

Report to Business & Transformation Scrutiny Panel

Agenda
Item:
A.5

Meeting Date: Thursday 28th March 2019
 Portfolio: Finance, Governance & Resources
 Key Decision: Not Applicable:
 Within Policy and Budget Framework YES
 Public / Private Public

Title: CORPORATE RISK REGISTER
 Report of: Chief Executive's Office Manager
 Report Number: CS 16/19

Purpose / Summary:

The purpose of this report is to update members of the Business and Transformation Scrutiny Panel on the management of the Council's Corporate Risk Register.

Recommendations:

1. The Panel is asked to scrutinise and comment on the current Corporate Risk Register, as set out in Appendix 1.

Tracking

Executive:	Not applicable
Overview and Scrutiny:	Not applicable
Council:	Not applicable

1. BACKGROUND

- 1.1** In accordance with the Council's Risk Management Assurance Framework, the Corporate Risk Register (CRR) has been submitted to the Business and Transformation Scrutiny Panel for monitoring on a six-monthly basis. This report contains the revised current CRR, attached at Appendix 1 for consideration and comment. Members will note that this Register contains additional corporate risks around ICT Security.

2. PROPOSALS

2.1 Corporate Risk Register – progress since the last report to Business & Transformation Scrutiny Panel on 18th October 2018.

Members will be aware that the Corporate Risk Management Group (CRMG) is responsible for delivering and reviewing the Risk Management Assurance Framework, maintaining and improving risk management processes as well as monitoring and advising on the Council's Corporate Risk Register.

The CRMG meets quarterly and most recently met on 11th March 2019. Special meetings will be called by the Chair should risks be escalated and require an intervention from the CRMG or Senior Management Team.

The Senior Management Team are due to receive an update on the CRR at its meeting in April.

The CRR was last reviewed by the CRMG at its meeting on 11th March 2019. The control strategy narrative as well as dates have been updated since this meeting and an up to date version is attached at Appendix One. The latest CRR now reflects the most up to date version of the Carlisle Plan and includes additional risks around ICT security.

The Risk Management Assurance Framework which was considered by this Panel at its October 2018 meeting is now a recognised Framework following its approval by the CRMG; Senior Management Team and the Executive (at its meeting on 16th January 2019). Audit Committee have also had sight of the Framework prior to its finalisation. The document is available on the City Council's Intranet and Managers will be briefed on it at the April Management Briefing in a bid to raise awareness and its profile.

The Council's Risk Management sub-group of the Business Management Board, continues to meet every 4-6 weeks. This sub group is chaired by the Council's Corporate Director of Finance & Resources (this postholder is also our Section 151 Officer). The Sub Group focuses on risks at an operational/directorate level. Issues raised here can be escalated to the CRMG if deemed appropriate.

The CRMG receive the minutes from the Sub Group for information.

A review of all operational risk registers throughout the authority is on-going. Managers attend the Sub Group meetings to present the operational risk register for their service area, the role of the Sub Group is to act as a "critical friend" ensuring that risks are comprehensive; accurately scored; relevant etc.

Updates of operational risk registers for this period are underway and will have been completed within specified timescales as set out in the City Council's Risk Management Assurance Framework.

Operational risk registers are currently stored, updated and monitored via the City Council's chosen corporate system, which is Project Server. The aim is to replace this with a system which is user friendly, provides us with greater functionality and ability to manipulate data to feed into our reporting requirements as well as a dashboard which can show at a glance the number of risks with a red rating; those risk registers which have yet to be updated; those risks which have escalated in the last quarter that might require attention.

Work is underway to develop a Sharepoint solution which it is felt meets the criteria as set out above. Transfer of data is underway. A rollout date of May 2019 is anticipated. A live demo of the revised system is scheduled to take place at Management Briefing in April 2019.

3. CONSULTATION

- 3.1 Corporate Risk Management Group meeting on 11th March 2019.
Senior Management Team in April 2019.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1 The Panel is asked to scrutinise and comment on the Corporate Risk Register as set out in Appendix One.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

5.1 The Corporate Risk Register is reviewed quarterly, it is the strategic risk assessment for the Carlisle Plan.

Contact Officer: Tracey Crilley **Ext:** 7114
Appendices Appendix 1 – Corporate Risk Register
attached to report:

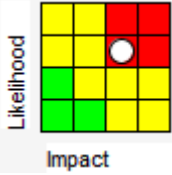
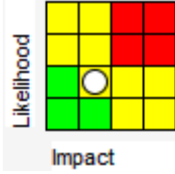
Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

Corporate Risk Register – February 2019

The inclusion of the previous and current risk matrices shows the effect that the control strategies have had on risk ratings since the last update. A target risk matrix shows the risk level that the Council is aiming to achieve from the successful implementation of the control strategies and the date for when this will be achieved.

Preparing for the future funding of local government from 2019

There is a risk that the Government fails to communicate changes to future local government funding from 2019 in a timely manner, meaning that the City Council cannot effectively prepare for these changes.

Present Matrix	Assessment Date	Present Risk Score	Control Strategy/Mitigating Actions	Target Risk Matrix
	March 2019	9	<p>The Senior Management Team and the Finance & Resources Directorate are focussed on monitoring the development of government/local taxation and grant proposals for District Councils. At present we do not yet have a sufficiently clear picture of post 2019 funding, especially in relation to the retention of Business Rates and Funding for Local Government in general. However, what is clear is that the proposed Business Rates retention scheme will be a 75% rather than a 100% retention scheme.</p> <p>The outcome of two consultations which ended on 21st February 2019, A Review of Local Authorities Relative Needs and Resources & The Business Rate Retention Reform, are still awaited. These will help to inform the new baseline funding allocations for 2020/21 onwards. The Spring Statement of 13th March 2019 provided details of a Spending Review 2019 which will be concluded alongside the 2019 Autumn Budget which will set departmental budgets, including 3-year budgets for resource spending (covering 2020/21 to 2022/23). Therefore, the impact on the Council's funding streams for 2020/21 onwards may not be known until the Autumn of 2019.</p> <p>The MTFP and Capital Strategy for 2019/20 to 2023/24 was approved by Council in September 2018 and work will commence shortly on the MTFP for 2020/21 and will include any announcements and guidance issued by Central Government.</p>	

Impact Score	3
Likelihood Score	3
Risk Score	9

Target Risk Date	October 2019
Target Risk Score	4

Lead Officer	Alison Taylor
Portfolio Holder	Finance, Governance & Resources
Scrutiny Panel	Business & Transformation

REVENUE/CAPITAL/ASSETS

There is a risk that we fail to fully recognise and manage our operational and investment assets leading to high long-term dilapidation costs and reducing control on future capital decisions

Present Matrix	Assessment Dates	Present Risk Score	Control Strategy/Mitigating Actions	Target Risk Matrix
	March 2019	9	<ul style="list-style-type: none"> The Council has an approved asset management plan in which it sets out its control strategy, including maintenance, of all of its operational and non-operational assets. Further, Council properties are subject to a rolling programme of inspection. The Medium Term Financial Plan will also give consideration to the capital requirements of this programme. A review of the Council's current operational, investment, regeneration and surplus assets has been completed and we are currently implementing a new cycle of asset management. 	

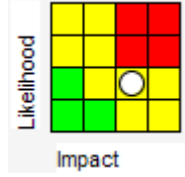
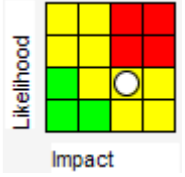
Impact score	3
Likelihood score	3
Risk Score	9

Target Risk Date	September 2019
Target Risk Score	6

Lead Officer	Mark Lambert
Portfolio Holder	Finance, Governance & Resources
Scrutiny Panel	BTSP

ECONOMIC REGENERATION/DEVELOPMENT

There is a risk that we fail to effectively prioritise and resource key city regeneration sites and miss the opportunity to take these forward in a progressive manner that meets the Council’s aspirations.

Present Matrix	Assessment Dates	Present Risk Scores	Control Strategy/Mitigating Actions	Target Risk Matrix
	March 2019	6	This period has seen the following activities undertaken: <ul style="list-style-type: none"> Marketing exercise inviting developers to come forward with Expression of Interest for the Central Plaza hotel High level appraisals undertaken on key city regeneration sites to support the Borderlands Inclusive Growth Deal 	

Impact score	3
Likelihood score	2
Risk Score	6

Target Risk Date	March 2019
Target Risk Score	6

Lead Officer	Jane Meek
Portfolio Holder	Economy, Enterprise and Housing
Scrutiny Panel	Economic Growth

CULTURE & SPORT

There is a risk that we fail to deliver the required new leisure facilities at the Sands Centre, on time and within budget and therefore do not meet the saving targets identified in the Medium Term Financial Plan.

Present Matrix	Assessment Dates	Present Risk Score	Control Strategy/ Mitigating Actions	Target Risk Matrix
	March 2019	6	<ul style="list-style-type: none"> The 6th March meeting of the full Council approved the progression of the scheme up to the end of RIBA Stage Four which is due for completion in early 2019 which leaves us on track for the proposed programme at this stage. The Council has now used the Scape Framework to procure the services of Wates construction to work with the design team and prepare the final tender for submission to the Council at the end of RIBA Stage Four, early 2019. Final tender details, Sport England approval (subject to signing the Funding agreement) temporary facility costs and venues, planning permissions and contract negotiations are all now progressing towards a decision at a meeting of the full Council on the 9th April 2019. 	

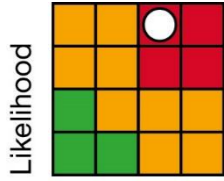
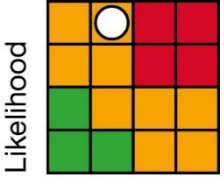
Impact score	3
Likelihood score	2
Risk Score	6

Target Risk Date	April 2019
Target Risk Score	4

Lead Officer	Darren Crossley
Portfolio Holder	Culture, Heritage & Leisure
Scrutiny Panel	Health & Wellbeing/ Business Transformation

Corporate Support

There is a risk that our digitally held data becomes unavailable, unreliable or is stolen due to error, negligence or malice

Present Matrix	Assessment Dates	Present Risk Score	Control Strategy/Mitigating Actions	Target Risk Matrix
 <p>Likelihood</p> <p>Impact</p>	January 2019	12	<ul style="list-style-type: none"> The recommendations and 'best practice' of the Nation Cyber Security Centre (NCSC) will be implemented by ICT Services. Achieve the NCSC's Cyber Essentials certification. Maintain our compliance with the Payment Card Industry Data Security Standard (PCI-DSS) and Public Sector Network (PSN) Code of Compliance (CoCo) Implement the National Institute of Standards and Technology (NIST) Cybersecurity framework. Develop the specialist skills and implement the latest technology required to protect the council's Information and Technology (I&T) infrastructure. Develop cybersecurity training for Officers and elected members. 	 <p>Likelihood</p> <p>Impact</p>

Impact score	3
Likelihood score	4
Risk Score	12

Target Risk Date	November 2019
Target Risk Score	8

Lead Officer	Jason Gooding
Portfolio Holder	Corporate Support
Scrutiny Panel	BTSP

Corporate Support

There is a risk that unauthorised access is gained to our Information and Technology (I&T) infrastructure.

Present Matrix	Assessment Dates	Present Risk Score	Control Strategy/Mitigating Actions	Target Risk Matrix
	January 2019	12	<ul style="list-style-type: none"> The recommendations and 'best practice' of the Nation Cyber Security Centre (NCSC) will be implemented by ICT Services. Achieve the NCSC's Cyber Essentials certification. Maintain our compliance with the Payment Card Industry Data Security Standard (PCI-DSS) and Public Sector Network (PSN) Code of Compliance (CoCo) Implement the National Institute of Standards and Technology (NIST) Cybersecurity framework. Develop the specialist skills and implement the latest technology required to protect the council's Information and Technology (I&T) infrastructure. 	

Impact score	3
Likelihood score	4
Risk Score	12

Target Risk Date	September 2019
Target Risk Score	8

Lead Officer	Jason Gooding
Portfolio Holder	Corporate Support
Scrutiny Panel	BTSP

Corporate Support

There is a risk that critical Information and Technology (I&T) applications or infrastructure become unavailable which impacts on the delivery of council services.

Present Matrix	Assessment Dates	Present Risk Score	Control Strategy/Mitigating Actions	Target Risk Matrix
	January 2019	12	<ul style="list-style-type: none"> The recommendations and 'best practice' of the Nation Cyber Security Centre (NCSC) will be implemented by ICT Services. Achieve the NCSC's Cyber Essentials certification. Increase the resilience to unplanned events of the council Information and Technology (I&T) Infrastructure. Develop the specialist skills and implement the latest technology required to maintain the council's Information and Technology (I&T) infrastructure. Maintain and test the council I&T Disaster Recovery plans. Ensure that all council services have adequate Business Continuity plans. 	

Impact score	3
Likelihood score	4
Risk Score	12

Target Risk Date	December 2019
Target Risk Score	8

Lead Officer	Jason Gooding
Portfolio Holder	Corporate Support
Scrutiny Panel	BTSP