

Risk Management

Cabinet Member for Finance, Procurement and Revenues & Benefits

Date:	3 February 2022
Agenda Item:	
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Key Decision?	No
Local Ward Members	Full Council



Audit and 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 Strategic Risk Register as at January 2022 is to be considered by Leadership Team on 19 January 2022 and is detailed at **Appendix 1** The key changes since the Committee's last risk update (November 2021) are:
 - **SR1** (Pressures on the availability of finance may mean the Council is not able to deliver the key priorities of the strategic plan). The risk has now been re-scored and has a rating of 6 (2 Likelihood x 3 Impact) from 12 (3 Likelihood x 4 Impact). The Settlement is more advantageous than the assumptions used in the draft MTFS presented to Overview and Scrutiny Committee on 18 November 2021. This is because the Provisional Settlement included an additional New Homes Bonus payment for 2022/2023, some additional 'one off' grant funding and because Local Government Finance Reform has been delayed by at least a further year, business rate growth will be retained. This additional funding means that the level of uncertainty for 2022/2023 can be reduced to Medium.
 - **SR2** (Resilience of teams to effectively respond to a further serious disruption to services). This risk has been re-evaluated and now has a rating of 6 (2 Likelihood x 3 Impact) from 12 (3 Likelihood x 4

Impact). Additionally the Recovery Strategy and from the pandemic has been reviewed by Leadership Team on 27 October 2021.

- **SR3** (Capacity and capability to deliver / adapt the new strategic plan to emerging landscape) A partner as part of the ESPO Framework has been procured to provide client side advice (and resources) in a range of areas including; Regeneration, Leisure, Housing, Economic Development and Planning.
- **SR4** (Failure to meet governance and/or statutory obligations e.g., breach of law). This risk has been reviewed by Leadership Team. It is noted that the risk score has been re-evaluated by Leadership Team and the current score reassessed with a rating of 6 (2 Likelihood x 3 Impact) from 9 (3 Likelihood x 3 Impact).
- **SR7** (Threat to the Council’s ICT systems of a cyber-attack). This risk has also been re-evaluated due to the mitigating actions put into place in relation to cyber security and the take up and implementation of mandatory multi factor authentication and monitoring by management of mandatory training undertaken by staff. The rating is now 6 (2 Likelihood x 3 Impact) from 9 (3 Likelihood x 3 Impact).
- **SR8** (Being a Better Council, The Council is not able to deliver the key priorities of the strategic plan). This is new risk identified by Leadership Team following its meeting in December. This risk has been discussed at Leadership Team at its meeting on 19th January 2022 and the strategic risk register has been added and updated with the agreed score evaluations following this meeting.
- Updates to mitigating controls, actions and lines of assurance have been updated on the Register where applicable.
- ‘Other Horizon Scanning Risks Arising at January 2022’ (at the end of the register) are risks which are not strategic risks currently, but that need a ‘watching brief’ have been reviewed and updated. Two previous horizon scanned risks have been brought into the Strategic Risk Register in respect of the following;
 - **SR1** (Pressures on the availability of finance may mean the Council is not able to deliver the key priorities of the strategic plan), inclusion of inflationary pressures.
 - **SR4** (Failure to meet governance and/or statutory obligations e.g., breach of law) additional information around filing and retention of documentation.

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

3.5 The Council’s 8 strategic risks at January 2022 are shown below:

likelihood				
		SR1		
		SR5, SR6	SR2, SR3, SR4, SR7, SR8	
	Impact			

- **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:** 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:** Being a Better Council, The Council is not able to deliver the key priorities of the strategic plan. This risk is being reviewed at Leadership Team on 19 January 2022 and an update to the scoring will be provided.

3.6 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).
- Quarterly update meetings have been scheduled with Heads of Service and Audit Manager (Shared Service).
- 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).
- At this stage, no sub strategic risks need to be escalated to the strategic risk register?

Alternative Options	There are no alternative options.
Consultation	Leadership Team receive monthly updates on Strategic Risk Register
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.
Approved by Section 151 Officer	Yes
Legal Implications	None identified.
Approved by Monitoring Officer	Approved

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	Sound risk management ensuring a consistent and robust approach all equality, diversity and human rights issues and their implications to the Council.
Crime & Safety Issues	None.
Environmental Impact	Risk arising from climate change and the green agenda are considered by management and Leadership Team.
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 law (e.g., Health & Safety, GDPR, procurement, Safeguarding).

	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	Current Score (RYG)
A	Failure to manage known risks and opportunities proactively. Leadership Team	Likelihood: Green Impact: Red Severity: Red	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: Green

Background documents	Risk Management Policy – updated and approved by Audit & Member Standards Committee 11 November 2021.
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Relevant web links	
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Appendix 1: Strategic Risk Register – January 2022

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>SR1 Pressures on the availability of finance may mean the Council is not able to deliver the key priorities of the strategic plan.</p> <p>The risk is influenced by:</p> <ul style="list-style-type: none"> The spending review. Local Government Finance Reform including New Homes Bonus, Business Rates and the Fair Funding Review. The financial impact of the Covid-19 pandemic in the current year and beyond. Other Government Policy announcements impacting on Local Government such as the Call for Evidence on Business Rates and Procurement Policy Notes. Funding of Council's headline priorities and the shortfall of funding. 	16 (L4xI4)	<ul style="list-style-type: none"> Prudent estimates for Business Rates and New Homes Bonus based on modelling provided by Local Government Finance experts. Risk assessed minimum level of reserves set at £1.6m. Routine budget monitoring reported to Leadership Team, Cabinet and Strategic (OS) Committee. Requirements of the new CIPFA Financial Management Code, information contained in the CIPFA Resilience Index and benchmarking reports from LG Futures. In terms of the Covid-19 pandemic – introduction of enhanced monthly income monitoring and receipt of financial assistance from Government. 	6 (L2xI3) was 12 (L4xI3)	4 (L2xI2)	<ul style="list-style-type: none"> Update of the Medium Term Financial Strategy Responsibility: Head of Finance and Procurement /will commence in July 2021 and approval in February 2022 Outcome of Government Financial Settlement – single year. 	<p>1st Line:</p> <ul style="list-style-type: none"> Approved Medium Term Financial Strategy including the Capital Strategy covering 5 years plus a 25 year capital investment model. A longer term financial plan covering a 25 year horizon for revenue budgets. Approved Treasury Management Strategy. Production of monthly budget reports to Managers. Procurement Strategy <p>2nd Line:</p> <ul style="list-style-type: none"> Leadership team review of 3, 6, 8 and 12 month reports to Cabinet and Strategic (OS) Committee. Mid-year and outturn Treasury Management reports to Audit and Member Standards Committee. Initial assessment of LDC's level of compliance with the FM Code to Audit and Member Standards Committee 12/11/2020.

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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"> Inflationary pressures on procurement of services and replacement fleet vehicles. <p>Owner: Head of Finance & Procurement (Section 151 Officer).</p>		<ul style="list-style-type: none"> Confirmation and Implementation of financial settlement. 				<ul style="list-style-type: none"> CIPFA Resilience Index with comparative information to nearest statistical neighbours and all District Councils. Cabinet and Leadership Team are undertaking work to look at options to address the Funding Gap. <p>3rd Line:</p> <ul style="list-style-type: none"> External Audit – going concern test and sign off of financial statements 2019/20. Unqualified VFM assessment. 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 LGA Corporate Peer Challenge

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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	<p>SR2 Resilience of teams to effectively respond to a further serious disruption to services (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).</p> <p>New people into organisation.</p> <p>Owner: Leadership Team</p>	8 (L2xI4)	<ul style="list-style-type: none"> • Mutual aid assistance • Local Resilience Forum (LRF). • Tested business continuity arrangements in place. • Strong links with the Staffordshire CCU and wider LRF. • Actively engaged in ongoing Local Resilience Forum response and recovery work streams. • Experienced (from previous waves / national lockdowns re Covid-19) Leadership Team and supporting teams in place to respond. • Clear structure and plan in place for Covid-19 waves. • Ongoing dialogue with CCU re D20 'BREXIT' risks. • Strategic and tactical flood planning work across LRF, to assist in 	6 (L2xI3) Was 12 (L3xI4)	6 (L2xI3)	<ul style="list-style-type: none"> • 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 Leadership Team / Complete • 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. 	<p>1st Line:</p> <ul style="list-style-type: none"> • Day to day business continuity plans in place. • Training programme. <p>2nd Line:</p> <ul style="list-style-type: none"> • Annual Report to Leadership Team. • CCU test of arrangements feedback. • Response and learning from recent incident at Ridware House. • Report on recovery plan and climate change to Overview & Scrutiny (O&S). <p>3rd Line:</p> <ul style="list-style-type: none"> • Internal Audit of business continuity 2019/20 – reasonable assurance, ICT – remote working 20/21 – reasonable assurance. • Flash Covid-19 Risk Assurance Business Continuity, Emergency Planning and Recovery 20/21 substantial assurance

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Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
			our response and the multi-agency response to such events. This includes identifying 'at risk' areas in the District and specific actions required.			Leadership Team/ Complete <ul style="list-style-type: none"> Tasks completing and move away from initial Pandemic response, move to Being a Better Council. 	3rd Line: <ul style="list-style-type: none"> 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 External Audit – going concern test and sign off of financial statements 2020/21. Unqualified VFM assessment.
A good council, developing prosperity, shaping place, enabling people	SR3: Capacity and capability to deliver / adapt the new strategic plan to emerging landscape. Cabinet review of corporate priorities. Work Place Plan and New Ways of Working with upcoming Peer Review.	6 (L2xI3)	<ul style="list-style-type: none"> Regular review of progress against delivery plan outcomes and prioritisation process agreed between Leadership Team and Cabinet. Robust project management. People strategy. 	6 (L2xI3)	4 (L2xI2)	<ul style="list-style-type: none"> Implementation of Belonging and Wellbeing Strategy to take account of 'Better Council' Chief Operating Officer / January 2022 Implementation of Being a Better Council. 	1st Line: <ul style="list-style-type: none"> Day to day business / service planning, financial planning and performance management. Completion of PDRs. 2nd Line: <ul style="list-style-type: none"> Delivery Plan reported 6 monthly to Cabinet and shared with Overview & Scrutiny.

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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>Upcoming pay settlement Of pay claim for 2021/2022.</p> <p>Owner: Leadership Team</p>		<ul style="list-style-type: none"> • Communications to all staff. • PDRs linked to Strategic and Delivery Plans. • Recruitment activity. • PDR completion leading to identifying training and development needs. • Monitoring resource demands. • Mental health / wellbeing systems in place. • Being a Better Council and implementation of Better Led, Better Equipped. 			<ul style="list-style-type: none"> • Commissioned Partner (via ESPO framework) – Lambert Smith Hampton, provision of client side advice (and resource) in a range of areas including Regeneration, Leisure, Housing, Economic Development and Planning. 	<ul style="list-style-type: none"> • Quarterly updates to LT on Belonging and Wellbeing Strategy. <p>3rd Line:</p> <ul style="list-style-type: none"> • Internal Audits of People Strategy and Workforce Development 2019/20 – reasonable assurance, Performance Management 19/20 – substantial assurance.
A good council	<p>SR4: Failure to meet governance and / or statutory obligations e.g. breach of the law (e.g. Health & 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>9 (L3xI3)</p>	<ul style="list-style-type: none"> • Regularly reviewed constitution, policies and procedures. • Meta compliance policy training, testing and acceptance systems. • Training and awareness for all staff and members. • Effective Overview and Scrutiny and Audit & Member Standards Committee oversight. 	<p>6 (L2xI3)</p> <p>Was 9 (L3xI3)</p>	<p>6 (L2xI3)</p>	<ul style="list-style-type: none"> • Annual Health & Safety Report to be produced for Employment Committee COMPLETE 	<p>1st Line:</p> <ul style="list-style-type: none"> • Day to day processes and Local Code of Governance • Forward plans/committee work plans/ delivery plan and service planning. • Use of Mod Gov and publication scheme. <p>2nd Line:</p> <ul style="list-style-type: none"> • Annual reports to Audit and Member Standards Committee.

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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>Subsidy Control Framework and self-assessment risks subject to challenge. Arrangements in process of being developed, requirement to build in operation and awareness training.</p> <p>Risk of failure to retain documentation in a manner to allow both storage and retrieval.</p> <p>Owner: Chief Operating Officer</p>		<ul style="list-style-type: none"> Codes of Conduct. Internal audit. Dedicated Monitoring Officer Roles of Section 151 Officer and Monitoring Officer. Shared legal services. New procurement team. New Governance Team with additional capacity being recruited. Review of document storage and filing systems. Electronic retention of documentation. Sealed documents held in fire proof room. Education and development of Service Managers to support teams with advice and guidance. Training in place for LT October covering H&S. Meta Compliance training. 				<ul style="list-style-type: none"> Regular reports to leadership team. Transparency data publication. Completed review of document storage. Procurement Team in place and operating. <p>3rd Line:</p> <ul style="list-style-type: none"> RIPA, ICO and Ombudsman reports/returns. External audit of Annual Governance Statement as part of the financial statements. 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

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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>(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.</p> <ul style="list-style-type: none"> External investigations and lessons learnt exercises to address internal control weaknesses.
A good council, developing prosperity, shaping place,	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, for example, the UK withdrawal from the European Union / Covid-19 crisis, results in an increase in unemployment, business	9 (L3xI3)	<ul style="list-style-type: none"> Financial assistance from Government to businesses and the public (Grants, Test & Trace Support Payments) particularly in terms of furlough scheme end Oct 20, potential further implications for individuals and businesses arising from 	4 (L2xI2)	4 (L2xI2)	<ul style="list-style-type: none"> Continued delivery of immediate actions to support high street economy and business (including visitor economy and hospitality sector). Further government support – the Welcome back Fund - received to extend timescales and assist 	<p>1st Line:</p> <ul style="list-style-type: none"> Day to day delivery of economic development, housing and health and wellbeing strategies. <p>2nd Line:</p> <ul style="list-style-type: none"> Leadership team review of 3, 6, 8 and 12 month Money Matters reports to Cabinet, Strategic (OS) Committee. Health and Wellbeing Strategy delivery reports.

Appendix 1: Strategic Risk Register – January 2022

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
	<p>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>Local Enterprise Partnership review and residual role around support. Ongoing relationship change leading to potential increase in future opportunities.</p> <p>Owner: Leadership Team</p>		<p>potential local lockdowns and Brexit.</p> <ul style="list-style-type: none"> Prosperity is a key theme in the new Strategic Plan. Economic Development Strategy is in place. Council's effective presence on the Local Enterprise Partnerships. Strong partnership working e.g. Lichfield District Board, Staffs CC, Birmingham Chambers. Lichfield City BID, Burntwood Business Community LGA, DCN, New burdens funding. Partnership influences built into business case considerations. Work with redundancy task force Continue to develop and improve the business contact and relationships locally. Development of Wellbeing indicators at 			<ul style="list-style-type: none"> 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. Economic Development, Finance and Revenues and Benefits Services distributing government grants to support businesses 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>3rd Line:</p> <ul style="list-style-type: none"> 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

Appendix 1: Strategic Risk Register – January 2022

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
		9	ward level for both activity and response.	4	1	<ul style="list-style-type: none"> • 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. • Council continues to be a member of the County Redundancy Task Group identifying impacts of Covid-19 on local employment levels and particular demographic groups and agreeing responses. Interim Director of Regeneration/LT • Implementation of Being a Better Council – Better Led, Better Equipped and Better Performing. 	1 st Line:

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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, enabling people	<p>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</p> <p>Owner: Leadership Team</p>	(L3xI3)	<ul style="list-style-type: none"> ICT service plan. ICT hardware replacement programme. Migration to HIS and implementing of O365. Refurbishment and reorganisation of office spaces. Cyber security e-learning. Engagement Strategy. Capture best practice Reinforce a culture of innovation. Belonging and Wellbeing Strategy. Virtual committee meetings. Business cases required for all major projects. Drive to find ongoing efficiencies as part of service / financial planning process. Customer promise. 	(L2xI2)	L1xI1	<ul style="list-style-type: none"> Roll out of MS teams and all functions in train for completion later this year, Information & Communications Technology Manager / TBC Acceleration of New Ways of Working processes, terms and conditions. Chief Operating Officer / As part of recovery planning processes – October 2021 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 recovery Leadership Team / Complete 	<ul style="list-style-type: none"> ICT hardware replacement programme providing the right equipment for mobile and flexible working. Ongoing monitoring of customer (internal and external) feedback. <p>2nd Line:</p> <ul style="list-style-type: none"> Monitoring of Lichfield Connects contact levels, trends and reporting on complaints and compliments to Leadership Team. <p>3rd Line:</p> <ul style="list-style-type: none"> Local Government Ombudsman. Flash Covid-19 Risk Assurance Staff Wellbeing 20/21 substantial assurance

Appendix 1: Strategic Risk Register – January 2022

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
A good council	<p>SR7: Threat to the Council's ICT systems of a cyber-attack 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>Increased number of sophisticated 'phishing' attacks with increased time taken to investigate and remediate. Move away from purely email to other platforms such as 'Teams'.</p> <p>Failure by staff to complete ICT training and the take up of MFA.</p>	3 (L1xI3)	<ul style="list-style-type: none"> Use of firewalls and virus protection to manage cyber security, including penetration testing. Strong access level controls (including remote access). Training and regular awareness raising to staff of risks. Digital strategy. PSN compliance checklist. Revision of Service Business Continuity Plans to incorporate lessons learnt from COVID-19. IT Auditor provision resourced from August 2021. Adoption of multi-factor authentication. 	6 (L2xI3) Was 9 (L3xI3)	2 (L1xI2)	<ul style="list-style-type: none"> 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. The email migration to Office 365 has been completed and the next stage will be to 	<p>1st Line:</p> <ul style="list-style-type: none"> Day to day operation of ICT Training programme for all staff. Up to date versions of software and implement all IT security patches. <p>2nd Line:</p> <ul style="list-style-type: none"> Regular monitoring and reporting on security issues to Leadership Team. External penetration testing. Full Council wide adoption of multi-factor authentication.

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	<p>Owner: Head of Corporate Services</p>		<ul style="list-style-type: none"> Development of monthly reports from software supplier for follow up of staff not completing mandatory ICT training. 			<p>roll out the Office 365 desktop software along with Teams and starting the migration of our file server to Microsoft OneDrive.</p> <ul style="list-style-type: none"> 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. 	<p>3rd Line:</p> <ul style="list-style-type: none"> 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 assurance. Flash Covid-19 Business Continuity 20/21 substantial assurance. ICT Audit Procurement to review risk environment. ICT Audit Needs Assessment completed. Review of Microsoft 365 2021/22

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						<ul style="list-style-type: none"> Review of risk scores completed due to increase in 'phishing attacks'. Completed. Full enrolment of staff adopting multi-factor authentication. Complete. Message from Leadership Team and reminder to staff of importance of MFA and training. Completed. Review mandatory training requirements. Follow Up MFA take up and mandatory training. Complete Switch on MFA for all users. Complete Session for Councillors concerning switch on of MFA, to be arranged. Complete Member training and implementation by 31 January 2022. 	

Appendix 1: Strategic Risk Register – January 2022

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>SR8 Being a Better Council The Council is not able to deliver the key priorities of the strategic plan. The risk is influenced by:</p> <ul style="list-style-type: none"> The costs of delivering the programme exceed the capital funding available. Changes proposed jeopardise delivery of our statutory obligations. People implications are not managed effectively to ensure staff developed and have capacity to deliver. Key processes and services do not remain available and operational throughout the programme. The programme deviates from supporting delivery of our Strategic Plan. 	12 (L4xI3)	<ul style="list-style-type: none"> Robust project methodology is employed to manage costs with dedicated Programme Manager. Robust project methodology is employed to manage risk and legal obligations. Methodology employed to identify culture, behaviours and skills required. Ensuring all current applicable policies are followed and new policies support transition are developed and consulted effectively. Methodology to capture of data, demand and expectations. Clear engagement along with robust user testing and suitable mechanisms to deal with additional needs. Creation and review of a programme roadmap to 	6 (L3xI2)	4 (L2xI2)	<ul style="list-style-type: none"> Management oversight and robust project management requirements for delivery of Better Council. 	<p>1st Line:</p> <ul style="list-style-type: none"> Day to day project management of Being a Better Council <p>2nd Line:</p> <ul style="list-style-type: none"> Regular monitoring of delivery targets by Programme Board to deliver themes. <p>3rd Line:</p> <ul style="list-style-type: none"> Inclusion in Audit Plan for reviews against delivery of themes. LGA Corporate Peer Challenge follow up.

Appendix 1: Strategic Risk Register – January 2022

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"> • Programme and project delivery is not sufficiently resilient enough to underpin delivery. • We do not use internal capability and capacity to deliver the required business change. • Programme disruption causes service failures in relation to BAU. • IT infrastructure and IT systems do not support delivery of the changes required. • Volume of training events required across all projects and workstreams will create capacity issues for both delivery resources and attendance. <p>Owner: Chief Executive.</p>		<p>tackle latest strategic issues. Ensuring baseline and robust tracking mechanisms exist to monitor progress and evidence deliver – deal with what matters most.</p> <ul style="list-style-type: none"> • Ensuring the correct skills and resources are identified to deliver the programme and projects. • Designing a programme delivery approach to change the culture as well as the individual projects. • Building capacity within the programme and projects to ensure that colleagues are allowed to carry out BAU. • Designing IT infrastructure and IT systems around the transformed organisation. • Designing a programme delivery roadmap 				

Appendix 1: Strategic Risk Register – January 2022

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
			combined with clear planning and business communications.				

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

Other Horizon Scanning Risks Arising January 2022:	
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 Council activities via the Government’s legislative timeframes and planning activities arising from the Planning Bill detailed in the Queen’s Speech.	
Risks arising from staff leaving key posts.	
Sunset clause on Regulations allowing remote council meetings ends early May 2021 on going management of expectations around broadcasting of meetings.	
Elections review by Association of Electoral Administrators (AEA) and challenge around legislation in the reduction of time for provision of elections.	
Resourcing requirements for the retention and filing of legal documentation – adapted and raised within Strategic Risk 4	
To balance the delivery of service specific objectives against the priorities and demands from Members/Cabinet to ensure continued alignment with Strategic Plan.	
Legal Shared Service – capacity and resilience	
Disabled Facilities Grants	
Economic pressures due to energy price reviews/inflation rates and index linking to prices adapted and raised within Strategic Risk 1.	
Impact of withdrawal of government support measures (furlough), Universal Credit and implications for businesses and residents.	