RISK MANAGEMENT UPDATE

Cabinet Member for Finance & Procurement

Date:	5th February 2020
Agenda Item:	
Contact Officer:	Rebecca Neill
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Key Decision?	**NO**
Local Ward Members	

AUDIT & MEMBER STANDARDS COMMITTEE

1. Executive Summary

1.1 To provide the Committee with the Quarter 3 risk management update.

2. Recommendations

2.1 That Members note the Quarter 3 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 corporate risk register is produced by assessing the risk factors that could potentially impact on the Council's ability to deliver its strategic plan. This assessment ensures that there are the right measures in place to control the potential risks to our business objectives. Risks are assessed based on their likelihood of occurrence and their potential impact. Each of these are rated on a scale of 1 (Low), 2 (Medium), 3 (Significant) and 4 (High). By multiplying the two scores together, each risk receives a score.

3.3 The Council's approach to risk is detailed within the newly refreshed risk policy - LINK HERE

4. Quarter 3 Corporate Risk Register Update

4.1 The current position of all corporate risks is per the matrix below.

COR1 - A failure to respond to changing demographics.
COR2 - Economic growth/Performance of the local economy/Integrity of the Local Plan.
COR3 - 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.
COR4 - Capacity to deliver all of the outcomes required in the Councils Strategic Plan with the particular workforce and organisational development challenges we currently face.
COR5 - Governance & statutory obligations.
COR6 - How ICT supports business outcomes and our reliance on IT to achieve our strategic ambitions.
COR7 - Impact of Stakeholder strategies on our Strategic Plan.
COR8 - Failure to manage a major incident.

4.2 COR3 is the only risk currently outside of appetite (within the red zone). Whilst the Council is continually working to mitigate and reduce this risk, it is unlikely to come back within appetite until Government have made clear their plans for the future funding of local government and the settlement for a four year period is known.

4.3 The detail of these risks, including the potential causes, consequences and the risk treatments measures in place are detailed on the track changed corporate risk register at **Appendix 1**. There have been no changes to gross, current or target scores this period. Key changes this quarter are as follows:

- Realignment of risk ownership following staffing changes within the Leadership Team.
- Risk treatment measures at COR3, COR6 and COR8 have been updated by risk owners.
- Risk factors /causes and potential effects / consequences have been updated by the risk owner of COR7.

All other aspects of the register remain as they were at quarter two, following risk owners' and the Leadership Team's review.

4.4 No other emerging strategic or significant project risks have been identified this period.

4.5 In terms of work to continue the process of embedding risk management at the Council, a manager's briefing session on risk took place on 21 January 2020.

5.   Forward Look

5.1 In terms of a forward look into next quarter's risk management work, the Leadership team have endorsed the following:

- A comprehensive review of the corporate risk register and appetite is to take place to align it to the new strategic plan, draft as below:

- Introduction of the 3 'lines of defence' model to our strategic risk management.

- To undertake a review of the effectiveness of our sub strategic (service / operational) and project risk arrangements, including the use of Pentana as our system for recording risks.

5.2   Progress will be reported in the next Audit & Member Standards Committee risk update.

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. Robust risk management supports the delivery of priorities in the strategic plan.
Equality, Diversity and Human Rights Implications	1. None.
Crime & Safety Issues	1. Risk management can aid the Council in assessing risks related to crime and safety and supports improvements in these areas.
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. External assessment by external audit of the Annual Governance Statement and the narrative statement in the statement of accounts.	Green (tolerable)

Background documents

Relevant web links

Corporate Risk Register 2019/20 – Quarter 3

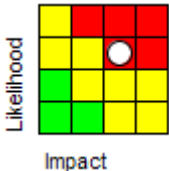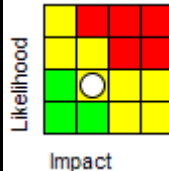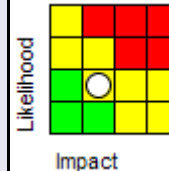**Report Type:** Risks Report
Report Author: Rebecca Neill
*track changes (additions <mark>highlighted</mark>, deletions have been ~~struck through~~).

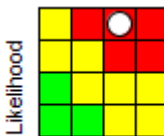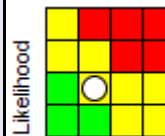| Risk Code	COR1	Risk Title	A Failure to Respond to Changing Demographics	Current Risk Status	✅
Description	A failure to respond to changing demographics				
Gross Risk Matrix		Current Risk Matrix		Target Risk Matrix	
Last Review Date	30-Dec-2019				
Responsible Cabinet Member	Cabinet Member for Customer Services & Innovation				
Assigned To	Pat Leybourne; ~~Neil Turner~~				
Risk Factors/Causes	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. 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. 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.				
Potential	**Risks**				

effects/consequences	Growing demands from residents for support services that are provided directly by the council including:
	• 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:

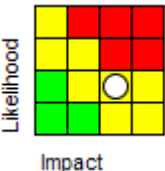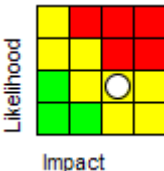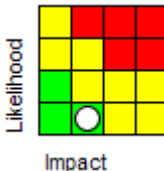|	
	- A healthier experienced skilled older population will bring different skills to the workplace and to voluntary and community groups - A wealthier older population will bring disposable income to support the retail, care and leisure economy. - An older population, with time capacity may offer more 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	As the council's services increasingly move to digital delivery, resources are allocated to support those vulnerable customers who may not be digitally enabled, including older customers who may not be able to access the internet.
Linked Actions Code & Title	None at this time. Current risk score is within appetite and at target.
Linked Actions Assigned To	N/A.

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		Target Risk Matrix	
Last Review Date	30-Dec-2019				
Responsible Cabinet Member	Deputy Leader of Cabinet & Cabinet Member for Investment, Economic Growth & Tourism				
Assigned To	Craig Jordan; ~~Richard King~~				
Risk Factors/Causes	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.				
Potential effects/consequences	The effects of a poorly performing local economy can be seen in many ways including: 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				

	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. 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. 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. 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.
Risk Treatment Measures	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. 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. 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). 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 Townsafe Partnership, Burntwood Business Community.
Latest Note	The local economy continues to perform relatively well however we are seeing slightly increased levels of unemployment which may or may not be related to uncertainty in markets caused by Brexit. Retail vacancy rates remain very good in our key centres compared with the rest of the west midlands and UK, though again as a Council we need to be aware of the pressures on high streets. New housing is coming forward on a variety of
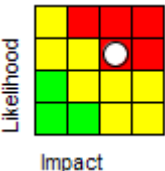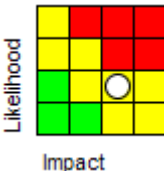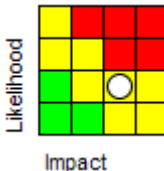
	sites across the district and interest from the development industry remains high. In terms of commercial/retail space development schemes on Eastern Avenue in Lichfield (outside the city centre) are being implemented and potential occupier interest in this area of the city should be noted. After a period of inaction there now seems to be some movement in bringing forward employment uses at Liberty Park in Lichfield and interest being shown in the area undeveloped but with planning permission at Lichfield South near Wall Island.
Linked Actions Code & Title	None at this time. Current risk score is within appetite and at target.
Linked Actions Assigned To	N/A.

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		Target Risk Matrix	
Last Review Date	30-Dec-2019				
Responsible Cabinet Member	Cabinet Member for Finance & Procurement				
Assigned To	Anthony Thomas				
Risk Factors/Causes	The financial risks facing the Council continue to be severe. The following are key risks: • 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. • The affordability and risk associated with the Capital Strategy. • 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	The Council intends closing this funding gap via: an efficiency plan with four strands: 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.				

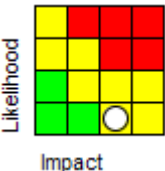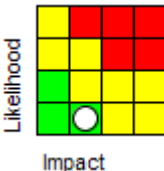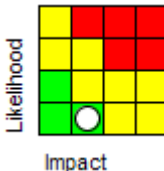|	
	2. Fit for the Future (F4F) efficiency savings / income generation – this is part of the Council's ongoing F4F programme. This programme is designed to manage the change that will be across LDC and its services in order to meet all of the changes following the fundamental review of Local Government 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. 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. 1. **Transformation and a more commercial approach** – this 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 Local Government Finances. This includes three strands; income, innovation and investment (the latter of which includes the capital 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. 2. **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. 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.
Latest Note	The current risk has been was increased last quarter (Q2) to a likelihood of 4 with impact remaining at 3 due to the following: • The Technical Consultation on the Local Government Finance Settlement 2020/21 confirmed a review of New Homes Bonus and a gradual withdrawal of funding based on a one year payment for 2020/21 and then only legacy payments until 2022/23. • An immediate increase in the PWLB borrowing rate of 1% from 9 October 2019. • The decision of Cabinet on 7 October 2019 to refurbish Friary Grange Leisure Centre and provide funding for a replacement facility. At this quarter's review, scores remain unchanged but this means that the current risk score is outside of the risk appetite (red zone), as well as not being within target.
Linked Actions Code & Title	Risk treatment measures (1–42).
Linked Actions Assigned To	Cabinet & the Leadership Team. Timescale: March 2020.

Risk Code	COR4	Risk Title	Capacity to Deliver	Current Risk Status	
Description	Capacity to deliver all of the outcomes required in the Council's Strategic Plan with the particular workforce and organisational development challenges we currently face.				
Gross Risk Matrix		Current Risk Matrix		Target Risk Matrix	
Last Review Date	30-Dec-2019				
Responsible Cabinet Member	Leader of the Council				
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	The effects of a lack of workforce capacity can be seen in a number of ways including: 1. Impacts on service delivery. 2. Failure to deliver key objectives and performance metrics. 3. Workforce disturbances including industrial action; vacancy rates; and inability to recruit. 4. Reputational damage. 5. Loss of morale.				
Risk Treatment Measures	These issues will be addressed in 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. 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				

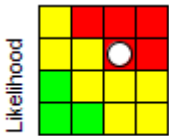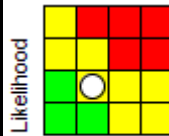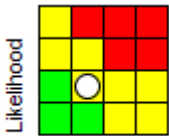|	part of our golden thread for Performance Management, the Delivery Plan translates into Service Delivery plans then individual Performance Development Reviews (PDRs) and targets for all employees. Any vacancies and skill shortages are flagged as service ricks for each relevant service area. Key projects 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: • 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. • Talent and succession planning built into service plan templates. • 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.
Latest Note	No change at this review.
Linked Actions Code & Title	None further at this time. Current risk score is within appetite.
Linked Actions Assigned To	N/A.

Risk Code	COR5	Risk Title	Governance & Statutory Obligations	Current Risk Status	
Description	Governance & Statutory Obligations				
Gross Risk Matrix		Current Risk Matrix		Target Risk Matrix	
Last Review Date	30-Dec-2019				
Responsible Cabinet Member	Cabinet Member for Legal & Regulatory				
Assigned To	~~Neil Turner~~ Christie Tims				
Risk Factors/Causes	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. 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. 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. 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.				
Potential	Decision making is poor and subject to challenge leading to reputational, financial and operational risk.				

effects/consequences	There are increased opportunities for fraud or loss to the public purse.
	People are injured or killed because of a failure to comply with health and safety.
	Recruitment and retention of staff is difficult because of a lack of clear policies and procedures.
	Costs rise because of failure to follow policies and procedures.
	Information is lost, inaccurate or inaccessible because of a breach of data protection principles.
Risk Treatment Measures	The following actions are being implemented to ensure risks are mitigated:
	Decision making
	The constitution is reviewed to ensure that it is fit for purpose. The revised constitution was adopted in May 2018 and is now subject to regular review.
	The approach to overview and scrutiny is changing so as to be able to support Cabinet and Cabinet Members to make better, more informed, decisions in order to help deliver the ambitions of the Strategic Plan.
	Appropriately skilled and authorised officers attend all constituted meetings to ensure that decisions are not taken ultra vires.
	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.
	Financial Probity
	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
	The financial and contract procedure rules were revised as part of constitution review and training ~~will be~~ has been rolled out to all Officers.
	General Data Protection Regulations
	~~Rules on data protection came into force on 25th May 2018~~. A project has being implemented to ensure that we can evidence compliance. Actions include training of all staff members, using the Metacompliance system to ensure compliance. ~~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.~~
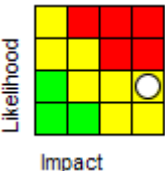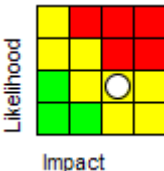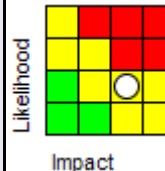
	Health and Safety The council maintains the appointment of a competent person. The council has a Health and Safety Policy which is reviewed and revised annually. Health and Safety performance is reported to the Employee Liaison Group, Leadership Team and Employment Committee. The Joint Waste Service 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. **Legal Services** The council is now party to a shared legal service which has access to specialist solicitors to provide advice and ensure legal compliance is available.
Latest Note	No change at this review.
Linked Actions Code & Title	None further at this time. Current risk score is within appetite and target.
Linked Actions Assigned To	N/A.

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		Target Risk Matrix	
Last Review Date	30-Dec-2019				
Responsible Cabinet Member	Cabinet Member for Customer Services & Innovation				
Assigned To	~~Christie Tims~~ Billy Webster				
Risk Factors/Causes	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.				
Potential effects/consequences	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.				
Risk Treatment Measures	Primarily these have been addressed in the development of the Digital Strategy and underpinning ICT Review for the termination of the support contract. An effective Cloud Readiness assessment has been undertaken to consider all of our future options for ICT. 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. Other measures include: Effective Project management and deployment of new systems				

	• Use of Firewalls and virus protection to manage cyber 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	No change at this review.
Linked Actions Code & Title	None further at this time. Current risk score is within appetite and target.
Linked Actions Assigned To	N/A.

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		Target Risk Matrix	
Last Review Date	30-Dec-2019				
Responsible Cabinet Member	Leader of the Council				
Assigned To	Diane Tilley				
Risk Factors/Causes	Whilst focussed on delivering the strategic plan, and in anticipation of the new emerging one for 2020-24, at a local level the work of the council is inevitably affected by partner organisations locally and by government and policy decisions taken nationally. The council does not operate in a vacuum. The changes to the strategy and policy of other organisations 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, and 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 or projects and in itself will not be a corporate risk but collectively these issues require corporate response and monitoring.				
Potential effects/consequences	These are wide and varied but as examples of current pressures: 1. Reduction in funding for Partner agencies results in pressure on our own budgets by increasing homelessness, input on safeguarding and Prevent. Includes Police, SCC, VCS and Health. 2. New initiatives from partners agencies puts pressure on our own resources e.g. Knife crime response, SOC, reduction in safeguarding activity by County, Place Based approach from County, reduction in mental health services. 3. Brexit impacts, pressure from CCU and government. 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~~ continues to increase~~ing~~ pressure<u>s</u>. 8. Statutory changes to waste collection (e.g. food) 9. Climate change emergency response/Environment Bill responsibilities. 10. The impact of the government guidance on the geography or LEP which may impact on our relationships with GBSLEP and SSLEP.
Risk Treatment Measures	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: 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	~~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.~~ Reviewed December 2019.
Linked Actions Code & Title	None further at this time. Current risk score is within appetite and target.
Linked Actions Assigned To	N/A.

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		Target Risk Matrix	
Last Review Date	30-Dec-2019				
Responsible Cabinet Member	Cabinet Member for Communities & Housing				
Assigned To	Gareth Davies				
Risk Factors/Causes	• 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. • Failure to test plans. • Failure to undertake training. • Plans not activated. • Plans not kept up to date. • Plans do not accurately identify the staffing/resources required. • Implications of industrial action from other service providers e.g. Fire Service. • Lack of understanding both staff and members of their roles. • Failure to understand and monitor the needs of the community. • Not understanding our communities needs. • Lack of integrated emergency plans for significant incidents that may impact on our district in neighbouring authorities areas.				
Potential effects/consequences	• Services not delivered. • Damage to reputation. • Civil Contingency Act requirements not met. • Death. • Destruction of property. • Damage to the environment.				

	- Adverse effect on vulnerable groups. - Public expectations of service delivery not met. - Increased costs for alternative service delivery. - Loss of homes – temporary or permanent.
Risk Treatment Measures	- Emergency plans in place and tested on a regular basis. - Emergency planning training. <mark>Multi agency plans in place to respond to critical at risk issues such as a flu pandemic.</mark> Engage in multi-agency exercises (such as MERCURY, RAVEN, FORTITUDE) to embed the learning from the training undertaken and the knowledge contained within the plans. - 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.
Latest Note	No change at this review.
Linked Actions Code & Title	None further at this time. Current risk score is within appetite and target.
Linked Actions Assigned To	N/A.