Corporate Services Risk Register – 31 March 2018

Operational Risks

Cluster.	Risk number.	Owner.
Financial.		
Staffing.	4.	Head of HR and Performance.
Economic Recovery and Sustainability.		
Political.		
Partnerships.		
Governance.	13.	Head of Legal Services.
Communication.	9, 12.	Head of IT and Facilities.

Strategic Risks

Cluster.	Risk number.	Owner.
Financial.	2, 3.	Head of IT and Facilities.
Staffing.	1.	Head of HR and Performance.
Economic Recovery and Sustainability.	8.	Change Programme Manager.
Political.	7.	Executive Director of Corporate Services.
Partnerships.		
Governance.	5, 6, 11, 14	Head of Legal Services and Head of IT and Facilities.
Communication.	10.	Head of IT and Facilities.

	Impact			
6		11		
5			8,12	
4			1,2,9	
3		5	4,14	
2			3,6,7,10, 13	
1				
Likelihood / Impact	1	2	3	4
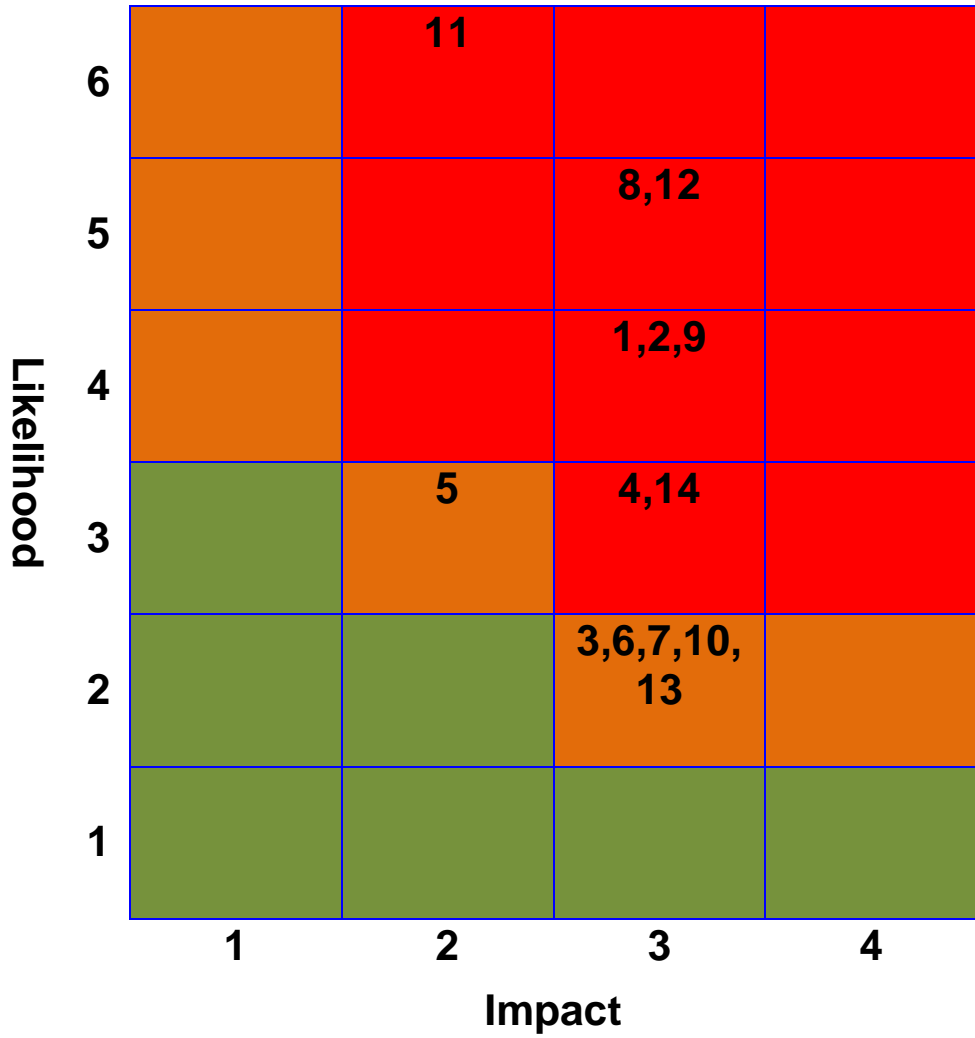
KEY

Impact:
4 = Catastrophic
3 = Critical
2 = Significant
1 = Negligible

Likelihood:
6 = Very High
5 = High
4 = Significant
3 = Low
2 = Very Low
1 = Almost Impossible

Risk title.	Likeli hood.	Impact.	RAG.	Current risk score.	Target risk score.	Vulnerability.	Trigger.	Consequences.	Mitigating action/s.
S01 – Workforce planning – lack of skills, experience and capacity.	4.	3.	Red.	12.	6.	Insufficient workforce planning actions underway. Capacity issues make it difficult for the service to realise its priorities.	The service does not have the right staff, in the right place, at the right time, to deliver set priorities and/or statutory functions.	Corporate Services cannot manage within its resources; Existing workforce becomes overstretched and demoralised; Service standards drop and vulnerable people are placed at risk; Senior officers get tied up in operational work; The service is reactive rather than proactive; An increased risk in legal challenges and complaints; Risk of financial penalties.	1.1 Workforce plan was put in place for Corporate Services in 2017. 1.2 Corporate Services senior management team will be working on a more detailed service workforce plan in 2018 in line with the Best Value Audit Report recommendation.
S02 – Council IT and Property assets – to ensure we	4.	3.	Red.	12.	6.	The Council may not have sufficient funds to sustain assets, replace	The Council cannot maintain or develop its essential assets to provide public	Buildings deteriorate; IT infrastructure cannot support services; Unused/	2.1 All IT and property Assets are proactively managed.

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obtain maximum benefit from the Council's assets.						ageing assets and develop key assets. Essential buildings and infrastructure for communications etc. have to be maintained to ensure property, IT, telecoms and other infrastructure continue to be able to support the Council's services. The risk continues and increases over time.	services; The Council cannot implement an asset management strategy; The public is unable to communicate with services; Professionals are unable to communicate with each other to provide effective services.	surplus buildings; Services are not delivered; Vulnerable people are at risk; Communication is not possible between agencies to co-ordinate services; Council's reputation at risk.	2.2 The work to make sure that we obtain maximum benefit from the Council's property assets in now integrated in overall Estates team work programme. 2.3 IT assets are proactively monitored through an annual Capital Replacement Programme.
S03 – Procurement – Procurement compliance and sustainable communities.	2.	3.	Amber.	6	6.	Financial and non-financial savings have not yet been fully explored. Further work to be done to support local	Legal challenge is a possibility unless the Procurement Regulations are complied with and processes followed; Officers	Financial loss due to legal challenge; Reputational harm; Delays in services being procured due to re-tendering or	3.1 Continue to roll out induction courses as required. 3.2 The Council's procurement policies to enhance local

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						businesses to help them participate in procurement opportunities, building on the Meet the Buyer events held in 2016 and 2017.	fail to understand the limitations that the Procurement Regulations place on the Council; Officers do not follow due process and tendering has to be repeated; Anticipated savings may not be fully realised through collaborative contracts. The local economy may not be as well supported as it could be; Member/officer disharmony due to lack of understanding of responsibilities.	court action; Loss to the local economy; Loss of effectiveness and efficiency; Lost opportunity in terms of savings.	economic sustainability and community benefit have been reviewed and close working with the Business Gateway is ongoing to plan a further event in 2018. 3.3 Contract Standing Orders updated in March 2018. 3.4 The Service was audited in the year 2017 to 2018 and received positive feedback. Any actions arising have been addressed.
O04 – HR systems – inadequate development	3.	3.	Red.	9.	6.	Inefficient processes and lack of capacity to	Too much time spent on administrative processes.	Failure to provide a comprehensive HR service.	4.1 Phase 2 development of the HR/Payroll

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or use of existing electronic systems.						develop new processes.			system project has been funded. 4.2 Continue to develop use of e-processes on Recruitment Portal as resources allow.
S05 – Data protection – lack of awareness of data protection rules and information security best practice throughout the organisation.	3.	2.	Amber.	6.	3.	A lack of staff resources to give to this matter the attention it needed has been addressed and awareness of the issues is growing throughout the Authority, although further work is needed. The General Data Protection Regulation and Data Protection Act have replaced	There is a risk of the Council breaching its obligations under the Data Protection Act 2018 or the General Data Protection Regulation.	National and local reputational damage; Maximum financial penalties will increase; Staff resource required to respond to any complaint against the Council relating to a breach of its obligations under the Data Protection Act 2018 or the General Data Protection Regulation (opportunity cost). Council not	5.1 New Data Protection Policy 2018 in place to reflect new legislation. 5.2 New mandatory data protection course available on iLearn and completion by staff is monitored. 5.3 An action plan has been prepared to ensure that the Authority complies with the General Data Protection Regulation and

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						the Data Protection Act 1998 and will introduce new duties for the Council.		responding to Subject Access Requests efficiently and appropriately.	Data Protection Act 2018.
S06 – Public Records Act – failure to comply with the Public Records (Scotland) Act 2011.	2.	3.	Amber.	6.	4.	The lack of staff resources to give this matter the attention it needs has been addressed. A Records Management Plan has been approved by the Keeper of the Records of Scotland as has a Records Management Improvement Plan to implement the Records Management Plan.	Failure to implement records management plan.	Local and reputational damage; Opportunity costs due to inefficient records management system; Failure to respond to information requests within statutory timescales; Increased risk of breaching data protection rules. Council spending more money on records storage than it needs to; inefficient use of Council assets.	6.1 A Records Management policy is in place and the Information Governance Group meets monthly. 6.2 A Records Management Improvement Plan, to implement the Records Management Plan, was approved by the Keeper of the Records of Scotland in 2016 and was subsequently reviewed in 2018. Progress against

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									the actions is reported on an eight-weekly basis to the Executive Director of Corporate Services.
S07 – Welfare Reform and Social Security changes – service users financially disadvantaged due to lack of clarity regarding roll out of Universal Credit and other aspects of Welfare Reform and social security.	2.	3.	Amber.	6.	4.	Lack of public clarity on which agency to approach for different benefits. Substantial expert knowledge vested in a small team.	Risk of vulnerable people not receiving the benefits they are entitled to due to lack of understanding of changes in benefits payments; accumulated rent arrears; administrative costs become unmanageable due to withdrawal of local services by national agency.	Vulnerable people/families left without ability to meet basic needs; resources inadequate to meet assessed need for payments; budgets inadequate due to non-payment of rent etc.; reputational damage to Council.	7.1 Delivery Partnership Agreement with Department for Work and Pensions in place for Universal Credit. 7.2 All tenants currently receiving Discretionary Housing Payments continue to receive this for future as needed. 7.3 The Welfare Reform and Social Security Working Group meets regularly

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									with Community Planning partners to ensure developments in relation to the rollout of Welfare Reform and Social Security are shared and co-ordinated.
									7.4 Universal Credit is due to be fully rolled out in Orkney from September 2018. There are three main risks in relation to Universal Credit: increased poverty, rent arrears and the lack of digital coverage for a service which is to be digital by default. This latter concern is not applicable to Social Security

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									delivery as we are informed this will not be digital by default. Work is being undertaken to ensure awareness and signposting for customers in the lead in to September.
S08 - Change Programme – lack of buy-in and resistance to change.	5.	3.	Red.	15.	8.	The objectives of the Change Programme and their intended benefits are unknown to the majority of Council staff and the wider Orkney community.	Natural tendency to resist change. Staff and the wider public may not fully co-operate with the Change Programme Team and the wider Council transformation process.	Benefits associated with the programme may not be fully realised, in particular bridging the identified medium term funding gap Loss of credibility for the Council. Community unrest.	8.1- Communication and engagement to be central to all Change Programme projects and activities. 8.2 Communication and Engagement Strategies approved each year by Change Programme Board, in addition to Change Management

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									featuring within the Council's overarching Communication Strategy. 8.3 Proactive and regular engagement with senior internal stakeholders to maintain the drive and momentum required for the medium-term delivery of Change Programme activities.
O09 – ICT infrastructure and support insufficient to support the level of digital transformation required.	4.	3.	Red.	12.	6.	The ICT infrastructure and support capacity is better understood. Future digital requirements are better understood	The ICT infrastructure is not sufficient to effectively run the required systems. The ICT staff cannot provide a suitable level of support for ongoing digital transformation or	Existing systems could suffer reduced performance or fail. New systems not implemented. End users may be unable to properly utilise systems.	9.1 Improved Management oversight in place and the service team structure has been reviewed to add in additional capacity. ICT Capital Replacement programme is

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						Capacity within the ICT team is running below establishment levels, although recruitment is underway.	to deliver the ICT strategy for 2017-2020.	Potential reputational damage with both staff and public. Failure to deliver efficiencies.	delivering improvements to the infrastructure. The 3-year Disaster Recovery and Business Continuity Project began on 1 April 2018. A revised Digital Strategy was presented to the Asset Management Sub-committee on 31 May 2018.
S10 – Public/Commu nity engagement – lack of evidence of active engagement.	2.	3.	Amber.	6.	4.	Public sector bodies and Community Planning Partnerships are subject to increasing pressure to demonstrate active engagement with communities,	The Council and/or CPP may be required to produce evidence of community input into decision-making and co-production of services. Decisions may be challenged on grounds of lack	Decisions made by the Council and/or CPP could lack the full benefit of community input Increased level of scrutiny from external auditors and inspectors. Loss of public support for	10.1 The Consultation and Engagement Officers Working Group met on 30 January 2018 to review progress in all actions. 10.2 A live Facebook chat on 'Living well whatever your age' took place

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						most recently from the guidance regarding participation requests.	of evidence of engagement.	Council and/or CPP decisions. Loss of public credibility.	on 15 February 2018. 10.3 A refresher training course for council staff is taking place on 13 June 2018. 10.4 As at 31 March 2018, Orkney Opinions has completed three pilot surveys and a report is in preparation for submission to Policy and Resources Committee on 19 June 2018.
S11 – Failure to comply with Scottish Government expectation that all publicly owned land be registered by 7 December 2019. The	6.	2.	Red.	12.	10.	Insufficient resources both from point of view of staffing and funding, including land registration dues, plan preparation, search dues	There is a high risk of the Council not meeting the Scottish Government's expectation.	Main consequences are currently anticipated as being political and reputational, both locally and nationally. It is possible that there may be	11.1 - Registration is currently being undertaken within existing resources. Discussions are taking place between COSLA Officers and

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deadline is not currently legally binding although it is a Scottish Government expectation.						and investigation.		financial penalties, although there is no reference to this in the legislation as it currently stands.	Scottish Government to discuss how registration of all local authority land can be taken forward in the context of the financial constraints affecting local authorities in Scotland.
O12 – Telephone and email – lengthy failure of the telephone service (more than 2 hours)	5.	3.	Red.	15.	6.	Dependent on the telephone system to communicate with customers internally and externally.	Failure to deliver Customer Service function.	Reputational risk; impact on service delivery; inability to respond effectively and timeously.	12.1 The first phase of the Office 365 Project, the movement of storage of email away from on-site servers to the Cloud, is on track to be complete by 31 May 2018. 12.2 Further phases of the Office 365 Programme will be progressed from 1 June 2018

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									including Skype for Business, Intranet and Mobile Working.
O13 – Information security – lapse in information security and management.	2.	3.	Amber.	6.	4.	The service handles data inappropriately.	Disclosure or loss of data.	Financial and legal implications. Reputational risk, direct implications for staff, inability to access information when required, failure to share leading to duplication of effort.	13.1 Staff are required to participate in mandatory training on information security. Compliance with corporate policies and guidance is monitored on a regular basis.
S14 – Cyber security – with an increase in the use of publicly visible technology, there is an increased risk of exposure to threats form criminal and other malicious parties.	3.	3.	Red.	9.	6.	Failure to implement and maintain suitable controls to protect assets.	Disclosure or loss of data.	Financial and legal implications. Reputational risk, direct implications for staff, inability to access information when required.	14.1 Adopt recognised standards to counteract cyber threats including the UK Government Cyber Essentials scheme. 14.2 Implement suitable security controls to support efficient

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									functioning of OIC ICT infrastructure. 14.3 Develop co-operative connectivity with public sector and third sector bodies. 14.4 Develop a culture of security by raising awareness of personnel to vulnerabilities, risks and threats from cyberspace and the need to protect information systems. 14.5 Actively participate in the national initiatives for sharing intelligence.