

Audit Committee – 20 April 2015

Risk Management Update

A strategic risk has been excluded from these papers as it is exempt from publication under paragraphs 1 and 4 of Part 1 of Schedule 12a of the Local Government Act 1972 as amended (as it contains commercially sensitive information). This excluded risk is contained in agenda item number 14.

1. Summary of report

- 1.1 This report provides Audit Committee with an update of the corporate risk register (CRR) to enable the Committee to be satisfied that significant business risks are identified and appropriate action taken to manage these risks. This register was reviewed by the Corporate Management Team (CMT) at their meeting on 26 February 2015.

2. Background papers

- 2.1 Corporate risk register / files/ working papers.

3. Recommendations

- 3.1 Audit Committee are recommended to:

- Note the attached corporate risk register (**Appendix 1**) and comment as appropriate.
- Note the horizon scanning items which may appear on future risk registers if it is appropriate to do so.

4. Resource and legal considerations

- 4.1 There are no direct resource implications relating to this report. However the statutory requirements are detailed in the governance section below.

5. Governance

- 5.1 Audit Committee's responsibility for risk management includes the following:
- Reviewing the mechanisms for the assessment and management of risk.
 - Giving assurance about the process.
 - Ensuring the council meets its statutory requirements, as stipulated within the Accounts and Audit Regulations 2011 as follows:
 - Regulation 4 (1) – The relevant body is responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body's functions and which includes arrangements for the management of risk.
- 5.2 Audit Committee is also required to ensure that it receives reports on risk management on a regular basis and takes appropriate action to ensure that

strategic business risks are being actively managed. This report enables Audit Committee to exercise its responsibilities in respect of risk management by reviewing the current CRR; calling in key business risks for review; and seeking assurance that risk management is thoroughly embedded within the organisation.

6. Risk management issues

- 6.1 Corporate risk management processes continue to be used for the identification and assessment of risks to significant business objectives. The process ensures clear ownership of risks, mitigating controls and improvement actions by assigning accountability to relevant line management.
- 6.2 Risks are usually reviewed within directorates on a quarterly basis to ensure they remain at the forefront of the management agenda; that controls continue to be effective and mitigating actions are being addressed in a timely manner. Executive Directors are responsible for ensuring that corporate risks are managed within their respective directorates.
- 6.3 The risk owners across the organisation have reviewed the risks within the corporate risk register and agreed the risk scores and target risk scores.
- 6.4 At their meeting of 26 February 2015 CMT agreed to remove the following risk:
- Risk No 15 – Welfare Reform Act. It was considered that this is to continue to be managed at service level as part of normal daily business.

This revision will be reflected within the next iteration of the CRR.

7. Horizon Scanning

- 7.1 An integral part of managing the risks to the organisation is the systematic review of internal and external activities to enable the early identification of emerging or changing risks and opportunities. This is known as horizon scanning.
- 7.2 The benefits of having a horizon scanning approach include identifying external influences, perceptions, trends, and developments against which the organisation can review and refine its priorities. It has been agreed that this will be integrated into management team meetings and become part of the production and updating of corporate and directorate risk reviews and registers.
- 7.3 Areas which were identified through the horizon scanning process and discussed by CMT at their meeting on 26 February 2015 are detailed below:
- Fair and correct holiday pay

Following the previous update to CMT on 13 November 2014 the government announced in December 2014 that claims to Employment Tribunals for back pay cannot stretch back further than two years. The changes will apply to claims made on or after 1 July 2015. It was previously thought, as long as there hadn't been a break in deductions, claims could stretch back as far as 1998 when the working time regulations were introduced.

The change is introduced by the Deduction from Wages (Limitation) Regulations 2014. In what is further good news for employers, this legislation will not only apply to holiday pay claims but also to all unlawful deductions from wages claims.

The legislation also explicitly states that the right to holiday pay is not incorporated as a term in employment contracts which will hopefully avoid claims being brought in the civil courts (where the limitation period is 6 years) as has happened in equal pay cases.

The council's HR department is to further report on this matter with the findings to be reported to CMT.

- **Children's Public Health Services**

The responsibility for commissioning 0-5 children's public health services is transferring from NHS England to Local Government on 1 October 2015. Local authorities will receive funding to commission the services, however, the details of funding from 2016-17 onwards have yet to be announced and there is a risk that there could be a funding gap which could be passed on to the local authority which, if realised, could create a further budget pressure. Once the details are known a further update of this item will be brought for consideration by CMT.

7.4 Proposed Changes to Risk Definitions

- 7.4.1 Following a recommendation from Audit Committee, at their meeting on 7 April 2014 for officers to develop more detailed definitions with regard to risk 'likelihood' and 'impact', it was further discussed and agreed at Audit Committee's meeting of 24 September 2014 that the current 6 x 4 matrix be retained and they were comfortable with the proposed 'impact' and 'likelihood' definitions. These definitions have since been incorporated into the corporate risk awareness training sessions undertaken in November 2014 and a link to these is to be contained within the revised Corporate Risk Management Strategy.

7.5 Directorate Risk Registers

Each quarter directorate risk registers or equivalent are reviewed including the 'top' risks (which appear within the top quartile of the matrix). These risks and their respective consequences are considered and mapped to the risks identified within the corporate risk register highlighting if there are any cross cutting themes which do not appear on the corporate risk register. Executive Directors now consider the corporate risk register in conjunction with their respective directorate risk registers to give assurance that strategic risks are being appropriately and adequately managed within directorates.

As a result of budgetary constraints going forward, it is unlikely that future capacity within the risk management and insurance will allow as much support to EDS and DMTS going forward in reviewing and managing directorate risk registers. Support will be geared towards training, advice and support in terms of identifying and managing corporate risks. EDs are required to have appropriate

mechanisms in place to ensure their directorate and service risks are being effectively identified and managed, and where appropriate, escalated for discussion at CMT and consideration for inclusion in the CRR. Consultation will be held with CMT prior to any changes to support being put in place.

7.6 Training

7.7 Risk management awareness training was undertaken in November 2014 with approximately 20 officers attending.

7.8 Training for Audit Committee members will be provided in June 2015. A convenient date will be arranged.

8. Equality implications

8.1 None arising directly from this report.

9. Consultation

9.1 Managers and colleagues at all levels across the council prepare and monitor risk registers and manage identified risks. All directorates have a number of identified risk champions. The council also consults with external bodies such as brokers, insurers, external consultants and recognised bodies such as ALARM, IRM and CIPFA and the CIPFA Better Governance Forum. It is also a member of the CIPFA Midlands Insurance Officers Group.



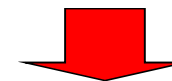
James Walsh
Chief Finance Officer
8 April 2015

Authors

Neil Pearson, Operational Risk, Insurance & Loss Control Manager ☎ 650543
pearsonn@walsall.gov.uk

Pam Cox, Risk Management Officer, ☎ 01922 653792 ✉ coxp@walsall.gov.uk

UPDATE: January 2015



No.	Description of Risk	Risk Owners	October 2014				January 2015				OVEI	
			Impact	Likelihood	Risk Rating	Score	Priority	Impact	Likelihood	Risk Rating	Score	Priority
FINANCE												
1 (pgs 1-2)	The aims and objectives of the Corporate Plan may not be fully delivered because of the reduction in government funding and rising costs of services. - <i>Medium term financial plan, Shaping a Fairer Future, Corporate Plan, Walsall Plan, key service area operational plans.</i>	Chief Finance Officer (JW)	4	5	20	H	2	4	8	M	↓	
9 (pgs 3-5)	Failure to manage institutional and individual change - <i>Downsizing council activity, Shaping the Future, Smarter Workplaces, service reviews, change management challenges, scrutiny process.</i>	Chief Executive (PS)	3	5	15	H	3	5	15	H	↔	
PROCESSES & GOVERNANCE												
8 (pgs 7-12)	Data control - <i>Information (data) management, ICT, cyber risk.</i>	Head of Business Change (PG)	TBA	TBA	TBA	TBA	3	6	18	M	↔	
12	The risk of inadequate governance - <i>internal/external audit roles, Contract Rules, grants manual, Constitution, Working Smarter Programme, Partnership Framework/Toolkit, project management, performance, Governance Forum.</i>	Head of Legal and Democratic Services (TC)	2	5	10	M	2	3	6	M	↓	
21 (pgs 13-14)	Failure to implement the new case management system (Mosaic) for Children and Social Care and Inclusion (SCI) within the identified timescales	Executive Director (Children's Services) (DH) / Interim Executive Director (Social Care and Inclusion) (KS)					4	5	20	H	NR	

UPDATE: January 2015



No.	Description of Risk	Risk Owners	October 2014				January 2015				Overall
			Impact	Likelihood	Risk Rating	Score Priority	Impact	Likelihood	Risk Rating	Score Priority	Trend
<p>Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives) 3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)</p> <p>Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High;</p> <p>H=HIGH (Red 15-24) M = MEDIUM (Amber 4-12) L = LOW (Green 1-3) NR=New Risk RM=Risk Managed</p>											

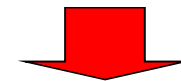
PARTNERSHIP WORKING

3a (pgs 15-16)	Partnership working (Local) - Sustainable Community Strategy/Walsall Plan; six Area Partnerships.	Executive Director (Neighbourhoods) (JM)	3	4	12	M	3	4	12	M	↔
3b (pgs 17-18)	Partnership working (regional) - Local Enterprise Partnership (LEP), Black Country LEP/Consortium, Black Country Consortium, City Deal, West Midlands European Service.	Executive Director (Regeneration) (SN)	3	4	12	M	3	4	12	M	↔
5 (pgs 19-21)	Loss of community cohesion - Community Safety Plan 2011-14, Prevent/Walsall Community Cohesion Action Plan, Safer Walsall Partnership, Walsall CONTEST group, inter agency working.	Executive Director (Neighbourhoods) (JM)	3	4	12	M	3	4	12	M	↔
20 (pgs 23-25)	Failure to safeguard children and all vulnerable adults - Children & Adult Safeguarding Boards, multi-agency partnership working.	Executive Director (Children's Services) (DH)	3	4	12	M	3	4	12	M	↔

CHANGE ACTIVITY (external factors)

11	Demographic Change - Adult Social Care Operating Model, demographic reviews, medium/long term financial planning.	Interim Executive Director (Social Care and Inclusion) (KS)	TBA	TBA	TBA	TBA	TBA	TBA	TBA	TBA	TBA
----	---	---	-----	-----	-----	-----	-----	-----	-----	-----	-----

UPDATE: January 2015



No.	Description of Risk	Risk Owners	October 2014				January 2015				Overall
			Impact	Likelihood	Risk Rating	Score Priority	Impact	Likelihood	Risk Rating	Score Priority	Trend
<p>Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives) 3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives) Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High; H=HIGH (Red 15-24) M = MEDIUM (Amber 4-12) L = LOW (Green 1-3) NR=New Risk RM=Risk Managed</p>											
15 (pgs 27-32)	Welfare Reform Act 2012 - Council Tax Reduction Scheme, Household Benefit Cap, Bedroom Tax, Walsall Crisis Support Scheme, Universal Credit, Discretionary Housing Payments.	Executive Director (Resources) (RB)	3	4	12	M	3	4	12	M	↔
16	Impact of Care Act - Care Act Implementation Board, engagement with ADASS, LGA etc.	Interim Executive Director (Social Care and Inclusion) (KS)	TBA	TBA	TBA	TBA	TBA	TBA	TBA	TBA	TBA

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives) 3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)
Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High;
H=HIGH (Red 15-24) M = MEDIUM (Amber 4-12) L = LOW (Green 1-3) NR=New Risk RM=Risk Managed

REVIEW

Current
Status

A

R

A

A

R

REVIEW

Current
Status

isational

A

A

A

A

TBA

REVIEW

Current
Status

isational

A

TBA

isational

CORPORATE RISK MATRIX – JANUARY 2015

Likelihood over 12 months	6			8	
	5			9	21
	4		1	3a, 3b, 5, 15, 20	
	3		12		
	2				
	1				
		1	2	3	4
Impact					

Red = High
(score 15 -24)

Amber = Medium
(score 4 – 12)

Green = Low
(score 1 – 3)

Likelihood: 6 = very high, 5 = high; 4 = significant; 3 = low; 2 = very low; 1 = almost impossible

Impact: 4 = catastrophic;
(Affects all of the organisational objectives) 3 = critical;
(Affects most of the organisational objectives)

2 = marginal;
(Affects some of the organisational objectives) 1 = negligible
(Little effect to organisational objectives)

Risk No	Current score (with current actions)			Target Score			Difference
	I	L	Score	I	L	Score	
1	2	4	8	2	4	8	0
3a	3	4	12	3	3	9	3
3b	3	4	12	3	3	9	3
5	3	4	12	2	4	8	4
8	3	6	18	3	6	18	0
9	3	5	15	3	5	15	0
11	TBA	TBA	TBA	TBA	TBA	TBA	TBA
12	2	3	6	2	3	6	0
15	3	4	12	3	3	9	3
16	TBA	TBA	TBA	TBA	TBA	TBA	TBA
20	3	4	12	3	3	9	3
21	4	5	20	2	3	6	14

Rolling Year's Trend

	Oct 2014		Jan 2015	
	No. of Risks	%	No. of Risks	%
Red	6	32%	3	25%
Amber	13	68%	7	58%
Green	0	0%	0	0%
To be agreed			2	17%
TOTAL	19		12	
Risks Managed / devolved	3		5	

CORPORATE RISK REGISTER

1	The aims and objectives of the Corporate Plan may not be fully delivered because of the reduction in government funding and rising costs of services.	Last Reviewed	Last Updated	Current Risk Score	Target Risk Score	Achieved by
		Sept 2014 [new risk]	Feb 2015	(1xL) 2x4=8	(1xL) 2x4=8	Ongoing

Risk Owner: Chief Finance Officer (JW)

Risk Description

The council is facing a dual challenge of having to meet an increased demand for its services against a backdrop of reducing financial support from Central Government. Alongside this the uncertainty in general economic climate is placing further pressure on the council.

To meet this challenge the council must have a well defined medium term (1-5 year) plan to match its expected limited resources against the anticipated demand levels and we need to make sure that we have a flexible workforce that is capable with the necessary skills to deliver these services in these challenging times.

We need to be creative in terms of service delivery considering new ways of delivery including the involvement of the third sector.

Key mitigation activities

We have a well established financial strategy which is closely monitored. This is discussed and agreed with cabinet and council. Actual spend against budget is monitored on a regular basis and reported to officers and Members regularly with variations against expectations investigated and corrective action identified at an early stage.	Head of Finance (VB)
Medium term financial outlook is updated regularly with the impact of incoming changes and the levels of provisions reserves and contingencies are also reviewed on a regular basis. The medium term financial plan forms the basis of budget setting decisions.	Head of Finance (VB)
Shaping Fairer Future programme has been introduced to align our resources to the delivery of the council's objectives and to prioritise where these resources are allocated, the programme is also designed to achieve financial savings to meet budget targets.	Executive Director, Resources (RB)

1

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

CMT Risk Register – January 2015

Appendix 1(iii)

We have produced a Walsall Plan and a Corporate Plan that lays out the priorities for the council in the short to medium term. These plans are produced in consultation with key stakeholders in the local community.	Executive Director, Resources (RB) Delivery & Governance (CW)
Operational plans are in place for the key service areas of the council which lay out the plans for those areas and map their resources to their available resources including financial staffing and other resources.	Individual Heads of Service

<u>Further Actions/Controls required:</u>	<u>By Who:</u>	<u>When:</u>
Regular reports will be submitted to Corporate Management Team on progress against Corporate Plan.	Head of Programme Delivery & Governance (CW)	Ongoing

Progress to Date

--

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)
Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

9	Failure to manage institutional and individual change	Last Reviewed	Last Updated	Current Risk Score	Target Risk Score	Achieved by
		Oct 2014	Jan 2015	(1xL) 3x5=15	(1xL) 3x5 =15	June 2015

Risk Owner: Chief Executive (PS)

Risk Description

The need of the State to deliver a reduced range of services with significantly fewer resources is presenting significant challenges. Over the medium term (6-7 years) there will be a need to seek to reconcile public expectations about the range and scale of council services and the reality of what can be afforded. Citizens will need to continue to develop their personal responsibility for key issues as the reach of the State reduces. There are challenges for individual citizens, for political groupings, for employees and for the council as a whole. It is possible that developments within the third sector will assist in mitigating the impacts of changes.

Key mitigation activities

<p>There is now widespread acknowledgment of the scale of the challenge within the council. The MTFP is regularly updated and published and briefings have been given by finance staff to all party groups. The Chief Executive has been holding open briefing sessions for all staff for several years. The financial challenge has been explained and is well understood.</p> <p>The Cabinet is in the process of determining its proposals for a four year approach to the council's budget. This was published for consultation 22 October 2014 with ultimate determination by Full Council 26 February 2015.</p> <p>The finely balanced political structure of the council means that there is a risk in the budget process. Whilst the actual disposition of the agreed budget rests with the Cabinet, the overall budget envelope is a matter for the Full Council. The greater degree to which there is a shared understanding across political groups of the key budget decisions will assist in explaining to the public the nature and scale of service changes.</p> <p>Recommendation of a review of the senior management structure was approved by Personnel Committee on 21 January 2015. This together with subsequent changes under discussion will result in significant financial savings but will inevitably reduce senior management capacity.</p>	<p>Theme leaders</p> <p>Elected Members on Scrutiny Panels</p>
---	--

3

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

CMT Risk Register – January 2015

Appendix 1(iii)

<p><i>Mitigation Measures</i></p> <p>More so than in previous years the scrutiny process should be used to seek consensus on changes to be made. Traditionally scrutiny recommendations tend to note and reject recommendations from Cabinet. The scrutiny process presents an opportunity for challenge and also to develop consensus about what should be done with perhaps a reduced focus on recommendations that Cabinet ‘reconsider’.</p> <p>Development of broad agreement on the response to the financial challenge may be advised by informal cross party discussions and officer briefings to cross party groups.</p> <p>The necessity for staff to continue to develop their appreciation of the need for change will continue to be met.</p> <ul style="list-style-type: none"> • Chief Executive briefings. • In house written communications. • Directorate based briefings. • Staff involvement through future phases of the ‘Shaping of the Future’ process. <p>Addressing public expectation is perhaps the least well developed area of the council activity. Inevitably there will be differences of approach between the party groups. This is welcome because it reflects a vibrant democracy. However, there are some common messages about the scale of change that will be required that it may be possible to deliver on a cross party basis. The largest public consultation exercise to date was undertaken for 2015/16 budget.</p> <p>The third sector in Walsall is less well developed than in some parts of the country. The council has significantly increased its grant support to Walsall Voluntary Action to assist in capacity building. Grants and commissioned services to the third sector have so far received a high level of protection from finding cuts. However, there will be a need to see a greater level of activity from the sector if, as some commentators claim, it is to play a significant part in mitigating the consequences of public sector funding reductions.</p>	<p>Cabinet and officers</p>
--	-----------------------------

<p><u>Further Actions/Controls required:</u></p> <ul style="list-style-type: none"> • Cabinet develop 4 year budget proposals. • Seek to develop appropriate cross party consensus on key changes. • Agree means of engaging with the public on agreed key changes. 	<p><u>By Who:</u></p> <p>Cabinet/CMT</p> <p>Chief Exec</p> <p>Cabinet/CMT</p>	<p><u>When:</u></p> <p>} Ongoing</p> <p>}</p> <p>} Ongoing</p> <p>}</p> <p>} Ongoing</p> <p>}</p>
--	---	---

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

<ul style="list-style-type: none"> Continue to develop employee participation in the changes that are required. 	CMT	} Ongoing
<ul style="list-style-type: none"> Work with third sector to assist in capacity development. 	Political dialogue with	} Ongoing
<ul style="list-style-type: none"> The expectations of the community served by the council and what we are able to deliver need to be managed through information and consultation exercises. 	local residents	}
<ul style="list-style-type: none"> Engagement with the third sector in Walsall needs to be improved and stronger links developed through engagement and consultation. 	CMT and specific directors	} Ongoing

Progress to Date - Set out above.

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)
Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

CMT Risk Register – January 2015

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)
Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

CMT Risk Register – January 2015

8	Data control - Information - ICT - Cyber Risk	Last Reviewed	Last Updated	Current Risk Score	Target Risk Score	Achieved by
		April 2014	Feb 2015	(I x L) 3 x 6 = 18	(I x L) 3 x 6 = 18	July 2016

Risk Owner: Head of Business Change (PG)

Risk Description

The council is increasingly managing personal data and information in the delivery of its services. With data held in a vast array of places and transferring between supply chain partners, it becomes susceptible to loss, protection and privacy risks. This leaves the council vulnerable to significant fines and bad publicity should events of this nature occur.

An agreed action identified that there was a need to quantify the risk of a breach of security of information assets and thus take steps to mitigate such a risk.

Key mitigation activities

The Corporate Management Team recognises that data, information and records are organisational assets which must be managed and secured appropriately according to their level of sensitivity.

Information (data) Management Update Feb 2015

Following CMT approval in November 2011, the Information Management project was initiated. The project's purpose is to raise awareness with employees and members, address high level risks relating to the management of information assets and to respond to the requirements of the Information Commissioners Office (ICO) Undertaking. Progress in the following areas has been made:

Governance Arrangements

An Information Governance Framework Policy has been developed and approved by Cabinet – March 2013, to support a risk based approach is being followed to develop procedures and guidance.

A designated Senior Information Risk Owner (SIRO) and Caldicott Guardian exist and Forum for Information Governance and Assurance (FIGA) is the council's governance group for information. It was established, with membership from Directorate Information Champions, ICT and Audit. The Forum meets quarterly (last meeting

Head of Programme Delivery & Governance (CW) / Information Risk & Governance Manager (NU)

7

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

CMT Risk Register – January 2015

Appendix 1(iii)

November 2014) focusing on key risks around the way we manage our information and providing assurance to the Chief Executive and CMT that there is a programme in place to mitigate risks. Aspects considered range from training roll out, risk of memory stick usage, analysis of breach areas, transition to Bring Your Own Device (BYOD) and level of password protection required.

Activity and Progress

A revised data breach handling procedure has been implemented to help the council to react when a potential breach has been identified to contain the situation, assess the impact of the breach, take remedial action and act on the learning. There is evidence that through the awareness raising activity of the project, significantly more 'potential' breaches are being reported to the team. Learning is taken from the breach investigation to try to minimise future repeat breaches, both actual and 'near misses'. There is a significant breach currently live and under investigation. Whilst the breach management process is being followed, there is a high likelihood that this breach will attract a significant fine.

The Public Health Toolkit was approved to enable Public Health to operate from within the council. The toolkit ensures that the council has a level of information management and security to assure NHS partners that sensitive and personal data can be shared. An updated satisfactory submission of the Public Health Toolkit was made in March 2014.

Data Processors (external organisations and suppliers handling or coming into contact with personal data on behalf of the council) have been contacted to gain their assurance that they will comply with all council requirements in relation to data protection and security. Also, any new contractual arrangements now include clauses relating to data protection and security. New guidance for staff on the use of the new contracts and agreements has been published on the intranet. In addition, some suppliers have also been required to sign an additional data processing agreement. This work is being prioritised to support recommendations in the recent audit of Information Governance.

An Information Asset Register has been developed to identify 'significant' information systems and assets and to assign Information Asset Owners, who are responsible for the creation, management and security of the information assets. This continues to be populated by Information Asset Owners. Work is now ongoing with the Resilience team to ensure that 'business critical' Information Assets are properly identified, risk assessed and protected.

Information Sharing Agreements are being developed with a view to streamlining our aspiration to share information, where appropriate, in order to improve our service delivery. An overarching agreement is now in place with Walsall

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

<p>Partners, where data is being shared this will form part of an Information Exchange Agreement within the overarching Information Sharing Protocol. This activity is also supported by a Walsall Partnership Information Sharing Group.</p> <p><u>ICT Security Risks</u> Work continues with ICT to minimise risks which could affect the security of Information Assets, such as the use of removable media (e.g. memory sticks) and considerations for information when staff are using email or working in an agile way. A Mobile Device Procedure is currently being finalised to ensure that all users of mobile devices accessing council data are aware of and accept the risks and responsibilities.</p> <p><u>Single Contract for Off Site Storage</u> The single contract process is at the final stages of procurement. Once this is finalised plans for the centralisation of storage budgets will be implemented. This provides an opportunity to combine services for storage, scanning and destruction, achieving improved service, simpler contract management and reduced costs.</p> <p><u>Awareness Raising</u> FIGA members are Information Champions for good practice information management and are active in their directorates. Information Asset Owners and Information Custodian roles have been established within directorates and everyone has received tailored face to face training to understand their role. The information management project continues to provide regular updates and hints and tips to staff via the intranet and Core brief.</p> <p>Significant progress has been made to ensure that all employees achieve Level 1 protecting information training. All employees using IT have now completed the training (barring new starters) and in excess of 85% of those staff allocated for a 'non e-learning' version have received training and progress continues to be made. Work continues to support school based staff with the current level of completion sitting at 53%. The training will be relaunched for the new round of elected members to complete the training. 70% of staff required to complete the Level 2 training (primarily those in areas dealing with Personal and Sensitive information), have now done so. The number of staff required to complete this has increased.</p>	
<p><u>ICT</u> ICT are continuing to issue 'thin client' hardware to staff, which ensures information is stored centrally in the secure data centre.</p> <p>All newly issued council laptops are encrypted with 2 factor authentication; this means that users need a physical key fobs as well as a password.</p>	<p>Head of Business Change (PG)</p>

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

Update ICT have now completed encrypting the majority of laptops that have not be purchased recently (Retrofitting) and are removing the XP laptops from the infrastructure.

Bring Your Own Device (BYOD) and council smart devices have a secure way of accessing email (currently Good For Enterprise) which allows control over council information on non-council devices.

A new procedure for the use of mobile devices (COPE) has been prepared following a decision at FIGA regarding use of this policy which allows more flexible access to mobile devices within an agreed manageable risk level any new devices will therefore only be issued under COPE, BOYD or in exceptional circumstances under the original corporate lockdown.

The council's IT department have passed the necessary security requirements to comply with the Government Public Sector Network Code of Connection.

Only encrypted USB sticks are issued to users, their use is supported by a Removable Media procedure and User Agreement.

Un-encrypted ones were recalled and are no longer used.

The information Governance Team has become aware that since the launch of the Removable Media Procedure some services and staff continue to use encrypted USB sticks for the storage of council Information. There have been a number of data breaches reported where unencrypted USB sticks have been lost/damaged. In addition there have been examples where unencrypted sticks are being used by council staff based outside of the Civic centre/Council House based on the need to access/transfer information from/to the main council network

We have entered into a contractual agreement with Tamworth District Council to share space in their data centre to host some of our systems thus giving us a secondary site in order to improve our resilience with loss of access to data. This data in Tamworth will still be within the protection it has on Walsall Council's network and protected from malicious attacks and probes. The agreement covers the level of access and permissions for staff in both councils. Tamworth are ISO compliant and have robust business continuity procedures. Systems will be replicated in Tamworth during 2015.

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

<p><u>Cyber Risk</u> Major organisations continue to be targeted by criminal elements through the internet. There continues to be attacks on high profile organisations causing reputational, data protection and financial risk. Strategies around Information security and infrastructure protection are being introduced however the council's firewall, virus protection and penetration testing form part of the council's response to the risk. All three elements are updated appropriately and the latest trends in terms of cyber attack are being monitored.</p> <p>The council is expected to comply with the security requirements from the Cabinet Office which stipulate the network security standards that must be met by all organisations connecting to Revenue and Benefit systems and other systems containing sensitive and protected data held by central government. The council's IT department meet these standards.</p>	<p>Head of Business Change (PG)</p>
---	-------------------------------------

<u>Further Actions/Controls required:</u>	<u>By Who:</u>	<u>When:</u>
<ul style="list-style-type: none"> Continued roll out of 'thin client' (although there will never be 100% 'thin client' ICT can further 'lock down' other workstations e.g. disabling USB drives, reducing the existing screen lock time after a period of inactivity). 	<p>Head of Shared Svcs & Procrmnt (MS)</p>	<p>Ongoing</p>
<ul style="list-style-type: none"> Develop and roll out training for staff who cannot access ICT to undertake level 1 training and support Information Champions to ensure appropriate staff have Level 2. 	<p>} Information } Risk & } Gov'nce } Manager } (NU) }</p>	<p>Ongoing target date for all level 1. (1 Sept 2015)</p>
<ul style="list-style-type: none"> Go-live with off-site storage contract. 	<p>} } Information } Risk & } Gov'nce } Manager } (NU)</p>	<p>30 June 2015</p>
<ul style="list-style-type: none"> Continue to ensure close cooperation and working with the ICO when and if breaches occur. 	<p>} } (NU) }</p>	<p>}</p>
<ul style="list-style-type: none"> Maintain the Information Asset Register 	<p>} }</p>	<p>} } Business</p>

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)
Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

<ul style="list-style-type: none"> Information Sharing Agreements to be developed and data sharing agreement promoted. Work with ICT to ensure that the Public Network Service approval is maintained. Review computer fraud (cyber risks) – computer ‘hacking’ requires investigation into how this is being managed within the council and partners’ ability to prevent ‘hacking’. 	} Head of } Programme } Delivery & } Gov’nce }(CW) Head Business Change (PG)	} as usual } } } } } } Business as usual
---	---	--

Progress to Date

Information (data) management - detailed above in ‘Key Mitigating Activities’.

ICT have regular checks from external companies who attempt to expose any weaknesses in our infrastructure which could be exploited by “hackers”, this includes anyone attempting to penetrate our systems via partners. The reviews identify weaknesses and suggest remedial activities. We are checked twice a year and updated when new threats have been identified. We pass these checks and have a high standard of security compared to similar organisations. The nature of threats is constantly changing so we can never guarantee infallibility.

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)
Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

21	Failure to implement the new case management system (Mosaic) for Children and Social Care and Inclusion (SCI) within the identified timescales.	Last Reviewed	Last Updated	Current Risk Score	Target Risk Score	Achieved by
		Sept 2014 [new risk]	January 2015	(1xL) 4x5=20	(1xL) 2x3 =6	June 2015

Risk Owner: Joint Risk Owners – Executive Director, Children's Services (DH) and Executive Director, Social Care and Inclusion (KS)

Risk Description

A number of previous Ofsted inspections have identified that the council's social care case management system (PARIS) is 'not fit for purpose and unable to help the council to manage the lives of some of our most vulnerable citizens'.

This risk relates to the council failing to safeguard and care for vulnerable citizens (Children and Adults) as a result of identified shortfalls in the current case management system and its related processes, together with its non compliance with imminent legislative changes – Children and Families Act and the Care Act. The risk will remain high whilst the council continues to use the incumbent system and processes.

Delayed implementation will carry a financial risk as the council would be unable to accurately monitor the financial impact of the new legislation (particularly relating to charging and the Care Act). This could also lead to future Ofsted inspection being unsatisfactory with the progress which the council is making in addressing the required improvements to social care case management.

Ofsted will undertake a further inspection of the *Safeguarding and Looked After Children* service at some point during the Mosaic programme's implementation. The next Ofsted inspection window is April – June 2015 and there is a high probability that an inspection will be called during the time when Mosaic is being implemented and embedded in Children's Services.

To support the inspection activity, which is predominantly field work/practice based, will lead to the diversion of key social care staff away from the programme's implementation and the timescale for Children's Services implementation will be affected. There will be a key decision point when details of the inspection are known to consider whether to continue with implementation during inspection or to rearrange it.

In April 2014, Children's Services advised Ofsted that it would replace its existing case management system to a compliant system by the end of 2014.

In July 2014, CoreLogic's Mosaic system was procured as one system to be jointly implemented in Children's Services and Social Care

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

and Inclusion , along with professional services from the supplier together with an in-house implementation team to install, configure, train and support users of the system.

Key mitigation activities

There has been early engagement from key stakeholders across the council, ensuring the required resources are available to design and embed the new system as effectively as possible.	Executive Directors – Children’s (DH) and Social Care and Inclusion (KS)
Effective programme governance arrangements in place to ensure that the outcomes and benefits of the Mosaic Implementation Programme are achieved. Programme management arrangements changed during December 2014, with a recruitment process in place to appoint a technical programme lead with effect from February 2015.	Business Change – Head of Programme Delivery & Governance (CW)
Ensuring close working with all contributors to the Programme, including CoreLogic (supplier), SCI and Children’s, and dedicated support and expert capacity, through the nominated business change managers and subject matter experts, ICT and the Programme Delivery Team.	Mosaic Implementation Board and Business Change Steering Group
Maintaining regular communications between Walsall Council and Ofsted to clarify any expectations on potential inspection dates and the impact on the implementation of the new system (1 st week of April is estimated implementation date)	Executive Director – Children’s Services (DH)
The impact from Ofsted should an inspection be called will require additional resource and expertise to support the process. DCS to formulate contingency measures to ensure an effective balance between Ofsted requirements and the programme delivery schedule can be achieved. Necessary activities to make the decision to go live or not will be drawn up together with detailed communications messages for staff.	Executive Director – Children’s Services (DH)
Preparatory work for SCI has commenced to minimise the risk of implementation <u>delay</u> . Progress has been made on SCI review of their operating model and its alignment to the configuration for the Mosaic system to support adults social care management and financial processes.	Director of Social Care and Inclusion (KS) and Programme Team

Further Actions/Controls required:	By Who:	When:
<ul style="list-style-type: none"> Review and revise dedicated expert and support capacity against risks as identified by the Programme Board 	ED Children’s (DH) and SCI (KS)	Monthly

Progress to Date

This risk has been accepted and is part of the Corporate Risk Register.
Risk to be reviewed monthly at Mosaic Implementation Programme Board.

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

3a	Partnership working - local	Last Reviewed	Last Updated	Current Risk Score	Target Risk Score	Achieved by
		Sept 2014	December 2014	(1xL) 3x4=12	(1xL) 3x3 = 9	March 2015

Risk Owner: Executive Director – Neighbourhoods (JM)

Risk Description

Partnership Working - Local

In order to address the priorities within the Walsall Plan 2013 - 2016; it is important that the council and its partners deliver services and interventions that meet the needs, aspirations and priorities of local communities. Budget savings have significantly impacted public and community sector organisations. In order to mitigate any risk to resources and reputation it is crucial that partnership working is joined up at a borough wide and locality level, that the involvement of private sector partners is encouraged and that we ensure a collaborative approach is taken.

Key mitigation activities

Partnership Working - Local

At a borough-wide level, the council's approach to partnership working is supported by the Borough Management Team (BMT) which consists of key agencies including Walsall Council, the Police, Walsall College, the Fire and Rescue Service, the Clinical Commissioning Group, Walsall Healthcare NHS Trust etc. The BMT is supported by a Partnership Tasking and Co-ordination Group which includes representation from four strategic groups: Safer Walsall Partnership, Walsall's Health & Well Being Board, Walsall's Children & Young Persons' Board and the borough's Economic Board. At a locality level there are six Area Partnerships comprising of the key agencies working within localities to improve the quality of life experienced in those areas. Each Area Partnership supports local accountability through the established Area Panels comprising the local councillors for those areas.

Six Area Partnerships have been operational since 2010 aiming to improve the relationship and involvement of the community through the implementation of Area Plans. Area Partnerships have been reappraised within a framework for devolution. Following a first year evaluation of the devolution agenda, and subsequent report to Cabinet in April 2014. A delivery plan is now in development and implementation will commence in January 2015.

There is a comprehensive risk assessment in place for Area Partnerships which comprises of strategic, planning and operational risks.

Head of Communities and Public Protection / Partnership Manager (KB)

15

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

CMT Risk Register – January 2015

Appendix 1(iii)

The council has a partnership register which includes details around funding; if any partnership is linked to a programme/project/grant, if an exit strategy has been identified and if the partnership itself has been subject to a review. The partnership toolkit and protocol were updated in 2012 and were e-mailed to all 4th tier officers. They also appeared on the council's intranet and weekly bulletin. The toolkit/protocol includes reference to the grants manual, finance, legal, procurement, data quality, risk management etc. The toolkit is currently under review and this will take account of recommendations made in the 2014 audit.

Regular reports on Area Partnerships are made to the Council's Community Services and Environment Scrutiny and Performance Panel and to the Partnership Tasking and Coordination Group.

Further Actions/Controls required:

- Measures to assess the impact of Area Partnerships, the Borough Management Team arrangements and thematic structures are under review. In the interim monitoring using existing measures continues.

By Who:

Head of Communities and Public Protection / Partnership Mngr (KBL)

When:

Feb 2015

Progress to Date

Delivery against the Walsall Plan is monitored through the Partnership Tasking and Co-ordination Group and the Borough Management Team. Local delivery plans are being updated to take account of the relevant themes in each area. A partnership event showcasing this work will take place in March 2015.

In addition to the above, and as part of the council's devolution agenda, Six Area Panels have been established. An evaluation of the devolution agenda was presented to Cabinet on 30 April 2014, with recommendations for further development. These recommendations are reflected in the Area Partnership Delivery Plan currently under development.

The partnership register continues to be updated and the most recent request for updated information was e-mailed to each council directorate in early August 2014.

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

3b	Partnership working (Regional)	Last Reviewed	Last Updated	Current Risk Score	Target Risk Score	Achieved by
		Oct 2014	Dec 2014	(1xL) 3x4=12	(1xL) 3x3 =9	April 2015

Risk Owner: Executive Director - Regeneration (SN)

Risk Description

Partnership Working – Sub Regional (Black Country): The Black Country Local Enterprise Partnership (LEP) is now established. With Government funding now increasingly channelled / influenced by / awarded to LEP's, there is a risk that without effective co-ordination and a formal basis through which this can be achieved, it will put at risk existing programmes like: City Deal, the Local Growth Fund and the European round for 2014 – 2020, undermining our ability to secure a fair share of resources moving forward.

The Black Country Consortium (BCC) relies for its existence on the four councils providing core funding, with an evolving role moving towards providing secretariat support for the BC LEP. With austerity pressure placed on all councils to reduce their funding contributions, this will put at risk the BCC's capacity to meet its role, unless alternative funding can be secured.

Partnership Working – Regional (West Midlands): Joint working at the West Midlands level is still developing since the removal of key bodies and previous joint working arrangements, with talks underway to create a structure for regional Joint working. This now includes proposals for a Combined Authority. Without effective joint working arrangements and structures we risk losing both funding and positioning opportunities and the West Midlands will be seen by Government as a un co-ordinated and non-effectual region.

Four West Midlands LEP's (excluding Birmingham and Coventry) have agreed to continue to fund the WMES (West Midlands European Service) to co-ordinate the joint working in the development and delivery of the EU Investment Strategies, together with the development and sharing of best practice and their implementation where possible. With these two missing the risk of un-coordinated activities in some fields still remains.

Key mitigation activities

Partnership Working - Sub Regional (Black Country): To mitigate this risk a Joint Committee structure, which complements and works with the LEP board is now in place. This option has been chosen as the governance route rather than a Black Country Combined Authority. The delegation of powers to the JC members has been agreed and a detailed Terms of Reference and signed (May 2014) Collaboration Agreement set into place. The JC is responsible for approving the appointment of Accountable Bodies for the variety of public funds allocated to the LEP, playing the	Executive Director – Regeneration (SN) /
--	--

17

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

CMT Risk Register – January 2015

Appendix 1(iii)

<p>appropriate role in steering and monitoring performance, assisted by the Advisory Board & Heads of Regeneration.</p> <p>Accountable bodies are required by the LEP and the JC to set into place the required processes and procedures to manage effectively their responsibilities as delegated by the Joint Committee. Plans are also being developed to create a robust programme management system and team approach to the BC LEP's set of programmes.</p> <p>The Black Country Consortium (BCC) supports the LEP and the four councils in the execution of agreed duties, against agreed annual allocations from the four councils and is developing new funding streams to support its LEP secretariat role. The delivery of key initiatives like City Deal and the Local Growth Fund, together with Strategic Economic Plan (SEP) and the EU Investment Strategy will continue to be delivered through identified resources.</p> <p>Partnership Working – Regional (West Midlands): The councils are working on proposals to develop new West Midland regional joint working arrangements; it's now proposed that this will include a Combined Authority. Work is now underway to define how this may work across the West Midlands to co-ordinate its offer to Government and respond if tasked to do so. The West Midlands European Service (WMES) are now support joint working on the development of EU strategies between 4 of the West Midlands LEP's, we are continuing to engage with the two opting out LEP's of Coventry & Birmingham.</p>	<p>Head of Strategic Regeneration (ML)</p>
---	--

<u>Further Actions/Controls required:</u>	<u>By Who:</u>	<u>When:</u>
<ul style="list-style-type: none"> The development of the Joint Committee arrangements for the Black Country to be continued and reported on / monitored. 	<ul style="list-style-type: none"> }Executive }Director - 	1.4.15
<ul style="list-style-type: none"> The development of the joint working arrangements for the West Midland Region to be continued and monitored. 	<ul style="list-style-type: none"> }Regeneration (SN)/ }Head of Strategic 	1.4.15
<ul style="list-style-type: none"> The development joint working across the Black Country continued, including the development of a Team Black Country approach. 	<ul style="list-style-type: none"> }Regeneration (ML) 	1.4.15

Progress to Date

<ul style="list-style-type: none"> JC agreements and Governance Structures now set into place. Work on the development of regional joint working is ongoing. Work is underway on the development of the Team Black Country approach.

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)
Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

5	Loss of community cohesion	Last Reviewed	Last Updated	Current Risk Score	Target Risk Score	Achieved by
		Oct 2014	Dec 2014	(I x L) 3 x 4 = 12	(I x L) 2 x 4 = 8	June 2015

Risk Owner: Executive Director – Neighbourhoods (JM)

Risk Description

There are many different communities and cultures that live and work in Walsall and this diversity is increasing. Budget and service cuts may significantly impact on community cohesion. Down-sizing programmes can impact upon the effectiveness of critical community services and local economic stability. Service and programme cuts can also impact on cohesion leading to increasing community tension.

Globally it has been observed that there is an increase in hate crime against Muslims due to the activity of the Islamic State (IS) in Iraq and Syria, and the subsequent beheading of western aid workers. The activity of this terrorist organisation has seen a number of UK citizens (estimate between 500 – 1000) travel to support and join the group including individuals from the region. The threat these individuals may have upon returning to the UK is recognised and the threat level has increased to SEVERE.

There has been an increase in local support to Islam Walsall (a non violent extremist group) and recent activity by Hizb Ut Tahrir around mosques and leafleting local shops in Caldmore.

The English Defence League (EDL) have continued and seek to exploit “their legitimate grievances” (the building of a Mosque/ Child Sexual Exploitation / Extremism). Any such activity in Walsall would see an increase in their activity and a rise in community tensions. This has been observed in the Beechdale area and wider North Walsall area.

The influx of individuals from other countries and increases in crime and anti-social behaviour has sometimes been attributed to cultural differences. Such activity has obvious repercussions within communities and affects the public’s perceptions, feelings of safety and a sense of pride and ownership in communities.

Walsall is now a “supported” area due to the increased threat of extremist activity.

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

Key mitigation activities

<p>The council has refreshed the Community Safety Plan 2014 – 2017 responding to the strategic assessment and intelligence. This includes the priority "<i>Community – specific focus on Counter Terrorism, Community Cohesion and Public Perceptions</i>" and hate crime as a specific data set.</p> <p>Walsall Council is a member of the regional Prevent Group led by West Midlands Police and receives briefings from the Counter Terrorism Unit (CTU) as appropriate. A new regional co-ordinator has been appointed to deliver the regional response.</p> <p>The council's Community Cohesion Officer is in regular dialogue with the CTU and the Local Policing Unit.</p> <p>A reconfiguration of the Community Safety Service has seen the appointment of two additional officers to actively build cohesion and tackle hate crime and the threat of extremism.</p> <p>The council works in partnership with the Police and other interested agencies on matters relating to community cohesion through the Safer Walsall Partnership and as appropriate through the council's Resilience Team. For example, the English Defence League demonstration in September 2012 and the Aisha Mosque terrorist bomb in 2013.</p> <p>A Prevent/Community Cohesion Action Plan has been developed and a wider partnership of statutory agencies sit on the Walsall CONTEST group which reports back to the Safer Walsall Partnership.</p> <p>Walsall has had the latest 2014 Counter Terrorism Local Profile and has amended the CONTEST plan.</p>	<p>Head of Communities & Partnerships (KB) / Area Mngr – Community Safety (LH) / Community Cohesion Co-Ordinator (NR)</p> <p>Head of Communities & Partnerships (KB)</p>
---	--

<u>Further Actions/Controls required</u>	<u>By Who:</u>	<u>When:</u>
Local priorities are being identified and co-ordinated at a local and regional level.	} Head of	Jan 2015
• Further development of the Walsall Community Cohesion/Prevent Plan in accordance with the latest Counter Terrorism Local Profile and intelligence.	} Communities	
	} &	
• Increased awareness of the threat of extremism in voluntary and community sectors.	} Partnerships	Mar 2015
	} (KB)	
	} Community	Oct 2015

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)

3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

<ul style="list-style-type: none"> Increased awareness of the threat of extremism for Elected Members 	<ul style="list-style-type: none"> } Safety 	Mar 2015
<ul style="list-style-type: none"> Clarity of the role of CONTEST Group members in sharing messages with their organisations 	<ul style="list-style-type: none"> } Mngr (LH) } Community 	Mar 2015
<ul style="list-style-type: none"> Improved information sharing across partner organisations 	<ul style="list-style-type: none"> } Cohesion } Co-ordinator 	Oct 2015
<ul style="list-style-type: none"> New extremism referral pathway agreed and implemented. 	<ul style="list-style-type: none"> } (NR) } 	Oct 2015
<ul style="list-style-type: none"> Improved hate crime analysis. 	<ul style="list-style-type: none"> } } } 	Oct 2015

Progress to Date

- The CONTEST plan has been amended .
- Referral working group have agreed referral form and guidance
- A working group is developing approaches to raising awareness within the Council and with external partners.
- A training session has been developed for Elected Members and will be delivered in 2015.
- Protocols for sharing information are under review
- Improved hate crime analysis has been initiated.
- Regional Prevent Co-ordinator appointed.

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

CMT Risk Register – January 2015

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)
Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

CMT Risk Register – January 2015

20	Failure to safeguard children and all vulnerable adults	Last Reviewed	Last Updated	Current Risk Score	Target Risk Score	Achieved by
		Sept 2014	Dec 2014	(I x L) 3 x 4 = 12	(I x L) 3 x 3 = 9	Ongoing

Risk Owner: Executive Director - Children's Services (DH)

Risk Description

Failure to ensure effective partnership practice in safeguarding children and vulnerable adults will result in significant harm, abuse or death for vulnerable residents of all ages. This has serious regulatory and reputational implications and risks, including intervention, for the council and the wider partnership, with serious consequences for service users and loss of confidence by local residents.

Key mitigation activities

Effective Children and Adult Safeguarding Boards.	Executive Director – Children's Srvcs (DH)/ Executive Director – Adult & Social Srvcs (KS)
Quality and effective front line practice.	Respective safeguarding Boards; Executive Director- Children's Srvcs (DH) / Executive Director – Adult & Social Srvcs

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

	(KS)and teams
Good multi-agency partnership working.	As above
Effective and comprehensive quality assurance.	Executive Director- Children's Srvcs (DH) / Executive Director – Adult & Social Srvcs (KS) and teams

<u>Further Actions/Controls required:</u>	<u>By Who</u>	<u>When:</u>
Timely replacement of ICS system, comprehensive migration of data and effective training for users.	Integrated Childrens System (ICS) programme board	Ongoing
Review of partnership arrangements to identify and respond to the scale of CSE is a fast emerging high risk for both children and adults safeguarding	Safeguarding Boards working with regional PVVP group to ensure effective oversight	Ongoing

Progress to Date

The key mitigating activities listed above are in place but it is critical to ensure that that they continue in a sustainable way. For Children we have reported actions and their impact to the Improvement Board since September 2012. Equally we regularly self

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

assess and share that with partners, play a full part in our safeguarding board, conduct assurance meetings in line with guidance and are regulated regularly.

The tenure of the Children's Safeguarding Board Chair (he was appointed for a two year period from December 2012 – December 2014) is coming to an end, so effective arrangements to secure a replacement will need to be initiated.

Safeguarding of Adults has historically seen less focus at a national level, however, that is changing through government policy and through local practice change.

Child sexual exploitation (CSE) is currently a high profile risk element in keeping adults and children safe. Work is current and ongoing to ensure that Walsall's response is proportionate, evidenced and effective.

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)
Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

CMT Risk Register – January 2015

15	Welfare Reform Act 2012	Last Reviewed	Last Updated	Current Risk Score	Target Risk Score	Achieved by
		Sept 2014	January 2015	(IxL) 3x4=12	(IxL) 3x3 =9	October 2015

Risk Owner: Executive Director – Resources (RB)

Risk Description

The Welfare Reform Act 2012 came into effect in January 2012 introducing a wide range of reforms to the benefits and tax credits system, administered across government departments, agencies and local authorities. Many benefits are being changed, or withdrawn and replaced by new systems. There are also complicated transitional arrangements as the reforms are phased in over the next few years, and uncertainty remains in some areas. Most of the changes will impact upon those of working age, with residents of state pension credit age being largely protected from adverse impacts.

Elements that are administered by the local authority are being implemented in parallel to 'business as usual'. This involves moving resources from the benefits processing/customer support into project work or dealing with the increased customer enquiries. Additional funding has been allocated to help with the implementation but skilled permanent staffing resources are difficult to obtain and there is a shortage of costly agency staff.

In addition the following changes are also being implemented alongside:

The continued roll out of systems thinking within "My money, My Home, My Job" (MHJ).

The introduction of FERIS (Fraud and Error Incentive Scheme)

The introduction of SFIS (Single Fraud Investigation Service)

From April 2013 there has been a significant amount of change for the residents of Walsall.

1. Council Tax Reduction Scheme

In April 2013 council tax benefit was replaced by the council tax reduction scheme (CTRS) A new relief to be determined and administered locally. In 2013/14 CTRS helped 35,000 households on low income meet their council tax liability and awarded approximately £29.7 million of which £26.7 was a cost to Walsall Council. The claimants were split between 15,271 pensioners and 19,676 working aged customer. The 2015 local scheme protects pensioners and provides up to a maximum of 75% CTRS to working age customers.

There is a financial risk to the council of any movement in the customer base.

27

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)

3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

CMT Risk Register – January 2015

Appendix 1(iii)

The scheme passes all of the financial risk to local authorities for rising caseloads. If a large employer closes in any area the additional cost of supporting these customers will have to be met locally. The rising pensioner population who have to be protected on the same benefit levels provide a further financial pressure.

2. Household benefit cap

The benefit cap was announced in the Spending Review 2010. In April 2013 a cap was introduced on the total amount of benefit that working age claimants can receive so that households on out of work benefits will no longer be entitled to receive more in benefit than the average weekly wage, after tax and national insurance.

We have capped 216 claimant households, with large families being the biggest losers. Some families have lost £100 per week.

As at 22 January 2015 the number of capped households had reduced to 139 as a result of the following:- change in people's circumstances that take them below the cap threshold – ie: child leaves, person stops claiming JSA (Job Seekers Allowance), moves out of the area, begins to receive DLA (Disability Living Allowance), starts work and claims WTC (Working Tax Credit) etc.

3. Social sector size criteria - (bedroom tax)

From April 2013 the maximum rent for households has been reduced depending upon how many bedrooms the household is considered to need. The estimated number of households affected was circa 4,000.

Rates of reduction: 14% of the total eligible rent for under-occupation by one bedroom; eg: £12 per week.
25% of the total eligible rent for under-occupation by two bedrooms or more, eg: £21 per week.

This has been managed in previous years by using where appropriate the DHP (Discretionary Housing Payments) grant provided by central government. If this grant is reduced/removed this risk would be significant.

4. Social fund - Community Care Grants and Crisis Loans (Walsall Crisis Support Scheme)

As part of the Government's welfare reforms, Community Care Grants and Crisis Loans for general living expenses, previously administered by the DWP within the social fund, were abolished from April 2013 and replaced by a new local provision (Walsall Crisis Support Scheme).

The council received the following through the Local Welfare Provision Grant:

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

Year	Amount £
2012/13 Set up fund	10,985
2013/14 Programme and Administrative funding	1,330,633
2014/15 Programme and Administrative funding	1,311,276

Currently there is not expected to be any additional funding from central government to maintain the Walsall Crisis Support Scheme in April 2015. Local authorities are expected to fund any local crisis support provision from their general local government grant. However this decision has recently been challenged and as a result central government is carrying out consultation and will consider making a fresh decision.

In 2013/14 the council's crisis support scheme helped 8397 Walsall people, with a range of support including food banks vouchers, gas and electricity tokens, basic items of furniture such as beds and white goods and one off costs such as travel to job interviews.

Not all the budget for 2014/15 will be spent this will be carried forward to fund 2015.

During 2015 detailed work will be undertaken to find an alternative solution.

Discussions regarding collaborative working with third parties and the voluntary sector have already commenced.

A further report identifying the Crisis Support position and forward plan for 2016/17 will be circulated once this work has been completed.

5. **Universal Credit** (New claims from October 2013)

From June 2015 single benefit claimants in Walsall will begin to move over to Universal Credit.

There are 6999 single benefit claimants in Walsall at 22.1.15

This will be the first time in over thirty years that some people looking for help with their rent will not be able to go to the council to claim. This will take some getting used to, especially as tenants will still need to come to the council for help with their council tax.

Landlords will also need assistance; even social landlords will no longer have their rent paid directly to them. Claimants who are having to manage their income monthly rather than weekly are likely to struggle and we are likely to see increased demand for housing support services to help customers who have incurred rent arrears.

- Staffing Risks – councils are still not clear about the long term implications for local authority staff. They are not in a position to cope with workloads if staff start to leave and go elsewhere due to the uncertainty of the future. There is no clarity on whether TUPE will apply or who will meet redundancy costs.

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)

3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

6. Increased Discretionary Housing Payments (DHP)

The DWP has increased the amount of grant for Walsall significantly, however, the total spends allowed for this scheme under regulation is 2.5 times the value of the grant and this could place pressure on budgets. The value of the reductions in housing benefit as a result of the Welfare Reform Act effective from April 2013 far outstrip the total allowable spend of Discretionary Housing Payments. The DHP grant for 2014/15 has increased further to £737,214, which allows the authority to spend up to £1,843,034 – the pressure on budgets may be up to £1,105,821.

7. Real Time Information Bulk Data Matching Initiative

Real time information(RTI) is Her Majesty’s Revenue and Customs’(HMRC) new system for collecting Pay as You Earn(PAYE) information from employers and pension providers who are now required to provide HMRC with income details immediately after each payment they make.

The DWP are to undertake a data matching exercise using up to date earnings information provided by the HMRC RTI system to identify either undeclared or under-declared earnings and/or non state pension(NSP) for all DWP legacy benefits including housing benefit.

Since November we have received in excess of 800 notifications.

We need to process the information within four weeks to avoid any subsidy loss (local authority error).

A bespoke team has been established to deal with these, but this takes resource away from day to processing.

8. Fraud and Error Incentive Scheme (FERRIS)

FERRIS is an incentive scheme that offers financial reward that offer reductions to Housing Benefit entitlement as a result of claimant error or fraud. This scheme was launched 24 November 2014.

It will run from 1 December 2014 to 31 March 2016.

Pressure will be placed on authorities to tackle fraud and claimant error diverting resource from processing claims.

Key mitigation activities

<ul style="list-style-type: none"> Working groups have been established to deal with the respective changes. 	}
<ul style="list-style-type: none"> A briefing note for the portfolio holder outlining the key changes, impact upon customers and actions required by the council is produced monthly. 	}
<ul style="list-style-type: none"> A revised Council Tax Reduction Scheme was approved by Cabinet in January 2014 to commence April 2015. 	}
<ul style="list-style-type: none"> We have met with representatives from the Job Centre Plus (JCP), Children’s Services and WHG to discuss 	}

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)

3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.

<u>Further Actions/Controls required:</u>	<u>By Who:</u>	<u>When:</u>
<ul style="list-style-type: none"> Walsall Crisis Support Scheme (WCSS) report to scrutiny/cabinet for 2016/17 scheme review and funding options. Carry forwards any under spend on WCSS budget in 2013/14 and 2014/15 to support 2015/16 when the grant from government will be subsumed into the RSG. Ensure procurement review is completed and adequate controls are in place. Review DHP's, retrain staff, revise processes and controls Regular update reports to corporate scrutiny panel. Regular meetings with Job Centre regional officers and DWP on the status of the future changes. Agree Universal Credit delivery partnership agreement with DWP Consider the impact of welfare reform to inform future service design. 	MHJ leads MHJ leads } } Money, } Home, Job } Leads (ST / } EH)	Linked to budget time lines. April 2015 } } As } required } }

Progress to Date

<ul style="list-style-type: none"> Revised Council Tax Reduction Scheme to be implemented April 2015. Household Benefit cap – numbers continue to decrease we work with clients. Continue to review the customer demand for the crisis support scheme. Procurement exercise to continue for the provision of white goods to fit the typical demand requirements of our customers. Report and revised scheme was approved by Cabinet February 2014. Scrutiny set up a Welfare Reform Working Group to understand what the impact of the welfare reforms, including unintended consequences, will be on local residents, the council and its partners. Report presented at corporate scrutiny on December 2014. For 2013/14, 2799 customers had been awarded a discretionary housing payment (522 for whole of 2012/13).

Impact: 1=Negligible (Little effect to organisational objectives) 2=Marginal (Affects some of the organisational objectives)
 3=Critical (Affects most of the organisational objectives) 4=Catastrophic (Affects all of the organisational objectives)

Likelihood: 1=Almost Impossible; 2=Very Low; 3=Low; 4=Significant; 5=High; 6=Very High.