

REPORT TO: Audit and Governance Committee

MEETING DATE: 24 January 2017

BY: Chief Executive

SUBJECT: Infrastructure Risk Register

1 PURPOSE

- 1.1 To present to the Audit and Governance Committee the Infrastructure Risk Register (Appendix 1) for discussion, comment and noting.
- 1.2 The Infrastructure Risk Register has been developed in keeping with the Council's Risk Management Strategy and is a live document which is reviewed and refreshed on a regular basis, led by the Infrastructure Local Risk Working Group (LRWG).

2 RECOMMENDATIONS

- 2.1 It is recommended that the Audit and Governance Committee notes the Infrastructure Risk Register and in doing so, the Committee is asked to note that:
 - the relevant risks have been identified and that the significance of each risk is appropriate to the current nature of the risk.
 - the total profile of the Infrastructure risk can be borne by the Council at this time in relation to the Council's appetite for risk.
 - although the risks presented are those requiring close monitoring and scrutiny over the next year, many are in fact longer term risks for Infrastructure and are likely to be a feature of the risk register over a number of years.

3 BACKGROUND

- 3.1 The Risk Register has been compiled by the Infrastructure LRWG. All risks have been evaluated using the standard (5x5) risk matrix which involves multiplying the likelihood of occurrence of a risk (scored 1-5) by its potential impact (scored 1-5). This produces an evaluation of risk as either 'low (1-4)', 'medium' (5-9), 'high' (10-19) or 'very high' (20-25).

- 3.2 The Council's response in relation to adverse risk or its risk appetite is such that:
- Very High risk is unacceptable and measures should be taken to reduce, transfer or treat the risk to a more tolerable position;
 - High risk may be tolerable providing the Council is assured that adequate and effective control measures are in place;
 - Medium risk is tolerable with control measures that are cost effective;
 - Low risk is broadly acceptable without any further action to prevent or mitigate risk.
- 3.3 The current Infrastructure Risk Register includes 6 High risks, 26 Medium risks and 15 Low Risks. As per the Council's Risk Strategy only the Very High and High risks are being reported to the Committee.
- 3.4 A copy of the risk matrix used to calculate the level of risk is attached as Appendix 2 for information.

4 POLICY IMPLICATIONS

- 4.1 In noting this report the Council will be ensuring that risk management principles, as detailed in the Corporate Risk Management Strategy are embedded across the Council.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

- 6.1 Financial - It is the consideration of the Infrastructure Local Risk Working Group that the recurring costs associated with the measures in place for each risk are proportionate to the level of risk. The financial requirements to support the Risk Register for the year ahead should be met within the proposed budget allocations. Any unplanned and unbudgeted costs that arise in relation to any of the corporate risks identified will be subject to review by the Corporate Management Team.
- 6.2 Personnel - There are no immediate implications.
- 6.3 Other - Effective implementation of this register will require the support and commitment of the Risk Owners identified within the Register.

7 BACKGROUND PAPERS

7.1 Appendix 1 – Infrastructure Risk Register

7.2 Appendix 2 – Risk Matrix

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DESIGNATION	Emergency Planning and Risk Officer Service Manager - Corporate Policy and Improvement
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DATE	12 January 2017

Infrastructure Risk Register

Date reviewed: 12 January 2017

Risk ID	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures (currently in place)	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			Risk Owner	Timescale for Completion / Review Frequency	Single Outcome Agreement Outcome Number Link	Evidence held of Regular Review
			Likelihood	Impact	Risk Rating		Likelihood	Impact	Residual Risk Rating				
			L	I	L x I		L	I	L x I				
INF 1	Failing to maintain the Council's burial grounds could result in a serious injury/death to the public or ELC employees from falling headstones/memorials and a resulting financial loss due to insurance claims. There is also the risk of losing part of East Lothian's cultural heritage through the loss of family history records on headstones and memorials and failure to comply with the Equalities Act if access paths aren't maintained.	Responsibility for maintenance of facilities shared with Property Maintenance. Inspection of all headstones now complete North Berwick Cemetery extension has concrete foundation provided for headstones. A Community Pay Back scheme to repair headstones/memorials has been set up but will take time to make any significant impact. St Mary's Haddington has had emergency stability work undertaken on headstones. ELC staff now responsible for installation of foundations for all new memorial stones. Additional equipment purchased to assist with roll out of headstone safety works and improve output. Priority for safety works now moved over to Amenity Services Staff from Criminal Justice Team Now in year 2 of a 6 year programme to Dig and Deepen unstable headstones and risk reduced by 16% volume – 1000 of 6000 stones now safe with most high risk stones now dealt with.	4	4	16	Toolbox Talks to be delivered to all staff on memorial safety by March 2017 Round 2 of Headstone Inspection programme to be completed by March 2017.	3	4	12	Principal Amenity Officer	March 2017 March 2017	11	Risk refreshed by Principal Amenity Officer December 2016 with no change to assessment of current score. Risk Refreshed by Principal Amenity Officer Sept'15. Risk Refreshed by Principal Amenity Officer and by Head of Infrastructure Dec'14 with Current Risk Score reduced from 20 to 16.
INF 2	Inability to provide an efficient burial service and sufficient land for burial purposes would mean that the Council is unable to undertake its statutory duties, and create distress to family and mourners. An audit highlighted there is less available burial space than indicated previously.	Burial Administration now centralised in single office and revised procedures from service review now operating. Risk Assessments and SOPs are in place, regularly updated and employees are aware of them. Training programme in place to ensure employees are qualified. Burial Strategy now adopted by ELC Communication procedure with the Registration Service has been put in place and monthly liaison meetings take place. New procedures for management of burials are now operational. Negotiation ongoing with landowners and consultation with Planning for new burial provision at priority site in Tranent. Active Planning Applications now lodged for Dunbar and Prestonpans with ground water studies ongoing to satisfy SEPA. Representation made to MIR consultation regarding all cluster needs for new space Recruitment exercise complete meaning staffing filled to budget.	4	4	16	Take Planning Applications for Dunbar and Prestonpans through to Full Planning Applications. Complete negotiations and secure ownership of land according to priority list. Deliver induction session for all burial staff on current procedures.	2	4	8	Principal Amenity Officer	September 2017 March 2017 March 2017	11	Risk refreshed by Principal Amenity Officer December 2016 with no change to assessment of current score. Risk Refreshed by Principal Amenity Officer Sept'15. Risk Refreshed by Principal Amenity Officer and by Head of Infrastructure Dec'14 with Current Risk Score reduced from 20 to 16.

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INF 3	<p>There is a risk of environmental and reputational harm (in terms of corporate social responsibility) and also the potential for significant unbudgeted costs if the Council does not develop solutions and/ or implement robust arrangements for Land Management challenges.</p> <p>The Council currently has ownership of potentially contaminated land sites (including the former Carberry landfill site, old coal mining sites etc).</p> <p>Whilst there are no current indications of significant problems, possible remediation costs to the Council could be substantial.</p> <p>The Council are currently in breach of discharge consent at Carberry and are in discussions with Scottish Water regarding the raising of permitted levels.</p>	<p>Land Management (remediation) sites in Council ownership subject to environmental monitoring to evaluate risk.</p> <p>Former Carberry Landfill site is subject to SEPA waste management licence conditions.</p> <p>Implementation of the Contaminated Land Inspection Strategy in line with the Environmental Protection Act 1990.</p> <p>Potential contaminated sites across East Lothian including Council development sites will be remediated as part of development plans through planning conditions.</p> <p>Data Recorder for Flow installed and being monitored for Scottish Water.</p> <p>Carberry landfill Site - Gas Pumping Trial complete.</p> <p>Consultation and discussion with SEPA on gas management and effluent continuing.</p>	4	4	16	<p>Carberry landfill Site -. There is now a requirement for a Gas Flaring system. Waste Services Manager has secured formal agreement from Scottish Government of £250,000 grant to affect the works. Tender awarded and Planning Approval given as works as classed as permitted development.</p>	2	2	4	Depute Chief Executive – Partnerships and Community Services	May 2017		<p>Risk refreshed by Waste Services Manager December 2016 with no change to assessment of current score.</p> <p>Planned measures updated Dec'15 and residual score further reduced from 9 to 4.</p> <p>Planned Measures updated October 2014 and planned risk score reduced to 9.</p> <p>May'14 – Transferred from Corporate Risk Register.</p>
INF 4	<p>Failure to manage and maintain the Council's tree estate including a failure to monitor for the current risk from tree diseases resulting in potential damage to people and or property and the failure to deliver an SOA Outcome. Also potential negative impact on the landscape and character of East Lothian and its towns and villages, biodiversity, health & wellbeing of residents and the local economy and tourism.</p>	<p>Regular inspections undertaken. Monitoring for tree diseases within the tree estate.</p> <p>Some record kept of trees inspected. Record kept of arboriculture work undertaken.</p> <p>Annual programme of tree planting and record kept of trees planted.</p> <p>All forestry staff have appropriate qualifications, training and experience. Risk Assessments and SOPs in place and regularly updated for all arboriculture and forestry work which employees are aware of.</p> <p>Woodland Action Plan in the Biodiversity Action Plan.</p> <p>Forestry Squad currently operating at structure.</p>	3	4	12	<p>Survey of all Council owned trees on their condition and location has commenced and a rolling inspection programme to be set up. Resourcing issues are such that survey progress will be limited and completion will take an extended period of time.</p> <p>Purchase of specialised Tree Management software to allow mapping and detailed recording of condition & history.</p>	2	4	8	Tree Officer	March 2021 March 2017	11	<p>Risk refreshed by Principal Amenity Officer Dec'16 with no change to assessment of current score.</p> <p>Risk refreshed by Principal Amenity Officer Sept'15.</p> <p>Risk refreshed by Principal Amenity Officer & Head of Infrastructure Dec'14 with Current Risk Score reduced from 16 to 12 and residual score from 10 to 8.</p>
INF 5	<p>Police Scotland has removed the Traffic Warden Service nationally since January 2014. Police Scotland is still responsible for enforcing Traffic violations. However, this reduction of resource may have impact on the enforcement of traffic regulation orders issued by ELC and the policing of other parking and traffic management issues.</p>	<p>The enforcement of parking infringement is a Police Scotland responsibility. ELC cannot enforce traffic or parking infringements. We will continue to work with Police Scotland making them aware of areas identified where there are parking violations.</p> <p>Continue to advise the public and encourage them to make Police Scotland aware of parking violations so they can take appropriate action. ELC will look at a parking strategy in the long term in the interest of public safety and economic impact on businesses.</p>	4	3	12	<p>The Council considered options to deal with the removal of Police Traffic Warden and its impacts.</p> <p>At Council on 15th December 2015 approval was given for submission to Transport Scotland of an application to introduce Decriminalised Parking Enforcement in East Lothian.</p> <p>DPE will commence in East Lothian on the 23rd January 2017.</p>	2	3	6	Head of Infrastructure	January 2017	7	<p>Risk Refreshed January 2017 by Roads Manager with no change to assessment of current score.</p>

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INF 6	<p>Current mobile working hardware, within Property Maintenance, is dated and does not meet PSN requirements.</p> <p>Failure to implement PSN complaint hardware will result in return to paper-based job ticketing, placing increased pressure on administrative resources.</p> <p>A project to implement Windows 8 tablet technology was terminated due to the supplier failing to meet expectations.</p>	<p>A new mobile working platform was procured in Q1 16/17.</p> <p>A project plan has been developed with the new suppliers to ensure the system is fully live by the end of 16/17 financial year.</p> <p>A further PSN extension agreed until end December 2016 by ELC IT, in lieu of further roll-out of mobile working hardware and software.</p>	4	3	12	<p>Implementation of phase 2 mobile working, encompassing iOS Smartphone technology commenced September 2016.</p> <p>A paper-based contingency has been developed to cover the intervening period between PSN 'switch-off' and phase 2 go-live.</p> <p>Revised project plan agreed with suppliers to ensure system in place by deadline.</p>	1	3	3	Service Manager – Property Maintenance	March 2017	<p>Risk refreshed Dec'16 by Service Manager – Property Maintenance with no change to assessment of current score.</p> <p>Risk refreshed Nov'15 by Service Manager – Property Maintenance</p> <p>New risk identified 30/10/14 by Service Manager – Property Maintenance.</p>	

Original date produced (Version 1)		9 th January 2013				Risk Score	Overall Rating
File Name		Infrastructure Risk Register				20-25	Very High
Original Author(s)		Scott Kennedy, Risk Officer				10-19	High
Current Revision Author(s)		Scott Kennedy, Risk Officer				5-9	Medium
Version	Date	Author(s)	Notes on Revisions			1-4	Low
1	January 2013	S Kennedy	Environment Register updated to Infrastructure Risk register following Senior Management Restructure and updates to Risk Strategy and Corporate Risk Register.				
2	April-May 2013	S Kennedy	All risks updated by Service Managers.				
3	September 2013	S Kennedy	Landscape & Countryside Risks updated by S Pryde.				
4	October 2013	S Kennedy	Waste Management Risks updated and two added by T Reid and no change to Road Services Risks (A Stubbs) or Transport Services Risks (I Dalgleish). Facilities risks updated.				
5	December 2013	S Kennedy	Roads Network Risks added.				
6	January 2014	S Kennedy	Dangerous Dogs & Dog Fouling Risks transferred to Communities & Partnerships (Customer Services) Risk Register; Healthy Living Risks added and Print Unit Risk added to Facilities to create initial Infrastructure Risk Register following realignment process.				
7	May 2014	S Kennedy	Waste risks reviewed by Tom Reid. Land Management Risk transferred from Corporate RR at the request of CMT.				
8	November 2014	S Kennedy	All risks updated by Service Managers.				
9	December 2015	S Kennedy	All Infrastructure risks reviewed and refreshed by all Service Managers. Risks on postal strike and print unit deadlines removed by Head of Infrastructure. Risk on staffing levels also removed as covered in Corporate Risk Register.				
10	December 2016	S Kennedy	All Infrastructure risks reviewed and refreshed by all Service Managers.				

Appendix 2
East Lothian Council
Risk Matrix

Likelihood Description

Likelihood of Occurrence	Score	Description
Almost Certain	5	Will undoubtedly happen, possibly frequently >90% chance
Likely	4	Will probably happen, but not a persistent issue >70%
Possible	3	May happen occasionally 30-70%
Unlikely	2	Not expected to happen but is possible <30%
Remote	1	Very unlikely this will ever happen <10%

Impact Description

Impact of Occurrence	Score	Description						
		Impact on Service Objectives	Financial Impact	Impact on People	Impact on Time	Impact on Reputation	Impact on Property	Business Continuity
Catastrophic	5	Unable to function, inability to fulfil obligations.	Severe financial loss (>5% budget)	Single or Multiple fatality within council control, fatal accident enquiry.	Serious - in excess of 2 years to recover pre-event position.	Highly damaging, severe loss of public confidence, Scottish Government or Audit Scotland involved.	Loss of building, rebuilding required, temporary accommodation required.	Complete inability to provide service/system, prolonged downtime with no back-up in place.
Major	4	Significant impact on service provision.	Major financial loss (3-5% budget)	Number of extensive injuries (major permanent harm) to employees, service users or public.	Major - between 1 & 2 years to recover pre-event position.	Major adverse publicity (regional/national), major loss of confidence.	Significant part of building unusable for prolonged period of time, alternative accommodation required.	Significant impact on service provision or loss of service.
Moderate	3	Service objectives partially achievable.	Significant financial loss (2-3% budget)	Serious injury requiring medical treatment to employee, service user or public (semi-permanent harm up to 1yr), council liable.	Considerable - between 6 months and 1 year to recover pre-event position.	Some adverse local publicity, limited damage with legal implications, elected members become involved.	Loss of use of building for medium period, no alternative in place.	Security support and performance of service/system borderline.
Minor	2	Minor impact on service objectives.	Moderate financial loss (0.5-2% budget)	Lost time due to employee injury or small compensation claim from service user or public (First aid treatment required).	Some - between 2 and 6 months to recover.	Some public embarrassment, no damage to reputation or service users.	Marginal damage covered by insurance.	Reasonable back-up arrangements, minor downtime of service/system.
None	1	Minimal impact, no service disruption.	Minimal loss (0.5% budget)	Minor injury to employee, service user or public.	Minimal - Up to 2 months to recover.	Minor impact to council reputation of no interest to the press (Internal).	Minor disruption to building, alternative arrangements in place.	No operational difficulties, back-up support in place and security level acceptable.

Risk	Impact				
	None (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	5	10	15	20	25
Likely (4)	4	8	12	16	20
Possible (3)	3	6	9	12	15
Unlikely (2)	2	4	6	8	10
Remote (1)	1	2	3	4	5

Key

Risk	Low	Medium	High	Very High
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