

Appendix B

1. Strategic Risk Update, Corporate Board 20 October 2021

For each strategic risk, a **residual risk score is applied, using a consistent risk assessment matrix [(impact x likelihood) + impact]**. The positive impact of existing controls and mitigation measures is also considered.

Priority Areas and Risk Appetite	Risk	Mitigation Approach	Lead Directorate	Residual Risk Scores Corporate Board assessment 20/10/21			
				Feb 2021	July 2021	October 2021	Direction of Travel
Vibrant Economy Risk Appetite: Economy (Open) Service Delivery (Cautious)	01.Risk of slow economic recovery affecting business, key sectors and town centre viability.	WRIF and WPDC Business Plans deliver social and economic benefits. Recovery Plan priority 6 (stimulate job creation and skills) and Priority 5 (support business and grow the economy).	Communities	16	12	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. Levelling up initiatives Partnership working with WMCA & LEP. Develop and deliver a pipeline of transport infrastructure projects with associated funding strategies.		New	12	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 & related actions. Recovery Plan priority 3 (help our children and young people catch up on their education)		16	16	16	→
People & Communities Risk Appetite: Community safety and well being, Safeguarding. (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.	PH Covid Containment and Outbreak Control Plan. Health & Well Being Strategy; CSW Resilience Plan. Incident Management, Place Partnerships. Recovery plan priority 1	People	8	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 and cost of living increases, 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). Social Impact Fund. Community Powered Warwickshire Programme. Levelling Up initiatives.		16	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 service plan and owned strategies; Children & Families Improvement Action Plan (Post Ofsted); Recovery plan priority 2 (maintain resilient and sustainable services)		10	10	10	→

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	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 service plans; Service development and assurance frameworks including case file reviews and learning; Adult Social Care Business Plan Actions; Recovery plan priority 2 (maintain resilient and sustainable services).		10	10	10	➡
	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	12	➡
Sustainable Futures <u>Risk Appetite:</u> Climate Change (Open)	09.Risk of not achieving our climate change targets and delivering on our ambitions and against the government's Build Back Greener net zero strategy. Unable to mobilise Warwickshire residents, communities and other key partners (e.g., developers) to align climate change strategies across the County and sub region.	Recovery plan priority 8 (climate change) Climate Change Programme overseen by dedicated Climate Change Delivery Group and proposals to commission external support to deliver net zero County by 2050 and a Warwickshire/ Coventry COP for climate change action. <i>In Q3, we will split risk 9 to show County wide risks and challenges separately from the Council's own targets and risks.</i>	Jointly owned	12	12	12	➡
Our Use of Resources: Resilience, sustainability, and value for money. <u>Risk Appetite:</u>	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).	Resources	8	6	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	8	➡
People (Minimalist)	12.Risk of negative results (financial and social) from our commercial and investment activities.	Commercial Strategy and support for traded services. WRIF and WPDG investment, governance and regulatory compliance arrangements, including oversight and assurance on managing financial risk.		12	12	12	➡
Commercial (Open)	13. Risk of insufficient resources to match the increasing demand for SEND provision and not achieving our SEND and Inclusion ambitions, worsening outcomes for our communities, damaging the council's financial resilience and potential for reputational damage to the council.	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: progress on all sub projects is overseen by the Better Lives Delivery Group.	Communities	Escalated from Service Risk level	16	16	➡

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Service Delivery (Cautious)	14. Risk of continued uncertainty about key policy, economic and funding forecasts; impacting on financial planning assumptions. Inflationary pressures further impact 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.	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.	Resources	16	16	20	↑
Service Delivery (Cautious)				6	6	9	↑
Reputation (cautious)	15. Risk of legal, regulatory, Information security non-compliance, impacting on the Council's reputation and future joint working and engagement opportunities.	Governance Code, Information Gov and Data Strategies and oversight arrangements. Council response to ICO intervention on Subject Access Requests		6	6	6	→
EMERGING RISK	16. 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, Strategic Communications Framework, Governance Code and annual assurance effectiveness review.		Assessment in Q3			
	17. The risk of inflationary pressures and cost of living increases putting pressure on staff costs, recruitment and retention and impacting on service resilience, service continuity and affordability as well as social, health and economic inequality.	Risk 2,5 and 14 Mitigation approach					