

## Appendix B

### Corporate Risk Register Report 11/07/19

Risk Id	Risk Title	Category	Responsible Officer	Date Last Updated	Overall RAG
CR 80	<b>Financial Control (Service overspending) and Sustainable Swansea</b>	Corporate Finance	ben smith	23/05/2019	R
CR 81	<b>City Centre</b>	Corporate Plan Priorities	martin nicholls	10/07/2019	A
CR 82	<b>Safeguarding</b>	Corporate Plan Priorities	david howes	25/06/2019	A
CR 83	<b>Pupil attainment and achievement</b>	Corporate Plan Priorities	nick williams	10/06/2019	A
CR 84	<b>Tackling poverty</b>	Corporate Plan Priorities	david howes	05/06/2019	A
CR 85	<b>Workforce Strategy</b>	Corporate Governance	sarah caulkin	25/06/2019	A
CR 86	<b>Digital, data and cyber security</b>	Corporate Governance	sarah caulkin	25/06/2019	A
CR 87	<b>Emergency Planning, Resilience and Business Continuity</b>	Corporate Governance	adam hill	24/06/2019	A
CR 88	<b>Health &amp; Safety</b>	Corporate Governance	adam hill	24/06/2019	A
CR 89	<b>New legislative and statutory requirements</b>	Corporate Governance	tracey meredith	16/06/2019	A
CR 90	<b>Decision to leave the European Union (BREXIT)</b>	Corporate Finance	adam hill	24/06/2019	R
CR 91	<b>Tax evasion</b>	Corporate Finance	ben smith	23/05/2019	A
CR 101	<b>Regional Working</b>	Corporate Governance	phil roberts	08/07/2019	A
CR 102	<b>Supplement to risk CR90 - Decision to leave the European Union (BREXIT)</b>	Corporate Finance	adam hill	24/06/2019	R

#### CR 80: Financial Control (Service overspending) and Sustainable Swansea

##### Risk Description:

If we fail to deliver Sustainable Swansea and maintain sufficient financial

control, and in particular do not ensure we contain service overspending, then we will not be able to respond appropriately to continuing austerity, demographic pressures, increasing demand and changing public expectations.

Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risks CR46 and CR47.

**Category:**

Corporate Finance

**Controls in Place:**

- An agreed plan and a process for corporate level monitoring in place.
- An agreed budget.
- Clear governance and reporting in place.
- Prevention Strategy.
- Regular monthly monitoring at P&FMs.
- Reporting, monitoring and review at FSTG.
- Audit Committee providing challenge, oversight and assurance.
- Collaborative officer and Member budget setting process in place.
- Launch of Reshaping Board to further challenge delivery/mitigations for non-delivery and accelerate timescale for assuring delivery
- MTFP.
- Dedicated Scrutiny Service Improvement and Finance Performance Panel consider and scrutinise the budget on a quarterly basis

All the above refreshed for 2019-20 budget round including launch of Zero Based Budget as next phase of Sustainable Swansea

**Actions to be taken:**

- The budget position is tracked and reported to CMT, P&FMs and FSTG on a monthly basis to monitor progress and highlight risks to meeting savings early.
- Fewer generic savings.
- Cross-cutting Commissioning Reviews.
- Continue to embed the Sustainable Development Principle into the budget setting process forming part of Budget Week in September 2018.
- Involve the public in co-producing and setting the budget.
- Aspire to collaborate more with other local authorities
- Join-up information so outcomes and delivery are clear to the public
- Review of schools SLAs in response to underlying shortfall on delegated schools budget

BGS Update 26/6 - budget position is being tracked to try and early capture and warn on all delivery risks not just financials - financial pressures remain severe given draw from reserves 17-18 outturn, emerging pressures for 18-19

BGS 24/9 - position remains stable compared to first quarter for 19/20 but has not materially improved. Risks for the future have increased especially around ending of public sector pay cap, partial funding only of teacher pay award, pending substantial increases to teacher employer costs, ongoing social care pressures. LG settlement 9 October - and extent to which there will be recognition and funding - will be key

BGS 14/11 - provisional settlement like for like cash £18k - allocation not adequate to address pressures. Develop ongoing budget proposals in light of this provisional settlement. Await further announcements and final settlement around 20th December.

BGS 13/2/19 - final settlement £1.5m better than provisional - this had been fully factored into Dec Cabinet budget report. Capital settlement for next 3 years £20m better than provisional, saving £1.5m in borrowing costs per annum longer term. Again fully factored into December Cabinet report.

Feb 19 - 3rd quarter budget monitoring indicates no material improvement - S151 action to ensure budget technically balances for 18/19 - downside is increases risks faced in 2019/20 budget round.

Feb 19 - current budget and mtfp reports going through Scrutiny and Cabinet and Council process. Publication for Special Cabinet missed publication deadline for February Audit Committee. Will follow to next Audit Committee (April).

Apr 9 - latest position reported to Audit Committee re controls exercised/action being taken

May 23 - outturn 18-19 finalised and services continue to overspend but actions in year have limited overspend (some only temporarily). Early indications are overspending pressures likely to continue in social services, education and resources/corporate services. S151 Officer retains a range of options to contain and mitigate overall impact on Council.

**Responsible Officer:** ben smith

**Current Likelihood:** Very High

**Current Impact:** Very High

**Overall RAG Status:** Red

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## CR 81: City Centre

### **Risk Description:**

If we are unable to attract sufficient external investment and financial support and do not regenerate the city centre, then there will be a detrimental impact on the Swansea economy and reputational damage for the Council.

Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risk CR58.

**Category:**

Corporate Plan Priorities

**Controls in Place:**

- City Deal agreement in place.
- City Centre Strategic Framework and resources to deliver it.
- Political mandate, leadership and support.
- Development advisory group in place.
- Positive coms attracting inward investment opportunities
- Corporate priority.
- Developer confidence reflected in their actions taking forward schemes. The BID and buy-in from city centre businesses.
- Financial control of the revenue budget providing financial headroom for capital schemes.
- Financial commitment through the councils capital and revenue programme and EU/WG funding streams.

Updated 26th March 2019 MPN

**Actions to be taken:**

- Cabinet approved funding via FPR 7 for next stage of projects on the 21st June 2018.
- Cabinet approved City Deal joint committee report on the 21st June 2018 with Council on the 26th July. joint committee and ESB now constituted.
- Full planning permission obtain for phase 1 October 2018.
- Cabinet approved the FPR7 report on the 29th November to continue with detailed design and delegate decision on enabling works to section 151 officer.
- Contract award report for PCSA contractor appointment (stage 1) completed January 2019.
- Regional scrutiny now constituted.
- Amendment made to City Deal business case following meeting with WG/UK government Nov 2018. Final approval of business case sought from Joint committee on the 28th March for formal sign off.
- Phase 2 scheme included in DiT Wales investment portfolio launched in MIPIM in March 2019.
- Approval to proceed to PIN notice to seek joint venture partners for strategic assets.

Next steps

- Formal approval of business case for phase 1 city deal including receipt of terms.
- Finalise cost certainty and seek FPR approval (June /July 2019).

- Further scrutiny session to be planned to review detail of final business case.

Updated 26th March 2019 MPN (no change in ratings)

17th May update

- Awaiting confirmation of approval of city deal business case due by end of May.
- Due to delay in confirming city deal and resultant enabling works proposed date for FPR now August; this will include scrutiny.
- no change in overall ratings

5th June update

- Revised city region governance agreed at May 28th Joint committee

10th July update

- Amendments to the joint working agreement and governance changes to be agreed at programme board on the 11th July. This will include the appointment of a new programme director.
- Expected city deal sign of planned for 15th July.

**Responsible Officer:** martin nicholls

**Current Likelihood:** High

**Current Impact:** Medium

**Overall RAG Status:** Amber

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## CR 82: Safeguarding

### **Risk Description:**

If our safeguarding arrangements are not sufficiently robust, then we will not be doing everything we possibly can to prevent the death, injury or neglect of a child or vulnerable adult and consequential reputational damage.

Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risk CR45.

### **Category:**

Corporate Plan Priorities

### **Controls in Place:**

- Sufficient numbers of trained adult and children services staff. Principal Officers for Safeguarding within social services
- Corporate Safeguarding Policy and Group.
- Strong performance monitoring and reporting arrangements.
- Positive engagement and support from Cabinet and Council.
- Mandatory corporate safeguarding training in place for staff and Members.
- Commitment to invest in social care is strong.

- Corporate priority.
- Regional and multi-agency safeguarding partnerships.
- Safeguarding leads identified across all Council services
- Separate safeguarding arrangements in place in schools, with a central education safeguarding officer within the main local authority directorate
- Two dedicated scrutiny panels in place to scrutinize social services work and performance.
- New and revised Safeguarding Policy following a review undertaken by the Safeguarding PDDC'

**Actions to be taken:**

As part of wider adult services restructure, there is a proposal for new adult safeguarding team to undertake social workers in the teams will undertake safeguarding coordination function. In the meantime, timescales of undertaking safeguarding activity is being closely monitored by capturing information about timescales, therefore safeguarding activity outside the approved timescales will be highlighted with the relevant principal officer. A regular audit will commence in June to ensure that safeguarding process in meaningful to individuals. In addition, there is a multidisciplinary input at CAP to minimize risk to the adult at risk while restructuring adult services.

Adult services are adopting Collaborative Communication social work model, this will involve changing the conversation social work staff are having with people. Moving to a strength based approach keeping the individual central to the assessment process, this will also change the approach of adult safeguarding, by providing a greater voice for individual concerned in the process and keeping this individual central to the process. In addition, work is being undertaken across services to ensure a safe voice for individuals and that safeguarding is central to all our activities

Updated 25 June 2019 - David Howes, Director of Social Services

**Responsible Officer:** david howes

**Current Likelihood:** Low

**Current Impact:** Very High

**Overall RAG Status:** Amber

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## **CR 83: Pupil attainment and achievement**

**Risk Description:**

If we cannot get schools to improve pupil attainment and achievement at a time of reduced resources and increasing demand, then pupils will not get the qualifications and skills they need to succeed in life and there will be a detrimental impact on the future Swansea economy.

Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risk CR59.

**Category:**

Corporate Plan Priorities

**Controls in Place:**

- Positive engagement and support from Cabinet and Council.
- Commitment to invest in Education.
- Corporate priority.
- Good school-to-school support.
- Effective partnership working.
- School Improvement Strategy and Partnership.
- New EOTAS Strategy & programme.
- Attendance Strategy.
- Renewed focus through the Child Protection Board on the educational achievement of LAC.
- Strong school building programme.
- Strong leadership commitment to influencing the ERW agenda.
- Commissioning Review on ALN.
- Dedicated scrutiny panel to scrutinise education work and performance.
- Education Skills Co-ordinator appointed.

**Actions to be taken:**

10/06/19: CAs continue to support schools to work as learning organisations.

- Managing the review of ERW and strong KS4 outcomes in 2018.
- ALN Commissioning Review complete but now requires separate risk.
- OECD principles of schools as learning organisations disseminated to schools and senior leaders in schools
- The Chief Exec and Director have continued to lead on ERW arrangements at Joint Committee including issues regarding funding in particular. However, there remain uncertainties regarding commitment of all LA to regional working under the current budget arrangements although there is a commitment to the model in principle.
- Provided a consultation response regarding the “middle tier” to the Assembly.
- Attendance rates remain variable but still within an acceptable variance. Primary attendance has gone up but secondary attendance is down compared to the half-term last year.
- School Improvement Partnership provides a suitable forum to support and challenge schools regarding their use resources but also to provide support.
- EOTAS project is progressing although there is an anticipated delay. There has been a good outcome to the recent PRU inspection.
- ALN Strategy in place but there are significant capacity issues that need addressing which need raising as a separate risk.

**Responsible Officer:** nick williams

**Current Likelihood:** Medium

**Current Impact:** Medium  
**Overall RAG Status:** Amber  
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## **CR 84: Tackling poverty**

### **Risk Description:**

If we do not implement a strategy that sufficiently impacts on poverty, then there will continue to be negative consequences for current and future generations, high demand for Council services and a continuing detrimental impact on the Swansea economy.

Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risk CR44.

### **Category:**

Corporate Plan Priorities

### **Controls in Place:**

- Reviewed and revised Tackling Poverty Strategy agreed by Cabinet
- Cross Council Delivery Plan in place and performance framework being introduced
- Council Poverty Forum renewed, chaired by Chief Executive
- Partnership Poverty Forum in place, and action plan being delivered
- Explorations of social investment options for key services being undertaken
- Scrutiny Inquiry undertaken 2016 and report recommendations largely accepted
- Tackling Poverty a Corporate Priority

### **Actions to be taken:**

Review of Poverty and Prevention infrastructure underway with objective of further strengthening a whole Council approach to tackling poverty. Interim management arrangements agreed with direct report through to the Director of Social Services.

Commissioning reviews now being scoped with a particular focus on the whole Council's approach to delivering employability and financial inclusion.

Arrangements to establish a Poverty Truth Commission continue to be progressed with a further briefing for CMT and Cabinet scheduled. Poverty forum refreshed with leadership via the Deputy Chief Exec. Updated action plan in the process of being developed and populated with actions to be delivered across Council services.

Updated 5 June 2019 by Dave Howes, Director of Social Services

**Responsible Officer:** david howes

**Current Likelihood:** Medium



**Current Impact:** Medium  
**Overall RAG Status:** Amber  
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## **CR 85: Workforce Strategy**

### **Risk Description:**

If we do not have a robust workforce strategy in place, then we will not have staff with sufficient capacity and the right knowledge and skills to manage change, deliver transformed services and ensure statutory compliance.

Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risk CR43.

### **Category:**

Corporate Governance

### **Controls in Place:**

- Workforce Planning
- Corporate Plan Sustainable Development principles embedded in the objectives
- Service Planning
- Gender pay gap and project plan
- Apprenticeship / traineeships strategy
- Organisational Development (OD) strategy and implementation plan in place
- Tracking and monitoring of OD plan and delivery
- New reporting through revised CMT/Cabinet governance
- New reporting through Leadership Team

### **Actions to be taken:**

Latest update June 2019:

- Leadership Hub sessions underway
- Management training and development underway
- Mandatory training reviewed and updated
- HR Policy review underway
- Workforce development part of the Future Council aspect of Sustainable Swansea
- Gender pay gap analysis and plan part of Policy Development Committee work plan
- Service plans completed, which is informed by a workforce analysis by each service

**Responsible Officer:** sarah caulkin

**Current Likelihood:** Medium

**Current Impact:** Medium

**Overall RAG Status:** Amber

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## CR 86: Digital, data and cyber security

### **Risk Description:**

If we do not have robust digital, data and cyber security measures and systems and behaviours in place, embedded and working as best as they can be, then we will be vulnerable to cyber threats, disruption to service delivery, possible loss of information including confidential information and associated fines and reputational damage.

Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risk CR66.

Risk revised 18/09/18 following attendance at a cyber-event with the police and receiving information from the WLGA regarding what Local Authorities should be demonstrating as basic measures.

### **Category:**

Corporate Governance

### **Controls in Place:**

- Public Services Network (PSN) compliance certificate (tested annually).
- Mandatory data protection and cyber security training for all staff and Councillors.
- Communications and awareness raising to all staff and Councillors monthly on good practice.
- SIRO identified.
- Information Governance Unit (IGU) established.
- Created a register of processing activities to identify what personal data we control and process.
- Updated the data breach process to align with GDPR requirements.
- Created a GDPR compliant privacy notice to be placed on our public website.
- Created a Data Protection Impact assessment measuring the impact to individual rights to privacy.
- Data Protection Officer required by GDPR regulations now appointed and in place.
- GDPR information for schools published on Staffnet.
- Externally hosted email filtering service to prevent the sending and receiving of emails which contain known and suspected virus infections.
- Firewalls and filtering software as our first line of defence to monitor incoming and outgoing network traffic.
- Software patching to enable systems to stay updated and secure from weaknesses and unauthorised access.
- Encryption is used on mobile devices as a security measure that makes data unreadable if it's stolen.
- Up-to-date anti-virus software installed on all Council PC's and laptops to detect and remove malicious software.
- A variety of ICT policies and procedures to ensure staff are responsible for their actions when using technology.
- Staff only granted access to social media / networking for specific business

reasons in a work-related professional capacity.

- Council data is backed up and taken off-site.
- Staff on Mobile working and remote access have the facilities to work outside their office and still have the same secure setup as if they were sitting at their desks.
- More use of secure cloud storage.
- Revised ICT Security Policy, Cyber Strategy and Information Governance framework approved by CMT
- General Data Protection Regulation (GDPR) compliance monitoring and reporting through P&FMs and new CMT/Cabinet governance
- GDPR project complete
- Members of Digital Services, Communications and emergency planning attended a cyber-security training event with the police which included senior officers from various local authorities interacting in an event of a real cyber incident.
- Part of the Wales WARP (Warning Advice and Reporting Point) to share cyber threats and defences with other public bodies.
- Member of the CISP (Cyber Security Information Sharing Partnership) which is a joint industry and government initiative set up to exchange cyber threat information.

**Actions to be taken:**

Latest update June 2019:

- PSN certification achieved
- New regional multi-agency cyber cell meetings being attended to share intelligence and actions
- Embarking on Cyber Essential and Cyber Essentials Plus accreditation
- Digital Services working with internal audit and emergency planning to further improve the ICT Disaster recovery plan.
- Cyber Security strategy created and ready for engagement with staff.

**Responsible Officer:** sarah caulkin

**Current Likelihood:** Low

**Current Impact:** Very High

**Overall RAG Status:** Amber

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## **CR 87: Emergency Planning, Resilience and Business Continuity**

**Risk Description:**

If we do not have sufficient emergency planning, resilience and business continuity arrangements in place, then we will not be able to respond effectively in an emergency, provide the necessary civic leadership or continue to run vital services and ensure compliance with the legal requirements of the Civic Contingencies Act 2004 as a Category 1 Responder.

Risk added 27/03/18 following review of production of Corporate Plan 2017/22

and subsequent review of Corporate Risks. Supersedes risk CR48.

**Category:**

Corporate Governance

**Controls in Place:**

- Major Incident Plan
- Flood Management Plan
- Mass Fatality Plan
- Temporary Mortuary Arrangements
- Crisis Media Plan
- Rest Centre Plan & Arrangements
- Recovery Plan
- Offsite COMAH Plan & Exercising
- Risk Profiling
- Project Griffin Training
- Vehicle Mitigation & Protective Security Advice
- Multi Agency Exercising & Training
- Call Out & Activation Protocols/action Cards
- Continual Review of Plans & Protocols
- Service and Corporate Business Impact Assessments and Business Continuity Plans
- RAG alert system across H&S, emergency management

**Actions to be taken:**

- Continual review and update of policies
- Continual development of further toolkits to support managers and schools
- Emergency Planning exercise
- Commissioned Emergency Control Centre
- Monitoring and reporting of emergency management to P&FM, escalating to CMT where appropriate
- Ensuring senior staff training and roles are clear
- Greater responsibility allocated to Deputy CEO from 29 October 2018.
- Responsible Officer changed from Phil Roberts to Adam Hill as per CMT on 13/02/19.
- Business continuity plans being reviewed and updated.
- Continue to monitor situation and additional training being undertaken within CMT to build capacity.

24 June 2019 AH

- Training has been arranged for Senior officers at Gold Level, to ensure experience and knowledge is up to date.

**Responsible Officer:** adam hill

**Current Likelihood:** Low

**Current Impact:** Very High

**Overall RAG Status:** Amber

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## CR 88: Health & Safety

### Risk Description:

If we fail to have robust Health & Safety policies and arrangements in place, then there could be a health and safety breach identified as a corporate failing with associated legal, financial and reputational consequences.

Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risk CR50.

### Category:

Corporate Governance

### Controls in Place:

- Health & Safety (H&S) Policies
- H&S Toolkits
- RIDDOR procedures for reportable incident to the HSE
- H&S audit plan
- Well-being Policies
- Member of British Association of Counsellors and Psychotherapists (BACP)
- SEQOSH accreditation by Faculty of Occupational Medicine
- Noise, Dust, Lighting, Humidity & Vibration sampling
- Directors H&S Committees & Sub safety Groups
- RAG alert system across H&S, emergency management and well-being

### Actions to be taken:

- H&S e-learning
- Continual review and update of policies
- Continual development of further toolkits to support managers and schools
- Swansea Council RAG Fire Risk Profiling for all Premises.
- Improved online reporting
- Monitoring and reporting of H&S and well-being to P&FM, escalating to CMT where appropriate
- Greater responsibility given to Deputy CE from 29 October 2018.

Responsible Officer changed from Phil Roberts to Adam Hill as per CMT on 13/02/19

Regular update on corporate Health and Safety introduced as part of Resources DMT to look at trends and patterns

24 June 2019 AH

- Health and Safety mandatory training updated to ensure it is included with the corporate mandatory training

**Responsible Officer:** adam hill

**Current Likelihood:** Low

**Current Impact:** High

**Overall RAG Status:** Amber

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## CR 89: New legislative and statutory requirements

### **Risk Description:**

IF the council cannot respond adequately to new legislative and regulatory requirements due to reduced resources, then it will be open to external challenge and may suffer reputational damage and fines.

Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risk CR62.

### **Category:**

Corporate Governance

### **Controls in Place:**

- Corporate Plan: captures major change and meets duties under the Well-being of Future Generations Act 2015 to set well-being objectives and establish steps to meet them.
- Service Planning: use of the SWOT/PESTLE process to capture external legislative changes and threats, etc. and embed the Well-being of Future Generations Act 2015.
- Role of Directors/Heads of Service: duty to horizon scan and bring forward papers on new changes and to resource accordingly and act in accordance with the Sustainable Development Principle established by the Well-being of Future Generations Act 2015.
- Regular policy briefing developed and widely circulated.
- Regular Policy foresighting briefing - policy perspectives, new ideas and emerging ways of working - developed and widely circulated.
- Monitoring of new legislation by legal department and democratic services.
- Lawyers in Local Government Update on new legislation, consultation and constitutional matters circulated by Head of Legal to CMT on regular basis. Legal implications inserted into decision making reports.

### **Actions to be taken:**

- Strategic Delivery Unit: horizon scan and give advice on our response to new legislation and other major external change.
- Legislative duties and legal obligations incorporated into reports to committees and decision makers with all reports signed off by Legal and Access to Services.
- Embedding legislative duties at the earliest stages of decision-making

Update 8/4/19

- Well Being of Future Generations guidance to be updated to include toolkit which will be referenced in report writing new guidance.

Update 10/04/19

- Created a web page to provide information on Well-being of Future Generations and to point staff and Members to Welsh Government and Future Generation Commissioner resources to refer to and to help inform the

development of any proposals / reports at the earliest stage.

16 June 2019

• Well Being Future Generations webpage updated. CMT updated by monitoring Officer on Legislative changes/consultations in WG from LLG

**Responsible Officer:** tracey meredith

**Current Likelihood:** Low

**Current Impact:** Medium

**Overall RAG Status:** Amber

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## **CR 90: Decision to leave the European Union (BREXIT)**

### **Risk Description:**

New Description 23/01/19 (see below) - If there is continuing uncertainty from the decision to exit the European Union (BREXIT), then the Council will not be able to prepare as effectively as it would like to in order to ensure service continuity and to safeguard the financial / economic, social, environmental and cultural well-being of citizens and resident EU nationals.

Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks. Supersedes risk CR64. (If there continuing uncertainty from the decision to exit the European Union (BREXIT), then there may be a risk to investment in the region due to the loss of grants and decisions affecting strategic inward investment)

Risk Description revised on 23/01/19 following approval by cross-departmental Brexit Steering Group on 21/01/19.

### **Category:**

Corporate Finance

### **Controls in Place:**

- A risk outside directly of Council control/influence.
- Maximise existing grant take ups/explore alternative sources of grant/investment
- Event horizon scanning of all media, parliamentary decisions, negotiations.
- Lobbying through WLGA, professional associations for UK/WG government grant/other decisions to attract inward investment via alternative means e.g. City Deal, Tidal Lagoon (despite UK government rejection of financial support re latter)

Arrangements we are putting place to manage them:

- Corporate - Work with the WLGA and welsh Government to ensure there is a collective and consistent approach across Welsh local government in

responding to BREXIT; the Leader for the Council also leads for WLGA on Europe, which will be beneficial to the Council in identifying means to address risks. Lobby via WLGA, professional associations for locally retained business rates.

- Economic development and regeneration - Increase level of marketing and promotion of city centre projects and opportunities; increase awareness of Business support offer available to local companies and local supply chain opportunities; exploring alternative funding sources and methods of funding.
- Information management: We will follow ICO guidance with regard to Brexit.
- Records management: We will ensure any European project records are secured and up to date for the period stipulated by the EU regardless of Brexit but also expect there may be guidance from WEFO on this.
- ICT/Digital: We have been ensuring UK based data centres in our move to Cloud to mitigate any impact of Brexit as well as ensuring data security. Brexit may impact patching of software where we have large global suppliers such as Oracle. A fundamental global change to the system as a result of EU legislative changes may still need to be delivered by us (unless suppliers release a UK version which is yet unknown). We've seen ICT contract costs gradually rising over the past 18 months due to concern in the market on the impact of Brexit. We have been mitigating against contract inflation in the budget and MTFP wherever possible.
- Social care - Relevant staff are participating in briefings on the national schemes set up to mitigate that impact and communicating directly with local providers to better assess likely impact.
- HR - Joined the national teleconferences with the Home Office around EEA nationals and residency. Undertaken a risk assessment and identified potentially impacted employees and areas of work. Plans to communicate to managers information to help by providing useful and reassuring information to staff (FAQs, considering discussing in meetings i.e. one-to one's). Established a working group to prepare an action plan to ensure that we are able to manage a migrant workforce and making business decisions on how to potentially support employees to regularise their stay or apply to become British citizens.

Attending Home Office seminars, in relation to plans to pilot their Settled Status Scheme systems with UK health and social care staff ahead of the systems becoming fully operational and open to all from 30 March 2019; this pilot will run from 29 November until 21 December this year. Ensuring that we remain updated in line with CIPD advice and legal guidance.

- Internal steering group focussed on preparedness across the organisation and linking through to external groups set up and meeting monthly with action log to ensure measures are put in place and tracked.

Updated 28/03/19 RR

- Ensured that organisations supplying Agency Workers to the Council are complying with Government advice, guidance and rules concerning the employment and status of resident EU nationals
- Draft communications plan and portal for Brexit related internal and external communication and information, including the dissemination of Welsh and UK Government advice developed.



**Actions to be taken:**

- Lobby via WLGA, professional associations for locally retained business rates
- Work with the WLGA and Welsh Government to ensure there is a collective and consistent approach across Welsh local government in responding to BREXIT.
- Convene a group / committee tasked with mitigation of impacts in regards to BREXIT (COMPLETE)
- Undertake a BREXIT impact assessment (COMPLETE)

BGS Update 26/6/18 - Personally fed into Welsh Assembly Finance Committee budget roadshow on matter, WLGA and professional bodies continue lobbying, still await material detail and devolution consequentials - remains difficult to assess the overall risk - especially the impact score - remains unchanged for now but impact score may increase as time progresses and detail becomes clearer.

BGS 24/9/18 - given lack of progress in the past 3 months pan UK - this has been increased to very high likelihood of uncertainty pervading and the risks and impact of the permutations of Brexit deals and no deals has also deteriorated.

BGS 14/11 - Key implications risks and opportunities:

- Legal – no immediate specific issues as all EU laws segue into or are already UK law
- Contracted services – EU nationals employed by your contractors. Probably have higher numbers of non-EU non-UK nationals especially in care sector.
- Care sector - increased fragility of the domiciliary and residential care market due to workforce impacts.
- HR – own workforce we have around 100 EU nationals. There is a proposed settlement fee of £554 per worker. Expectation is we as employer would pay fees even if no legal obligation.
- Civil Contingency - civil unrest locally unlikely but everything is still contingency planned for locally, regionally and nationally; can be escalated as needs be.
- EU funds – after 2022/23 structural funds and programmes dry up. Loss of EU Structural Funds currently £30m of schemes in progress particularly supporting economic development, capital and skills initiatives. There is no indication of how this funding would be replaced and very limited alternative funding from Welsh Government and other sources. Shared Prosperity Fund as replacement vague as to implications – policy vacuum.  
In economic development & poverty and prevention, we have around 45 of our staff funded by EU funds. Impact on wider work creation programmes. Wider Welsh issues are E.g. Welsh Development Bank part funded by ERDF.
- State Aid Regime – currently tied to EU rules – but in a “no deal” Brexit we would default to WTO rules, which are arguably even more onerous.
- Agency and workforce - need to actively engage with both for a post EU

Brexit, no discrimination policy etc. .

- Risks – are currently too finance focussed and need to widen to procurement, staff, HR, civil contingency etc. and actions to mitigate (COMPLETE - Description revised 23/01/19).
- Money – zero grant losses from EU factored into MTFP post 2022-23. Unknown.
- Port Health Authority - becomes potentially hard border – implications for goods and food/waste transit etc. Swansea Airport – we are landowner not operator but still a port of entry – albeit small scale.
- Data – where will it be held - Microsoft e.g. only just opened British Data centres. What is the legal regime for services in cloud in future?
- Health, Environment – long-term risk re climate change, agriculture etc.
- Public Health – monitoring water, power - significant resource issues re certification of meat, food, livestock, vaccines etc. if EU certification schemes end.
- Local economy risks: Lower levels of inward investment due to the uncertainty of financial markets and changing regulations created by Brexit. Market uncertainty also affects ability to attract developers and investors to commit to city centre regeneration schemes. Potential effect on businesses ability to trade with EU companies impacting on employment levels.
- Procurement - cost inflation due to a no-deal. There may be some inflation on our contracts; but too early to tell as the detail is not yet apparent. If 'no deal' then likely higher inflation for a period as the supply base reacts to new tariffs etc. Loss of EU labour may cause cost increases too, but again given the settled status regime proposed by UK Gov, that may be a longer-term problem.

AH 14/12/18 - Welsh Audit Office call for Evidence was used to gather information on work undertaken to date to prepare and identify issues in relation Brexit. This information will be used to develop a more robust response through the Brexit Steering group.

RR 16/12/18 –

- Review of Civil Contingency Plans
- Duty Rota's for Strategic and Tactical Officers.
- Continue to monitor with partners on new information.

RR 28/01/18 - New controls added following Brexit Steering Group held on 21/01/19. Progress to be reviewed at the next meeting on 26/02/18.

- List all the groups that are meeting with internal and external partners to discuss and respond to Brexit.
- Develop a single communications plan and portal for Brexit related internal and external communication and information, including the dissemination of Welsh and UK Government advice (DRAFT COMPLETE 22/03/19).
- Direct communication with partners through the Local Resilience Forum.
- Revise and fully test Business Continuity Plans (as well as the Port Authority), including the robustness of supplier and partner arrangements.

- Ensure that organisations supplying Agency Workers to the Council are complying with Government advice, guidance and rules concerning the employment and status of resident EU nationals (COMPLETE 26/02/19).
- Establish a working group to prepare an action plan to manage and support the affected EU resident Council workforce and the implications for service delivery.
- Establish a gap analysis to identify all programmes and projects dependent upon EU funding & create a list of strategic options post 2020.
- Procurement - identify level of exposure amongst suppliers and alternative arrangements (especially in services to vulnerable people) should supply be disrupted.

AH 7/3/2019 - This is all covered through the Brexit Steering group with officers allocated responsibility for managing and acting on each point above and feeding back to the steering group.

RR 28/03/19 - controls and actions updated. Monitoring of actions and controls undertaken.

Ah 24/6/2019 - Steady state is in place and regular communication takes place with other agencies and within the council.

**Responsible Officer:** adam hill

**Current Likelihood:** Very High

**Current Impact:** Medium

**Overall RAG Status:** Red

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## CR 91: Tax evasion

### **Risk Description:**

If the Council fails to prevent those who act for or on its behalf from knowingly or unknowingly facilitating (including failing to prevent) tax evasion, then the Council will be criminally liable and will face an investigation by HMRC with potential prosecution and unlimited financial liability.

Risk added 27/03/18 following review of production of Corporate Plan 2017/22 and subsequent review of Corporate Risks.

### **Category:**

Corporate Finance

### **Controls in Place:**

- VAT Manual, Guidance Notes and Accounting Instructions.
- VAT advice available via Principal Finance Partner and external VAT advisors.
- Financial Procedure Rules (FPRs) and Contract Procedure Rules (CPRs).

- IR35 guidance and procedure notes available.
- Procurement rules and procedures.
- Segregation of duties.

**Actions to be taken:**

- A briefing note discussed at CMT and circulated to senior management team, head teachers, finance managers and finance contacts to raise awareness.
- Head Teachers, finance managers / managers have established policies, procedures and communication to follow financial rules, procedures and guidance and to prevent the risk.
- Audit/Corporate Fraud have incorporated this as part of their plans, investigations and audits.

BGS review 26/6/18 - no material identified cases - schools remain an operational boundary risk for Council given budget/operational delegation - but on basis of current isolated incidence of risk identified, likelihood down rated to low

BGS Reviewed 24/9/18 - no change to likelihood assessment, impact reduced

BGS Reviewed 12/12/18 - no change to assessment - mitigations adequate

BGS Reviewed 13/2/19 - no change to assessment - mitigations remain adequate, following S151 action taken to strengthen schools segregation of duties for online banking access to own school accounts.

BGS reviewed 23/05/19 - no change to assessment - mitigations adequate

**Responsible Officer:** ben smith

**Current Likelihood:** Low

**Current Impact:** Medium

**Overall RAG Status:** Amber

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## **CR 101: Regional Working**

**Risk Description:**

If the Council, along with its partners and Welsh Government, does not develop and improve regional working, then it will divert the Council and its resources from key priorities and will not benefit Swansea and its residents.

We need to (Recommendations from Scrutiny Inquiry):

- Continue to be ahead of the game by looking at positive ways forward for Swansea in Regional Working collaborations by being involved, where

possible, in pilots/trials that may ease and prepare the way forward for us.

- Address or mitigate the barriers found in existing regional partnerships and use the lessons learnt to inform our new collaboration activities.
- Ensure that we learn particularly from previous large collaborations both positive and negative aspects to help ease our way into new partnership arrangements.
- Ensure all partnerships have an effective governance structure that has a suitable amount of elected member challenge built in, particularly scrutiny in those larger most impactful partnerships like Swansea Bay City Region, Western Bay and ERW.
- Ensure that each partnership has one clear structured lead that can facilitate communication between the partnership and scrutiny.
- Ensure that the current financial and resource implications for Swansea (including quantifying officer time) are clearly and continually understood.
- Review the regional bodies that we work with, to see if any can be rationalised or amalgamated. We must be SMART about the partnerships which we are involved in to ensure we are adding value for time spent.
- That modern technology is used for meetings to reduce travel time, including, for example skype, video conferencing. Ensuring the right facilities are available for Councillors and staff and that they are encouraged and trained to use them.
- Make more use of the third and private sector bodies in our collaboration activities.
- Make representations to Welsh Government through our different working partnerships about streamlining and simplifying the business case and grant application process.
- Partnerships regularly review their governance, membership and impact. This should include the publishing of an annual report.

**Category:**

Corporate Governance

**Controls in Place:**

- The senior management restructure approved by Council on 21st June strengthens the Council's management capacity to ensure that the regional collaboration agenda can be taken forward proactively by Swansea whilst also allowing the Council to manage its ambitious programmes based around the corporate priorities.
- The new senior management structure agreed at Council on 21st June 2018 has director leads in place for each partnership.
- The Council is playing a leading and proactive role in major regional collaborations.
- A mapping exercise has been undertaken that identified the key local, regional and national partnerships.
- ERW produces audited and published accounts and are inspected by Estyn and has produced a document called Democratic Accountability and Scrutiny, which recognises the role of scrutiny in, amongst other things, monitoring performance and budgets. The City Deal is in the development stages of practical formation and detailed agreement; it is envisaged that the

governance structure will be similar to that of ERW.

- The Chief Executive takes the lead role for ERW and Western Bay as well as being an executive member of the City Deal Joint Committee.
- The Leader of the Council is the City Region Joint Committee Chair.
- The City Deal has a Joint Working Agreement in place, which was approved at Council on 26th July 2018.
- A review of progress has been undertaken by IPC on the Western Bay Health & Social Care collaboration.
- The Council meets up regionally with 5 other local authorities to discuss collaboration projects.
- The Council has a clear rationale in place when collaborating and it is clear on the anticipated benefits and costs.
- ERW has fully formed Governance Arrangements, which includes a Joint committee, an ERW Service Committee and a joint scrutiny mechanism. A Joint Committee Agreement and joint scrutiny arrangements were agreed for the City Deal at Council on 26th July 2018. Western Bay has a Joint Committee in place; there are scrutiny arrangements in place for all three partnerships
- The Council is playing a leading and proactive role in major regional collaborations.
- The Council has a clear rationale in place when collaborating and it is clear on the anticipated benefits and costs.
- The Council understands what it currently contributes directly to ERW, Western Bay and City Region and how much it contributes to all other partnerships.
- The Council is rolling out and promoting the use of Skype as part of the wider roll out of Office 365 resulting from the Council's Digital Strategy and modernisation agenda.
- The City Deal is being delivered with the involvement of the private sector. The Western Bay Programme supports collaborative working between four statutory partner organisations, together with the third and independent sectors. ERW has independent members involved in the Executive Board.
- Representations have been made to Welsh Government on reforming the grant regime; for example through the Council's response to the recent Green Paper on Local Government Reorganisation.

**Actions to be taken:**

- Continue to influence the collaboration agenda and decision-making at Welsh Government (Responsible officer – Chief Executive).
- Undertake a lessons learnt exercise (including learning points identified by the Scrutiny Inquiry Panel) across the three main regional collaborations and develop an action plan/s with resource implications to address any specific and remaining barriers (Responsible officer - Director leads).
- Review governance arrangements of the 3 main partnerships – ERW, Western bay and City Deal - to ensure they remain fit for purpose (Responsible officer - Director leads & Monitoring Officer).
- Continue to assess the value to the Council from being involved in existing or new partnerships, including an analysis of costs and benefits (Responsible Officer - CMT).
- Review how Skype could be used amongst partners to reduce travelling and

officer and Councillor time and further encourage participation in partnership working (Responsible officer – Chief Transformation Officer).

- Continue to engage the third sector in existing partnerships (Responsible officer - Director leads).
- Continue to press Welsh Government for a more streamlined grant process (Responsible officer – Chief Executive).
- Produce an annual report to Council on the progress made across the main regional collaborations; ERW, Western Bay and City Deal (Responsible officer – Chief Executive).

Update February 2019

- Responsible officer changed from Phil Roberts to Jack Straw as per CMT on 13/02/19.
- Regional Working Annual Report to proceed to Council on 25th April 2019

Update March 2019

- Regional Working Annual Report to proceed to Council annual meeting on 23rd May 2019

Update June 2019

- Responsible officer changed from Jack Straw to Phil Roberts as per CMT on 12/06/19.
- Discussion with CMT/Cabinet on possible approaches to regionalisation at next Awayday

**Responsible Officer:** phil roberts

**Current Likelihood:** Medium

**Current Impact:** Medium

**Overall RAG Status:** Amber

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