



### Corporate Risk Register update

**Committee**            Audit and Standards

**Date of meeting**    18 March 2016

**Date of report**     7 March 2016

#### Report by Assistant Chief Executive (Business Support)

#### 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 March 2016, 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 & Standards meeting, the following changes have been made to the register:

<u>Reference</u>	<u>Change</u>
SPT 1	Reduced capital funding in future years from 2015/16: the risk score has increased following the funding settlement from the Scottish Government.
SPT 5	Reduced future Local Authority budget settlements beyond 2016/17: the risk score has increased following the local government settlement from the Scottish Government.
SPT 23	Disruption arising from relocation of SPT headquarters building: this risk has been mitigated and removed from the register.

#### 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  
(Business Support)**

**Title** **Chief Executive**

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

## SPT Corporate Risk Register - March 2016

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	Last Change
<b>Type</b>	<b>Financial</b>									
SPT1	Reduced capital funding in future years from 2015/16.	Project prioritisation.	4	4	16	Evidence of delivery, programme management processes, monitoring of expenditure, accounting and budgeting regimes and aligning budgets to funding.	Reviewed governance arrangements.	Assistant Chief Executive (Business Support)	01/03/2016	01/03/2016
SPT5	Reduced future Local Authority budget settlements beyond 2016/17.	Reduction in service provision, lost opportunities, potential impact on internal resourcing.	4	4	16	Continued dialogue with constituent authorities.	Delete agency and temporary staff posts. Reconfigure services. Renegotiate contracts with suppliers. Reprioritise spend.	Assistant Chief Executive (Business Support)	01/03/2016	01/03/2016
SPT11	Current economic conditions impact on SPT's cash reserves.	Reduction in necessary reserves leading to impact on budgets and hence services.	3	3	9	Strict maintenance of treasury management practices including counter party lists and spread of investments.	Reduce services and staff numbers in line with budgetary reductions. Review liquidity levels.	Assistant Chief Executive (Business Support) / Director of Finance & HR	01/03/2016	-
<b>Type</b>	<b>Operational</b>									
SPT19	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.	Assistant Chief Executive (Operations)	01/03/2016	-
SPT20	Failure or disruption to Bus Market	SPT requested to step in to provide services	4	3	12	Dialogue with Operators; Assess alternate delivery models.	Contractually fill gaps in provision. Apply to Scottish Government for additional funding to do so.	Assistant Chief Executive (Operations)	01/03/2016	28/04/2015
SPT9	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 public.	Strategy Group	01/03/2016	-
<b>Type</b>	<b>Physical</b>									
SPT6	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, assign responsibilities. 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 public.	Strategy Group / Operations Managers	01/03/2016	-

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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	Last Change
<b>Type</b>	<b>Technological</b>									
SPT7	Prolonged IT failure - Customer critical systems	Damaging PR effects, disgruntled customers, possible health and safety consequences, loss of future custom.	3	3	9	Review of IT ongoing, backups, offsite arrangements.	Revert to paper based work where possible, allocate resource to fix problems. Use previous BACS tapes for payroll and creditors payments.	Assistant Chief Executive (Business Support)	01/03/2016	-
	Core internal systems	Subway signalling issues, loss of payroll and creditors, underutilised staff, health and safety issues	3	3	9				01/03/2016	
<b>Type</b>	<b>Reputational</b>									
SPT21	Adverse publicity	Brand damage, reputation damage, patronage reduction	4	2	8	Build PR relationships, media response plan	Counter negative story with SPT view.	Assistant Chief Executive (Business Support)	01/03/2016	-
<b>Type</b>	<b>Governance</b>									
SPT22	Failure to maintain high standards expected under good governance arrangements	Failure to adhere to best 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 (Business Support)	01/03/2016	-

**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?*

Impact	Likelihood	Risk Level
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