

## AUDIT SCRUTINY COMMITTEE

CHAIRMAN: Cllr Sally Morgan

**DATE:** 17 July 2019

**REPORT OF:** Business Improvement and Development

**SUBJECT:** Strategic & Corporate Risk report

### PART I

**1. PURPOSE**

To provide Members with an overview of the current status of the Strategic & Corporate risks.

**2. BACKGROUND**

There are 3 types of risk to manage and these are:

**Strategic Risks** – these are the big issues that impact heavily on our service delivery or are fundamental changes in the district or something that may cause a lot of bad publicity. These form part of the Strategic Risk Register and are managed by Business Leads and Business or Service Managers.

**Corporate Risks** – also called ‘common risks’ because they apply to many sections of the Council and we have corporate processes in place to deal with them e.g. Attacks on staff. These form part of the Corporate Risk Register and are managed by Business or Service Managers.

**Service Risks** - These are risks and opportunities that apply primarily to a service and that generally won't have too many consequences on the rest of the Council. These are managed by Business or Service Managers and Team Leaders.

In addition, reports to decision makers (both Members and the Strategic Leadership Team) should include an analysis of risks so these are considered when important decisions are made. Major projects or service changes should also have risk registers. These may be referred for inclusion in the Corporate or Strategic Risk Registers if they are likely to be significant issues.

The Strategic and Corporate Risk review will be submitted to Audit Scrutiny Committee twice a year in June and December. Strategic and Corporate risks are reviewed on a regular basis by the risk owner.

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### Guide to risk status

Reviews are prompted by automatic email reminders according to the risk's unmitigated score:

Unmitigated Risk Status Score	Risk status	Review Interval
9	Very high	Monthly
6	High	Quarterly
3-4	Medium	Twice a Year
1-2	Low	Annually

### Guide to risk mitigation status:

- **Action completed** the mitigating action is a one-off action that has been completed and will not be repeated at a later date
- **Action ongoing** – the mitigating action is in place and effective i.e. Reduces the risk to an acceptable level
- **Action needed** – when a mitigating action has not started or is not fully effective i.e. is a cause for concern that needs urgent action

### 3. RISK OVERVIEW

There are 25 risks in the Strategic(ST) Risk register which are the risks we consider could impact heavily on our ability to deliver essential services and meet important objectives. In addition there are 12 corporate (CP) risks, 'common risks', that apply to many sections of the council and we have corporate processes in place to deal with them.

Of these 37 risks 6 have a Very High unmitigated risk score 9 (3x3) i.e. the risk if we took no action to reduce the risk. The risk Responsible Officers have actions (mitigations) in place to reduce these risks.

The risk matrix below shows how many risks have very high (9), high (6), medium (3-4) or low (1-2) mitigated risk scores i.e. the risk score taking into account the effectiveness of actions (mitigations) to reduce the risk.

- 1 risk has a high impact and high likelihood score of 9 (3x3)
- 5 risks have a high impact and medium likelihood score of 6 (3x2)

Risk Likelihood	3 - High	No Risks	No Risks	1 Risk <u>ST43</u>
	2 - Medium	No Risks	14 Risks <u>ST14, CP01, CP07, CP11, CP12, CP08, ST08, ST19, ST09, ST32, ST41, ST40, CP14, ST46</u>	5 Risks <u>CP09, ST17, ST11, ST20, ST45</u>
	1 - Low	No Risks	6 Risks <u>CP05, ST26, ST25, ST24, ST31, ST28</u>	11 Risks <u>CP13, ST02, ST29, ST21, ST06, CP16, ST37, ST42, CP03, ST44, CP15</u>
		1 - Low	2 - Medium	3 - High
		Risk Impact		

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### Risk reviews

A programme for the review of each risk and its mitigations is in place. This includes a meeting with the responsible officer and those managing the risk to review the scope of the risk, causes and impact, and mitigations.

Since the last report in December 3 corporate and strategic risks have been reviewed with the responsible officer.

- **ST06** Statutory Requirements not met – updates to mitigations
- **ST11** Breach of code of conduct by Members – updates to mitigations
- **ST31** Climate Change – the impact of not reducing our energy use or contribution to CO2 emissions – new mitigations
- **CP09** Staff health & wellbeing - new mitigation
- **ST37** Failure of ICT security measures leading to a cyber attack – deleted mitigation

Details of the new and deleted risks are below

Risk	Reviewed by	Changes
<b>CP09</b> Staff health & wellbeing	Tim Slater	<b>New mitigation:</b> Involvement in staff developing behavioural competencies to support delivery of Council values. Staff communications survey and Managing Director drop ins and briefings.
<b>ST31</b> Climate change – the impact of not reducing our energy use and contribution to CO2 emissions	David Eaton	<b>New Mitigation:</b> Deliver energy reduction projects to reduce our carbon footprint, Risk: Climate Change - the impact of not reducing our energy use and contribution to CO2 emissions, Mitigation Information: Projects to reduce our carbon footprint includes PV (solar panels) on our buildings.
<b>ST31</b> Climate change – the impact of not reducing our energy use and contribution to CO2 emissions	David Eaton	<b>New Mitigation:</b> Increase reliance on renewable energy resources: This includes PV (solar panels) on our buildings.
<b>ST31</b> Climate change – the impact of not reducing our energy use and contribution to CO2 emissions	David Eaton	<b>New Mitigation:</b> Green travel options for staff: A current workplace travel plan.
<b>ST31</b> Climate change – the impact of not reducing our energy use and contribution to CO2 emissions	David Eaton	<b>New Mitigation:</b> Using technology to reduce miles travelled by the workforce to deliver services: Smarter use of mobile technology to reduce our mileage.
<b>ST46</b> Failure of ICT security measures leading to a cyber attack	Amanda Pujol	<b>Deleted Mitigation:</b> Communications Plan, The communications plan includes cyber incidents and has a plan on how to deal with them

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### Major projects/service changes

The current major council projects are listed in the table overleaf, which provides assurance that project risks have been assessed and registers or strategic risks are in place and being managed.

The One Teignbridge Transformation Board meets monthly to review major systems and the digital platform projects. This includes a review of the project risk registers.

The Capital Review Group meets every other month to review projects in the capital programme including key risks and issues.

<b>T10</b>	<b>Title</b>	<b>Description</b>	<b>Responsible Officer(s)</b>	<b>Up to date Risk Register in place</b>
GP	Energy Services Company	Formation of a public sector joint venture energy company to provide district heating networks	Simon Thornley	Yes
GP	GESP	Joint Local Plan with Exeter, East Devon & Mid Devon	Simon Thornley	See ST40, 41, 43
IIP	Newton Abbot Town Centre Development and Market Walk	Newton Abbot town centre masterplan focussing on the re-development of the Markets area, Bradley Lane and Cricketfield Road car park	Tony Watson, Tom Butcher	Yes
IIP	Brunswick Street, Teignmouth re-development	Delivery plan in process, focusing on re-development of vacant Brunswick Street sites, George St & Northumberland Place	Tony Watson, Donna Best	Yes
OAA	Leisure Strategy	First stage of Leisure Strategy Development	Lorraine Montgomery	Yes
ZH	Climate Emergency Action Plan	The Action Plan will detail the leadership role Teignbridge District will take in promoting community, public, business and other Council partnerships to achieve this Carbon Neutral 2030 Commitment throughout the District. The Action Plan will also outline adequate staff time and resources to undertake the actions to achieve the target. Report to Full Council within six months with an Action Plan, outlining how the Council will address this emergency. Report due at Overview & Scrutiny on 17 <sup>th</sup> Sept.	David Eaton	See ST31

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<b>'One Teignbridge' Project</b>				
<i>WE</i>	<i>Digital Platform</i>	<i>Digital platform to improve digital access to services and streamlining of processes. Mobile access for officers in the field</i>	<i>Kay O'Flaherty, Amanda Pujol</i>	<i>Yes</i>
<i>WE</i>	<i>Midland iTrent</i>	<i>HR/Payroll data management IT system</i>	<i>Martin Flitcroft, Tim Slater</i>	<i>Yes</i>
<i>WE</i>	<i>Open Portal</i>	<i>A project allowing customers to register online to view their personal "dashboard" containing council tax, NNDR and benefit information</i>	<i>Tracey Hooper, Rob Duddle</i>	<i>Yes(part of digital platform project)</i>
<i>WE</i>	<i>Anywhere 365</i>	<i>Cutting edge contact centre telephony &amp; reporting</i>	<i>Amanda Pujol, Karen Land (STRATA)</i>	<i>Yes</i>

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### 4. RISK REPORT

A risk overview report is provided which includes details of the risk, its description, mitigations, unmitigated and mitigated risk scores and responsible officer(s).

Risk report with mitigations – Appendix A attached

#### Risk mitigations with **Action needed** status - explanatory notes

##### CP01 Attacks on staff

Mitigation Status	Mitigation	Info	Responsible Person	Date Identified	Last Review Date
Action needed	Staff training	Staff Health & Safety training programme in place, maintained and reviewed. A Staff Induction programme in place. Training is included in the PDP process undertaken by line managers and should include training as identified by risk assessment.	John-Paul Bove	01/04/2008	30/05/2019

**Review Note:** Individual teams have individual arrangements for the management of lone working and violence. Some teams are actively monitoring and reviewing arrangements - others less so. STRATA currently developing lone worker solution - being trialled currently. Appropriate audit software would enable this process to be easier to monitor centrally.

Lone worker, violence and aggression and first responder policies and procedures currently under review and being consulted on by multiple departments.

Liaising with HR to progress how to reintroduce induction training to cover basic H&S information including conflict. Proposed providing basic H&S training to all staff to ensure we have records for all staff.

##### ST37 Failure of ICT infrastructure and systems not meeting business needs or not being fit for purpose

Mitigation Status	Mitigation	Info	Responsible Person	Date Identified	Last Review Date
Action needed	Strata and Teignbridge DC Business Continuity Plans	Strata Business Continuity Plan in place for each LA to link into. This will ensure continuity in ICT services and an emergency website facility	David Eaton	21/11/2018	26/06/2019

**Review Note:**

During the month of May, there were two significant service outages. One of these outages was on a Saturday and was caused by a failure of the Dell SAN (Storage Area Network) to complete a 'non service impacting' upgrade. Dell are continuing their

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investigation into the root cause of this incident. The second outage occurred overnight on a normal business working day and was caused by a failure of both air conditioning units in the Civic Centre Data Centre. The issue was investigated by the maintenance provider, which led to changes being made to the way the Air Conditioning sensors are reading the operating temperatures within the Data Centre.

Unique Power Supplies are now being installed which will improve resilience if there is another power outage.

We are still awaiting the final version of the Strata BC Plan and this is due to be available by end of June.

### ST44 Failure to adopt Local Plans: Greater Exeter Strategic Plan and Teignbridge Local Plan Review

Current unmitigated and mitigated status is **High Impact** and **High Likelihood** score 9 (3x3)

Mitigation Status	Mitigation	Info	Responsible Person	Date Identified	Last Review Date
Action needed	Political support	Ensure information to and involvement of leading and other councillors as appropriate during plan preparation	Simon Thornley	21/09/2017	28/05/2019

**Review Note:** There are uncertainties over the preparation of GESP specifically, with new administrations in a number of authorities. These need to be resolved before progress can be made, leading to timetable and other concerns. Mitigation in the form of briefing and involvement of new councillors and council leaderships will be necessary in short order. GESP itself will have an impact on the Teignbridge Local Plan review, and consideration of this will be required, which may include a further local development scheme review.

### ST46 Failure of ICT security measures leading to a cyber attack

Mitigation Status	Mitigation	Info	Responsible Person	Date Identified	Last Review Date
Action needed	Cyber security awareness training	All staff to complete e-learning/awareness training on cyber security	Tim Slater	14/11/2018	24/06/2019
Action needed	Mobile device/agile working policy	Mobile device/agile working policy that includes guidance on working outside of our managed offices areas and the use of own devices/pc's/laptops	Sue Heath	14/11/2018	24/06/2019

**Review Note:** The cyber security awareness training is pending LGA funding. In the meantime we are considering a cheaper alternative. Messaging and awareness continues to be raised through newsletters and posters.



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The mobile device / agile working guidance will be picked up in the Acceptable Use policy which is to be finalised and launched this month (June).

**5. MAIN IMPLICATIONS**

None

**6. GROUPS TO BE CONSULTED**

None

**7. WITNESSES TO BE CALLED**

None

**8. TIME-SCALE**

**9. CONCLUSION**

Effective risk management will aid decision making, focus and make better use of resources, provide a duty of care, comply with legislation, reduce costs and provide a continuity of service.

**10. RECOMMENDATION**

Review and approve the report.

<b>Wards affected</b>	<i>ALL</i>
<b>Contact for any more information</b>	<i>Kay O'Flaherty/Liz Gingell</i>
<b>Background Papers (For Part I reports only)</b>	<i>Appendix A – Risk management report</i>
<b>Key Decision</b>	<i>No</i>
<b>In Forward Plan</b>	<i>No</i>
<b>In O &amp; S Work Programme</b>	<i>No</i>