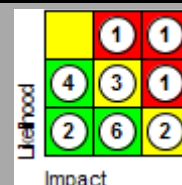










































Corporate Risk Management Report



Corporate Risk Register



Risk Code	Risk Title	Current Risk Score	Short Term Trend
 CRK-002a	City Plan Priorities - Financial Resources	9	
 CRK-002b	City Plan Priorities - Staff Resources	5	
 CRK-004	Development Plan	5	
 CRK-005	Local Government Funding	7	
 CRK-006	Investment Portfolio	3	
 CRK-007	Business Rates Local Retention	5	
 CRK-008	Civil Emergency	3	
 CRK-011	ICT Security	8	
 CRK-012	ICT Systems Infrastructure	6	
 CRK-014	Shared Services	3	
 CRK-016	Health and Safety	6	
 CRK-017	Safeguarding	2	
 CRK-018	Asset Maintenance	3	
 CRK-020	Business Continuity Plan (BCP) sickness absence	2	
 CRK-027	Leisure Centre Operations	3	
 CRK-038	Staff Resilience	3	
 CRK-039	Overspending against funding	2	
 CRK-040	ICT systems and architecture	1	
 CRK-041	Reputation and resource	1	
 CRK-042	Demand on Homes and Communities service	2	

CRK-002a City Plan Priorities - Financial Resources

Insufficient financial resources to deliver City Plan Priorities

Managed By: Shane Flynn

Approach: Treat

Previous Risk Score	Current Risk Score	Short Term Trend	Risk Consequence
			<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.

Latest Note

The 'impact' risk level has been increased to critical.

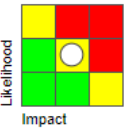
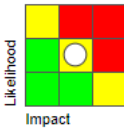

There are sufficient reserves to meet all existing city pan priorities, but the 2022/23 budget-setting process resulted in the business rates risk reserves being reduced to below the minimum requirement and the depletion of all other non-earmarked reserves as well as the repurposing of a number of earmarked reserves. The budget gap identified as of February 2023 is £1.7m and if not addressed during the current financial year will result in further City Plan reserves being repurposed and progress on projects ceased or suspended.

CRK-002b City Plan Priorities - Staff Resources

Insufficient staff resource to deliver City Plan Priorities, including senior staff vacancies and organisation capacity

Managed By: Shane Flynn

Approach: Tolerate



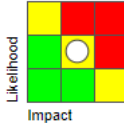

Previous Risk Score	Current Risk Score	Short Term Trend	Risk Consequence
			<ul style="list-style-type: none"> • Unable to deliver and implement our vision, mission, and City Plan with significant impact on the shape of the City, its residents and council staff. • Reputational damage with stakeholders 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.

Latest Note

The Major Programme set of projects and the Corporate Projects have identified resources in all cases, although in some instances the role of Project Manager remains additional to other tasks. The project monitoring system highlights areas where resources are not sufficient for progress and a process of reporting to the Leaders/CLT Group has been introduced.

The contract for the senior resource for FHSF has been further extended until the project has reached the end of the development stages at least and other staff resources have been deployed to move forward other projects.

The risk has remained at the same level as a result of the Levelling Up Fund (LUF) bid proving unsuccessful.

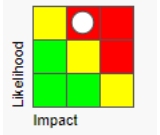
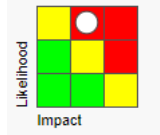

 CRK-004 Development Plan			
Failure to have an up to date plan leading to unwanted speculative development			
Managed By:	Corin Beames		
Approach:	Tolerate		
Previous Risk Score	Current Risk Score	Short Term Trend	Risk Consequence
			<ul style="list-style-type: none"> • Reputational damage – Dept for Communities and Local Government (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.
Latest Note			
<p>The Regulation 19 (publication) consultation of the South Worcestershire Development Plan Review (SWDPR) was undertaken between 1st November and 23rd December 2022. Officers are currently in the process of sorting and considering the representations made to the consultation.</p> <p>A timetable to establish the next steps of the SWDPR will be produced in due course.</p> <p>As part of the wider Levelling-up and Regeneration Bill, a government consultation relating to updates to the National Planning Policy Framework (NPPF) was launched in December 2022. Within this consultation, changes to the way local plans are to be produced and how the five-year housing land supply is to be used are being consulted on. The South Worcestershire Councils will be responding to this consultation and will consider the outcomes of it for plan making and the five-year housing land supply once the results have been published later in 2023.</p>			

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

Previous Risk Score	Current Risk Score	Short Term Trend	Risk Consequence
			<ul style="list-style-type: none"> Reduced ability to deliver current service levels across the Council

Latest Note

The risk remains high as there is a significant budget gap in the Medium Term Financial Plan (MTFP) which needs to be addressed.

The 2023/24 budget settlement was in line with expectations and as long as the commitment to maintain core spending power remains in place, this should maintain this level of funding. The current settlement agreements are for one year only so there remains a risk that funding levels will not be continued into future years although the December 2022 settlement indicated that funding levels would be maintained for two years.

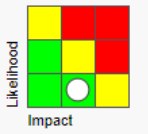
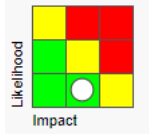

Nevertheless the Council is now dependent on income from local sources and while cost inflation continues to outstrip income increases, the budget gap will continue to widen. Therefore a savings plan is needed for 2023/24 to identify £1.7m savings or income increases prior to budget setting for 2024/25. This plan is in development.

CRK-006 Investment Portfolio

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

Managed By: Shane Flynn

Approach: Treat

Previous Risk Score	Current Risk Score	Short Term Trend	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.

Latest Note

There has been a significant downturn on property investment values which is reducing the income derived from the Council's investment in the CCLA Fund. However this is a long term investment which is expected to recover over time. Other property investments remain stable.

Increased interest rates on cash balances and short-term investments are mitigating risks considerably as current borrowing is at fixed rates and is not expected to increase significantly in the short term. Inflation pressures are expected to ease in the second half of 2023 which may result in fewer increases in interest rates, but they are likely to remain at current levels, at least, for the rest of this year.

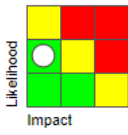


The Council continues to benefit from cash transfers from Government departments in respect of Future High Streets Fund (FHSF), Towns Fund, UK Shared Prosperity Fund (UKSPF) and energy grants, etc in advance of spend as interest is earned on these cash balances.

CRK-007 Business Rates Local Retention

Risk of large employer leaving the City

Managed By: Shane Flynn

Approach: Treat

Previous Risk Score	Current Risk Score	Short Term Trend	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.

Latest Note

Impact risk increased to significant, with overall risk assessment increasing to 'medium'.

While there continues to be pressure on the High Street there is also development supported by the capital funding that the Council has received. On the other hand, at least one large manufacturing employer has ceased trading.

Moreover collection rates have reduced during 2023/24 due to reduced collection activity arising in part from the cost of living crisis and in part from the revenues and benefits system transfer which resulted in delays in processes. The backlog should be recovered in time but there is an increased risk of write-offs as the time delay between billing and recover is extended.

The Business Rates Pool is to be continued for 2023/24 and include Herefordshire Council, which should increase the amount of rates income retained locally. Appeals under the 'check-challenge-appeal' remain low compared to historic levels, which may allow for release of some risk reserves to mitigate the projected increase in write-offs.

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

Previous Risk Score	Current Risk Score	Short Term Trend	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.

Latest Note

The pandemic no longer requires significant specific corporate resources and business as usual arrangements are supporting effective management of associated issues.

An exercise was undertaken at CMT in September 2021 to consider and prepare for concurrent emergencies of flooding and a cyber-attack, running alongside Covid. Learning points were reviewed and actioned.

A further exercise covering a cyber-attack was undertaken with CMT and CLT in September 2022.

Work continues under the supervision of the ICT Management Board to mitigate the risks of cyber-attack including IT security measures, enhanced IT recovery capability and increased staff awareness and vigilance through training.

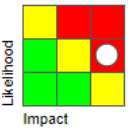
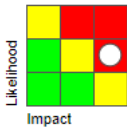

The 'PTC' officer post leading on Emergency Planning was filled from 3rd January and existing plans are robust so likelihood remains low.

CRK-011 ICT Security

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

Managed By: David Sutton; Nigel Winters

Approach: Treat

Previous Risk Score	Current Risk Score	Short Term Trend	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.

Latest Note

Risk score remains unchanged as there is a high level of threat.

Progress continues to deliver on cyber action plan.

Project to transfer data from unstructured file shares to the cloud nearing completion.

Project to migrate Civica Financials to a cloud hosted environment has been paused due to contractual issues.

Regular phishing exercises are continuing to test vulnerability due to human error and targeted action is taken with those who have been caught out by phishing exercises. Staff awareness of this issue has increased but further awareness raising, and vigilance is still required.

CRK-012 ICT Systems Infrastructure

If there is not continuous availability of critical IT systems, due to loss of buildings or loss of data links.
Note: CRK-011 ICT security addresses malicious attack

Managed By: David Sutton; Nigel Winters

Approach: Treat

Previous Risk Score	Current Risk Score	Short Term Trend	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.


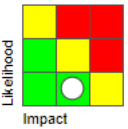
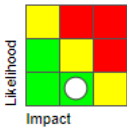

Latest Note


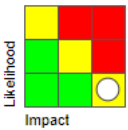
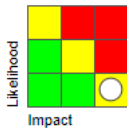

All systems replicated from primary data centre to secondary data centre. All critical systems should be available within 48 hours of losing primary data centre. Business continuity servers refreshed and configured. Final testing yet to be completed.

Resilient (triangular) data links between the three South Worcestershire sites provide alternative connections in the event of loss between two sites.

Large proportion of home / remote working using cloud based systems has reduced the impact of this risk.

Potential to reduce impact at next period when further adoption of cloud based applications and full back up testing completed.

 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		
Previous Risk Score	Current Risk Score	Short Term Trend	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.
Latest Note			
<p>No change - Current arrangements for shared services have established governance arrangements.</p> <p>Whilst there are emerging risks related to the economy, the likelihood of service failure due to insufficient oversight remains low.</p>			

 CRK-016 Health and Safety			
Major Health and Safety incident - e.g. legionella outbreak, death/personal injury at work, or member of the public			
Managed By:	Asha Bartlett; Sian Stroud		
Approach:	Treat		
Previous Risk Score	Current Risk Score	Short Term Trend	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.
Latest Note			
<p>No change to assessment.</p> <p>Regular reporting of risk assessment for premises has been reintroduced for CLT bi-annually, having been reduced once the position was stabilised post-PPL.</p> <p>A new Health & Safety Officer has been appointed following a period of secondment from another authority in autumn 2022 and is systematically reviewing arrangements and raising areas of potential concern.</p> <p>The Health & Safety Member Champion continues to engage and highlight areas of potential risk.</p>			

CRK-017 Safeguarding

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

Managed By: Tom Mountford

Approach: Treat


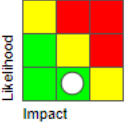
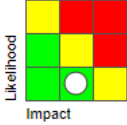

Previous Risk Score	Current Risk Score	Short Term Trend	Risk Consequence
		-	<ul style="list-style-type: none"> • Criminal proceedings • Significant financial loss and sanctions/fines • Significant legal costs • Reputational damage nationally, with stakeholders and the public - internally and externally.


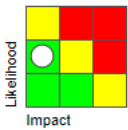
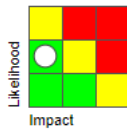

Latest Note

Rough Sleeper numbers have remained steady with a number of entrenched rough sleepers being supported in to stable accommodation. Worcester saw a lower proportionate increase in rough sleeper numbers from the annual count in Autumn 2022 than national figures.

Contracts awarded for SWEP and Single Homeless Project and Housing First provision which strengthens capacity, support, and response to those at risk of homelessness or rough sleeping and the provision of safe accommodation in adverse weather.

Safeguarding Policy redrafted for committee in July 2023 and Safeguarding training currently being reviewed and refreshed. Section 11 audit by County due to be undertaken later in the year.

 CRK-018 Asset Maintenance			
If the Council fail to conduct relevant assessments and maintain owned assets and buildings, this could result in building damage and risks to Health and Safety			
Managed By:	Shane Flynn		
Approach:	Treat		
Previous Risk Score	Current Risk Score	Short Term Trend	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.
Latest Note			
<p>The risk remains 'Low'.</p> <p>The flexible working policy has reduced pressure on Council offices but increased the need for display screen equipment and other local risk assessments which is addressed through the Learning Lounge. This has highlighted some complexity in arranging the correct set of display screen equipment (DSE) which may result in individuals not having the correct set-up for an extended period. Work is underway to address this.</p> <p>Routine risk assessment continues and CLT has re-introduced bi-annual reporting to maintain visibility in the new flexible working arrangements.</p>			

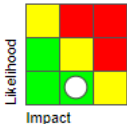

 CRK-020 Business Continuity Plan (BCP) sickness absence			
If we do not effectively manage staff mental well-being this could result in loss of morale, sickness, and absence			
Managed By:	Alison Darbyshire; Sian Stroud		
Approach:	Treat		
Previous Risk Score	Current Risk Score	Short Term Trend	Risk Consequence
			In addition to the effect on individual members of staff, adverse well-being could lead to significant staff absence and therefore a reduction in service delivery and reputational damage.
Latest Note			
Sickness levels and risk remain broadly similar with no major changes in risk or absence levels since the last review.			

CRK-027 Leisure Centre Operations

There is a risk to the viability of the Leisure Operator due to the continued reduction in demand and/or increased costs

Managed By: Lloyd Griffiths


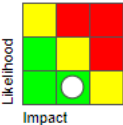
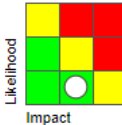

Approach: Treat

Previous Risk Score	Current Risk Score	Short Term Trend	Risk Consequence
			<ul style="list-style-type: none"> • Transfer of responsibility for the operation to the Council at short notice • Loss of business during transition periods • Breakdown in short term relations between operator and Council resulting in loss of business and reputational damage • Facilities not maintained to appropriate standard, raising safety concerns

Latest Note

Council approved funding of up to £315,000 to support Freedom Leisure with increased costs of energy during 2023/24. Therefore the risk of significant disruption to leisure operations for 2023/24 is low. The actual full year additional energy costs for 2023/24 were £585,000 but an increase to fees & charges (+ £240,000) and a reduction in opening times (- £30,000) Nunnery Wood Sports Centre reduced the maximum level of subsidy required down to £315,000.

Open book account meetings continue to be held every 6 weeks at which actual and forecasted income and costs are reviewed, before any payments are agreed for release.

 CRK-038 Staff Resilience			
Failure to help staff change and adapt to the changing hybrid working environment and working practices			
Managed By:	Sian Stroud		
Approach:	Treat		
Previous Risk Score	Current Risk Score	Short Term Trend	Risk Consequence
			<ul style="list-style-type: none"> • Staff become disengaged due to insufficient communications • Reduced morale and team coherence • Increased health and safety risk due to lone working or inappropriate workspace • Business disruption due to reduced information flows/difficulty contacting people
Latest Note			
<p>This risk was included in the register in spring 2022 to recognise the potential impact of new more flexible ways of working and to ensure that any risks arising, such as lone working, isolation and loss of contact, reduced learning and deterioration in wellbeing are recognised and addressed.</p> <p>A set of potential issues were identified in 2022 at staff conferences which were addressed, and mitigations put in place, including supporting team activities, ensuring teams spent time together in the office, reviews of health and safety and availability of support, as required. The flexible working policy has been reviewed and revised and internal communications and events celebrating success continue to be popular.</p>			

CRK-039 Overspending against funding

There is a risk that income and Government funding levels will not match costs/spending

Managed By: Mark Baldwin

Approach: Treat

Previous Risk Score	Current Risk Score	Short Term Trend	Risk Consequence
		-	<ul style="list-style-type: none"> Income is insufficient to enable delivery of all required/desired services Reserves depleted to the extent that City Plan objectives cannot be delivered Reputational risk of notification to department that a S114 report may be needed Short term, reactive responses required to reduce costs with negative impact on services and staff

Latest Note

The Medium Term Financial Plan (MTFP) for 2023/24 has been approved including a future budget deficit. A Savings Plan is being prepared with detailed budget reviews being led by the directors. Employees will be briefed on the results and the future plans in the next few weeks.

CRK-040 ICT systems and architecture

There is a risk of infrastructure not meeting the changing needs of the organisation

Managed By: David Sutton

Approach: Tolerate

Previous Risk Score	Current Risk Score	Short Term Trend	Risk Consequence
		-	If infrastructure does not keep up with requirements of the organisation, then service delivery will be negatively affected, and there may also be an impact on staff morale and retention.

Latest Note

The likelihood remains low due to the ongoing oversight of the development of systems and architecture by the ICT Management Board.

The impact has been assessed as no more severe than noticeable as any disconnect between service requirements and ICT systems would result in inefficiency rather than significant service failure.

A digital transformation team meets regularly and reviews upcoming developments and potential challenges.

CRK-041 Reputation and resource

Due to cost of living pressures there is a risk of significant call on resources due to additional demand on services

Managed By: Shane Flynn

Approach: Tolerate

Previous Risk Score	Current Risk Score	Short Term Trend	Risk Consequence
			<ul style="list-style-type: none"> • Additional resources required to meet increasing demand • Staff morale impaired due to increasing pressures • Partnerships eroded due to insufficient capacity to engage

Latest Note

The cost of living crisis is resulting in increased demands on services such as Customer Services, Revenues and Benefits, housing, and communities.

The demands are not overstressing the services at this stage, although there are increased pressures on.

A Task & Finish Group has been set up to explore ways of mitigating benefits costs due to a constrained approach to overpayment and debt recovery. This may lead to increased write-offs, for which additional reserves have been identified.

Additional resources have been provided to Citizen's Advice as a first line of response to help with money management, and the Foodbank. A new tranche of Household Support Funding was allocated at P&R in December 2022 and a further set of grants have been provided for help with additional fuel costs during quarter 4.

Partnership working has been maintained through a series of workshop events designed to address various aspects of the impact of the cost of living under the terms of a Task and Finish Group and the Child Poverty Action Plan has been implemented.

CRK-042 Demand on Homes and Communities service

Service demand and reputational risk - Call on system capacity due to being unable to plan for the arrival and volume of asylum seekers and refugees

Managed By: Lloyd Griffiths; Tom Mountford

Approach: Tolerate

Previous Risk Score	Current Risk Score	Short Term Trend	Risk Consequence
		-	<ul style="list-style-type: none"> • Additional resources required to meet increasing demand • Staff morale impaired due to increasing pressures • Partnerships eroded due to insufficient capacity to engage • Reputational risk if asylum seekers not supported effectively in local communities

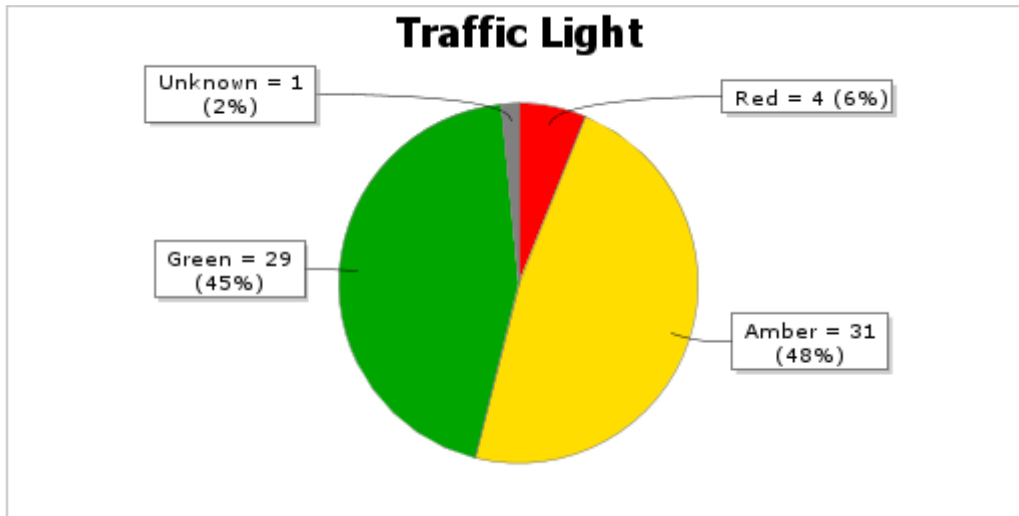
Latest Note

The additional staff resource recruited to this project continues to be successful and reduces the vast majority of day to day operational issues away from housing options staff etc.


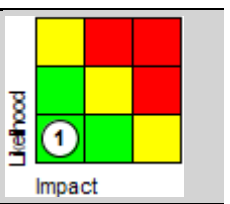

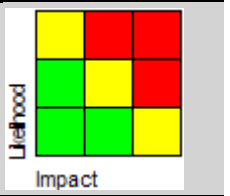

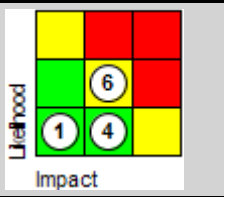

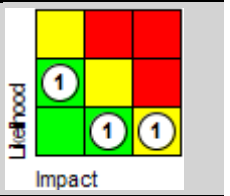

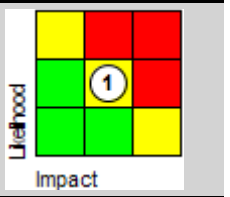


There has been a significant reduction in the number of Ukrainian guests being accommodated in Worcester (similar picture nationally) and more recently decisions taken at County level to extend and increase payment to sponsor households to incentive them to keep hosting arrangements in place.

There are a growing number of Ukrainian families that have applied for social housing and officers currently working with a local RP on a capital scheme (LAHF) for 11 units of accommodation that could be provided for Ukrainian or Afghan families or singles.

Service Risk Summary Overview



▲	City Operations - Service Risk Register	<table border="1"> <tr><td>Yellow</td><td>1</td><td>Red</td></tr> <tr><td>2</td><td>2</td><td>Red</td></tr> <tr><td>2</td><td>3</td><td>1</td></tr> </table> <p>Likelihood</p> <p>Impact</p>	Yellow	1	Red	2	2	Red	2	3	1
Yellow	1	Red									
2	2	Red									
2	3	1									
▲	Communications - Service Risk Register	<table border="1"> <tr><td>Yellow</td><td>Red</td><td>Red</td></tr> <tr><td>Green</td><td>1</td><td>Red</td></tr> <tr><td>Green</td><td>1</td><td>Yellow</td></tr> </table> <p>Likelihood</p> <p>Impact</p>	Yellow	Red	Red	Green	1	Red	Green	1	Yellow
Yellow	Red	Red									
Green	1	Red									
Green	1	Yellow									
✔	Corporate Policy & Strategy - Service Risk Register	<table border="1"> <tr><td>Yellow</td><td>Red</td><td>Red</td></tr> <tr><td>Green</td><td>1</td><td>Red</td></tr> <tr><td>Green</td><td>1</td><td>1</td></tr> </table> <p>Likelihood</p> <p>Impact</p>	Yellow	Red	Red	Green	1	Red	Green	1	1
Yellow	Red	Red									
Green	1	Red									
Green	1	1									
▲	Economic Development - Service Risk Register	<table border="1"> <tr><td>Yellow</td><td>Red</td><td>Red</td></tr> <tr><td>1</td><td>2</td><td>Red</td></tr> <tr><td>Green</td><td>1</td><td>Yellow</td></tr> </table> <p>Likelihood</p> <p>Impact</p>	Yellow	Red	Red	1	2	Red	Green	1	Yellow
Yellow	Red	Red									
1	2	Red									
Green	1	Yellow									
▲	Financial Services - Service Risk Register	<table border="1"> <tr><td>1</td><td>Red</td><td>Red</td></tr> <tr><td>Green</td><td>2</td><td>Red</td></tr> <tr><td>Green</td><td>2</td><td>2</td></tr> </table> <p>Likelihood</p> <p>Impact</p>	1	Red	Red	Green	2	Red	Green	2	2
1	Red	Red									
Green	2	Red									
Green	2	2									

	Governance - Service Risk Register	
	Human Resources - Service Risk Register	
	Internal Audit - Service Risk Register	
	Museums Service Risk Register	
	Property and Assets - Service Risk Register	
	Planning-Service Risk Register	
	Homes and Communities - Service Risk Register	