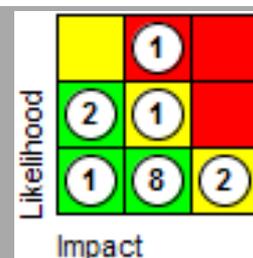


Corporate Risk Management Report – Quarter Four 2018/19



✔ Corporate Risk Register



	Risk Code	Risk Title	Current Risk Score	Trend Indicator
✔	CRK-002	City Plan Priorities - Resources	3	▬
⚠	CRK-003	Cultural Change	5	▬
✔	CRK-004	Development Plan	3	▬
⚠	CRK-005	Local Government Funding	7	▬
✔	CRK-006	Investment Portfolio	2	▬
✔	CRK-007	Business Rates Local Retention	2	⬆
✔	CRK-008	Civil Emergency	3	▬
⚠	CRK-011	ICT Security	6	▬
✔	CRK-012	ICT Systems	3	⬇
✔	CRK-014	Shared Services	3	▬
⚠	CRK-016	Health and Safety	6	▬
✔	CRK-017	Safeguarding	3	▬
✔	CRK-018	Asset Maintenance	3	▬

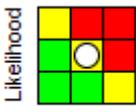
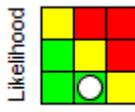
Risks Closed During Q4 2018/19				
✔	CRK-009	Transformation Programme	3	⬇
✔	CRK-015	Place Partnership Ltd (PPL)	1	▬

✓ CRK-002 City Plan Priorities - Resources

Insufficient resources and skills gap to deliver City Plan Priorities.

Managed By: Shane Flynn

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
 <p>Likelihood</p> <p>Impact</p>	 <p>Likelihood</p> <p>Impact</p>	-	<ul style="list-style-type: none"> • Unable to deliver and implement our vision, mission and City Plan with significant impact on the shape of the City, its residents and council staff. • Reputational damage with stakeholders and the public - internally and externally. • Reduced local influence as a public sector organisation and place shaper • Limited buy in from staff on Business as Usual or future work.

Mitigating Actions	Secure increased/additional income to support delivery of priorities
	Engage specialist support to deploy as needed

Latest Note
No change from Q3. The year end outturn is not expected to change substantially from the Q3 forecast which means that the shortfall on the City Plan Fund will remain until at NHB is received for 2020/21. This is not a concern as not all City Plan projects will be delivered in this financial year.

▲ CRK-003 Cultural Change

Failure to embed the cultural change around continuous improvement and 'excellence'.

Managed By: David Sutton

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
		-	<ul style="list-style-type: none"> • Reputation damage - internally and externally. • Reduced morale and limited buy in from staff on future programs and projects. • Declined perception of organisational management.

Mitigating Actions	Programme of Staff Conferences, Monthly Corporate 'Core Briefs', update articles via In The Know.
	Review the project management framework to ensure it is fit for purpose
	Approval and implementation of revised procurement code
	Manage a programme of interventions aimed improving employee engagement through cultural change interventions.
	Produce and adopt a strategy that sets out the vision for attracting, developing, retaining and recognising excellent people.
	Design and test a new PDR process Which will deliver an assessment of each employee's contribution and potential and provide a link between PDR outcomes and reward. To be trialled with senior managers in 18/19 with a view to rolling out to all employees in 19/20.
	To embed the Achieving Excellence continuous improvement approach across the council

Latest Note

No change from previous period.

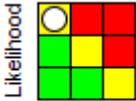
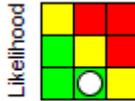
Delivery of Our People Strategy will continue to mitigate this risk.

CRK-004 Development Plan

An up-to-date development plan is a statutory requirement for all local planning authorities. To ensure the Council has an up-to-date plan the south Worcestershire authorities will need to begin a review of the SWDP in January 2018, with a view to adopting the plan in 2022/23.

Managed By: Philippa Smith

Approach: Tolerate

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
 <p>Likelihood</p> <p>Impact</p>	 <p>Likelihood</p> <p>Impact</p>		<ul style="list-style-type: none"> • Reputational damage - DCLG will intervene and commission a third party to produce a plan for the City. • The City will not meet its housing or employment growth targets. • Planning permissions will be won on appeal. • Significant legal and appeal costs could be incurred.

Mitigating Actions	Appointment of an additional Planning Policy Officer
	Review the plan to allocate sites for new development up until 2041.

Latest Note

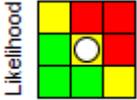
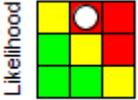
The South Worcestershire Development Plan Review is being progressed in accordance with the Local Development Scheme timetable. The Issues and Options consultation took place between 5th November and 17th December 2018 and work is progressing towards the Preferred Options consultation which is scheduled for late 2019.

CRK-005 Local Government Funding

There is a risk of reduced government funding following the outcome of the Government's 'Fairer Funding Formula' review.

Managed By: Shane Flynn

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
 <p>Likelihood</p> <p>Impact</p>	 <p>Likelihood</p> <p>Impact</p>	-	<ul style="list-style-type: none"> Reduced ability to deliver current service levels across the Council

Mitigating Actions	Ensure that there are sufficient reserves to mitigate funding reductions in the short term
	Manage planned reductions in New Homes Bonus
	Establish earmarked risk reserves

Latest Note

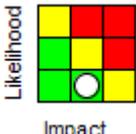
The risk score was increased at Q3 and remains unchanged. Risk reserves have been increased to help manage the transition but the full impact will not be known until autumn 2019.

CRK-006 Investment Portfolio

Macro-economic financial crisis that impacts on the Council's investment portfolio.

Managed By: Shane Flynn

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
		-	<ul style="list-style-type: none"> • Significant financial loss • Reputational damage nationally, with stakeholders and the public - internally and externally. • Impact on service delivery.

Mitigating Actions	Management of investments in line with risk principles of liquidity, security and income
---------------------------	--

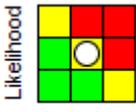
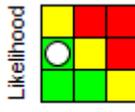
Latest Note
The risk score was increased at Q3 and macro-economic indicators continue to suggest that retail, in particular, is depressed. Kings Court purchase has been completed and is non-retail as well as having another primary objective, in line with the Commercial Strategy.

CRK-007 Business Rates Local Retention

Risk of large employer leaving the City

Managed By: Shane Flynn

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
 <p>Likelihood</p> <p>Impact</p>	 <p>Likelihood</p> <p>Impact</p>		<ul style="list-style-type: none"> • Significant financial loss • Reputational damage nationally, with stakeholders and the public - internally and externally. • Impact on service delivery.

Mitigating Actions	Participate in 100% retention pilot
	Focus on current businesses that present greatest income

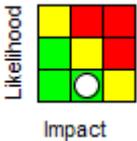
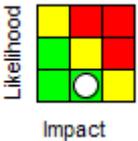
Latest Note
Risk increased in respect of likelihood owing to ongoing concerns about the retail sector. The Council could be affected particularly by closure of Debenhams/House of Frazer at Crowngate.

CRK-008 Civil Emergency

If we are unable to respond effectively in the event of a major civil emergency, i.e. flooding, flu pandemic

Managed By: David Sutton

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
			<ul style="list-style-type: none"> • Significant financial loss • Significant legal costs • Reputational damage nationally, with stakeholders and the public - internally and externally. • Impact on service delivery.

Mitigating Actions	Introduction to Civil Contingencies 2 day course
	Training provided by County colleagues
	County carrying out review of procedures and resource under SLA
	Review of shared service arrangements
	In addition to call out tests, undertake a desktop exercise (or live event)

Latest Note

Mitigating actions are now embedded as business as usual working with partners and reviewing plans

CRK-011 ICT Security

If we are unable to control and secure ICT systems and data against unauthorised access including cyber crime.

Managed By: David Sutton

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
		-	<ul style="list-style-type: none"> • Significant financial loss and sanctions/fines • Significant legal costs • Reputational damage nationally, with stakeholders and the public - internally and externally.

Mitigating Actions	PSN ITCHC (health check) carried out by independent body
	Action plan as agreed with shared service
	Review of existing policy and adoption of revised policy
	Security engineer to focus on all aspects of ICT Security.
	Exercise to ensure response to an ICT incident is robust.

Latest Note

No change from previous period

Systems are adequately protected. Whilst the likelihood of an attack remains high the likelihood of this being successful is low.

ICT security is regularly monitored by shared service management board and appropriate staff resources have been allocated specifically to ICT security.

Officers are participating in MHCLG led cyber security programme and an action plan is being developed to further enhance security.

CRK-012 ICT Systems

If there is not continuous availability of critical IT systems

Managed By: David Sutton

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
			<ul style="list-style-type: none"> • Significant financial loss • Significant legal costs • Reputational damage with stakeholders and the public - internally and externally. • Impact on service delivery.

Mitigating Actions	Rolling review of ICT Business Continuity Plan
	Review of ICT implications within the Council wide business continuity arrangements.

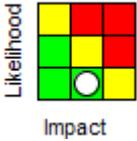
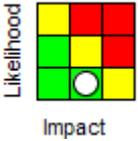
Latest Note
<p>Enhancements to systems have been implemented that provide for a 24 hour recovery in the event of loss of the Pershore data centre through a duplicate data centre at Malvern.</p> <p>On going work on cyber security also mitigates this risk by reducing.</p> <p>The likelihood is assessed as that of a successful cyber attack or loss of data centre due to major event such as a fire, and therefore is assessed as low.</p> <p>Impact is mitigated by recovery procedures and is now reduced to medium.</p>

CRK-014 Shared Services

If we fail to monitor/ manage where applicable all shared services which leads to a significant service failure

Managed By: David Sutton

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
		-	<ul style="list-style-type: none"> • Significant financial loss and sanctions/fines. Significant legal costs • Reputational damage nationally, with stakeholders and the public - internally and externally. • Impact on service delivery.

Mitigating Actions	Recognise shared services as shared delivery vehicles, not as third party contractors
	Transfer responsibility for Worcester Museum and Art Gallery to City Council
	Develop an ICT strategy to ensure WCC needs line up with shared service activities
	Review of major contracts and shared services

Latest Note

No change from previous period.

Current arrangements for shared services have established governance arrangements as reported to Policy & Resources Committee.

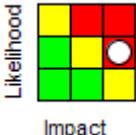
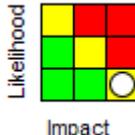
The likelihood of service failure remains low.

CRK-016 Health and Safety

Major Health and Safety incident -e.g. legionella out break, death/personal injury at work, or member of the public.

Managed By: Shane Flynn

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
		-	<ul style="list-style-type: none"> • Loss of life • Criminal proceedings • Significant financial loss and sanctions/fines • Significant legal costs • Reputational damage nationally, with stakeholders and the public - internally and externally. • Impact on service delivery.

Mitigating Actions	The creation of accident/incident recording systems and a policy/procedure framework throughout the City operations and staff which is accredited to OHAS 18001 standard.
---------------------------	---

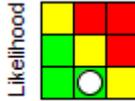
Latest Note	No change in relative likelihood of an incident occurring as the priority areas for corporate H & S input and advice have been identified and resourcing for this has been agreed. Recruitment of a full time post holder is underway.
--------------------	--

CRK-017 Safeguarding

Major Safeguarding incident relating to one of the Council's services/contracts

Managed By: Nina Warrington

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
 <p>Likelihood</p> <p>Impact</p>	 <p>Likelihood</p> <p>Impact</p>	-	<ul style="list-style-type: none"> • Criminal proceedings • Significant financial loss and sanctions/fines • Significant legal costs • Reputational damage nationally, with stakeholders and the public - internally and externally.

Mitigating Actions	Delivery of the Safeguarding Action Plan
	Review of major contracts and shared services

Latest Note

The Safeguarding Group continues to meet on a regular basis. Additional staff have chosen to become Safeguarding Advisors following a recruitment drive. This has provided coverage across all city council sites - MAG's, Guildhall and Sixways. Training is in progress for the new Advisors with a refresher for existing staff. Safeguarding training by all employees was a mandatory requirement to be completed by the end of March 2019. Any staff who have not completed will be flagged and monitored by managers in the bi annual PDR meetings. The improvement actions identified by the Section 11 Safeguarding Self Assessment are being monitored by the WSCB. These are in progress and will ensure all staff who are involved in recruitment are fully aware of safeguarding and ensure recruitment is undertaken in the correct way.

CRK-018 Asset Maintenance

If the Council fail to conduct relevant assessments and maintain owned assets and buildings

Managed By: Shane Flynn

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
		-	<ul style="list-style-type: none"> • Criminal proceedings • Significant financial loss and sanctions/fines • Significant legal costs • Reputational damage nationally, with stakeholders and the public - internally and externally.

Mitigating Actions	Identify and publish the Council's strategic aims regarding assets and define the approach to managing these
	To agree metrics for identifying testing regimes and monitoring progress against them

Latest Note
No change in assessment at this stage. The development of an Asset Management strategy is due to be undertaken by the Property & Asset Manager in 2019/20. This will form the basis for a new risk assessment.

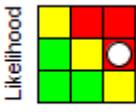
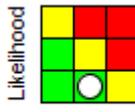
Risks Closed During Quarter Four – 2018/19

✔ CRK-009 Transformation Programme

If we do not deliver the Transformation Programme within the required timeframes.

Managed By: David Sutton

Approach: Treat

Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
 <p style="font-size: small;">Likelihood</p> <p style="font-size: small;">Impact</p>	 <p style="font-size: small;">Likelihood</p> <p style="font-size: small;">Impact</p>		<ul style="list-style-type: none"> Unable to deliver a balanced budget. Reduced reserves. Impact on service delivery Reputational damage with stakeholders and the public - internally and externally. Loss of staff and key skills

Mitigating Actions	Robust reporting arrangements to ensure political oversight.
	Transformation Programme

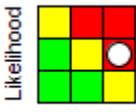
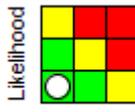
Latest Note
<p>Assumptions and projections regarding delivery of Transformation Programme projects have been built into the budget and MTFP under the Income and Efficiencies plan. Likelihood has been reduced to low.</p> <p>This risk will be closed as the overall Transformation Programme has been discontinued.</p>

✔ CRK-015 Place Partnership Ltd (PPL)

If the commercial/financial service approach of PPL does not work/suit the needs of the City Council, the Council would need to seek alternative arrangements, such as placing all its property work with another/other consultants OR re-creating an internal Property Services team.

Managed By: Shane Flynn

Approach: Treat

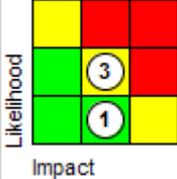
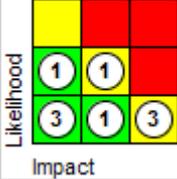
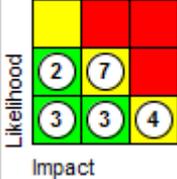
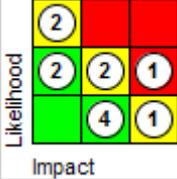
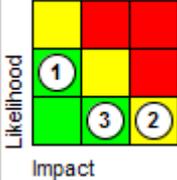
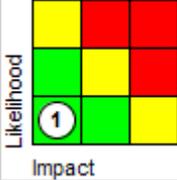
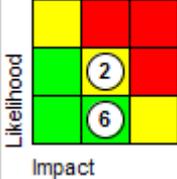
Original Risk Score	Current Risk Score	Trend Indicator	Risk Consequence
 <p>Likelihood</p> <p>Impact</p>	 <p>Likelihood</p> <p>Impact</p>	-	<ul style="list-style-type: none"> • Increased financial costs • Reputational Damage

Mitigating Actions	Develop options for alternative approaches to Facilities Management and strategic asset management
---------------------------	--

Latest Note
The in-house Property and Asset Management Team has been established. This risk can be deleted from the register.

Service Risk Overview Summary

Number and status of all service risks	
Red	5
Amber	30
Green	30

	Communications - Service Risk Register	
	Corporate Policy & Strategy - Service Risk Register	
	Community Services - Service Risk Register	
	Economic Development and Planning - Service Risk Register	
	Financial Services - Service Risk Register	
	Governance - Service Risk Register	
	Internal Audit - Service Risk Register	

	Museums Service Risk Register	<table border="1"> <tr> <td></td> <td>Yellow</td> <td>Red</td> <td>Red</td> </tr> <tr> <td>Likelihood</td> <td>1</td> <td>Yellow</td> <td>Red</td> </tr> <tr> <td></td> <td>Green</td> <td>3</td> <td>1</td> </tr> <tr> <td>Impact</td> <td></td> <td></td> <td></td> </tr> </table>		Yellow	Red	Red	Likelihood	1	Yellow	Red		Green	3	1	Impact			
	Yellow	Red	Red															
Likelihood	1	Yellow	Red															
	Green	3	1															
Impact																		
	Operations - Service Risk Register	<table border="1"> <tr> <td></td> <td>Yellow</td> <td>Red</td> <td>Red</td> </tr> <tr> <td>Likelihood</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <td></td> <td>Green</td> <td>1</td> <td>5</td> </tr> <tr> <td>Impact</td> <td></td> <td></td> <td></td> </tr> </table>		Yellow	Red	Red	Likelihood	1	1	1		Green	1	5	Impact			
	Yellow	Red	Red															
Likelihood	1	1	1															
	Green	1	5															
Impact																		
	Property and Assets - Service Risk Register	<table border="1"> <tr> <td></td> <td>Yellow</td> <td>Red</td> <td>1</td> </tr> <tr> <td>Likelihood</td> <td>Green</td> <td>Yellow</td> <td>Red</td> </tr> <tr> <td></td> <td>Green</td> <td>Green</td> <td>Yellow</td> </tr> <tr> <td>Impact</td> <td></td> <td></td> <td></td> </tr> </table>		Yellow	Red	1	Likelihood	Green	Yellow	Red		Green	Green	Yellow	Impact			
	Yellow	Red	1															
Likelihood	Green	Yellow	Red															
	Green	Green	Yellow															
Impact																		
	People Services - Service Risk Register	<table border="1"> <tr> <td></td> <td>Yellow</td> <td>1</td> <td>Red</td> </tr> <tr> <td>Likelihood</td> <td>1</td> <td>2</td> <td>Red</td> </tr> <tr> <td></td> <td>Green</td> <td>1</td> <td>Yellow</td> </tr> <tr> <td>Impact</td> <td></td> <td></td> <td></td> </tr> </table>		Yellow	1	Red	Likelihood	1	2	Red		Green	1	Yellow	Impact			
	Yellow	1	Red															
Likelihood	1	2	Red															
	Green	1	Yellow															
Impact																		
	Strategic Housing - Service Risk Register	<table border="1"> <tr> <td></td> <td>Yellow</td> <td>3</td> <td>Red</td> </tr> <tr> <td>Likelihood</td> <td>Green</td> <td>7</td> <td>Red</td> </tr> <tr> <td></td> <td>Green</td> <td>Green</td> <td>Yellow</td> </tr> <tr> <td>Impact</td> <td></td> <td></td> <td></td> </tr> </table>		Yellow	3	Red	Likelihood	Green	7	Red		Green	Green	Yellow	Impact			
	Yellow	3	Red															
Likelihood	Green	7	Red															
	Green	Green	Yellow															
Impact																		