 6 May 2021</p>	<ul style="list-style-type: none"> <li>• Coordination across the County via Staffordshire CC, Civil Contingencies Unit and Parliamentary Area Returning Officer (PARO).</li> </ul> <p><b>3<sup>rd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>• External Audit and the Cabinet Office.</li> </ul>
A good council	<p><b>SR9: Council strategic leadership compromised by the change in Chief Executive including potential loss of corporate knowledge</b></p> <p><b>Owner:</b> Chief Executive / Head of Governance and Performance / Leader</p>	8 (L4x12)	<ul style="list-style-type: none"> <li>• Interim appointment underway.</li> </ul>	8 (L4x12)	3 (L3x1)	<ul style="list-style-type: none"> <li>• Recruitment activity progressed urgently.</li> <li>• Contingency plan for failure to recruit or delay in new incumbent taking up post.</li> <li>• Management expectations in respect of delivery.</li> </ul>	<p><b>1<sup>st</sup> Line:</b></p> <ul style="list-style-type: none"> <li>• Leadership Team involvement in the recruitment process.</li> </ul> <p><b>2<sup>nd</sup> Line:</b></p>

## Appendix 1: Strategic Risk Register – March 2021

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
						<ul style="list-style-type: none"> <li>Identify new Covid-19 lead.</li> <li>Arrange handover of key priorities face to face if possible.</li> <li>Relevant documents left for incoming CEX.</li> </ul> <p>Proposed appointment of an interim Head of Paid Service to be approved by Council on 20 April 2021</p>	<ul style="list-style-type: none"> <li>Monitoring Officer and Section 151 Officer, Cabinet and Full Council.</li> </ul> <p><b>3<sup>rd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>External Audit including Value for Money Assessment.</li> </ul>

Key to 3 lines of assurance:	
<b>1<sup>st</sup> Line</b>	Day to day operations of internal control systems
<b>2<sup>nd</sup> Line</b>	Management oversight and monitoring controls
<b>3<sup>rd</sup> Line</b>	Independent assurance from Internal / external audit and other independent assurance sources (e.g. HSE, BFI)

Other Horizon Scanning Risks Arising March 2021:
Impact on the organisation arising from the devolution / local recovery white paper which was due in September 2020 and has now been postponed to 2021. Not a strategic risk at present, to include as a horizon scan until more information is known and impact on operations can properly be assessed.
Impact on planning activities arising from the 'Planning for the Future' white paper published 6 August 2020.
Risks arising from staff leaving in other key posts (i.e. Head of Customer Services, Revenues & Benefits, Head of HR, Shared Head of Audit).
Transition to new payroll provider.
Sunset clause on Regulations allowing remote council meetings ends early May 2021.
Future direction of the dry recycling service – Report to Cabinet 8 June 2021