


Strategic Risk Register 2019/20



August 2019

No.	Risk	Corporate Goal	Existing Controls	Impact	Likeli-hood	Risk score	Status & Trend	Further Actions/Planned Mitigations	Deadline				
	Cause and Effect	Lead	Assurances										
1	Threats to the Economic Growth of Walsall are not identified and mitigated, together with opportunities for sustainable growth being missed. <ul style="list-style-type: none">Continued uncertainty over how and when the UK will exit the EU.Any loss of EU funding not compensated for by domestic funding changes.Resultant economic uncertainty weakens the investment market.Business Rate income under threat as a result of weakening markets and reducing business confidence.Change in shopping habits threatening town and district centres.Insufficient land available for development.Insufficient funding to bring all brownfield land back into the market place.The end of the Local Growth Fund (LGF) and lack of clarity over the release of phase 2 of the Land & Property Investment Fund (LPIF) by the WMCA.Lack of clarity over new Government replacement funding allocations to the BCLEP, e.g. the introduction of the UK Shared Prosperity Fund (UKSPF).Black Country Enterprise Zone funding could be available to support regeneration activities. <i>The effect would be reduced future income streams for the council, increased unemployment and reliance on services from the community, reduced aspirations for next generation.</i>	Economic Growth Executive Director Economy and Environment	<ul style="list-style-type: none">Reviewing investment options for development sites.Economic Growth Programme continuing to March 2021.Strategies and Policies in place.Single Accountable Body status implemented from Feb 2020. <i>Strategy and Policy monitoring is part of the ongoing performance management of the organisation so takes place as part of DMT and CMT meetings as well as the input from Members when Policy and Strategy is set and/or reviewed.</i> <i>Internal Audit work on Local Growth Fund – signed off with significant assurance.</i> <i>Government is proceeding with the development of the Shared Prosperity Fund</i> <i>Adult Education Budget (AEB) for Walsall in place 2019/20 from the Combined Authority</i> <i>West Midlands Housing Deal – Focus of Wolverhampton and Walsall corridor with £100m of Government investment.</i> <i>Site Allocation Document and Area Action Plan adopted by Walsall Council.</i> <i>So far £94million has been approved for Walsall from the LEP's LGF and LPIF programmes including the remediation of Phoenix 10.</i>	Current Score				1) Continuing to influence the scope and design of the UK Shared Prosperity Fund (which will follow EU funding) through our Technical Assistance Team. 2) Continued promotion of investment opportunities in a range of media, including Walsall Town Centre and Junction 20 cluster as priorities in West Midlands Investment Prospectus. 3) Arcadis supporting work to develop a Walsall Town Centre masterplan. Project to complete in July 2019. 4) Walsall Council appointed as the BCLEPs single Accountable Body Government require this to be implemented by the end of February 2020. 5) Walsall Council officers working to develop a single financial model for all BC Enterprise Zone funding. 6) Staff continuing to participate in local and national EU Exit forums, discussions and correspondence. 7) Officers continuing to lobby for the release of LPIF funding in 2020/21.	December 2019				
				4	4	16	Red 						
								Target Score					
				3	3	9	Amber						

Reducing inequalities and maximising potential

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2	<p>The Proud Programme does not achieve the outcomes required to ensure that available resources are directed to deliver the greatest outcomes for the community.</p> <ul style="list-style-type: none">• Lack of commitment to change;• IT infrastructure does not support change;• Directorates and Services work in disparate way;• The organisation does not have the skills or expertise required to deliver change;• The programme is not focused on the right changes or stretching enough to achieve the targets and outcomes identified; or very stretching, but without the required infrastructure to deliver this.• Lack of capacity to deliver change.• The changes made are not fully adopted by the organisation, new ways of thinking and working are not fully embedded• The organisation cannot sustain the changes made. <p><i>The effect would be that costs of service provision remains above optimum level and opportunity cost of this cannot be removed. The Council would not become fit for purpose to face future challenges.</i></p>	<p>ALL</p> <p>Executive Director Resources and Transformation</p>	<ul style="list-style-type: none">• Work programmes identified, Cabinet and CMT approval, stocktake completed, business case produced and detailed design completed.• Partner chosen to support delivery of the Walsall proud Programme (WPP).• Governance arrangements approved and model established.• Communication Plan in place.• Additional ongoing IT infrastructure and staffing investment approved and being implemented for 2018/19 budget• Capital Investment approved and project underway in relation to IT infrastructure and move to Cloud based services.• Corporate Programme Office has been established. Additional Resources in place June 2019.• Perform+ has commenced.• Work stream identified internal resources to delivery and are well understood.• Monthly oversight by CMT of Proud programmes.• Work Force Strategy approved and being implemented. <p><i>Internal Audit work on ICT Strategy – Substantial Assurance.</i></p>	Current Score				1) Ensure the Corporate Risk Management Framework supports the refreshed Proud programme activity, and this is interconnected with the wider framework.	March 2019 revised to June 2019 Revised to September 2019
				4	3 ↓	12	Red ↓		
				Target Score					
				4	2	10	Amber		
								2) Provision in audit plan for 2019/20 to provide assurances.	March 2020

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	<i>Cause and Effect</i>	Lead	<i>Assurances</i>						
3	Partnership relationships with other sectors and our major suppliers fail to deliver on shared objectives and therefore outcomes for the community. <ul style="list-style-type: none"> • <i>Non vibrant voluntary sector;</i> • <i>Weak relationships with Partners;</i> • <i>Lack of supply chain resilience / suppliers of services in market;</i> • <i>Provider fails;</i> • <i>Financial pressures in other sectors reduce the resources they can deploy;</i> <p><i>The effect of this risk materialising would be increased future costs for the Council to deliver the same or reduced services or service disruption due to provider or contractor failure.</i></p>	Communities Executive Director Adult Social Care	<ul style="list-style-type: none"> • Development of a strategic partnership board and a range of thematic boards to oversee delivery of the priorities in Walsall. • Contract Management Procedures in place. • Risk Assessment of Major Contractors. • Robust Relationships with Police/Health/Housing/FE/Schools/Fire/V CR/CDM sector. • Overarching recognition by CMT of all Boards and deliverables. • Section 75 contracts and Partnerships. • Walsall together; One Walsall; Health and Wellbeing Board. • Strategic Education & Inclusion Board. • Care Home Closure Procedures in place for provider failure. Domiciliary care market closure, attracting the marketplace procedures. Suppliers of food/cleaning materials/other goods and supplies required by Council. • Major contracts have robust response plans in place to be activated if the company fails. • Same for Placements and children's service deliverables including schools and adult education placements. <p><i>Quality Audit and Monitoring Resources in Adult Social Care.</i> <i>PwC work across all Directorates</i></p> <p><i>Internal Audit work on:</i> <i>Contract Management, Controlling Migration Fund (Substantial Assurance),</i> <i>Market Management (Limited Assurance),</i> <i>Domiciliary Care (Limited Assurance).</i></p>	Current Score				1) Following the risk assessment of major contractors – plan to introduce the supply chain failure risk. This will be linked to the resource and transformation place more widely. 2) New outcome focused contracts to be established for priority aims Increase the percentage of suppliers who are contracted with the Council from 30%.	December 2019
				4	3	12	Red ↓		
				Target Score				3) Recognition that there is a need to align all the activity around Quality and monitoring outcomes as part of a collaborative piece and capture all the options for re design from PWC work. 4) Design and implement the Quality assurance and Contract Monitoring function of the Council Hub in 2019. Work is continuing as part of BAU whilst considering the work around the re via PwC PROUD. 5) Develop quality surveillance with systems with collective responsibility for the quality of (all) care provision. 6) Re-commissioning of the ASC community-based services (CBS) Framework in 2019 to ensure the procurement exercise is completed in a timely manner, alleviating the need for a transitional contract. 7) Strategic Procurement function to be developed in the Council Hub during 2019. Progressing alongside the considerations coming from the PROUD programme.	Ongoing and progressing. December 2019 December 2019 December 2019 On track December 2019
				4	2	8	Amber		

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4	The Council is unable to maintain service standards to support the most vulnerable in society. • Demand management - thresholds, understanding and application of thresholds insufficient across the partnership, leading to unnecessary referrals of children and families from single agencies. Unmanageable numbers of children and families being supported across EH & CSC and lack of protection. The effect is that children may be potentially placed at risk of harm. Children’s Services become overstretched and are unable to maintain service standards. • Children in specific circumstances are not adequately supported and are left at risk (missing, criminal exploitation, SEND, complex needs/ tier 4 / CSE / exclusion) – intelligence around vulnerable children are not robustly captured or joined up within children’s services and across the partnership. Risk is not appropriately identified or addressed. There is a lack of action to disrupt criminal activity that is putting children and young people at risk. Support is not sufficient. Children and young people are sexually or criminally exploited, or go missing, putting them at risk of short- and long-term harm, poor outcomes and of becoming perpetrators themselves. • Provision of SENDi services does not meet the needs of children and families Systems and processes are not robust	People Executive Director Adult Social Care	<ul style="list-style-type: none">• The new safeguarding practice standards have been reviewed and launched.• working with Camden (partners in practice) supporting a review of MASH and additional training.• The Walsall Proud Programme within children’s services is undertaking a review of the model and structure in order to support better prioritisation and direct work with children and families.• There is a MASH action plan, overseen by the LSCB plan that will seeks to ensure the routine use of their own designated safeguarding lead rather than making a referral to MASH.• Annual review of thresholds and the 2019 revised threshold document has been signed off by the board and launched.• Multi-agency threshold training has been delivered (2 sessions so far since December).• Closer monitoring of CSE cases is taking place through strategic management structure and operations groups.• There is ongoing direct intervention work with head teachers to secure a school place for children missing a school place• A CME task force has been established to ensure that effective processes are in place.• Processes for children who go missing have been brought back in house to improve timeliness and quality of return home interviews• Schools causing concern protocol and inclusion strategies have been launched.	Current Score				1) Protocols and procedures relating to children missing from education, missing education to be reviewed to ensure consistency and that they are in line with statutory guidelines 2) Development of a vulnerable pupils’ scorecard and performance reporting in relation to missing CSE and CE	September 2019 September 2019				
				4	4	16	Red ↔						
								Target Score				3) Ensuring that all data in relation to vulnerable CYP is captured appropriately on systems 4) Implementation of electronic EHC hub 5) Review and relaunch of the local offer 6) Ensure the code of practice is fully implemented and all requirements are met 7) Resource allocation process (RAP) has been reviewed and is due to be replaced 8) Strength based “can do” conversations are being introduced as part of engaging in a much more enriching process for approvals and assurance around outcomes as oppose to services 9) Report to be submitted to CMT highlighting summary of the AAD offer and potential development	September 2019 October 2019 September 2019 September 2019 August 2019 on track August 2019 on track Aug/Sept 2019
				4	2	8	Amber						

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	<i>Cause and Effect</i>	Lead	<i>Assurances</i>						
	<p>Quality of EHC plans is poor and are not adequately contributed to by partners Code of practices is not fully implemented Advice and information available to parents and carers is not sufficient or of appropriate quality. Children with special educational needs and disabilities are not supported in a way that maximises their opportunities and outcomes. Parents and carers are not supported and do not have access to appropriate information. The council is not compliant with the SEND code of practice putting us at risk of legal challenge.</p> <ul style="list-style-type: none"> Breakdown in communication with partner organisations. <p><i>The outcome could be death or harm to an individual known to or under the care of the authority and partners or a negative inspection report which would reduce moral and cause reputational damage.</i></p>		<ul style="list-style-type: none"> Moves have been made to improve relationships with parents and carers. All Adult social care packages are part of an approval process in order to check for quality, proportionality and value for money. Work and conversations by way of promoting an AAD approach AAD offers are discussed as part of the SEND improvement actions. Links to the work being discussed with Partners around local. education and employment offers. Transition Policy (recently introduced via CCG)- for purpose across all agencies. Introduction of strength-based approach to assessment (3Cs) delivered via ASC Care conference for all staff. Restructure of SEND Team. Developed SEND Action Plan <p><i>Internal Audit work on:</i> ASC Safeguarding (Limited Assurance), ASC Domiciliary Care (Limited Assurance). Performance data to monitor and address issues in demand at team and service level and is reviewed and used at a strategic level via the monthly performance board – chaired by DCS, multi-agency groups such as the MASH management group. Recommendations from audit findings are developed into action plans which are monitored routinely for progress The local officer is up to date and well used by parents and carers of children with special educational needs Parents and carers report that they feel supported</p>					<p>more widely across the Organisation 10) Operational Pathway to be developed as part of the AAD model and as part of embedding early planning for adulthood</p>	November 2019

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5	External Changes in Political and/or legislative environment. • <i>Brexit</i> • <i>Changes in political direction from government;</i> • <i>Changes in priority locally.</i> The effect of this risk materialising is that some of the generational change required for example long term regeneration plans or public health driven initiatives may be subject to changing landscape where strategic direction or political landscape changes.	All Executive Director Resources and Transformation	<ul style="list-style-type: none">• Regular statutory officers’ meetings review and consider national and local environment.• Main record of the council’s statutory obligations is contained within the Constitution.• The council monitors legislative and policy changes and implements change where necessary to ensure it acts lawfully. CMT oversight ensures organisation remains flexible to change.• Medium term financial strategy and rolling 4-year medium term financial outlook in place and regularly reviewed and updated for national and local changes in policy and legislative changes. Enables and supports forward planning and responsiveness to change.• Focus on ensuring there is cross party support and the business driver is the Corporate Plan.• Reshaping of transformation programme approved – WPP• Member of the WM Brexit Commission providing regular updates linked in with central government.• Developed the Local industrial strategy for the WM to support industries post Brexit.• Pooled 50% of government funding alongside other WM authorities given to WMCA to support people and business.• Part of the WM local resilience forum watching brief on emergency planning.• CMT review of Strategic Risks (quarterly)• Formal horizon scanning exercise at least annually for emerging risks, to ensure that on-going activity feeds the processes and formal proactive action plans are in place when is most efficient and effective to do so. <i>Management mechanisms in place – no unexpected or unforeseen changes in last 12 months.</i> <i>Peer Review 2017.</i> <i>Internal Audit work on RIPA -Substantial Assurance</i>	Current Score				N/a	N/a
				2	2	4	Green		
				↓	↓		↓		
				Target Score					
				3	2	6	Amber		

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No.	Risk <i>Cause and Effect</i>	Corporate Goal <i>Lead</i>	Controls <i>Assurances</i>	Impact	Likelihood	Risk score	Status & Trend	Further Actions	Deadline
6	<p>There is a lack of community cohesion and resilience placing increased pressure on public sector resources.</p> <ul style="list-style-type: none"> • <i>Demographic changes in the Borough;</i> • <i>Increase in hate crime and a feeling of segregation;</i> • <i>Expectations in community around public services are increasing when funding is reducing.</i> <p>The effect of this is reduced satisfaction of residents and increased cost pressure in the future.</p>	<p>Communities</p> <p>Executive Director Resources and Transformation</p>	<ul style="list-style-type: none"> • Close work with police and other partner organisations. • Demographic data used to inform the corporate planning process. • Increased focus on outcomes in the corporate plan as well as preventive activities to reduce burden on public sector e.g. homelessness reduction. • Locality Panels. • Communication and Education of Public. • Communication Cohesion and Integration Strategy and action plan published in November 2017 and now being implemented. Working with partners. Key projects include school twinning, New to Walsall (mapping new communities), review of hate crime reporting, interfaith events, engagement with Gypsies and Travellers. • Successful in gaining the Controlling Migration Fund for Walsall People Project (housing standards, school admissions, community safety, clean and green, volunteering). Also gained funding for Let's Talk About It project to provide better English as a Second Language provision. • The Integrated Communities Partnership, Walsall for All is independent from the Council and involves governance through the partnership board and through Strategic Locality Partnership Boards. <p><i>Contract Management, Controlling Migration Fund (Substantial Assurance).</i></p>	4	3 ↓	12	Red ↓	1) The Walsall for All programme brings to the Council new funding and new impetus to deliver an integrated programme of activities to support cohesion focused on existing communities. This complements work already underway to promote cohesion.	Ongoing
				4	2	8	Amber		
				Target Score					

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	<i>Cause and Effect</i>		<i>Assurances</i>						
7	Failure to achieve the savings required or manage demand pressures to enable a balanced budget and Medium-Term Financial Plan to be delivered. <ul style="list-style-type: none"> <i>Demand increases in statutory services;</i> <i>Unforeseen expenditure via a fine or extraordinary event;</i> <i>Failure in budget management across multiple departments;</i> <p>The effect of this would be to have to use reserves to balance the budget putting future stability and sustainability of finances at more risk. As reserves are set at a Prudent level, replenishment would be required from services, adding to the financial pressure. Having to set an even more challenging savings programme in future years to address lack of achievement from current plans, which would impact services and result in reputational damage.</p>	Communities Executive Director Resources and Transformation	<ul style="list-style-type: none"> Robust financial planning and budget monitoring processes (per 2017 LGA Peer Review, Internal Audit of core financial systems). External audit conclusion on the council's arrangements for securing value for money. Annual review of MTFS and savings tracker by Finance, CMT and Cabinet Regular reporting of financial performance to Cabinet and Scrutiny. Transformation Programme with clear links to savings targets in most cases. CEO/CFO/HOF Monthly meetings include review of financial performance and savings realisation. Annual report to Council by CFO on robustness of the Budget Estimates and Adequacy of Reserves. Comprehensive financial risk assessments in place as part of budget setting process. Adequate corporate reserves and provisions to manage unforeseen financial issues. Service demand trackers in place in ASC and Children's to monitor, report on and manage volatile areas of demand (care packages, LAC, etc). 2019/20 Budget approved by Council February 2019. <p><i>Internal Audit work - in 2018/19 on:</i></p> <ul style="list-style-type: none"> <i>Budgetary control and savings realisation (Good Assurance),</i> <i>Streamlining Services (Substantial Assurance)</i> 	Current Score				1) Delivery of £5m of benefits realisation in 2019 from WPP. 2) Production of benefits realisation plan to meet (fully/in part) the MTFO requirements. 3) Review of Green Paper due on ASC Funding and review of consultation on revised ASC needs formula and impact analysis on MTFO – <i>not yet published</i> 4) Review and impact analysis of expected funding announcements: Spending Review, Spring Budget, new National Funding Formula, etc – <i>not yet published</i>	31 March 2020, with monthly monitoring September 2019 When published When published
				4	4	16	Red ↔		
				Target Score					
				3	3	9	Amber		

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8	West Midlands Combined Authority Failure of the Combined Authority (CA) to secure appropriate financing of the investment programme; and decision to continue with the programme as is. <i>Council cannot meet its financial obligation to the CA (underwriting) - potential s114 report</i>	ALL Executive Director Economy and Environment	<ul style="list-style-type: none">WMCA Constitution which sets out voting rights covering approval of WMCA budgets and steps to take if not approved. Attendance of Walsall officers and members at key Boards and Groups within the WMCA Governance structure, including Programme Board, Investment Board, s151 Working Group, Land & Housing Board etc.Scheduled CEX and Leader briefings scheduled so significant concerns are flagged at WMCA Board being the ultimate decision-making body.	Current Score				1) Continue with meeting attendance and quality briefings of WMCA Walsall officers to the CEX and Leader, so decisions that from a Walsall Council position are considered too high risk can be dealt with at WMCA Board.	On-going
				5	2	10	Amber ↔		
				Target Score					
				5	1	5	Amber		

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9	Reduction in public health and social care budgets are a risk as preventive services are lost causing increased demand. <ul style="list-style-type: none"> • Reduction in funding when demand is increasing; • Loss of specific Grants; • Welfare Reform reduces family incomes and increases poverty; • Reduction in NHS funding; • Closure of Pharmacies; • Closure of GPs in deprived areas; • Lack of transparency, inclusivity and local accountability of the government driven Sustainability Transformation Plan. <p><i>The effect of this risk would be that the quality of lives is not improved and future financial burden on public services is higher.</i></p>	People Director of Public Health	<ul style="list-style-type: none"> • Health in all policies policy. • Walsall together development. • Health and Well Being strategy. • Joint Strategic Needs Assessment 2018. • Funding for local voluntary organisations. • Health Environment Transformation Programme. • Air Quality Strategy. • Green Space Strategy. • Rethinking Park Programme – 2 yrs funding. • Volunteers. <p><i>Monitoring of relevant corporate plan KPIs</i></p>	Current Score			<div>Red</div> <div>New</div>	1) Resilient safe communities' policy being developed.	December 2019
				4	4	16			
				3	3	9	Amber		

Risk Management Quick Guide

Current – with the current controls/mitigations

Target – the score that brings the rating to within appetite for the risk.

Direction of Travel (Trend):

↓ Risk score reduced ⇔ no change to risk score ↑ risk score increased

Risk appetite level – Risks above this level will need particular resources and focus

Risk Matrix

I
M
P
A
C
T

5 Catastrophic			15	20	25
4 Severe			12	16	20
3 Material	3			12	15
2 Minor	2	4			
1 Negligible	1	2	3		
	1 Rare	2 Unlikely	3 Possible	4 Probable	5 Almost Certain

Risk acceptance level (activity below which attracts minimum effort and resources)

LIKELIHOOD

Risk Ratings: 1 – 4 = low risk (Green) / 4 – 10 = medium risk (Amber) / 12 – 25 – high risk (Red)

Reducing inequalities and maximising potential

Likelihood and Impact guide.

Likelihood			Impact		
Score 1-5	% chance	Time Frequency	Score 1-5	Disruption to Services and/or Residents affected or aware	Budget
1 Rare	< 10%	Rare occurrence	1 Negligible	Minor disruption to services <i>Up to 5%</i>	>1%
2 Unlikely	10 - 30%	Once in 5 years	2 Minor	1-2 weeks <i>Up to 10%</i>	>5%
3 Possible	30-60%	Once 2 years	3 Material	Up to one month <i>Up to 25%</i>	5-10%
4 Probable	60-90%	Once a year	4 Severe	1 – 3 month <i>Up to 50%</i>	10-20%
5 Almost Certain	> 90%	within 6 months	5 Catastrophic	Over 3 month <i>Over 50%</i>	20%

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