

**Risk Management Report - Quarters three and four of 2019-20**

**EXECUTIVE MEMBER** Councillor David Moore.

**LEAD OFFICER:** Sarah Pemberton,  
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**WHY HAS THIS REPORT COME TO THE AUDIT COMMITTEE?**

Copeland Borough Council is required to have 'effective arrangements in place for the management of risks', as set out in the Accounts & Audit Regulations 2015.

**RECOMMENDATION:**

Note the report and appendices and make any comments or recommendations for consideration by the Executive on the adequacy of the Council's risk management arrangements.

**1. INTRODUCTION**

- 1.1. At Copeland a Risk Management Framework is used to identify and manage risks that may affect the achievement of strategic ambitions, or the delivery and quality of core services.
- 1.2. Within the framework, the Corporate Leadership Team monitors strategic and operational risks to mitigate impact, or realise opportunities, posed by current and emerging risks. The Audit Committee receive a quarterly risk report to provide assurance around the adequacy of the Councils risk management arrangements.
- 1.3 Committee members will be aware that the World Health Organisation declared Covid-19 a 'global pandemic' on 11th March 2020. Following subsequent UK government advice, on 13th March 2020 the Cumbria Local Resilience Forum declared Covid-19 a major incident and Copeland Borough Council enacted its Business Continuity Plan (BCP).

1.4 This report details routine risk management activity up until the 13<sup>th</sup> March 2020, when the Business Continuity Plan was enacted, and outlines risk management measures used by the council during the incident management and business continuity phases of the Business Continuity Plan.

## **2.0 RISK MANAGEMENT ACTIVITY**

(Quarter three and four up to 13<sup>th</sup> March 2020)

### **2.1 STRATEGIC RISKS**

One risk was removed from the strategic risk register – ‘SR006-Failure to Maintain an Effective and Statutory Role in Nationally Significant Infrastructure Projects’.

This is because the risk related to failure to meet statutory obligations through the Nuclear New Build and North-West Coast Connections NSIPs, however these programmes are currently paused and the Geothermal Depository Facility NSIP is being monitored through strategic risk number 5.

All remaining strategic risks were reviewed by the Corporate Leadership Team.

2.2 Throughout the period all strategic risk assessment scores remained constant and the majority of strategic risks were assessed to be ‘controlled’, and at target levels of likelihood and impact (8 out of 11).

Appendix A provides full details of all strategic risks  
Appendix B lists all changes made to the strategic risk register in the period.

### **2.3 OPERATIONAL RISKS**

Service Managers reviewed sixty nine operational risks, of which, the risk score remained constant or decreased for the majority of operational risks (62 out of 69).

2.4 Eight operational risks were assessed to have a high score (red), these were reviewed in greater depth by the Corporate Leadership Team and the Service Manager in line with the Risk Management Policy.

Appendix C shows operational risks scores in the period.

## 2.5 **HORIZON SCANNING**

In addition to monitoring known risks, the Corporate Leadership Team used horizon scanning to identify regional, national or global issues that could impact the council. Throughout Quarters three and four, this included, continued monitoring of the implications of leaving the European Union and close monitoring of the developing coronavirus situation. CLT and the Council's Public Protection Manager worked closely with the Cumbria Local Resilience Forum to regard emerging international and government advice.

## 2.6 **CHANGES TO RISKS REPORTING FREQUENCY ON PENTANA**

An Internal Audit Review of Operational Risk Management carried out in July 2019 made the following recommendation;

‘Management should ensure that all operational risks are reviewed at regular intervals and information updated on the Pentana system as evidence. CLT will review the policy periodic/frequency of a service manager's requirement to update’.

2.7 Following consultation with Service Managers, CLT agreed that risks should be updated on Pentana (at least) once every quarter, as opposed to once every month. The agreed change in practice was based on an expectation that all risks would continue to be actively reviewed and managed on an ongoing basis and the risk owners would record details on Pentana quarterly. The Risk Management Policy has been updated accordingly.

## 2.8 **RISK MANAGEMENT ARRANGEMENT UNDER THE BUSINESS CONTINUITY PLAN**

The purpose of the Business Continuity Plan (BCP) is to provide a flexible response so that Copeland Borough Council can:

- Respond to a disruptive incident– the incident management
- Maintain delivery of critical activities/services during an incident – the business continuity
- Return to ‘business as usual’ - resumption and recovery

2.9 On 13<sup>th</sup> March the Covid19 pandemic was assessed to be ‘an incident causing significant disruption to normal service delivery/business, particularly the delivery of key/critical activities’, thus activating Business Continuity Plan, once activated strategic and operational objectives and

risk were realigned with the incident management and business continuity and recovery aspects of the plan.

2.10 The Business Continuity Plan follows a number of stages

- Plan activation
- Incident Management
- Business Continuity
- Business Recovery

and is supported by service specific business continuity plans, which detail priority services and the equipment and resources to deliver critical services.

2.11 Through the incident management phase the council focused on the protection and safety of staff, visitors and wider community, the protection of vital assets such as equipment and data, and the assessment of known and potential impacts of the covid19 pandemic on the running of the business.

The business continuity lead team were convened and an incident log was established.

CLT assumed the role of “gold” command for the organisation, and instigated and completed a decision log which was updated daily.

Communications were frequent, sharp and focussed and maintained at all times to staff, Members, residents, partners, stakeholders and the wider public.

2.12 During the Business Continuity phase the lead team carried out an immediate analysis of business critical functions, reviewed resources and assets required to deliver them, and, configured and redeployed available resources to ensure delivery of statutory services.

Critical activities were provided for the following:

1. Protection of Public Health

(Bereavement, Environmental Health and Waste Management services)

2. Protection of Public Safety

(Building Control, Parks and Open Spaces, Property and Estates and Environmental Health)

3. Public and Business Welfare – includes payments of benefits (Benefits, Finance, Housing, Land Charges)

4. Staff Welfare (Wages, Health, safety and wellbeing)

5. Democracy (Democratic Services)

6. General statutory service provision (Legal Services, Planned, Development and building Control, Statutory Returns)

7. Business delivery - Communications

Resources where possible were diverted from non-critical activities to cover critical activities and a number of staff were redeployed.

2.13 Risk management arrangements were recorded via the incident and decision making logs that the lead team maintained throughout.

Appendix D is an info graphic taken from the Copeland website showing the level of critical service delivery that has been maintained throughout the response to the pandemic.

2.14 The recovery and resumption phase of the Business Continuity Plan is normally focused on recovering 'business as usual' and it is aimed at restoring and facilitating normal working practices for Copeland.

However, there will be lessons learned from the response stage, and new ways of working will emerge and are being planned for. It is unlikely "business as usual" can be restored, and the response stage has created opportunities and challenges to fast forward internal plans and ambitions of a modern and progressive organization.

### **3.0 CONCLUSION**

3.1 Risk Management arrangement were carried out by in line with the Risk Management Framework and the Business Continuity Plan during Quarters three and four of 2019/20

## **4.0 STATUTORY OFFICER COMMENTS**

### **4.1 The Monitoring Officer's comments are:**

It is already recognised and acknowledged, that these are unprecedented times, and the global pandemic and response by Governments cascading to local authorities, is more than a business continuity incident.

The implications, severity and length of response has been elongated, and it is of wider consensus that the response to, and effects of, CV-19 will be around for many months, if not years to come. The council is aware that there will be no return to "business as usual", but as we emerge from response stage, the recovery/rebuild/reboot will be challenging and intensive.

### **4.2 The Section 151 Officer's comments are:**

Any financial considerations are included in the body of the report.

## **5.0 LIST OF APPENDICES**

Appendix A – The Strategic Risk Register for Q3 and Q4 of 2019-20

Appendix B – List of changes made to the Strategic Risks Register during Q3 and Q4 of 2019-20

Appendix C – Operational Risks Summary for Q3 and Q4 of 2019-20

Appendix D – Critical Business Functions maintained in Q4 2019/20 during Covid19 Pandemic critical incident.