

# Risk Management

## Cabinet Member for Finance & Commissioning

Date: 19 April 2023

Agenda Item: \_\_\_\_\_

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Key Decision? **No**

Local Ward **Full Council**

Members



## 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 was considered by Leadership Team on 29 March 2023 and is detailed at **Appendix 1** The key changes since the Committee's last risk update (February 2023) are:
  - All current risks have been reviewed and considered by LT, however no specific changes have been implemented as LT considers these are currently appropriate in both terms of scope and current score. However, monthly consideration of all risks will be completed to ensure that both current and emerging risks are updated and mitigated.
  - LT considered the requirement for an additional Strategic Risk in respect of the medium to longer term potential strategic, financial and operational risks resulting from the insourcing of leisure centre management. The Audit Manager has been tasked with bringing forward to LT appropriate wording and risk descriptions for approval. The Audit Manager has included this risk as a current 'horizon scanning' with the expectation that this will move onto Strategic Risk Register in May 2023.
  - Updates to mitigating controls, actions and lines of assurance have been updated on the Register where applicable.

- ‘Other Horizon Scanning Risks Arising at April 2023’ (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. There was a suggested change since the last risk update in February 2023 within the Horizon Scanning risks. This involved the inclusion of;
  - Insourcing of currently outsourced leisure arrangements and potential costs implications and reputational risks to the Council.

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

3.5 The Council’s 6 strategic risks as at April 2023 the risk profile of strategic risks of the Council is shown below:

likelihood				
		SR3		SR7
			SR1, SR2, SR4, SR5	
	Impact			

The overall aim to reduce the current scores by the use of mitigating control and robust management processes, progress has been made since the last Audit & Member Standards Committee meeting and strategic risks will continue to be reported quarterly.

- **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.
- **SR7:** Threat to the Council’s ICT systems of a cyber-attack.

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 Leadership Team 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	Approved.
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.
EIA logged by Equalities	EIA logged by Equalities
Crime & Safety Issues	None.
Environmental Impact (including Climate Change and Biodiversity).	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.	Likelihood: Green Impact: Red Severity: Red	Strategic risks are closely monitored by the Audit & Member Standards	Likelihood: Green Impact: Yellow Severity: Green

Leadership Team		Committee, Cabinet Member and Leadership Team.  Reports to Audit & Member Standards Committee provide assurance that active steps are being taken to control risks.	
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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 – April 2023

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>Government spending plans.</li> <li>The national and local economic climate, C Tax referendum limit, grant funding implications, changes to business rates and social housing rents.</li> <li>Local Government Finance Reform including New Homes Bonus, Business Rates and the Fair Funding Review.</li> <li>Other Government Policy announcements impacting on Local Government.</li> <li>Funding of Council's headline priorities and the shortfall of funding.</li> </ul>	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 £1.9m.</li> <li>Routine budget monitoring reported to Leadership Team, Cabinet and Overview and Scrutiny 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>Confirmation and Implementation of financial settlement for 2023/24 and principles for 2024/25.</li> <li>Balanced budget for next 2 years.</li> </ul>	3 (L3xI1)	4 (L2xI2)	<ul style="list-style-type: none"> <li>Update of the Medium Term Financial Strategy <b>Responsibility: Assistant Director Finance &amp; Commissioning will commence in July 2023 and approved February 2024</b></li> <li>Outcome of Government Financial Settlement – single year.</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 Overview and Scrutiny 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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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>Inflationary pressures on procurement of services, cost of living/fuel/construction and replacement fleet vehicles.</li> </ul> <p><b>Owner:</b> Assistant Director - Finance &amp; Commissioning (Section 151)</p>						<ul style="list-style-type: none"> <li>CIPFA Resilience Index with comparative information to nearest statistical neighbours and all District Councils.</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 <b>2021/22</b>. 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 22/23 substantial assurance</li> <li>LGA Corporate Peer Challenge</li> </ul>
A good council, developing prosperity, shaping	<b>SR2 Resilience of teams to effectively respond to a further serious disruption to services</b> (e.g. multiple layer disruption arising from	12 (L3xL4)	<ul style="list-style-type: none"> <li><i>Mutual aid assistance</i></li> <li><i>Local Resilience Forum (LRF).</i></li> </ul>	3 (L1xL3)	6 (L2xL3)	<ul style="list-style-type: none"> <li>Tasks completing and move away from initial Pandemic response, move to</li> </ul>	<p><b>1st Line:</b></p> <ul style="list-style-type: none"> <li>Day to day business continuity plans in place.</li> <li>Regular BCP testing (generator)</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
place, enabling people	<p>flooding and other disruptive events).</p> <p>New people into organisation.</p> <p>Potential for power disruptions.</p> <p>Affects to service delivery and office systems.</p> <p><b>Owner:</b> Leadership Team</p>		<ul style="list-style-type: none"> <li>• <i>Tested business continuity arrangements in place including office power generation.</i></li> <li>• <i>Strong links with the Staffordshire CCU, Risk Action Working Group and wider LRF.</i></li> <li>• <i>Active workshop on BCP to LT.</i></li> <li>• <i>Actively engaged in ongoing Local Resilience Forum response and recovery work streams.</i></li> <li>• <i>Experienced (from previous waves / national lockdowns re Covid-19) Leadership Team and supporting teams in place to respond.</i></li> <li>• <i>Clear structure and plan in place for Covid-19 waves.</i></li> <li>• <i>Strategic and tactical flood planning work across LRF, to assist in our response and the</i></li> </ul>			<p>Being a Better Council.</p>	<ul style="list-style-type: none"> <li>• Training programme.</li> </ul> <p><b>2nd Line:</b></p> <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 Overview &amp; Scrutiny (O&amp;S).</li> <li>• Approval of Climate Change Strategy.</li> </ul> <p><b>3rd Line:</b></p> <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</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><i>multi-agency response to such events. This includes identifying 'at risk' areas in the District and specific actions required.</i></p> <ul style="list-style-type: none"> <li><i>Provision of Foodbank presence, Warm Spaces etc.</i></li> <li><i>Business Continuity planning.</i></li> </ul>				<p>Recovery 20/21 substantial assurance</p> <p><b>3<sup>rd</sup> Line:</b></p> <ul style="list-style-type: none"> <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 22/23 substantial assurance</li> <li>External Audit – going concern test and sign off of financial statements 2020/21. Unqualified VFM assessment.</li> </ul>
A good council, developing prosperity, shaping place,	<p><b>SR3: Capacity and capability to deliver / adapt the new strategic plan to emerging landscape.</b></p> <p>Senior Leadership Team changes.</p>	6 (L2xI3)	<ul style="list-style-type: none"> <li><i>Regular review of progress against delivery plan outcomes and prioritisation process agreed between Leadership Team and Cabinet.</i></li> </ul>	4 (L2xI2)	4 (L2xI2)	<ul style="list-style-type: none"> <li>Implementation of Being a Better Council.</li> <li>Management oversight and robust project management requirements for</li> </ul>	<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> <li>Completion of OKRs.</li> </ul> <p><b>2<sup>nd</sup> Line:</b></p>



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Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
enabling people	Strategic level roles and active recruitment.  <b>Owner:</b> Leadership Team		<ul style="list-style-type: none"> <li>• <i>Robust project management.</i></li> <li>• <i>People strategy.</i></li> <li>• <i>Communications to all staff.</i></li> <li>• <i>Recruitment activity.</i></li> <li>• <i>OKR completion leading to identifying training and development needs.</i></li> <li>• <i>Monitoring resource demands.</i></li> <li>• <i>Mental health / wellbeing systems in place.</i></li> <li>• <i>Being a Better Council and implementation of Better Led, Better Equipped.</i></li> <li>• <i>Upcoming Community Power Strategy to increase capacity to deliver.</i></li> <li>• <i>Data collection on monthly leavers reviewed by LT.</i></li> <li>• <i>New Strategic Plan to 2050.</i></li> </ul>			delivery of Better Council.	<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 Belonging and Wellbeing Strategy.</li> </ul> <hr/> <p><b>3<sup>rd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>• Internal Audits of People Strategy and Workforce Development 2019/20 – reasonable assurance, Performance Management 19/20 – substantial assurance.</li> <li>• Inclusion in Audit Plan for reviews against delivery of themes.</li> <li>• LGA Corporate Peer Challenge follow up</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	<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>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><b>Owner:</b> Chief Operating Officer</p>	9 (L3xI3)	<ul style="list-style-type: none"> <li>Regularly reviewed constitution, policies and procedures.</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>Dedicated Monitoring Officer</li> <li>Roles of Section 151 Officer and Monitoring Officer.</li> <li>Shared legal services.</li> <li>Procurement Team.</li> <li>Governance Team with additional capacity being recruited.</li> <li>Transition to internal DPO.</li> <li>Review of document storage and filing systems.</li> <li>Electronic retention of documentation.</li> </ul>	3 (L1xI3)	3 (L1xI3)		<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> <li>Completed review of document storage.</li> <li>Procurement Team in place and operating.</li> <li>Internal DPO in place</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> <li>External audit of Annual Governance Statement as part of the financial statements.</li> </ul>

## Appendix 1: Strategic Risk Register – April 2023

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>Sealed documents held in fire proof room.</li> <li>Education and development of Service Managers to support teams with advice and guidance.</li> <li>Implementation of Tortara (May 2022)</li> </ul>				<ul style="list-style-type: none"> <li>2019/20 – adequate assurance, GDPR follow up 2019/20 &amp; 2022/23 (draft) – limited assurance, Transparency code follow up Procurement 20/21 limited assurance – follow up.</li> <li>Review of GDPR and agreed action plan reported to A&amp;MS Committee for 2022/23 and 2023/24.</li> <li>External investigations and lessons learnt exercises to address internal control weaknesses.</li> </ul>
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></p> <p>Relating specifically to the effects of the 'cost of living crisis. This results in an increase in unemployment,</p>	9 (L3xI3)	<ul style="list-style-type: none"> <li>Financial assistance from Government to businesses and the public.</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> </ul>	3 (L1xI3)	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</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> <li>Development and inclusion of Being a Better Council</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> </ul>

## Appendix 1: Strategic Risk Register – April 2023

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
	<p>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>Including Ukraine families and Refugee dispersal within area.</p> <p><b>Owner:</b> Leadership Team</p>		<ul style="list-style-type: none"> <li>• <i>Strong partnership working e.g. Lichfield District Board, Staffs CC, Birmingham Chambers. Burntwood Business Community LGA, DCN,</i></li> <li>• <i>New burdens funding.</i></li> <li>• <i>Partnership influences built into business case considerations.</i></li> <li>• <i>Work with redundancy task force</i></li> <li>• <i>Continue to develop and improve the business contact and relationships locally.</i></li> <li>• <i>Development of Wellbeing indicators at ward level for both activity and response.</i></li> <li>• <i>Economic Prosperity Action Plan in place.</i></li> <li>• <i>Cost of living issues mitigated and off set by Tourism.</i></li> <li>• <i>Ongoing Council Plans development.</i></li> </ul>			<ul style="list-style-type: none"> <li>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>• Implementation of Being a Better Council – Better Led, Better Equipped and Better Performing.</li> <li>• UKSPF exploring further funding streams with LUF2</li> </ul>	<ul style="list-style-type: none"> <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 – April 2023

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
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>Involvement of state players and their use of cyber warfare as part of a strategy to further agendas.</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>	4 (L1xI4)	<ul style="list-style-type: none"> <li>• <i>Use of firewalls and virus protection to manage cyber security, including penetration testing.</i></li> <li>• <i>Strong access level controls (including remote access).</i></li> <li>• <i>Training and regular awareness raising to staff of risks.</i></li> <li>• <i>Digital strategy.</i></li> <li>• <i>PSN compliance checklist.</i></li> <li>• <i>Revision of Service Business Continuity Plans.</i></li> <li>• <i>IT Auditor provision resourced from August 2021.</i></li> <li>• <i>Adoption of multi-factor authentication.</i></li> <li>• <i>Development of monthly reports from software supplier for follow up of</i></li> </ul>	8 (L2xI4)	4 (L1xI4)	<ul style="list-style-type: none"> <li>• Review mandatory training requirements.</li> <li>• Reminder to staff to complete training and awareness. Re-run Awareness Training/Meta Compliance</li> <li>• Completion of PSN Compliance checklist</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> <li>• Awareness Training/Meta Compliance.</li> <li>• Maintenance of PSN Compliance.</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> <li>• Full Council wide adoption of multi-factor authentication.</li> </ul>

## Appendix 1: Strategic Risk Register – April 2023

Strategic Plan Link	Risk & Owner	Original Score	Mitigating Controls	Current Score	Target Score	Actions Responsibility / Timescale	3 Lines of Assurance
	<p>Failure by staff to complete ICT training and the take up of MFA.</p> <p><b>Owner:</b> Chief Executive</p>		<p><i>staff not completing mandatory ICT training.</i></p> <ul style="list-style-type: none"> <li><i>Implementation of Knowledge Hub training.</i></li> </ul>				<p><b>3<sup>rd</sup> Line:</b></p> <ul style="list-style-type: none"> <li>ICT Audit Procurement to review risk environment.</li> <li>ICT Audit Needs Assessment completed.</li> <li>Review of Microsoft 365 2021/22</li> <li>IT Remote Access 2021/22</li> <li>IT Website 2021/22.</li> <li>Increase in the amount of IT Audit days from 20 to 40 for 2022/23.</li> </ul>

## Appendix 1: Strategic Risk Register – April 2023

Key to 3 lines of assurance:	
1 <sup>st</sup> Line	Day to day operations of internal control systems
2 <sup>nd</sup> Line	Management oversight and monitoring controls
3 <sup>rd</sup> Line	Independent assurance from Internal / external audit and other independent assurance sources (e.g. HSE, BFI)
Other Horizon Scanning Risks Arising April 2023:	
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.	
Elections review by Association of Electoral Administrators (AEA) and challenge around legislation in the reduction of time for provision of elections (Voter Registration no guidance until November 2022).	
To balance the delivery of service specific objectives against the priorities and demands from Members/Cabinet to ensure continued alignment with Strategic Plan.	
Impact of withdrawal of government support measures (furlough), Universal Credit and implications for businesses and residents.	
pEPR implications around systems for recycling packaging and compensatory affects.	
Implications of increase in fuel duties from 1 April 2023.	
Planning application fees – self funding.	
LATCo review of governance arrangements and structures.	
Arrangements for legislative changes following Brexit and blanket withdrawal in December 2023.	
The medium to longer term potential strategic, financial and operational risks resulting from the insourcing of leisure centre management	

## Appendix 1: Strategic Risk Register – April 2023

### Strategic Risk Register – removed risks

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><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 (L3xI3)	<ul style="list-style-type: none"> <li>• <i>Refurbishment and reorganisation of office spaces.</i></li> <li>• <i>Cyber security e-learning.</i></li> <li>• <i>Engagement Strategy.</i></li> <li>• <i>Capture best practice</i></li> <li>• <i>Reinforce a culture of innovation.</i></li> <li>• <i>Belonging and Wellbeing Strategy.</i></li> <li>• <i>Virtual committee meetings.</i></li> <li>• <i>Business cases required for all major projects.</i></li> <li>• <i>Drive to find ongoing efficiencies as part of service / financial planning process.</i></li> <li>• <i>Customer promise.</i></li> </ul>	4 (L2xI2)	1 (L1xI1)	<ul style="list-style-type: none"> <li>• IT Strategy and options appraisals.</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> <li>• Flash Covid-19 Risk Assurance Productivity and Governance 21/22 substantial assurance</li> </ul>