# Risk Round Up

May 2021

**Welcome to Risk Round Up, our new quaterly newsletter on risk management.**

Each quarter we will give you an insight into the world of risk. In this in this issue, we will be covering our risk story and what's next, and will give you an idea of some Council claims, top tips for identifying risk in your teams and upcoming training & events.

Over the last year we have introduced the Council's new risk management policy, a toolkit to help the practical delivery of risk management and we have updated our corporate risk matrix. Other work has included assessing the Council's risk appetite, developing a clear escalation process for risk and developing risk management training for all staff.

This year our focus will shift to horizon scanning. Whilst we don't have a crystal ball, indeed who could ever have foreseen COVID-19 impacting like it has, we want to make sure that we have identified the potential threats, risks, emerging issues, and opportunities to allow us to be more prepared and to better support our decision making process moving forwards.

Risk Management is a long journey but we are now well on our way to having a much more mature approach to risk management and this is down to each one of you who has embraced the changes so thank you very much and let's keep going!

## How is the future evolving?

Since the start of the pandemic WLBC along, with every other organisation, has had to adapt to survive and become more heavily reliant on technology as a large number of our staff have worked from home. Covid 19 has brought increased risks and risks from both internal and external factors that have undoubtedly been exacerbated by Covid-19. Such risks include people risk (mental health, wellbeing, physical health of staff), increased cyber-attacks, and supply chain disruption, to mention just a few. In a report by the IRM it comments that about 40 per cent of businesses in the industry are facing financial difficulties. In addition, supply chains and labour flows from the European Union threaten to delay UK mega projects.

**In the World Economic Forum's Global Risk Report 2021, the top 5 risk by likelihood are listed as:**

1. Extreme Weather
2. Climate Action Failure
3. Human Environmental Damage
4. Infectious Diseases
5. Biodiversity Loss

**By impact they are listed as being:**

1. Infectious diseases
2. Weapons of mass destruction
3. Climate action failure
4. Biodiversity loss (the decline or disappearance of biological diversity, understood as the variety of living things that inhabit the planet)
5. Natural resource crisis

May 2021

# Risk Round Up

## Where it all Went Wrong

In this section we'll take a look back at some historic events that could have been avoided with better risk management. We'll learn lessons from these disasters and highlight would could have been done differently and what a catastrophic effect getting risk management wrong can have!

**The 2005 Buncefield Oil Disaster**

During the night of Saturday 10 December 2005, Tank 912 at the Buncefield oil storage depot was filling with petrol. The tank had two forms of level control: a gauge that enabled the employees to monitor the filling operation; and an independent high-level switch (IHLS) which was meant to close down operations automatically if the tank was overfilled. The first gauge stuck and the IHLS was inoperable, there was therefore no means to alert the control room staff that the tank was filling to dangerous levels. Eventually large quantities of petrol overflowed from the top of the tank. A vapour cloud formed which ignited causing a massive explosion and a fire that lasted five days. By the time the explosion occurred, over 250,000 litres of petrol had escaped from the tank. The devastation was enormous. Fortunately there were no fatalities but over 40 people were injured. The environmental, social and economic toll was considerable. While no one lost their life, some have yet to fully recover from the effect that the explosion had on their lives. Surrounding business were destroyed, many of which had no business continuity plans in place.

The gauge had stuck intermittently after the tank had been serviced in August 2005. However, neither site management nor the contractors who maintained the systems responded effectively to its obvious unreliability. The IHLS needed a padlock to retain its check lever in a working position. However, the switch supplier did not communicate this critical point to the installer and maintenance contractor and the padlock was not fitted.  Having failed to contain the petrol, there was reliance on a bund retaining wall around the tank and a system of drains and catchment areas to ensure that liquids could not be released to the environment. Both forms of containment failed as they were inadequately designed and maintained.

**Underlying these immediate failings lay root causes based in broader management failings:**

- Management systems relating to tank filling were both deficient and not properly followed, despite the fact that the systems were independently audited.
- Pressures on staff had been increasing before the incident and staff did not have sufficient information easily available to them to manage the storage of incoming fuel.
- Throughput had increased, putting more pressure on site management, made worse by a lack of engineering support from Head Office. This created a culture where keeping the process operating was the primary focus, safety was secondary.
- Supervisors worked 12-hour shifts and had other duties as well as the constant monitoring of the filling and emptying of tanks. Supervisors were ‘blocked’ to work five shifts in a row, which with overtime working sometimes led to 84 hours of working in a seven day period.
- Management failed to recognise these working pressures, the Operations Manager offered his resignation shortly before the incident because of the pressurised environment; this should have confirmed that all was not well.

# Risk Round Up

**There are many lessons that can be learnt from this disaster. Here are some that may also apply to the work that we do:**

- There should be a clear understanding of accident risks and the safety critical equipment and systems designed to control them. This understanding should exist at all levels of an organisation, from senior management to the operatives performing the tasks.
- There should be systems and a culture in place to detect signals of failure in safety critical equipment and to respond to them quickly and effectively. In this case, there were clear signs that the equipment was not fit for purpose but no one questioned why, or what should be done about it other than ensure a series of temporary fixes. Sometimes temporary fixes are not appropriate.
- Time and resources for safety should always be made available.
- Those working on the ground should know how to report any risks to management and in turn management should devote time and resources to taking these concerns seriously.
- Pressures on staff and managers should be understood and managed so that they have the capacity to apply procedures and systems essential to perform operations and services.
- There should be effective auditing systems in place which test the quality of management systems/ procedures and ensure that these systems / procedures are actually being used and are effective.
- There should be positive safety leadership with board-level involvement and competence to ensure that hazard risks are being properly managed.

Aerial view of the Buncefield depot before the incident © Chiltern Air Support

# Risk Round Up

May 2021

## Council Claims

Below are some of the claims presented against West Lancashire borough Council and other Councils. In this edition we will focus on claims related to information governance risk.

### Cyber-attack on Redcar & Cleveland Council's Computer Systems

About 135,000 people were without online public services after Redcar & Cleveland Council's website and computers were targeted in February 2020. The local authority stated a figure of £10.4m in a budget update report provided to members of its Cabinet. Specifically, costs required for infrastructure and system recovery or replacement cost £2.4m, while the cost to individual council directorates was the worst hit and accounted for £3.4m. There was also a cost impact of just under £1m as a result of a reduction in enforcement income and lower collection levels for both council tax and business rates towards the end of the 2019/20 financial year, caused by computer systems being out of action for a period.

Online appointment bookings, planning documents, social care advice and council housing complaints systems were among services knocked offline and experts from the UK's National Cyber Security Centre (NCSC) were drafted in to help restore them. Whilst the Council had industry standard tools deployed to secure its computer network at the time of the attack, which it said had been configured to provide optimum protection, it has since made additional improvements to its cyber-defences, with further upgrades planned.

### Town Clerk at Whitchurch Town Council Prosecuted for Intentionally Blocking Records

An individual had made a Freedom of Information (FOI) request to the council for an audio recording of a council meeting. The requester was advised that the recording had been deleted in line with council policy. Nicola Young of Whitchurch, Shropshire had been aware of the FOI request and had deleted the recording some days later. Ms Young appeared before Crewe Magistrates' Court and admitted to the offence of blocking records with the intention of preventing disclosure, in breach of s77 of the Freedom of Information Act 2000. She was fined £400, ordered to pay costs of £1,493 and a victim surcharge of £40.

### Walsall Metropolitan Borough Council Officer Ordered to Pay Over £800 after Accessing Social Care Records Without Authorisation

A former Reablement Officer at Walsall Metropolitan Borough Council has been prosecuted by the Information Commissioner's Officer (ICO) for accessing social care records without authorisation. The ICO said an internal investigation by the council found that the officer had inappropriately accessed the social care records of seven adults and nine children without any business need to do so.

The officer appeared before Wolverhampton Magistrates Court and admitted one offence of unlawfully obtaining personal data, in breach of s55 of the Data protection Act 1998. She was sentenced to a fine of £450, ordered to pay costs of £364 and a victim surcharge of £45.

# Risk Round Up

May 2021

## Identifying your Team's Risks - Top 5 Tips

1. **Consult a cross section of the team** – just asking senior managers will not identify risks at all levels.
2. **Brainstorm** - plan your brainstorming questions in advance such as what are the most significant risks related to our service objectives? Focusing on generating as many risks as possible then discount overlapping risks and too vague risks.
3. **Use checklists** - check Pentana to identify the most common risks and create a checklist. After each project or service delivery conduct a post review where you capture the most significant risks. This list may be used for subsequent projects/ service delivery. Warning – checklists are great, but no checklist contains all the risks!
4. **Challenge the status quo of existing risks** – are they right? What's changed?
5. Most of the major disasters that happen to companies were once unimaginable and had never happened before. Therefore, when identifying risks, shift to the mind-set from what has happened to what is in the realm of possibility.

# Risk Round Up

May 2021

## Upcoming Training & Events

In every Risk Round Up we will advertise upcoming training and events, both internal and external. As well as producing our own training sessions we will scour the web looking for sessions that can bring real benefit to you in your role, so keep an eye out for any courses that may be of interest to you.

**WLBC Pre Recorded Webinar: Pentana risk training**

click here to access

**WLBC Internal Live Session: Risk Wording & Scoring Assistance.**

If you are struggling with the wording of risks, controls or scoring there are two session being run on 8th July @ 10am – 12:00 & 9th July 1pm – 3pm. These will be one to one 15 minute sessions where you can discuss any of your risks or any risk issues that are concerning you.To book an session please email Rebecca.spicer@westlancs.gov.uk

**Live Webinar Contractors & Hot Work Fires -**
**Hosted by Zurich Municipal 2th June @11:00**

three key steps to manage risk by Zurich municipal. Please click here to register

**Pre Recorded Webinar: Controls Assurance -**

Are your controls designed and operating effectively? Hosted by ProtechtGroup

click here to access

**Pre recorded webinar: COVID-19: One year on - Legal developments during the pandemic and lessons learned from a Risk Manag**ement perspective

hosted by Arthur J Gallagher

click here to access

**Pre Recorded Webinar: Cyber and Fraud Risk Management for Public Sector and Education hosted by Arthur J Gallagher**

click here to access

**Coming soon**

Risk Horizon Scanning Workshop. Date TBC. If you would like to be involved then please contact Rebecca.spicer@westlancs.gov.uk

**Contact us**

If you have any feedback or questions about anything in this edition, have any risk related stories that you wish to share in future editions, want to share your stories about how well you are managing risk in your teams or indeed want to discuss anything at all risk related then please contact Rebecca Spicer.