

RISK MANAGEMENT UPDATE

Councillor CJ Spruce

Date: 6 February 2019

Agenda Item: 6

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Key Decision? NO

Local Ward

Members


Lichfield
district council
www.lichfielddc.gov.uk

AUDIT & MEMBER STANDARDS COMMITTEE

1. Executive Summary

- 1.1 To update the Committee on the management of the Corporate Risk Register.

2. Recommendations

- 2.1 That Members:

- Note the work being undertaken to ensure the Risk Management Policy is adhered to and the actions taking place to manage the Council's most significant risks.

3. Background

- 3.1 The Council must manage risks through applying strong controls at all levels of the organisation and the Terms of Reference for the Audit & Member Standards Committee make it clear that this is this Committee's responsibility – **"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"**.
- 3.2 The purpose of Risk Management is to effectively manage potential opportunities and threats to the organisation achieving its objectives. Risk Management assesses risks to the operation of the Council's business at Service, Project and Corporate levels, to make sure we know what the issues are that we need to pay attention to and that we are taking the right actions to minimise the risks.
- 3.3 The Corporate Risk Register is produced by assessing the risk factors that could potentially impact on the Council's ability to deliver its Strategic Plan, as this sets out our priorities. This assessment ensures that we have measures in place to control the potential risks to our business objectives. Risks are judged 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); the definitions of these ratings are set out in the Risk Management Policy. By multiplying the two scores together, each risk receives a rating to place it in a category of Tolerable, Material or Severe.
- 3.4 Following a comprehensive review by Leadership Team of Corporate Risks, a Corporate Risk Register of those risks that could have a potential impact on the Council's ability to deliver the Strategic Plan have been identified, reviewed and assessed. It should be noted that not all these risks are severe but need to be monitored and reviewed on a regular basis for any potential impact on the Strategic Plan.

3.5 The corporate risks that have been identified as having a potential impact on the ability to deliver the Strategic Plan are:

- **A failure to respond to changing demographics**
- **Economic growth/Performance of the local economy/Integrity of the Local Plan**
- **Financial sustainability of the Council**
- **Capacity to deliver**
- **Governance & statutory obligations**
- **Information technology**
- **Impact of Stakeholder strategies on our Strategic Plan**
- **Failure to manage a major incident**

The detail of these risks including the potential causes, consequences and the risk treatments measures in place are detailed in the Corporate Risk Register at **Appendix 1**.

3.6 Further to the discussion and question on the issue of Property Investment Strategy (PIS) risk management at Full Council on 18 December 2018, there is an existing corporate risk related to finance which incorporates the PIS. This will be reviewed to ensure it is fully reflective of the discussions that have taken place.

In addition, the following are also undertaken to manage risks related to the PIS:

Previous reports to Cabinet and Council included risks relating to the PIS and the delivery of it
 The capital strategy contains a risk assessment of our capital investment including the PIS specifically
 There will be a risk register in the company business plan to reflect risks around development
 There will be a risk register for the service area which will include property investments

3.7 It has also been noted that some projects carry significant risks as they could have a major impact if they are not delivered. The end of the ICT Support Contract had previously been identified as a project risk, as the project has been completed, the risk has been removed from the Project Risk Register. As such, one risk remains on the Project Risk Register, and this risk needs to be monitored through this Committee and is attached at **Appendix 2** for information.

Alternative Options	1. None.
Consultation	1. Leadership Team have been consulted on the Corporate Risk Register.
Financial Implications	1. 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	1. The Risk Management Policy supports the delivery of priorities in the Strategic Plan.
Equality, Diversity and Human Rights Implications	1. None.
Crime & Safety	1. The Policy will aid the Council in assessing risks related to Crime and Community Safety and support improvement in this area.

Issues	
GDPR/Privacy Impact Assessment	1. N/A

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Non-compliance with policy	Risk champions and Managers to monitor effectiveness and implementation	Green (tolerable)
B	Failure to manage known risks proactively	Severe risks are closely monitored by the Audit & Member Standard Committee and Leadership Team. Reports to Audit & Member Standard Committee provide assurance that active steps are being taken to control risks.	Green (tolerable)

Background documents


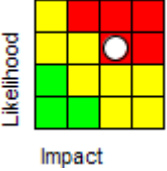
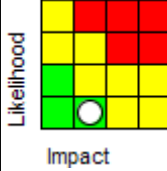
Relevant web links

Corporate Risk Register 2018

Report Type: Risks Report

Report Author: Angela Struthers

Generated on: 18 January 2019


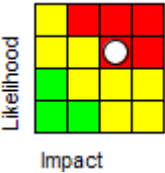
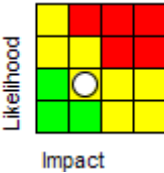
Risk Code	COR1	Risk Title	A Failure to Respond to Changing Demographics	Current Risk Status	
Description	A failure to respond to changing demographics				
Gross Risk Matrix		Current Risk Matrix		Last Review Date	14-Jan-2019
Responsible Cabinet Member					
Assigned To	Pat Leybourne; Neil Turner				
Risk Factors/Causes	<p>It is recognised that the population of Lichfield district is ageing more quickly than other areas for a number of reasons: the young families that moved into the district during the periods of high growth in the 1970s and 1980s are now older. The district tends to see its young people leave for higher education, to begin their careers and to start families whilst the district is popular with those retiring and those developing professional careers during their middle age.</p> <p>In consequence we need to be mindful of the demographics of the district as it will place different demands on the services required from the council and, conversely, will also provide opportunities.</p> <p>This risk analysis attempts to capture what emerging pressures may look like and also the potential opportunities that that may materialise that need to be recognised.</p>				
Potential effects/consequences	<p>Risks</p> <p>Growing demands from residents for support services that are provided directly by the council including:</p>				

- . Benefits – council tax support; housing benefit; extra care;
 - Reduced council tax receipts; extra administration costs; if benefits capped then extra financial pressure on council
 - . Assisted bin collections;
 - Additional costs of collection
 - . Disabled car parking provision
 - Lower return from car parking
 - Impact of parking on street
 - . More applications for disability facilities grant
 - Risk of developing a waiting list for DFG's which increases the potential risk of increased delays/worsening health and wellbeing of applicants/complaints and increases the risk to meet statutory responsibilities
- Growing demands from residents for facilities and infrastructure that are provided by others but are influenced by the council including:
- . supported or extra care housing;
 - . specific types of housing including bungalows, retirement apartments, etc.
 - . provision of health facilities
 - . extra demand for taxis – pressure on licensing
- Growing demands from residents for facilities and infrastructure that are provided by others:
- . Health and social care – costs falling onto other parts of the public sector; risk of cost shunting or reduction of others' budgets.
 - . Public transport pressure particularly for buses
- Growing pressures on businesses
- An ageing workforce with dated skills that might mean businesses struggle to recruit.

Opportunities


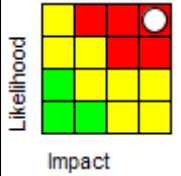
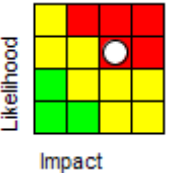
- Growing demands for services provided or facilitated by the council
- A healthier older population may be looking for greater sports and physical activity opportunities in our parks and leisure centres
 - A healthier older population may be willing to volunteer for conservation, sport, cultural or tourism related activities
 - A more IT literate older population will be more willing to embrace channel shift
 - A wealthier older population may be prepared to spend more for leisure, cultural and tourism type activities.
 - A wealthier, healthier older population will continue to use car parks
 - A more mobile older population may utilise the shop mobility scheme
- Growing opportunities for the community and the economy
- A healthier experienced skilled older population will bring different skills to the workplace and to voluntary and community groups

	<ul style="list-style-type: none">- A wealthier older population will bring disposable income to support the retail, care and leisure economy; An older population, with time capacity may offer more affordable childcare to their grandchildren thereby allowing their children to be more economically active, or to offer more time as a volunteer.- A healthier older population may wish to set up their own businesses using their own capital;
Risk Treatment Measures	Consider changing demographics - but not just from a risk point of view - when preparing equality impact assessments, plans and policies.
Latest Note	


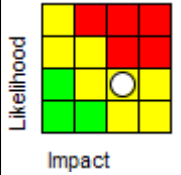
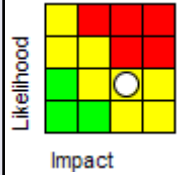
Risk Code	COR2	Risk Title	Economic Growth/Performance of the Local Economy/Integrity of the Local Plan	Current Risk Status	
Description	Economic Growth/Performance of the Local Economy/Integrity of the Local Plan				
Gross Risk Matrix		Current Risk Matrix		Last Review Date	14-Jan-2019
Responsible Cabinet Member					
Assigned To	Craig Jordan; Richard King				
Risk Factors/Causes	<p>The state of the local economy is a key factor for the Council, residents and businesses in the District. A poorly performing economy is not only contrary to expectations of the Council's Strategic Plan to 2020 but can cause a variety of problems. It is imperative that the Authority understands local economic conditions, identifies where and how private sector investment can be attracted and furthermore determines where policy and others forms of intervention would make economic, social and environmental sense. Specific risks are that the Council does not suitably monitor and be aware of economic trends taking place or impacting upon the District, does not work appropriately cross-sector including with other public sector bodies, fails to deliver growth or key infrastructure where it has direct or significant control and does not acknowledge or engage with key businesses or consumers to ensure good succession planning and business continuity. Whilst, the Authority to some degree can influence and intervene in the local economy it needs to be recognised that external factors such as the state of the global and national economy as well as policy decisions taken at the national level can have significant impacts. The decision in 2016 to leave the European Union is an example, the repercussions of which are unknown at this time but will in due course effect the UK economy.</p>				
Potential effects/consequences	<p>The effects of a poorly performing local economy can be seen in many ways including:</p> <ol style="list-style-type: none"> 1. Increased unemployment, decreasing activity rates – people losing jobs, companies closing or reducing the scale of their operations can have serious social and economic consequences for an area including placing increased demands on the Council and other public agencies to provide support and address financial and welfare issues. 2. Failing town and local centres – Lichfield City and Burntwood are the Districts two key urban centres serving substantial populations. Outside of these and recognising the large rural areas in Lichfield District, there a number of key centres and more localised centres meeting needs of 				

	<p>immediate residents and further afield. These centres and their economic health and well-being are crucial to the sustainability of residents and local business. Significantly changeable retail/commercial vacancy rate, decline in business rate receipts, business support relief.</p> <p>3. Empty properties highlight problems with local property and commercial markets and can indicate a lack of confidence in an area, lack of market interest, poor wider economic and social conditions etc. Whilst it might be expected to see the occasional empty property in a thriving, affluent area and which has little negative impact, in other areas an agglomeration of empty properties can have serious implications. Decline in business rate receipts, decline in Council tax receipts, unused or underused resource, potential costs to Authority of liaising with property owners to maintain health and safety obligations and preventing environmental despoliation.</p> <p>4. Key to maintaining and strengthening centres is to encourage and realise improved footfall, boosting visitors and providing the right kinds of services and facilities to meet the needs of residents and those travelling further afield. If measures of footfall show a decrease over normal levels then that can be sign of market problems and lack of retailer/consumer and investor confidence. Requests for Business rate relief increase.</p> <p>5. Lower footfall and lack of investment in centres can be a sign of a troubled locality. This can impact the Council and local community through reduction in income e.g. retail and commercial outlets owned or leased by the Authority. 6. In times when the economy is not performing well or there are market and other barriers at work, development sites and related infrastructure may not come forward and lay dormant. Lack of business rate income, Council Tax and New Homes Bonus to the Authority</p>
Risk Treatment Measures	<p>Having a vibrant and prosperous local economy by 2020 is a key strategic ambition in the Council's Strategic Plan. The Plan is supported by Annual Action Plans setting out specific actions and performance measures for relevant services.</p> <p>Alongside the Strategic Plan is an Economic Development Strategy and associated Action Plan setting in more detail how the stated strategic ambitions are going to be realised.</p> <p>The Council's approved Local Plan sets out a spatial strategy for delivering employment land and jobs linked to the above, this is under constant review (see below for latest update)</p> <p>The Council's shared economic development service led by Tamworth Borough Council activities are informed by the Strategic Plan and ED Strategy but also a regularly reviewed and agreed Service Level Agreement and annual business plan. Performance against the business plan is overseen by the Economic Growth, Development and Environment Cabinet Member and scrutinised by the EGED (O&S) Committee At the Strategic level the Council is involved with both the Greater Birmingham and Solihull LEP and the Stoke and Staffordshire LEP, both identifying high level priorities and from this setting out clear long term ambitions and detailed work programmes. Through this engagement the Council benefits from cross-LEP funding, access to European Funding regimes, information sharing and skills & knowledge. Programmes and initiatives, for example the Business Growth Programme and Rural Enterprise Programme, support local businesses by providing information & technical advice, access to funding and networking opportunities to share experiences and inform policy and plans. A variety of partners work with and oversee the outputs and outcomes of the District Council in terms of local economic development including Lichfield District Board, Staffs CC, Birmingham Chambers, Lichfield City BID, Lichfield Town safe Partnership, Burntwood Business Community,</p>


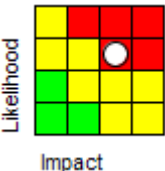
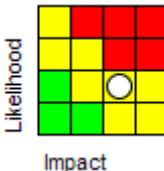
Latest Note	<p>Part 2 of the Local Plan, the Land Allocations Document was submitted for examination earlier this year and subsequently examined by an independent inspector. The inspector has recently indicated the need for certain modifications to be made to ensure that the Plan can be found sound. Work has commenced on a Local Plan Review with consultation on issues and options undertaken in mid-2018, an initial draft plan is due to be prepared for early 2019.</p> <p>The Council continues to keep a watching brief over activity being carried out by the West Midlands Combined Authority and which potentially could be relevant to growth and prosperity prospects in the District. Our membership of the GBSLEP allows us an insight and some influence over the level of knowledge sharing from the CA and ability to inform the application of policy. A number of new initiatives arising out of both the GBSLEP and CA could have impacts on or be beneficial to the district including policy and funding support for delivery of affordable housing and strengthening city and town centres.</p> <p>In terms of centres, following the demise of the Friarsgate project efforts are being made to re-evaluate the scope for re-development of the Birmingham Road site. A cross-party member task group has been set up with officer support to consider in the context of the wider city centre the scale and nature of development that would be appropriate on this site.</p> <p>Since September 2017The Council has engaged additional dedicated resource as regards the economic growth agenda enabling the District's interests to be further acknowledged and addressed at a strategic and local level. This resource working with the shared service provide to Lichfield by Tamworth BC has ensured that local businesses and those contemplating setting up in business have been able to take advantage of business support initiatives e.g. Business Growth Programme and Enterprise for Success as well as more generally through the two LEP-enabled Growth Hubs. Finally, the Council has adopted a Property Investment Strategy as part of its wider Commercialisation Strategy, identifying opportunities to intervene in and support the market in line with its strategic objectives.</p>
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Risk Code	COR3	Risk Title	Financial Sustainability of the Council	Current Risk Status	
Description	The financial resources available are not sufficient to support all of the planned priorities for the Council and areas that rely on significant income generation may not achieve their targets.				
Gross Risk Matrix		Current Risk Matrix		Last Review Date	04-Jan-2019
Responsible Cabinet Member					
Assigned To	Anthony Thomas				
Risk Factors/Causes	<p>The financial risks facing the Council continue to be severe. The following are key risks:</p> <ul style="list-style-type: none"> . Planned capital receipts are not received and this impacts on the financing of the Capital Programme. . Planned income from the Property Investment Strategy is not delivered due to a lack of investment opportunities or stifled yields. . The Council is unable to achieve its key priorities. . The implementation of the Check, Challenge and Appeal new Business Rates Appeal system from 1 April 2017. . The implementation of more frequent Business Rate revaluations. . The financial impact of changes to the New Homes Bonus regime in 2020/21. . The move to 75% retention of Business Rates and the Fair Funding review in 2020/21. . Any potential impact of BREXIT on the local economy. Although at this stage it is difficult to quantify the risk to the Council and the local economy, trade negotiations and subsequent agreements are likely to be a key element for some local businesses. 				
Potential effects/consequences	The financial resources available are not sufficient to support all of the planned priorities for the Council and areas that rely on significant income generation may not achieve their targets.				
Risk Treatment Measures	<p>The Council intends closing this funding gap via an efficiency plan with four strands:</p> <ol style="list-style-type: none"> 1. In year efficiency savings / income generation – this is in recognition of the Council's favourable financial performance over the last three financial years, in comparison with the Approved Budget. 2. Fit for the Future (F4F) efficiency savings / income generation – this is part of the Council's ongoing F4F programme. This programme is designed to manage the change that will be across LDC and its services in order to meet all of the changes following the fundamental review of 				

	<p>Local Government Finances. This includes three strands; income, innovation and investment (the latter of which includes the property investment strategy). The anticipated outcomes are identified at the scoping stage of each project and benefit realisation assessed post implementation. The investment in property is regularly reviewed and re-profiled as necessary to mitigate risk.</p> <p>3. F4F transformational change – this is the element of the F4F programme designed to reshape and redesign LDC and its services into one that is fit for the future.</p> <p>4. Growing the Business Rates and Council Tax base – the Council will seek to maximise the growth of both of these in order to increase the income from these funding sources. This will enable the Council to become financially self-sufficient over the medium term.</p> <p>The Council closely monitors it's in year position and this is reported on a regular basis to Cabinet in the Money Matters Reports and Strategic (Overview and Scrutiny) Committee in briefing notes.</p>
Latest Note	<p>The draft Medium Term Financial Strategy 2018–23 will be approved by Council on 19 February 2019. Prior to approval by Council, the Medium Term Financial Strategy will be reviewed by Strategic (Overview and Scrutiny) Committee on 29 January 2019 and the Treasury Management Strategy Statement will be reviewed by Audit and Member Standards Committee on 6 February 2019 prior to Cabinet on 12 February 2019.</p> <p>The Provisional Finance Settlement for 2019/20 was positive for this Council:</p> <ul style="list-style-type: none"> . The removal of Negative Revenue Support Grant for 2019/20 – this will reduce the funding gap by £453,000. . Additional New Homes Bonus for 2019/20 of £468,000 (£1,278,000 compared to the Budget of £810,000) – this is proposed to be used to part fund the loan to the Development Company. . Staffordshire and Stoke on Trent were one of 15 successful Business Rate Pilots for 2019/20 and this will result in an estimated £568,000 of additional Business Rates income – this is proposed to be set aside for economic growth / income generating activities. . Other additional grants for 2019/20 – this will reduce the funding gap by £37,000. <p>The positive benefits from the Settlement together with the proposals to reduce the Funding Gap are likely to mean the Council has a balanced budget in 2019/20 with a contribution to General Reserves. However it must be emphasised that these are financial benefits that impact on 2019/20 only with the majority of key income streams (Business Rates, Fair Funding and New Homes Bonus) being reviewed in 2020/21. Therefore the Council will still need to press on with identifying initiatives to close the projected funding gap from 2020/21 onwards.</p>


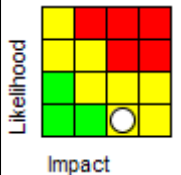
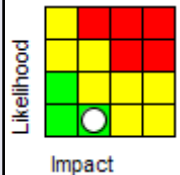
Risk Code	COR4	Risk Title	Capacity to Deliver	Current Risk Status	
Description	Capacity to deliver all of the outcomes required in the Councils Strategic Plan with the particular workforce and organisational development challenges we currently face.				
Gross Risk Matrix		Current Risk Matrix		Last Review Date	10-Jan-2019
Responsible Cabinet Member					
Assigned To	Christie Tims				
Risk Factors/Causes	The council is facing significant pressure to deliver its ambitious strategic outcomes in tight financial constraints. Ensuring the workforce of the council has the correct skills and capacity to deliver and that all of the expected outcomes from the Strategic Plan are being effectively progressed is a significant challenge. If we are not able to recruit and retain critical skills sets and sustain sufficient resources to deliver our plans effectively, this is a key corporate risk. If we are also not able to inspire a more commercial culture and clear business focus, then we will not be able to build a sustainable council.				
Potential effects/consequences	<p>The effects of a lack of workforce capacity can be seen in a number of ways including -</p> <ol style="list-style-type: none"> 1. Impacts on service delivery 2. Failure to deliver key objectives and performance metrics 3. Workforce disturbances including industrial action; vacancy rates; inability to recruit. 4. Reputational damage 5. Loss of morale 				
Risk Treatment Measures	<p>These issues will be addressed in the full as part of the Fit for the Future programme to establish a clear vision, empower and incentivise staff to new ways of working and increase flexibility. This will be supported by a People Strategy and underpinning Workforce Development Plan. Leadership development has been undertaken to ensure effective change and will be further supported by a commercial training programme this year.</p> <p>Service Plans and strategic plans are being aligned with the budget setting process and the Corporate Annual Action Plan is being replaced by a Delivery plan for the remainder of the Strategic Plan period to ensure the key outcomes are prioritised, deliverable and support is available. As</p>				

	<p>part of our golden tread for Performance Management, the Delivery Plan translates into Service Delivery plans then individual Performance Development Reviews (PDRs) and targets for all employees. Any vacancies and skill shortages are flagged as service ricks for each relevant service area.</p> <p>Key projects will be controlled with clear business case and document risks and resource planning under the Fit for the Future Programme. All activity is co-ordinated through Leadership Team. Other treatment measures are:</p> <p>Regular communications/engagement – e.g. staff briefings and use of key messages to ensure all employees are aware of the strategic projects and how they contribute to achieving them. Revisions to the PDR process (updated template to allow e-mailing, support for 1-2-1 PDRs in all areas) and monitoring and reporting of completion in all areas. HR policies and procedures reviewed and available via the intranet, training and support delivered as required. Absence management tracking and reporting with management of long term absence and return to work process in place.</p> <p>Talent and succession planning built into service plan templates.</p> <p>Review of recruitment processes to reduce waste/delay. Trade union relationships are good with the role of the union clearly defined. Union are supported to ensure meaningful engagement. Business continuity plans and service risk management build in resilience for teams. Training and development completed for all levels of staff. Corporate training needs are identified to build skills and capacity. Robust Project management that ensures business outcomes and performance of key projects. Employee well-being is developed and key interventions in place to support management of change. People Strategy – which articulates all of these aspirations and how managers will be supported to deliver them.</p>
Latest Note	Fit for the future has been relaunched, significant projects are programmed for delivery during this period.


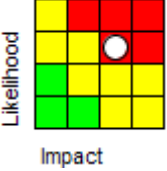
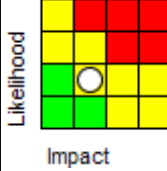
Risk Code	COR5	Risk Title	Governance & Statutory Obligations	Current Risk Status	
Description	Governance & Statutory Obligations				
Gross Risk Matrix		Current Risk Matrix		Last Review Date	18-Jan-2019
Responsible Cabinet Member					
Assigned To	Bal Nahal; Neil Turner				
Risk Factors/Causes	<p>Every organisation needs effective governance to ensure that it complies with its statutory obligations and its own constitution. Lichfield District Council is no exception. Indeed as a public body, the council needs to be an exemplar of good governance to ensure that its decisions are sound and transparent in their making, in order to maintain the confidence of its residents, partners and customers.</p> <p>Sound decision making and probity is informed by the council's Constitution and the associated financial and procurement rules, which are unique to this council. But the council is also governed by legislation including Health and Safety at Work Act; the Equalities Act, the Local Government acts (which demands the appointment of a Head of Paid Service, a S151 Officer and a Monitoring Officer) and, from May 2018, will need to be compliant with the General Data Protection Regulations.</p> <p>There are 4 key areas of governance where the council considers the risks are greatest, either because of external factors, or because there is always a material risk to be managed. Its constitution has not been comprehensively reviewed since its adoption in 2001 despite a number of legislative changes and restructures; financial probity to ensure that we can protect the public purse; ensuring compliance with the General Data Protection Regulations (although we are aware of our obligations of the Data Protection Act); and meeting our Health and Safety obligations.</p> <p>Of course there are other risks associated with governance - for instance of managing change; of employing staff; of ensuring that our services are not fair. But these risks are considered to be satisfactorily managed through existing policies and procedures, although they are reviewed on a regular basis.</p>				
Potential	Decision making is poor and subject to challenge leading to reputational, financial and operational risk				

effects/consequences	<p>There are increased opportunities for fraud or loss to the public purse</p> <p>People are injured or killed because of a failure to comply with health and safety</p> <p>Recruitment and retention of staff is difficult because of a lack of clear policies and procedures</p> <p>Costs rise because of failure to follow policies and procedures.</p> <p>Information is lost, inaccurate or inaccessible because of a breach of data protection principles.</p>
Risk Treatment Measures	<p>The following actions are being implemented to ensure risks are mitigated:</p> <p>Decision making</p> <p>The constitution has been reviewed to ensure that it is fit for purpose. The revised constitution was adopted in May 2018.</p> <p>The approach to overview and scrutiny is changing so as to be able to support Cabinet and Cabinet Members to make better, more informed, decision in order to help deliver the ambitions of the Strategic Plan.</p> <p>Appropriately skilled and authorised officers attend all constituted meetings to ensure that decisions are not taken ultra vires.</p> <p>All members and officers are expected to observe the relevant Codes of Conduct, including declaring conflicts of interest, and operate by the Nolan 7 principles of public service.</p> <p>Financial Probity</p> <p>The council retains a team of Internal Audit and is required to maintain the appointment of External Auditors. The s151 Officer is expected to ensure that the council remains compliant with all fiscal obligations including ensuring that the council has a balanced budget, a medium term financial strategy, and an annual governance statement</p> <p>The financial and contract procedure rules were revised as part of constitution review and training will be rolled out to all Officers.</p> <p>General Data Protection Regulations</p> <p>New rules on data protection come into force from 25th May 2018. A project is being implemented to ensure that we can evidence compliance by then. Actions include training of all staff, Members, the appointment of a Data Protection Officer and a Senior Information Risk Owner, an audit of data and of information systems, and the design and implementation of procedures to ensure compliance.</p>


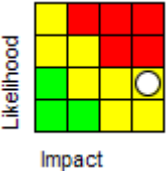
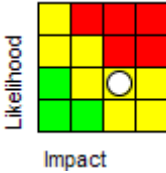
	<p>Health and Safety</p> <p>The council maintains the appointment of a competent person. The council has a Health and Safety Policy which is reviewed and revised annually. Health and Safety performance is reported to the Employee Liaison Group, Leadership Team and Employment Committee. The Joint Waste Service supports a service specific Health and Safety Committee in recognition of the greater risks associated with the collection of household and trade waste. Managers are supported in developing risk assessments and training is provided where risks are greatest.</p>
Latest Note	,

Risk Code	COR6	Risk Title	Information Technology	Current Risk Status	
Description	How ICT supports business outcomes and our reliance on IT to achieve our strategic ambitions.				
Gross Risk Matrix		Current Risk Matrix		Last Review Date	10-Jan-2019
Responsible Cabinet Member					
Assigned To	Christie Tims				
Risk Factors/Causes	<p>We live in an increasingly digital world, heavily dependent on information technology to deliver all our key services in some way. Our ability to be able to respond to new digital threats, adapt our ITC infrastructure and develop all the technologies we use is key to the delivery of our strategic plan. Any failure of our infrastructure, data assets and development capacity is a key business risk for the authority.</p>				
Potential effects/consequences	<p>Losing sight of customers Cost/return on investment Loss of IT systems & inability to deliver services Reputational damage Fine and prosecution Potential imprisonment Loss of key management information Cost of change prohibitive to consider alternatives and develop new approaches.</p>				
Risk Treatment Measures	<p>Primarily these have been addressed in the development of the Digital Strategy and underpinning ICT Review for the termination of the support contract.</p> <p>An effective Cloud Readiness assessment has been undertaken to consider all of our future options for ICT.</p> <p>ICT has clear business continuity plans; uses strong information governance; has developed mechanisms to anticipate & identify business needs and develop and implement new technology effectively.</p> <p>Other measures include: Effective Project management and deployment of new systems Use of Firewalls and virus protection to manage cyber</p>				

	security Strong user ID's and passwords and policies on their application and refreshment Policies and procedures relating to good, safe practice and a programme of awareness. Secure remote access controls. Physical security of the building and key assets and the use of clear desk/locked screens. PSN compliance and staff vetting for relevant positions Established protocols and audit controls. Business continuity plan and disaster recovery planning. Use of penetration testing to identify and remove potential weaknesses. Data Protection Policy and Data protection training for all staff. IT governance and CPD to ensure skill sets are maintained.
Latest Note	In sourcing has gone smoothly with no issues.

Risk Code	COR7	Risk Title	Impact of Stakeholder Strategies on our Strategic Plan	Current Risk Status	
Description	Impact of Stakeholder Strategies on our Strategic Plan				
Gross Risk Matrix		Current Risk Matrix		Last Review Date	14-Jan-2019
Responsible Cabinet Member					
Assigned To	Diane Tilley				
Risk Factors/Causes	<p>Whilst focussed on delivering the strategic plan at a local level the work of the council is inevitably affected by partner organisations locally and government and policy decisions taken nationally. The council does not operate in a vacuum. The changes to the strategy and policy of other organisation may prevent the achievement of our goals by changes in statute, requirement to divert resources to new policy initiatives, reduction in available resources, changes to grant income from other partners, changes to service provision from partners that have a knock on effect on those services we deliver. Some of these are linked to other risks in this corporate risk register, such as the impact of national economic measures on our own economy and on our financial resilience. Each risk as it emerges will appear in relevant service plans and in itself will not be a corporate risk but collectively these issues require corporate response and monitoring</p>				
Potential effects/consequences	<p>These are wide and varied but as examples of current pressures:</p> <ol style="list-style-type: none"> 1. Reduction in funding for Domestic violence from County and OPCC resulting in closure of refuge and LDC requirement to rehouse occupants. 2. Changes to housing associations voids policy requiring additional temporary accommodation for homelessness 3. Requirement for increased resource commitment to Prevent and community cohesion agenda 4. Changes to health provision which affects our community and their needs. 5. Changes to the national economic position which could result in reduced business rate receipts 6. Increased unemployment and lower wages leading to increased demand for affordable housing 7. New legislation on Homelessness prevention is increasing pressures 8. SCC budget pressures – including verge cutting which will impact on our reputation 				

Risk Treatment Measures	<p>Each different event which comes under this collective heading will have a range of treatment and mitigation measures that can be taken by the relevant service area as and when necessary. However corporately there are number of mitigating actions which need to be taken. These include:</p> <ol style="list-style-type: none"> 1. New burdens funding – ensure that costs of new government initiatives are covered by New Burdens funding and that we are fully aware of the whole cost of a change and evidence need for increased resources. 2. A need to monitor and assess emerging pressures. Through fora such as LGA, and DCN national issues can be tracked and anticipated. Through liaison with neighbouring Councils and the strategic partnerships across Staffordshire, e.g. partnership, Health and Wellbeing Board, Safer Communities’ Board emerging issues can be tracked monitored and challenged by senior staff and members 3. At a local level the District Board should consider how it encourages local partners to share knowledge and information of emerging strategies to future proof decision making 4. When developing business cases full consideration of all possible changes by other partners or stakeholders should be factored into the decision so that individual risks are fully appreciated. 5. Working as One Council will reduce risk of cross directorate impacts and also increase knowledge and information available on stakeholder activities. 6. Being clear on exit strategies for initiatives where funding and delivery is dependent on more than one organisation so that the district council does not retain the expectations of the community for continued delivery when others withdraw. 7. There needs to be a corporate recognition of these issues and acceptance of a level of risk that we have no control over 8. Analysing and responding to policy consultations to influence the direction of policy in the Council’s favour. 9. Ensuring that the additional risks identified above are considered when setting the minimum level of reserves in order to further protect the council from exposure financially as a result of these risk materialising.
Latest Note	<p>No change in this review however one of the latest risks in this area is the impact of the government guidance on the geography or LEP which may impact on our relationships with GBSLEP and SSLEP</p>

Risk Code	COR8	Risk Title	Failure to manage a major incident	Current Risk Status	
Description	Failure to manage a major incident				
Gross Risk Matrix		Current Risk Matrix		Last Review Date	18-Jan-2019
Responsible Cabinet Member					
Assigned To	Gareth Davies				
Risk Factors/Causes	<p>Lack of integrated emergency arrangements making it difficult to react quickly to a disaster and provide the required support and essential service in line with the requirements of the Civil Contingencies Act.</p> <p>Failure to test plans</p> <p>Failure to undertake training</p> <p>Plans not activated</p> <p>Plans not kept up to date</p> <p>Plans do not accurately identify the staffing/resources required</p> <p>Implications of industrial action from other service providers e.g. Fire Service</p> <p>Lack of understanding both staff and members of their roles</p> <p>Failure to understand and monitor the needs of the community</p> <p>Not understanding our communities needs</p> <p>Lack of integrated emergency plans for significant incidents that may impact on our district in neighbouring authorities' areas.</p>				
Potential effects/consequences	<p>Services not delivered</p> <p>Damage to reputation</p> <p>Civil Contingency Act requirements not met</p> <p>Death</p> <p>Destruction of property</p> <p>Damage to the environment</p>				


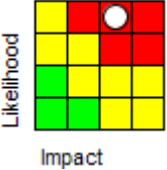
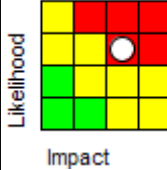
	<p>Adverse effect on vulnerable groups Public expectations of service delivery not met Increased costs for alternative service delivery Loss of homes – temporary or permanent</p>
<p>Risk Treatment Measures</p>	<p>Emergency plan in place and tested on a regular basis Emergency planning training Business Continuity Plans at service level Insurance cover Advice and guidance on Risk Management Business continuity strategy and management handbook Emergency advice available on the website including Evacuation Plan for Lichfield City Centre leaflet and poster, Flooding, How we Plan for Emergencies, Your Guide to Dealing with the Unexpected and links to the Staffordshire Prepared website Fire prevention controls in place and tested on a regular basis PAT testing Physical access controls in place Communications plan Membership of Staffordshire CCU & Resilience Forum Plans uploaded to Resilience Direct Learning from actual events e.g. IT system restores, Flooding Prevent training Chair local Safety Advisory Groups for local events Building Control enforcement – dangerous structures etc. Monitor for the emergence of high risk sites on our borders and ensure adequate multi-agency response plans are in place.</p>
<p>Latest Note</p>	

Corporate projects risk register

Report Type: Risks Report

Report Author: Angela Struthers

Generated on: 18 January 2019

Risk Code	CORPRO3	Risk Title	FGLC	Current Risk Status	
Description	Planned or unplanned closure of the Friary Grange Leisure Centre due to lack of investment in the asset by Staffordshire County Council and/or associated Contractual/Legal issues relating to ownership and asset responsibility.				
Gross Risk Matrix		Current Risk Matrix		Last Review Date	18-Jan-2019
Responsible Cabinet Member					
Assigned To	Richard King				
Risk Factors/Causes	<ul style="list-style-type: none"> . No investment in the building infrastructure resulting in closure – the asset responsibility is currently being discussed/disputed through the reinstated Friary Grange Management Committee. Whilst the Management Committee has now been dissolved renewed discussions are taking place between SCC & LCC to identify a pragmatic solution to prevent closure. If this is not achieved it is likely that some form of informal arbitration will be used. . The building is in a poor state of repair as a result of its age (45 years) and lack of investment. Recent closures have taken place as a result of water ingress and corrosion to major pipework. The roof is leaking throughout the whole facility and specifically the squash court and swimming pool roofs require replacement. The cost of the swimming pool roof is currently being determined by way of an intrusive survey funded by LDC. . It is not possible to determine when further closure will be required as a result of structural and/or M&E failure. Although LDC have produced an operational risk assessment the potential of risk of injury cannot be predetermined. 				
Potential effects/consequences	<ul style="list-style-type: none"> . Reputational damage to the Authority . Cessation of the outsource leisure contract and associated compensatory payments relating to the contract and staff redundancy. 				

	<p>. Significant shortfall in leisure provision(refer to FGLC options paper May 2018) within Lichfield/the district (Policy & Strategic Context – National Planning Policy Framework 2012, Lichfield Local Plan 2008 – 2012, Lichfield District Infrastructure Delivery Plan 2017, Lichfield District Council Strategic Plan 2016 – 2020, Lichfield District Council Health & Wellbeing Strategy 2018, LOPS Service Plan 2018 – 2023)</p> <p>Formal legal proceedings could commence regarding ownership of the building in the event of the Management Committee being unable to reach an agreement, but this is not a preferred option. Associated costs and implications cannot be determined at this stage. Potential clawback in relation to £210K Sport England grant for refurbishment of reception area and changing rooms in 2013. The amount will be determined by the timing of any closure and LDC approach to providing a replacement facility. Enforcement bodies (Health and safety Executive, Staffordshire fire and Rescue etc.) could invoke enforcement action against the Council if they deemed the lack of investment was seriously compromising public and/or employee safety</p>
Risk Treatment Measures	<p>In June 2017 the issues relating to the Condition Survey and Management Arrangements was integrated into the procurement process for the outsource of leisure facilities. This was subsequently discussed with the preferred bidder and resulted in the 10 year operational contract being changed to a 12 month rolling basis to reflect the associated risk of cessation.</p> <p>. Between June 2017 & February 2018 LDC continued to develop the working relationship with Friary School and addressed the funding allocation relating to the apportionment of utility/operating costs.</p> <p>. In October 2017 LDC commissioned Sport England to undertake a detailed planning model to determine the size, scale and scope of leisure facility that would be required to replace FGLC.</p> <p>. In January 2018 LDC developed an operational risk matrix and associated communications plan identifying all operational/financial/structural/contractual/health and safety risks. In February 2018 LDC commissioned LPB Consulting to develop an options appraisal for Friary Grange Leisure Centre, this document was considered by the Leadership Team on 4th July and subsequently by informal Cabinet. At this stage the key focus is on maintaining the serviceability of the building and the potential to replace the facility will be considered gain in Spring 2019.</p> <p>In October 2018 renewed discussions commenced between SCC & LDC Officers to identify a pragmatic solution to ensuring the serviceability of the building. The operator of the leisure centre (Freedom Leisure) hold operational responsibility for the safe delivery of services. They will continue to report through to the Head of Leisure any concerns relating to ongoing safety and operation</p>
Latest Note	<p>A detailed condition survey has been commissioned to ascertain the level of investment required to keep the facility operating. The results of that survey are currently awaited. A presentation was made to Leisure Parks and Waste Overview and Scrutiny Committee on 16 January to update the Committee on the latest position.</p>