



## Corporate Risk Register update

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**Date of meeting** 6 September 2024

**Date of report** 15 August 2024

### 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.

The template of the Corporate Risk Register has been amended since the last meeting to reflect the updated Risk Management strategy including new columns added for Internal/External influencer and the Gross and mitigated Net Score of each risk.

To assist members a copy of the current Corporate Risk Register, as at August 2024, 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 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 updates have been noted:

SPT 5a: Insufficient short-term revenue funding meet SPT's corporate objectives for Public Transport. This risk has been added to the register since the last meeting. Close attention continues to be given to this risk with regular revenue monitoring reports presented to the Strategy & Programmes Committee.

SPT 20: Inability to deliver bus service (Demand responsive, local subsidised, MyBus and School Transport) provision due to 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.

SPT 30: Impact of government policy/priorities. This risk has been added to the register since the last meeting.

SPT 31: Delivery of Strathclyde Regional bus strategy reform. This risk has been added to the register since the last meeting.

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

**Name** Lesley Aird  
**Title** **Director of Finance & Corporate Support**

**Name** Valerie Davidson  
**Title** **Chief Executive**

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

# SPT Corporate Risk Register - August 2024

**Note: This register reflects the risks to the successful delivery of the Partnership's aims and ambitions**

Ref	Risk	Effect	External or Internal influencer	Gross score			Mitigation	Fall back plan (what would SPT actually do/has already done?)	Net score			Responsible Officer(s)	Review date by Strategy Group	Date of last change	Movement from last change
				Impact	Likelihood	Score			Impact	Likelihood	Score				
Type	Financial														
SPT 1	Capital funding allocation not matched to programme demands in a period of higher inflation or public sector funding availability.	Deliver fewer projects; Potential project delays; Project reprioritisation; Loss of reputation and lost opportunities, Use of pre-committed balances to maintain priorities.	External and Internal	5	5	25	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).	4	4	16	Strategy Group/ Director of Finance & Corporate Support	06 August 2024	20 December 2023	↑
SPT 5a (NEW)	Insufficient short-term revenue funding to meet SPT's corporate objectives for public transport.	Reduction in service provision, lost opportunities, potential impact on internal resourcing.	External and Internal	5	5	25	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.	3	4	12	Strategy Group/ Director of Finance & Corporate Support	06 August 2024	11 June 2024	NEW

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				Impact	Likelihood	Score			Impact	Likelihood	Score				
SPT 5b	Insufficient long-term revenue funding to meet SPT's corporate objectives for public transport.	Reduction in service provision, lost opportunities, potential impact on internal resourcing.	External	5	5	25	Continued dialogue with Scottish Government with regards to funding; Continued dialogue with constituent authorities; Continuation of ongoing efficiency programme. Reduce service provision.	Continue to reconfigure processes and services to maximise efficiencies, with particular emphasis on digitalisation; Renegotiate contracts with suppliers. Reprioritise spend.	4	5	20	Strategy Group/ Director of Finance & Corporate Support	06 August 2024	20 December 2023	↑
SPT 11	Current economic conditions (cost base and inflation) 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.	External	3	4	12	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.	3	3	9	Strategy Group/ Director of Finance & Corporate Support	06 August 2024	14 May 2024	↓
<b>Type</b>	<b>Operational</b>														
SPT 19	Unplanned disruption of Subway service	Temporary closure of Subway stations, Loss of business/income, Poor press coverage, Negative public perception, Loss of political backing.	Internal	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.	3	4	12	Director of Transport Operations	06 August 2024	24 January 2023	↑

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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 in the bus market	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.	External	5	5	25	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.	4	5	20	Strategy Group/ Head of Bus Strategy & Delivery	06 August 2024	15 June 2023	-
SPT 31	Delivery of Strathclyde Regional Bus strategy reform	Bus network and patronage continue to reduce, resulting in: a) increased car use as a mode of travel; b) increased fares/affordability gap; c) increased congestion.	External	4	4	16	Strathclyde Regional Bus Strategy methodology including options and development stages; Introduction of bus priority measures; Finding support to address affordability.	Build the Case for Change; Consult on options; Increase awareness of funding gap.	2	3	6	Strategy Group/ Head of Bus Strategy & Delivery	06 August 2024	06 August 2024	NEW
SPT 27	Loss of key, skilled and experienced employees/resources	Temporary impact in delivery of service outcomes; Temporary impact in service performance/service delivery.	Internal	4	4	12	Succession planning arrangements; Internal policy and processes.	Review internal resource options (in short term); HR policy and procedures.	3	4	12	Head of HR/ Heads of Service	06 August 2024	31 October 2023	↓
*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.	External	4	5	20	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.	4	4	16	Strategy Group / Director of Transport Operations	06 August 2024	09 August 2021	-
<b>Type</b>	<b>Physical</b>														

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Note: This register reflects the risks to the successful delivery of the Partnership's aims and ambitions

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				Impact	Likelihood	Score			Impact	Likelihood	Score				
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.	Internal	4	3	12	Training, contingency plans, business continuity, cyber-resilience arrangements. Adherence to Transec requirements. Additional support to protect customers and staff; 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.	3	3	9	Strategy Group / Heads of Service Operations and Security	06 August 2024	06 August 2024	↓
<b>Type</b>	<b>Technological</b>														
SPT 7	Loss of digital infrastructure services	Major disruption to service provision; Additional workload; Reputational damage.	Internal	4	5	20	Disaster Recovery/ Business Continuity plans; Redundancy plans for key systems; Cyber-resilience arrangements.	Contractual arrangements; Digital protocols; Policy and procedures.	4	3	12	Director of Finance & Corporate support	06 August 2024	27 February 2018	↑
<b>Type</b>	<b>Reputational</b>														
SPT 21	Adverse publicity	Reputational damage, potential patronage reduction and loss of operational income; employee morale and retention.	Internal	4	4	16	Media response plan.	Counter negative story with SPT view.	4	3	12	Strategy Group	06 August 2024	27 April 2016	↑
<b>Type</b>	<b>Environmental</b>														
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.	Internal	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; Implement carbon reduction action plan; Engage with partners and stakeholders to implement practice.	3	3	9	Strategy Group	06 August 2024	06 August 2024	↓
SPT 30	Impact of government policy/priorities	Changes to Transport policy; New/amended legislation and regulations.	External	3	4	12	Continued dialogue with Scottish Government; Continued dialogue with constituent authorities; Regional Transport Strategy; Continued messaging of SPT priorities..	Align service provision.	3	3	9	Strategy Group	06 August 2024	11 June 2024	NEW

\*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