

AUDIT SCRUTINY COMMITTEE

CHAIRMAN: Cllr Chris Clarence

DATE: 14 December 2017

REPORT OF: Business Improvement and Development

SUBJECT: Strategic & Corporate Risk review

PART I

1. PURPOSE

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

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 section or 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 CLT) 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 July and December. Strategic and Corporate risks are reviewed on a regular basis by the risk owner. Reviews are prompted by automatic email reminders according to the risk's score:

Unmitigated Risk Status Score	Review Interval
9	Monthly
6	Quarterly
3-4	Twice a Year
1-2	Annually

The Risk Report

This includes an overview report showing the current mitigated status and unmitigated status of the risk and the current status of the risk mitigations, plus a risk matrix report. Any recommended changes to risks are included together with any project or service risks that need to be included in the Strategic Risk Register.

Risk review process

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.

Risk Reviews - progress to date & planned reviews	Reviewed by	Date completed
Failure of the jointly owned ICT company, Strata – ST37	Democratic Services & CLT	4 July
Flood risk management and resilience – new risk ST47	Economy & Assets	8 August
Review of CP02 plus the impact of the new General Data Protection Regulation(GDPR) 2017 - new risk CP14	Democratic Services, Legal, Audit	22 August
Failure to adopt Local Plans: GESP & TDC Local Plans – new risk ST43	Spatial Planning	12 Sept
Economic Uncertainty – ST08	Finance	15 Sept
Project Management Risk – new risk CP16	Business Improvement & Development	20 Sept

3. RECOMMENDED CHANGES

Risk	Recommended changes
Additional & changed mitigation ST37 Failure of the jointly owned ICT company, Strata	Business plan approved annually : The business plan sets out the intended projects and identifies funding. Contract review meetings changed to ICT Requirements Board review meetings
New risk: ST47 Flood risk management and resilience	Risk description: A lack of appropriate management of Council land and/or property resulting in flood damage caused by rising sea levels, more frequent extreme weather events, or surface water due to excess rainfall, or a burst water main. A lack of resilience to flooding caused by new development and more surface water run off or development on floodplains, both due to a lack of planning guidance A lack of community flood management plans Mitigations: Coastal flood defence works on our own assets Flood risk management schemes on our own assets Regular meetings with key partners Beach management plans for Teignbridge Planning practice guidance -sustainable drainage guidance DCC Community flood management plans

	<p>Land management guidance to reduce flood risk through partners Planning guidance and application review</p>
<p>New risk: CP14 Non-compliance with the Data Protection Act and General Data Protection Regulations</p>	<p>Risk description: From 25 May 2018 the Data Protection Act (DPA) will be replaced by the General Data Protection Regulations (GDPR). The GDPR principles are much the same as the current DPA with additional requirements that include gaining consent for data processing, informing individuals how their data will be processed and greater rights for individuals to access their data and request deletion of their data.</p> <p>These cover <i>all personal data</i> including name, address, date of birth, telephone number, bank details, location data, Internet Protocol (IP) addresses and cookie IDs, plus <i>sensitive personal data</i> such as race, ethnicity, political opinions, physical or mental health conditions, religious or philosophical beliefs, trade union membership, sexual life/sexual orientation, genetic and biometric data.</p> <p>The risks are a breach of the DPA and GDPR, a breach of confidentiality and insufficient awareness of and preparatory work for compliance with the new GDPR.</p> <p>Opportunity to be smarter in our management of personal data, what we have, where it is stored and how we use it and to reduce the amount of personal data held.</p> <p>Mitigations: Promotion of data protection awareness and GDPR Data protection training including changes due to GDPR Information Management Group Project plan to prepare for GDPR A dedicated Data Protection Officer to put in place the GDPR requirements Personal data asset register Out of date or unused personal data stored Personal data consent management Personal data processing IT system compliance with GDPR Dedicated Strata Data Protection Officer GDPR clause in our contracts Advice and process for third party use of our data, not under contract Process or procedure in place to report, respond to and review a data breach</p>
<p>New risk: ST43 Failure to adopt Local Plans: Greater Exeter Strategic Plan & Teignbridge DC Local Plan</p>	<p>Risk description: Councillors do not agree to the plan's contents, or in the case of the GESP no agreement between councils can be reached. The Local Plan Inspector finds the local plan unsound or legally flawed and cannot recommend its adoption.</p> <p>Mitigations: Qualified staff Training Evidence Political support Review other plans National Planning policy Critical review of plans and policies</p>

	<p>Duty to cooperate processes Duty to cooperate agreement Appropriate SEA and HRA Consultation Conformity with GESP</p>
<p>Additional mitigation ST08 Economic Uncertainty</p>	<p>Responding to redundancies: Work with the Large Scale Voluntary Redundancy team at Job Centre Plus (JCP) to provide advice and support to businesses and employees where mass redundancies are made. Including joint working on retraining and upskilling plus matching skills to vacancies. For smaller scale redundancies, joint working to support people back to work as quickly as possible. Continued dialogue with JCP to monitor unemployment levels and understand when intervention and assistance from Council is required.</p>
<p>New risk CP15 Project Risk Management</p>	<p>Risk description: Poor project planning and management lead to failure of the project. Either failure of the whole project or part of it and the outcomes and efficiencies expected are not achieved. Opportunities to improve efficiency, use of our assets, increase income, provide 24/7 online services, improve the customer experience</p> <p>Mitigations: Project management expertise Corporate project management method Project risk management by services Effective monitoring and reporting of project risks Key council projects risk management list Project risk reporting to CLT and Audit Scrutiny Risk information provided for all key decisions Project assurance Project lessons learned</p>

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.

T10	Title	Description	Responsible Officer(s)	Risk Register in place
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	No 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	Yes
OAA	Leisure Strategy	First stage of Leisure Strategy Development	Lorraine Montgomery	Yes
WE	Midland iTrent	HR data management IT system	Kate Davies, Martin Flitcroft	Yes
WE	General Data Protection Regulations (GDPR)	Preparing for and making sure we comply with the GDPR	Neil Aggett	No See CP14
'One Teignbridge' Project				
WE	<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>	Y
WE	<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>	Y
WE	<i>Reception Redesign</i>	<i>'Doing business differently' through a redesign of our reception area to provide a customer support centre and accommodate DWP</i>	<i>Pete Briscoe, Amanda Pujol</i>	Y
WE	<i>Anywhere 365</i>	<i>Cutting edge contact centre telephony & reporting</i>	<i>Amanda Pujol, Kay O'Flaherty (STRATA)</i>	<i>No – Not yet started</i>

4. REPORTS

Guide to risk status:

Risk scores are calculated by multiplying the risk **impact** with the risk **likelihood** on a scale of 1 to 3. A status score of 6 to 9 is a high risk, 3 to 4 medium risk and 1 to 2 low risk.

Guide to mitigation status:

- **Action completed** the mitigating action is a one-off action that has been completed and will not be repeated at any time in the future
- **Action ongoing** the mitigating action is in place and effective but needs to carry on being done
- **Action needed** when a mitigating action has not started or is not fully effective

A. Risks overview report with mitigations – Appendix A attached

This is an overview report showing the current mitigated status and unmitigated status of the risk and the current status of the risk mitigation

B. Strategic risks matrix report

Risk Likelihood	3 - High	No Risks	No Risks	No Risks
	2 - Medium	No Risks	9 Risks <u>Fraud and Corruption (ST14)</u> <u>Inability to Recruit and Retain Staff (ST17)</u> <u>Poor Public Relations Management (ST26)</u> <u>Economic Uncertainty (formerly Economic Recession or Abnormal Inflation) (ST08)</u> <u>Poor or Ineffective Business Continuity Management (ST19)</u> <u>Inadequately prepared to deal with a major disaster (ST09)</u> <u>Lack of Effective Risk Management (ST18)</u> <u>Local Plan - Planned Development Delayed or Not Happening (ST41)</u> <u>Local Plan - Infrastructure Delivery Delay (ST40)</u>	2 Risks <u>Inability to Respond to or Manage Change (ST29)</u> <u>Flood risk management and resilience (ST44)</u>
	1 - Low	1 Risk <u>Non Compliance with Section 106 Agreements and CIL notices (ST32)</u>	5 Risks <u>High Levels of Customer Dissatisfaction (ST25)</u> <u>Failure to Comply with Health & Safety Legislation (ST11)</u> <u>Finance - Breach of Financial Instructions & Contract Rules (ST24)</u> <u>Climate Change - the impact of not reducing our energy use and contribution to CO2 emissions (ST31)</u> <u>Internal Disaster (Premises) (ST28)</u>	8 Risks <u>Accident Leading to Major Injury or Death (ST01)</u> <u>Financial Uncertainty (ST02)</u> <u>Provision and Recording of Poor Quality Data, Information and Advice (ST21)</u> <u>Poorly Managed Election (ST20)</u> <u>Statutory Requirements Not Met (ST06)</u> <u>Failure of the jointly owned ICT company, Strata (ST37)</u> <u>Failure to deliver the Council Strategy (ST42)</u> <u>Failure to adopt Local Plans: Greater Exeter Strategic Plan and Teignbridge Local Plan Review (ST43)</u>
		1 - Low	2 - Medium	3 - High
		Risk Impact		

C. Corporate risks matrix report

Risk Likelihood	3 - High	No Risks	No Risks	No Risks
	2 - Medium	No Risks	6 Risks Attacks on Staff (CP01) Failure to Collect or Loss of Income (CP07) Breach of Code of Conduct by Staff (CP12) Staff health and wellbeing (was Staff Absence/Stress/Morale) (CP09) Future proofing the workforce (was Failure to Improve Staff Capability and Capacity) (CP08) Project management (CP15)	3 Risks Safeguarding (CP13) Breach of the Data Protection Act including Confidentiality (CP02) Partnership management (CP03)
	1 - Low	1 Risk Breach of Code of Conduct by Members (CP11)	1 Risk Contractor Poor Performance/Failure (CP05)	1 Risk Non-compliance with the Data Protection Act and General Data Protection Regulations (CP14)
		1 - Low	2 - Medium	3 - High
		Risk Impact		

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.

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