

Audit and Risk Committee

23 March 2020

Report title	Strategic Risk Register Update	
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Originating service	Audit	
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Report to be/has been considered by	Not applicable	

Recommendations for noting:

The Committee is asked to note:

1. Updates regarding the Council's strategic risk register, as detailed in this report.
2. The inclusion of risk 39 – Brexit Implications.
3. An update regarding risk 32 – Waste Management Services.
4. A summary of the progress made in relation to risk 8 - Business Continuity Management.
5. Further details on risk 38 – Climate Change.
6. Information regarding departmental risks registers, as requested at the Audit and Risk Committee meeting on 21 January 2020.
7. The Committee will also receive a verbal update on the current position with regards to the Council's response to the risks associated with coronavirus.

1.0 Purpose

- 1.1 To keep members of the Audit and Risk Committee aware of the key risks the Council faces and how it can gain assurance that these risks are being mitigated.

2.0 Background

- 2.1 The Council is no different to any organisation and will always face risks in achieving its objectives. Sound risk management can be seen as the clear identification and management of such risks to an acceptable level.
- 2.2 The strategic risk register was last presented to the Committee in January 2020 and included an update on the progress made on the mitigation of these risks. As a result of the short period since this update, there have only been a small number of changes to the register, these changes have been summarised within this report which contains details of the key risks and their underlying direction of travel.
- 2.3 The strategic risk register does not include all the risks that the Council faces. It represents the most significant risks that could potentially impact on the achievement of the corporate priorities. Other risks are captured within directorate, programme, project or partnership risk registers in line with the Council's corporate risk management framework.

2.4 The key risks at the time of this report and their underlying direction of travel is as follows:

At the time this report was prepared, the risks and issues associated with coronavirus were changing on a daily basis. Therefore, rather than attempt to catch these here, the Director of Public Health or his representative will attend the meeting and provide a verbal update to the Committee.

Medium Term Financial Strategy Medium Term Financially	16	↔
Business Continuity Management	12	↓
City Centre Regeneration	12	↔
Emergency Planning	12	↔
Skills for Work and Inclusive Growth	10	↔
Safeguarding	10	↔
Civic Halls	12	↓
Cyber Security	12	↔
Compliance with National Building Safety Programme	10	↔
Fire Safety – Public Buildings	12	↑
Parent Company Assurance TMOs	12	↔
Information Governance	8	↔
Maximising Benefits from the Combined Authority	6	↔
Payment Card Industry Data Security Standard	4	↔
Health and Safety	8	↔
Waste Management Services	4	↔
Governance of Major Capital Projects and Programmes	8	↔
Climate Change	6	↔
Brexit Implications	TBC	

3.0 Progress, options, discussion

3.1 Risk 39 - Brexit Implications

3.1.1 As discussed at the Committee meeting on 20 January 2020, the 'Implications of Brexit' element has now been removed from risk 8 – Business Continuity Management and a

new risk, risk 39 – Brexit Implications has been included in the register and rated as amber. Further details regarding this risk, including a full risk description and details of the risk scoring (impact and likelihood) will be reported to the next meeting of the Committee.

3.1.2 The Council are working with market and industry specialists to identify the potential impacts of Brexit across a range of areas including the economy, the workforce and the supply chain. Continual monitoring of the ongoing situation to prepare for potential impacts across the Council and within the City of Wolverhampton is ongoing, regular updates with regards to the work being undertaken will be provided to the Strategic Executive Board (SEB).

3.2 Risk 32 - Waste Management Services

3.2.1 At the meeting on 20 January 2020, the Committee requested further information on risk 32 – Waste Management Services. The Head of Business Services is attending the meeting to discuss this risk in more detail. The Waste Management Services risk was first identified by SEB for inclusion on the register in July 2018 and was rated as 8 Amber, the risk has subsequently been reduced to 4 Amber.

3.2.2 The Council's Waste Strategy 2018 – 2028 was approved by Cabinet on 6 June 2018 in order to ensure the timely provision of facilities and services that maximise sustainable benefits for the community and support regeneration and growth to the City.

3.2.3 Waste services were transferred from the contractor back to the Council on 1 September 2018 and the Council's phased move to alternate week collections for general waste commenced during October 2018, with the introduction of a subscription service for garden waste in February 2019.

3.2.4 The Council is in the process of completing a restructure of Waste Services, this includes the transfer of over 170 staff onto City of Wolverhampton Council terms and conditions with effect of 1 April 2020. This restructure has been completed with no disruption to services. Comprehensive contingency plans had been established in case of disruption and can be utilised when needed, for example if the service is affected by the Coronavirus.

3.2.5 Major developments for the 2020 – 2021 financial year include a pilot this summer of opening the City's Household Waste Recycling Centres for seven days a week. The flexibility to pilot significant services changes such as this would have been significantly limited had the services not have been transferred in house.

3.2.6 Another major development in 2020-21 will be the roll out of a new contract framework for waste disposal and recyclates. This work will require all 23 separate contractors to sign up to the End Destination of Recycling Charter and supports the Council's wider Climate Change aspirations. However, due to market uncertainty in the waste industry caused by proposed legislative change and global macro-economic factors it is

recommended that the risks associated with Waste Services Transformation continue to be monitored at a corporate level.

3.3 Risk 8 - Business Continuity Management

- 3.3.1 At the last meeting on 20 January 2020, the Committee requested risk 8 - Business Continuity Management to be called in for the March 2020 meeting, the Director for Public Health and the Resilience Manager will be attending the meeting to discuss details of the risk, specifically progress made in relation to the Business Continuity Arrangements Audit Report, issued in October 2019 and to provide details of the CWC Business Continuity SharePoint site which has recently been developed.
- 3.3.2 With regards to the audit report an action tracker has been established to monitor progress in respect of the agreed actions within the report and regular updates are provided to the Resilience Board. The Business Continuity Management Policy has been reviewed and was approved by the Resilience Board on 26 February 2020, all Managers have been asked to complete outstanding Business Continuity to Plans.
- 3.3.3 Business Continuity Training is being developed for managers and will be available on SharePoint. The training will include an assessment to monitor its effectiveness and gain feedback in order to identify improvements.
- 3.3.4 A Business Continuity system has now been developed and rolled out to users. Like the training the system is based on SharePoint and therefore is accessible via an internet connection. Each service area has their own area which provides access to training materials, videos and details of a three-step Business Continuity Process.
- 3.3.5 The Team have been working alongside colleagues in Public Health to ensure that the Council are prepared for any impacts from the Coronavirus. All business continuity plans account for loss of staff and identify the minimum number of staff that each service needs to operate critical functions. Further work is ongoing in conjunction with Human Resources to develop a skills audit for all staff in order to assist the re-deployment of individuals if required.

3.4 Risk 38 - Climate Change

- 3.4.1 As previously reported, Risk 38 – Climate Change was included on the strategic risk register on 20 January 2020, the risk has been rated as 6 – Amber. The Council's Climate Change Strategy and Action Plan was due approved by Cabinet on 18 March 2020 and is available on Modern.Gov. The action plan sets out the Council's vision for tackling the Climate Crisis.

3.5 Departmental Risk Registers

- 3.5.1 In response to a query raised at the Committee Meeting on 20 January 2020 a departmental risk register is maintained for Childrens Services, the risk register contains risks in relation to Childrens Services and Education and includes placement sufficiency,

sustainability of key programmes, demand management and maintaining the Ofsted judgement. The risk register is monitored by the Childrens Leadership Team on a quarterly basis and risked are escalated to and di-escalated from the Strategic Risk Register as and when required.

4.0 Financial implications

4.1 There are no financial implications associated with the recommendations in this report as Councillors are only requested to note the strategic risk register summary. Financial implications may arise from the implementation of strategies employed to mitigate individual corporate risks, but these will be evaluated and reported separately if required. [GE/09032020/M]

5.0 Legal implications

5.1 Although there may be some legal implications arising from the implementation of the strategies employed to mitigate individual strategic risks, there are no direct legal implications arising from this report. [TS/11032020/S]

6.0 Equalities implications

6.1 Although there may be equalities implications arising from the implementation of the strategies employed to mitigate individual strategic risks, there are no direct equalities implications arising from this report.

7.0 Climate change and Environmental implications

7.1 Although there may be some environmental implications arising from the implementation of the strategies employed to mitigate individual strategic risks, there are no direct climate change and environmental implications arising from this report.

8.0 Human resources implications

8.1 Although there may be some human resource implications arising from the implementation of the strategies employed to mitigate individual strategic risks, there are no direct human resource implications arising from this report.

9.0 Health and Wellbeing implications

9.1 There are no health and wellbeing implications arising from the recommendations in this report.

10.0 Corporate landlord implications

10.1 There are no corporate landlord implications arising from the recommendations made in this report.

11.0 Schedule of background papers

11.1 None.