



Corporate Risk Register update

Committee Audit and Standards

Date of meeting 14 September 2018

Date of report 4 September 2018

Report by Assistant Chief Executive

1. Object of report

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

2. Background

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 2018, is provided to the committee (see Appendix 1).

3. Outline of proposals

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 amendments/updates have been made:

SPT 7: Loss of digital infrastructure: close attention continues to be given to this risk from Scottish and UK government correspondence in relation to cyber threats with no change to the risk score;

SPT 20: Continual network reviews/service withdrawals by commercial operators in bus market: this risk, effect(s) and mitigation(s) have been updated to reflect recent bus operator changes and withdrawals from service delivery. The risk score has increased to reflect these matters.

4. Committee action

The committee is asked to note the contents of this report and the 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>
Social Inclusion consequences	<i>As noted in the register</i>
Risk consequences	<i>As detailed in the report</i>

Name Valerie Davidson

Name Gordon Maclennan

Title Assistant Chief Executive

Title Chief Executive

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

SPT Corporate Risk Register - August 2018

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	Capital funding allocation not matched to programme demands	Potential project delays; Project reprioritisation; Loss of reputation and lost opportunities.	4	3	12	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.	Adjust capital programme to known funding availability; Consider alternative funding routes including borrowing to support the programme.	Assistant Chief Executive	14 August 2018	30 January 2017	↓
SPT 5	Reduced future Local Authority budget settlements	Reduction in service provision, lost opportunities, potential impact on internal resourcing.	4	5	20	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.	Assistant Chief Executive	14 August 2018	30 January 2017	↑
SPT 11	Current economic conditions impact on SPT's return on cash reserves	Reduction in income leading to impact on budgets and hence services. Brexit implications are unclear.	3	3	9	Strict maintenance of treasury management practices including counter party lists and spread of investments. Proactive review and management of cash balances to maximise return.	Reduce services and staff numbers in line with budgetary reductions; Regular review of SPT's investment portfolio.	Assistant Chief Executive/ Director of Finance & HR	14 August 2018	16 August 2016	-
Type	Operational										
SPT 19	Unplanned disruption of Subway	Potential closure of Subway, loss of business, loss of income, poor press, loss of public support, negative public perception, loss of political backing.	4	3	12	PR, project plans, project management skills and techniques, dialogue with constituent authorities and Scottish Government and customers.	Continue existing Subway operations, investigate failure of project; Inform the public.	Senior Director	14 August 2018	-	-
SPT 20	Continual network reviews/ service withdrawals by commercial operators in bus market	SPT requested to step in to provide services; SPT requested to explain and/or rationalise the actions of commercial market.	4	4	16	On-going dialogue with operators, traffic commissioner and other stakeholders; Review service provision and options for delivering services against a backdrop of guideline criteria.	Reprioritise entire supported bus network; Apply to Scottish Government for additional funding; Introduce lower cost delivery options.	Strategy Group	14 August 2018	14 August 2018	↑
SPT 9	Arrangements for business continuity in the event of a major interruption may be inadequate (scenario planning makes reference to HMG Risk Register)	Non prevention of avoidable loss, adverse media, injury or death, inability to recover service provision.	3	2	6	Develop, complete and test business continuity plans.	Use buses to replace Subway, re-allocate parking of buses around affected bus stations; send staff home, reallocate staff where possible; Inform the public.	Strategy Group	14 August 2018	-	-
*SPT 25	Rolling stock contract is not delivered to budget, time or 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.	5	3	15	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.	Review maintenance and operations plans; Increased inspection, testing and verification; Proactive communication and engagement with stakeholders and public.	Strategy Group	14 August 2018	30 January 2017	-

SPT Corporate Risk Register - August 2018

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	Physical										
SPT 6	Security - physical protection of staff, assets, information and customers (including Transec issues)	Loss of staff assets or customers; poor publicity.	4	3	12	Training, contingency plans, business continuity, cyber-resilience arrangements. Adherence to Transec requirements. Benchmarking with good practice.	Use buses to replace Subway, reallocate parking of buses around all bus stations; SPT actions will be determined by the security and emergency services. Inform the public.	Strategy Group / Operations Managers	14 August 2018	22 May 2018	-
Type	Technological										
SPT 7	Loss of digital infrastructure	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.	Assistant Chief Executive	14 August 2018	27 February 2018	↑
Type	Reputational										
SPT 21	Adverse publicity	Brand damage, reputation damage, patronage reduction.	4	3	12	Build PR relationships, media response plan	Counter negative story with SPT view.	Assistant Chief Executive	14 August 2018	27 April 2016	↑
Type	Governance										
SPT 22	Failure to maintain high standards expected under good governance arrangements	Failure to adhere to good practice, possible external audit scrutiny, loss of management reputation	3	2	6	Adhere to guidelines, inform staff of importance of governance	Review of internal controls. Corrective action.	Assistant Chief Executive	14 August 2018	-	-

*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