

## Appendix B Strategic Risk Update, Corporate Board 21 July 2021

For each strategic risk, a **residual risk rating** is applied, which takes account of the positive impact and effectiveness rating of existing control and mitigation measures.

Priority Areas and Risk Appetite	Strategic Risk	Mitigation Approach	Residual Risk Scores	
			Feb 2021	July 2021
<b>Vibrant Economy</b> Risk Appetite: Economy (Open) Service Delivery (Cautious)	01.Risk of slow economic recovery with prolonged levels of higher unemployment, affecting business, key sectors and town centre viability.	Warwickshire Revenue Investment Funds and Warwickshire Property Development Group Business Plan objectives. Recovery Plan priority 6 (stimulate job creation and skills) and Priority 5 (support business and grow the economy).	16	12
	02.Risk of not delivering or achieving on our area-based regeneration and place priorities, due to slow/differential levels of recovery from the economic impacts of Covid-19, including (but not limited to) higher levels of unemployment, business impacts, financial exclusion and stress.	Nuneaton area regeneration plans. Partnership working with the West Midlands Combined Authority (WMCA) & Local Enterprise Partnership (LEP). Develop and deliver a pipeline of transport infrastructure projects with associated funding strategies.	New	12
	03.Risk of education and skills gaps widening and inability to catch up to regain pre-pandemic levels of attainment after restricted access to school learning settings, worsening outcomes for student cohorts, particularly disadvantaged students.	Education Strategy supported by Education Service business plan actions. Recovery Plan priority 3 (help our children and young people catch up on their education).	16	16
<b>People &amp; Communities</b> Risk Appetite: Community safety and well being, (Minimalist)	04.Continued risk of Covid transmission and infections as a result of new covid variants and a possible surge as Covid-related restrictions are eased, resulting in adverse impacts on health & well-being, including mental health.	Public Health Covid Containment & Outbreak Control Plan. Health & Well Being Strategy 2021-26; Coventry, Solihull and Warwickshire (CSW) Resilience Plan. Place based Incident Management Teams. Recovery Plan priority 1 (contain the virus and promote physical and mental health and well being).	8	8
	05.Risk of Post Pandemic widening of social and health inequalities and inability to catch up, compounded by challenges in healthcare catch up, e.g., increased waiting lists for treatments and the emergence of long covid, resulting in worsening outcomes for our communities.	Recovery Plan priority 4 (harness the power of our communities to tackle inequality and social exclusion). Health & Well Being Strategy 2021-26 directly targets health inequalities and the most vulnerable.	16	16
	06: Risk of failings in the protection of vulnerable children in our communities and the potential for legal and reputational damage to the Council.	Children and Families Business Plan actions; Children & Families Improvement Action Plan addressing OFSTED feedback in 2020; Recovery Plan priority 2 (maintain resilient and sustainable services)	10	10
	07: Risk of failings in the protection of vulnerable adults in our communities and the potential for legal and reputational damage to the Council.	Adult Social Care Business Plan Actions; People Directorate development and assurance frameworks including case file reviews and learning programme; Recovery Plan priority 2 (maintain resilient and sustainable services).	10	10

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Sustainable Futures Risk Appetite: Climate Change (Open)	08: Risk of further delays to social care reform and continued disruption to care markets (supply and cost pressures).	Integrated Commissioning Framework; market viability framework; market intelligence and engagement will inform market analysis and future plans (fee levels, provider support).	12	12
	09.Risk of not achieving our climate change targets and delivering on our ambitions, not mobilising Warwickshire residents, communities and other key partners (e.g., developers), and no government sponsored pathway and funding structure for local government to align with the net zero goal.	Climate Change Programme overseen by dedicated Climate Change Delivery Group; Recovery Plan priority 8 (climate change).	12	12
Our Use of Resources: Resilience, sustainability, and value for money. Risk Appetite: People (Minimalist)	10.Risk of failing to sustain and progress change to modernise, innovate and take advantage of technology-driven solutions within the organisation and ways we work, failing to fully update legacy IT systems and affordability constraints of some optimum tech solutions.	Digital & Technology Strategy; Change team and hubs to support services through change and drive out benefits. Recovery Plan priority 10 (deliver high performance by harnessing digital, data and making the most effective use of our resources).	8	6
	11.Risk of staff health and wellbeing concerns due to post pandemic new ways of working; isolation, loss of team culture, remote/office working tensions and low resilience following pandemic-related workloads.	Our People Strategy supported by the How We Work programme and Delivery Group oversight; Recovery Plan priority 9 (develop our people and future ways of working).	8	8
Commercial (Open)	12.Risk of negative results (financial and social) from our commercial and investment activities.	Commercial Strategy and support for traded services. WRIF and WPDG governance and regulatory compliance arrangements, including oversight and assurance on managing financial risk.	12	12
Service Delivery (Cautious)	13. Risk of insufficient resources to match the increasing demand for Special Educational Needs & Disabilities (SEND) provision and not being able to achieve our SEND and Inclusion ambitions and positive outcomes.	Education Strategy: SEND & Inclusion Strategy monitored by the SEND Development Board; WCC Education Sufficiency Strategy; Recovery Plan priority 3 (help our children and young people catch up on their education). SEND Change programme with progress on all sub projects overseen by the Better Lives Delivery Group.	Escalated from Service Risk level	15
Service Delivery (Cautious)	14. Risk of continued uncertainty about key policy, economy and funding forecasts; impacting on financial planning assumptions and our ability to address the ongoing structural gap in available resources and reduced tax revenues, leaving WCC with insufficient resources to deliver Council Plan priorities and respond effectively to unplanned events.	Medium Term Financial Strategy (MTFS) update process includes scenario planning and sensitivity analysis of assumptions; MTFS updates in Autumn 2021 are part of an Integrated Planning process so that refreshed Council priorities are known early enough to inform resource planning and allocation decisions.	16	15

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<i>Flagged for possible de-escalation to Directorate or Service level after Quarter 2 – dependent on sufficient assurances about the effectiveness of controls.</i>	Risk of legal, regulatory, Information security non-compliance, impacting on the Council’s reputation and future joint working and engagement opportunities.	WCC Local Governance Code, Information Governance and Data Strategies and internal oversight arrangements.	6	6
	The risk of detriment to our reputation (including that of financial loss from commercial activities), locally, nationally and with partners and our community.	Customer Experience Strategy. WCC Local Governance Code and supporting assurance framework.	6	6