



Corporate Risk Register update

Date of meeting 8 September 2023

Date of report 16 August 2023

Report by Chief Executive

1. Object of report

To update the committee on the Corporate Risk Register and mitigations to minimise risk.

2. Background to report

The Risk Management strategy requires the committee to consider the effectiveness of the Partnership's risk management arrangements.

To assist members a copy of the current Corporate Risk Register, as at August 2023, is provided to the committee at Appendix 1. Members are advised that more specific local risk registers are maintained for specific projects and services and again these are reviewed regularly thus ensuring that the corporate risk register reflects the current environment and conditions within which SPT operates.

3. Outline of findings

The Corporate Risk Register is reviewed and updated at strategy group meetings every four weeks. Since the last Audit and Standards committee meeting, the following updates have been noted:

- SPT 1: Potential Capital funding allocation not matched to programme demands: close attention continues to be given to this risk with regular capital programme monitoring reports presented to the Strategy & Programmes Committee.
- SPT 5: Insufficient revenue funding to Public Transport: close attention continues to be given to this risk with regular revenue monitoring reports presented to the Strategy & Programmes Committee.
- SPT 11: Current economic conditions adversely impact on SPT's operational income and return on cash reserves: close attention continues to be given to this risk with regular revenue monitoring reports presented to the Strategy & Programmes Committee.
- SPT 20: Continual network revisions and tender price inflation by commercial operators in bus market: close attention continues to be given to this risk with regular reports presented to the Operations Committee. This risk also extends to School Transport operators.

4. Committee action

The Committee is asked to note the contents of this report and the updated Corporate Risk Register.

5. Consequences

Policy consequences	<i>As noted in the register.</i>
Legal consequences	<i>As noted in the register.</i>
Financial consequences	<i>As noted in the register.</i>
Personnel consequences	<i>As noted in the register.</i>
Equalities consequences	<i>As noted in the register.</i>
Risk consequences	<i>As detailed in the report.</i>
Climate Change, Adaptation & Carbon consequences	<i>As noted in the register.</i>

Name	Neil Wylie	Name	Valerie Davidson
Title	Director of Finance & Corporate Support	Title	Chief Executive

For further information, please contact *Iain McNicol*, Audit and Assurance manager on 0141 333 3195.

SPT Corporate Risk Register - August 2023

Ref	Risk	Effect	Impact	Likelihood	Score	Mitigation	Fall back plan (what would SPT actually do/has already done?)	Responsible Officer(s)	Review date by Strategy Group	Date of last change	Movement from last change
Type	Financial										
SPT 1	Potential Capital funding allocation not matched to programme demands, particularly in a period of higher inflation.	Deliver fewer projects; Potential project delays; Project reprioritisation; Loss of reputation and lost opportunities.	4	4	16	Continued dialogue with Scottish Government with regards to funding; Aligning programme and budgets to funding schedules; Effective project delivery, programme management processes, monitoring of expenditure, accounting and budgeting regimes.	Project rationalisation; Adjust capital programme to known funding availability; Consider alternative funding routes including borrowing to support the programme; Affordability of projects; Re-prioritisation of projects; Reserves policy (potential utilisation).	Strategy Group/ Director of Finance & Corporate Support	08 August 2023	21 February 2023	↑
SPT 5	Insufficient revenue funding to meet SPT's corporate objectives for public transport.	Reduction in service provision, lost opportunities, potential impact on internal resourcing.	4	4	16	Continued dialogue with Scottish Government with regards to funding; Continued dialogue with constituent authorities; Continuation of ongoing efficiency programme.	Continue to reconfigure processes and services to maximise efficiencies, with particular emphasis on digitalisation; Renegotiate contracts with suppliers. Reprioritise spend.	Strategy Group/ Director of Finance & Corporate Support	08 August 2023	21 February 2023	↓
SPT 11	Current economic conditions impact on SPT's operational income and return on cash reserves	Return on investment in line with Bank of England base rate of 5.25%; Economic conditions impact on employment practices and supply chain with a consequential downturn in patronage; Rental income negatively impacted by economic downturn;	3	3	9	Strict management of contracts; Continued dialogue with Scottish Government with regards to grant funding; Frequent, proactive review and management of cash balances to maximise return; Strict maintenance of treasury management practices including counter party lists and spread of investments.	Reduce services and staff numbers in line with budgetary reductions; Regular review of SPT's investment portfolio.	Strategy Group/ Director of Finance & Corporate Support	08 August 2023	21 February 2023	↓

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Ref	Risk	Effect	Impact	Likelihood	Score	Mitigation	Fall back plan (what would SPT actually do/has already done?)	Responsible Officer(s)	Review date by Strategy Group	Date of last change	Movement from last change
Type	Operational										
SPT 19	Unplanned disruption of Subway	Potential closure of Subway stations, Loss of business/income, Poor press coverage, Negative public perception, Loss of political backing.	4	4	16	Robust operational resource planning; Project plans, project management skills and techniques, dialogue with constituent authorities and Scottish Government and customers, Media management.	Continue existing Subway operations, Inform public and stakeholders.	Director of Subway	08 August 2023	24 January 2023	↑
SPT 20	Inability to deliver bus service (Demand responsive services, local subsidised services, MyBus and School Transport) provision due to continual network revisions and tender pricing inflation by commercial operators	SPT requested to step in to provide services; SPT requested to explain and/or rationalise the actions of commercial market. Delivery of Regional Transport Strategy outcomes.	4	5	20	On-going dialogue with operators, traffic commissioner and other stakeholders; Framework for supporting local bus services; Agency Agreements, SPT representation on Scottish Government Bus Taskforce.	Reprioritise support to local bus services; Apply to Scottish Government for additional funding; Introduce lower cost delivery options.	Strategy Group/ Head of Bus Strategy & Delivery	08 August 2023	15 June 2023	-
SPT 27	Loss of key, skilled and experienced employees/resources	Temporary impact in delivery of service outcomes; Temporary impact in service performance.	4	4	16	Succession planning arrangements; Internal policy and processes.	Review internal resource options (in short term); HR policy and procedures.	Head of HR/ Heads of Service	08 August 2023	21 May 2019	-
*SPT 25	Rolling stock contract is not delivered to budget, time and quality requirements	Unable to deliver reliable service or to customer expectations due to rolling stock or infrastructure performance; Reduced/degraded operation; Undermining of the key business case; Impact on public, government and stakeholder reputation.	4	4	16	Appointment of project delivery team including project controls/governance roles; Appointment of Client technical advisory team (CTA); Appointment of Independent Competent Person service as part of safety verification and validation process; Robust tendering process and appointment of suitable JV contractor; Continued programme challenge and reporting; Development of operational readiness plan; Budget contingency. Programme effectiveness review.	Review maintenance and operations plans; Increased inspection, testing and verification; Proactive communication and engagement with stakeholders and public.	Strategy Group / Director of Subway	08 August 2023	09 August 2021	-
Type	Physical										

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SPT 6	Security - physical protection of staff, assets, information and customers	Disruption to service delivery; Public perception of service delivery; Reputational damage; Loss of operational income.	4	3	12	Training, contingency plans, business continuity, cyber-resilience arrangements. Adherence to Transec requirements. Benchmarking with good practice.	Use buses to replace Subway, redirect buses services around affected bus stations; reallocate staff where possible; Inform the public and stakeholders.	Strategy Group / Heads of Service Operations and Security	08 August 2023	22 May 2018	-
Type	Technological										
SPT 7	Loss of digital infrastructure services	Major disruption to service provision; Additional workload; Reputational damage.	4	3	12	Disaster Recovery/ Business Continuity plans; Redundancy plans for key systems; Cyber-resilience arrangements.	Contractual arrangements; Digital protocols; Policy and procedures.	Director of Finance & Corporate support	08 August 2023	27 February 2018	↑
Type	Reputational										
SPT 21	Adverse publicity	Reputational damage, potential patronage reduction and loss of operational income; employee morale and retention.	4	3	12	Media response plan.	Counter negative story with SPT view.	Strategy Group	08 August 2023	27 April 2016	↑
Type	Environmental										
SPT 28	Impact of climate change	Ability to meet climate change targets; Public perception of SPT services; Changes to service delivery; Loss of operational income; Service disruption; Damage to assets.	4	4	16	Environmental policy and Carbon management plan; Developing climate change strategy and action plan.	Align RTS and corporate strategy to national climate change targets and guidance; Public bodies climate change duties reporting; Engage with partners and stakeholders to implement practice.	Strategy Group	08 August 2023	16 May 2023	-

*Note: SPT 25 this risk may fall into a number of categories.

Risk What could cause damage to SPT?

Effect If it happened what would it do to SPT?

Impact Impact? from Catastrophic= 5 to negligible = 1

Likelihood Likely? Near future = 5 unlikely = 1

Score = impact X likelihood

Score 1 - 6

7 - 19

20 - 25



Mitigation

Fall back plan

What is being done to mitigate this risk?

What do we do if the risk actually materialised?

5 - Catastrophic	5 - Almost certain	High
4 - Major	4 - Likely	Moderate
3 - Moderate	3 - Possible	Low
2 - Minor	2 - Unlikely	Very low
1 - Almost none	1 - Rare	Minute