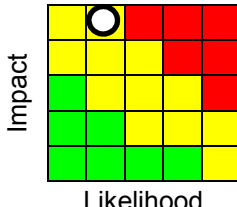
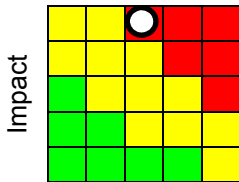
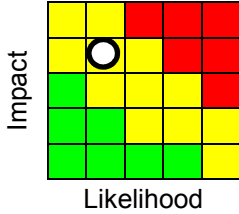
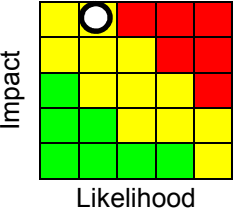
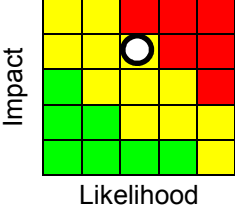


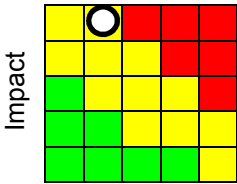
Significant Business Risk Register

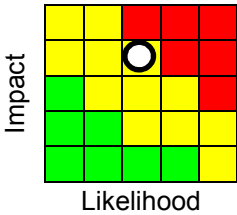
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Performance Management Risks				
<p>1. Fit for the Future Change Programme not managed appropriately/effectively.</p>	<p>Poor organisational communication. Conflicting priorities and priorities increasing in number. Unable to dedicate appropriate resources due to the impact on existing services. Poor management. Ineffective use of project management or systems thinking. Lack of funding.</p>	<p>Reduced service levels. Non or reduced achievement of objectives. Adverse financial impacts. Reputational damage. Demoralised and demotivated staff.</p>	<p>Project prioritisation. (SMT) SMT are Programme Board. (SMT) Fit for the Future change programme and associated governance arrangements. (SMT) Budget monitoring process. (HoF) Clear communications, staff focus group. (SMT) People Strategy Action plan. (SMT) Strong leadership to ensure priorities are managed to a deliverable level. (SAMS) Securing additional resources to support existing service provision. (CMT) Projects drawn up within RIBA framework. (SMT)</p>	 <p style="text-align: center;">Likelihood</p>

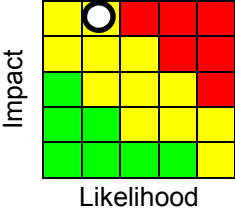
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Performance Management Risks (Cont.)				
<p>2. Risk of sustained service quality reduction.</p>	<p>Shortage of staff resources and staff skills and knowledge.</p> <p>Staff skills and resources diverted to service redesign proposals as part of delivering Fit For the Future and other emerging corporate priorities.</p> <p>Cannot afford cost of maintaining service quality.</p> <p>Partners such as WCC make service cuts.</p> <p>Pandemic.</p> <p>Contractor failure.</p> <p>Unplanned termination of contract by contractor.</p>	<p>Poor customer service and reductions in income.</p> <p>Lack of direction with critical projects and services being compromised</p> <p>Public lose confidence in Council's ability to deliver.</p> <p>Demoralised and demotivated staff.</p> <p>Additional costs attached to re-procuring contract, including legal fees.</p>	<p>Effective Management of Change Programme. (CMT)</p> <p>Agreeing additional resources where service quality is reduced. (CMT)</p> <p>Strong leadership to manage priorities to a deliverable level. (SMT)</p> <p>Effective vacancy control. (SMT)</p> <p>Service Reviews. (SMT)</p> <p>Workforce Planning. (SMT)</p> <p>Enhanced Performance Management System (HoNS)</p> <p>Project underway considering recruitment & retention, job evaluation procedure, "employee branding", impact of National Living Wage, Apprentices. Reports in due course to Employment Committee and People Strategy Workforce Steering Group. (HR&OD)</p> <p>A work plan has been agreed by SMT and PSSG A project is underway, led by the Workforce Steering Group, to implement a range of actions that are intended to address the causes and impact of recruitment and retention difficulties. (SMT)</p> <p>Effective contract management supported by appropriate legal support. (SMT)</p>	 <p>Impact</p> <p>Likelihood</p>

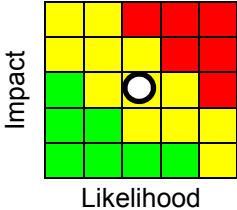
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
<p>3. Risk of major contractor going into administration or deciding to withdraw from the contract.</p>	<p>Poor procurement of contractor. Poor contract management. Poor management of company. External factors. State of economy (including Brexit factors). Introduction of Living Wage.</p>	<p>Reduced service levels. Non or reduced achievement of objectives. Adverse financial impacts. Reputational damage.</p>	<p>Properly procured contracts. (SMT) Active contract management supported by appropriate legal support. (SAMS) Business Continuity Plan. (SMT)</p>	
<p>Corporate Governance Risks</p>				
<p>4. Risk of corporate governance arrangements not maintained effectively.</p>	<p>Ineffective political and senior management leadership. Complacent attitudes. Delays in making, or failure to make, key decisions by Council Members. Breakdown of member-officer relationships. Election of new members.</p>	<p>Breakdown in internal controls leading to: non-achievement of objectives; high volumes of staff, customer, and contractor fraud; and loss of reputation.</p>	<p>Council’s constitution. (DCE(AJ)) Council’s strategies and policies, including Code of Financial Practice and Code of Procurement Practice. (SMT) Strong scrutiny arrangements. (SMT) Effective internal audit function. (HoF) Annual Governance Statement. (DCE(AJ)) Codes of Conduct. (Members) Effective Political Group discipline. (Group Leaders) Councillor training (CMT) New Member/Officer Protocol introduced. (DCE(AJ))</p>	

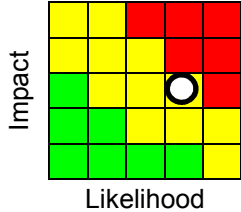
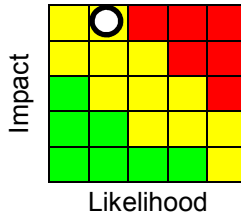
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Human Resources Risks				
5. Risk of staff not developed effectively.	Ineffective workforce strategies. Not managing staffing resources efficiently and effectively. Possible insufficient training budget.	Disruption to Council services – staff cannot undertake level or volume of work to meet all priorities. Poor customer service. ‘Industrial’ action.	Link to People Strategy. (SMT) Subset of HR Workforce Steering Group to audit skills training as Mandatory/Essential/Desirable. Assess corporate/service area training budgets to match short and long term needs. (HR Manager) Succession planning. (SMT) Prioritisation of work. (SMT) Appropriate use of external resources. (SMT)	

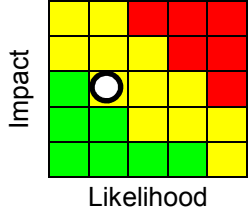
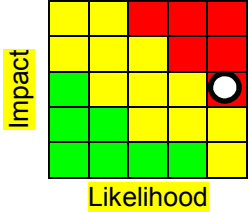
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Financial Management Risks				
<p>6. Risk of insufficient finance to enable the council to meet its objectives (including insufficient reduction in operational costs).</p>	<p>Poor financial planning. Unexpected loss of income and/ or increase in expenditure. FFF Projects do not achieve sufficient savings. Risk of poor Revenue Support Grant Settlement. Business Rate Retention. Council Tax income base reducing. National Economy declines. Local economy declines Tightening of Government fiscal policy. Changes to Government Policy. Reduced Government grants. Demographic changes. Focus on FFF priorities which compromise existing service delivery. Weak financial planning and forecasts. External competition. Member decision making. Council policy framework not conducive to enterprise development. Increased contract costs (from intro of LW) Housing and Planning Bill reducing the resources available to the Council to maintain its housing landlord service.</p>	<p>Forced to make large scale redundancies. Forced to make urgent decisions without appropriate planning. Forced to make service cuts. Increased costs. Fines/penalties imposed. Landlord service becomes unviable and/or the condition of the housing stock reduces its utility and value.</p>	<p>Codes of Financial Practice and Procurement Practice. (HoF) Effective internal audit function. (HoF) External audit of financial accounts. (HoF) Effective management of FFF Projects. (SMT) All projects accompanied with robust financial appraisals and programme forecasts that allow the Council to understand projected funding requirements. (HoF) Council's constitution. (DCE(AJ)) Financial training. (HoF) Robust financial planning and a Medium Term Financial Plan that can accurately forecast income and expenditure. (HoF) Regular review of Financial Strategy. (HoF/SMT) Prosperity Agenda prioritised within Sustainable Community Strategy aspirations and resources aligned to support delivery. (CMT) Code of Financial Practice Training being provided. (HoF) Plan in place to fill the anticipated budget shortfall. (HoF/SMT) Complete Leisure Development Programme regarding investment and management arrangements. (HoCS/CMT) Review of Housing Revenue Account Business Plan to balance expenditure with net income (after any payments due to government in support of national policy). (HoH&PS/HoF) New FFF programme agreed by Members. (CMT) Ongoing monitoring and future reports of existing assumed savings – e.g. leisure programme, office move, terms & conditions review. (SMT). Complete business case for HQ relocation. (DCE(BH)) Efficiency Plan agreed with DCLG. (HoF/CMT)</p>	 <p>Impact</p> <p>Likelihood</p>

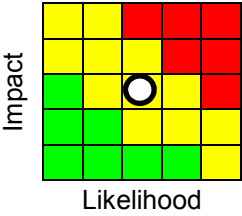
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Financial Management Risks (Cont.)				
<p>7. Risk of additional financial liabilities.</p>	<p>Risk of revenue implications of capital schemes not being fully identified.</p> <p>Risk of loss or delay of capital receipts.</p> <p>Risk of increase in superannuation fund contributions.</p> <p>Uninsured loss.</p> <p>Risk of Medium Term Financial underestimating future revenue income and expenditure (including capital)</p> <p>Legal challenge e.g. relating to a planning development.</p>	<p>Greater level of savings to be sought.</p> <p>Forced to make sub-optimum and short term decision without proper planning.</p> <p>Reduced levels of service.</p> <p>Payment of compensation.</p> <p>Failure to deliver service.</p> <p>Contractual disputes.</p>	<p>Fit for the Future change programme. (CMT)</p> <p>Project Risk Registers. (SMT)</p> <p>Project Management. (SMT)</p> <p>Asset Management. (DCE(BH))</p> <p>More effective financial planning and scenario analysis. (HoF)</p> <p>Regular monitoring of Fit for the Future. (SMT)</p> <p>Legal advice on projects. (SMT)</p> <p>Projects drawn up within RIBA framework. (SMT)</p> <p>Reserves used to smooth impact of fluctuations in income. (HoF)</p>	

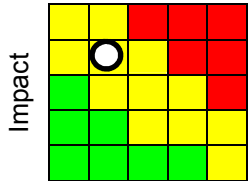
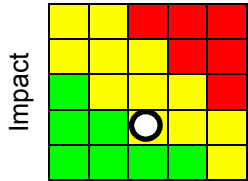
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Financial Management Risks (Cont.)				
8. Risk of not investigating potential income sources.	Ineffective management. Complacency. Lack of resources to investigate. Other priorities.	More loss-making or subsidised services. Reduced income for the Housing Revenue Account that could compromise banking covenants.	<p>FFF Programme. (SMT)</p> <p>Effective fees and charges schemes. (HoF)</p> <p>Communications & Marketing Strategy. (SAMS)</p> <p>Regular review of financial forecasts to ensure income projections are up to date. (HoF)</p> <p>Secure additional resources to ensure existing services are not impacted as a result of a focus on FFF/corporate priorities. (HoF)</p> <p>Ongoing submission of bids for external funding opportunities e.g. Expressions of Interest to CWLEP SEP refresh process for future LGF rounds, bids for Growing Places funding(DCE(BH))</p> <p>Adopt new Local Plan. (Members)</p>	

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Procurement Risks				
9. Risk of improper procurement practices and legislative requirements not being complied with.	Weak governance arrangements. Ineffective procurement. Poor procurement function.	Reduced levels of service provision. Increased costs. Fines/penalties imposed.	Codes of Financial Practice and Procurement Practice. (HoF) Training of staff. (HoF/SMT) Monitoring of departmental procurement. (SMT) Procurement Strategy (incl. action plan). (HoF) Code of Procurement Practice and related documents updated. (HoF) WCC Procurement Team and WCC Legal Team providing additional support and expertise.	

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Partnership Risks				
<p>10. Risk of partnerships not delivering stated objectives.</p>	<p>Poor management. Failure to apply a robust process for entering into partnerships.</p> <p>Lack of framework governing partnerships.</p> <p>Existing sub-regional partnerships disrupted or disbanded as a consequence of the regional focus resulting from the announcement of the West Midlands Combined Authority</p>	<p>Required outcomes not achieved.</p> <p>Increased costs.</p> <p>Reduced level of service or failure to deliver service.</p>	<p>Ongoing scrutiny of partnerships. (DCE(AJ))</p> <p>Normal management arrangements. (SAMS)</p> <p>Partnership checklists. (DCE(AJ))/SMT)</p> <p>Annual healthcheck completed by senior officers. (DCE(AJ))/SMT)</p> <p>Scrutiny committee regular review. (DCE(AJ))</p> <p>Audit of partnership arrangements. (DCE(AJ))</p> <p>Project Groups for significant services. (SMT)</p> <p>Involvement in and engagement with existing sub-regional partnerships e.g. CWLEP, sEPB etc. (CMT)</p>	
Legal Risks				
<p>11. Risk of not complying with key legislation or legal requirements, including failure to protect data.</p>	<p>Breakdown in governance.</p>	<p>External censure.</p> <p>Financial loss.</p> <p>Litigation.</p> <p>Financial sanctions/penalties</p> <p>Damage to reputation.</p>	<p>Constitution. (DCE(AJ))</p> <p>External legal advice. (DCE(AJ))</p> <p>Ongoing monitoring of all Executive recommendations. (DCE(AJ))</p> <p>Ongoing professional training. (SMT)</p>	

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Information Management Risks				
<p>12. Risk of ineffective utilisation of information and communications technology.</p>	<p>Poor management of IT function. Lack of specialist staffing. Lack of finance. Poor training of new and existing staff on ICT systems. Poor data quality. Resistance to change.</p>	<p>Costly services. Inefficient services. Poor customer service. Data disclosures.</p>	<p>ICT Strategy and Digital Transformation Strategy. (DCE (AJ)) Fully-resourced, effective and secure IT function. (DCE (AJ)) Training for staff. (DCE (AJ)) Remediation action being taken through re-formed ICT Steering Group. (SMT)</p>	
<p>13. Risk of failure to protect information assets from a malicious cyber attack</p>	<p>Lack of staff training and awareness. Poor or ineffective countermeasures. Ineffective incident response plans. Inadequate penetration testing regime.</p>	<p>Reputational damage. Lost productivity. Recovery costs. Potential fines (ICO).</p>	<p>CESG approved penetration tests. (DCE (AJ)) Patch Management Policy. (DCE (AJ)) Anti-malware software. (DCE (AJ)) Anti-malware strategy. (DCE (AJ)) Anti-malware risk log. (DCE (AJ)) Incident Management Policy & Procedure. (DCE (AJ)) Major Virus Response Procedure. (DCE (AJ)) Electronic Information Backup Policy. (DCE (AJ)) Staff training. (DCE (AJ)) Next generation AV. (DCE (AJ)) Intrusion detection. (DCE (AJ)) Log monitoring. (DCE (AJ))</p>	

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Asset Management Risks				
<p>134. Risk of failing to provide, protect and maintain Council-owned property.</p>	<p>Poor management. Lack of finance. Ineffective asset management. Incomplete data on asset conditions. Lack of effective asset management planning. Insufficient resources to maintain assets. Inaction re multi-storey car parks.</p>	<p>Lack of a suitable and safe living or working environment for residents, staff and visitors. Sub optimum asset decisions that are poor value for money. Building closure. Closure of car parks with resultant loss of income.</p>	<p>New Asset Management Strategy developed linked to Asset Database. (DCE(BH)) Overall strategic decisions regarding Council's corporate assets managed by multi-disciplinary Asset Strategy Group – chaired by Deputy Chief Executive. (DCE(BH)) The operational management of the corporate repairs budget is overseen by the Asset Management Group (AMG) – chaired by Property Manager. (HoH&PS) Improvements to be made to end to end systems to manage electrical testing, asbestos and gas servicing and Legionella Disease. (HoH&PS) Completion of HRA stock condition survey. (HoH&PS) Complete business case for HQ relocation. (DCE(BH)) Completion of review of planned maintenance programme for corporate assets. (DCE(BH)) Preparation of Business Cases for future investment in the Linen Street MSCP. (HoNS)</p>	 <p>The residual risk rating is represented by a 4x4 matrix. The vertical axis is labeled 'Impact' and the horizontal axis is labeled 'Likelihood'. The matrix cells are colored as follows: (Impact 1, Likelihood 1) is Yellow; (Impact 1, Likelihood 2) is Yellow; (Impact 1, Likelihood 3) is Red; (Impact 1, Likelihood 4) is Red; (Impact 2, Likelihood 1) is Yellow; (Impact 2, Likelihood 2) is Yellow with a white circle; (Impact 2, Likelihood 3) is Red; (Impact 2, Likelihood 4) is Red; (Impact 3, Likelihood 1) is Green; (Impact 3, Likelihood 2) is Green; (Impact 3, Likelihood 3) is Yellow; (Impact 3, Likelihood 4) is Yellow; (Impact 4, Likelihood 1) is Green; (Impact 4, Likelihood 2) is Green; (Impact 4, Likelihood 3) is Green; (Impact 4, Likelihood 4) is Yellow.</p>

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Emergency Response and Business Continuity Risks				
<p>145. Risk of a major incident not responded to effectively.</p>	<p>Numerous causes including terrorism, natural disaster, loss of ICT facilities/data and pandemic such as bird flu.</p> <p>In terms of cyber-attacks, the Council does not currently operate an automated Intrusion Detection System (IDS).</p>	<p>Partial or total loss of resources such as staff, equipment, systems.</p> <p>Major media engagement.</p> <p>Major disruption to all Council services.</p> <p>Possible legal action for damages.</p>	<p>Emergency plan reviewed every 6 months. (CMT)</p> <p>Business continuity plan reviewed every 6 months. (CMT)</p> <p>Training for SMT – exercises and reviews. (HoH&CP)</p> <p>ICT Business Continuity contract, inc. annual off-site rehearsal (ICT)</p> <p>Perimeter network protection (Firewall, 2 Factor Authentication, Spam filter, Antivirus, etc.), including penetration testing (ICT)</p> <p>Backup and recovery procedures (ICT)</p> <p>Counter terrorism training has been provided (HoH&CP)</p> <p>Adoption of IDS is currently being investigated as part of the firewall upgrade scheduled for 2016/17. (ICT)</p>	 <p>Likelihood reduced as there has been no evidence of <u>not</u> responding effectively. In fact, the opposite has been the case.</p>
Environmental Risks				
<p>156. Risk of climate change challenges not responded to effectively.</p>	<p>Lack of expertise.</p> <p>Lack of finance.</p> <p>Failure to reduce carbon footprint.</p>	<p>Budgetary impacts.</p> <p>Service changes required if long recovery phase.</p> <p>Loss of reputation and external censure.</p> <p>Disruption to services.</p> <p>Public health issues.</p>	<p>Sustainability Action Plan (HoH&CP)</p>	

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Planning Risks				
<p>167. Local Plan is found unsound not adopted.</p>	<p>Developer Legal challenge before local plan complete.</p> <p>Political procrastination.</p> <p>Failure to support Inspector's report leading to full Council not adopting the Plan.</p> <p>Lack of involvement of external key players.</p> <p>Local Plan not evidenced properly.</p> <p>Failure to identify suitable sites for Gypsies and Travellers.</p> <p>Sub-Regional Housing Allocation not addressed.</p> <p>Failure to adequately address controversial issues such as village green belt boundaries and gypsy and traveller sites.</p>	<p>Non or reduced achievement of objectives.</p> <p>Adverse financial impacts such as failure to set the Community Infrastructure Levy, loss of New Homes Bonus, Reputational damage.</p> <p>Possible legal action for damages.</p> <p>Development not where required.</p> <p>Wasted resources involve in reworking the Local Plan and increased costs.</p> <p>Additional work.</p> <p>Reduction in investment in area.</p> <p>Increase in appeals.</p> <p>Risk of insufficient Infrastructure Funding.</p> <p>Impact on Sustainable Community Strategy (SCS) objectives.</p>	<p>Continue to seek legal advice on processes up until plan is adopted.</p> <p>Keep members informed of Inspector's conclusions and ensure the reasons for these are understood.</p> <p>Published timetable. (HoDS)</p> <p>Plan based on robust evidence. (HoDS)</p> <p>Project management. (HoDS)</p> <p>Local Plan Programme Board. (HoDS/CMT)</p> <p>Ensure effective Duty to Cooperate - MoU agreed by all councils in the sub-region except N&BBC who are yet to confirm.</p> <p>Revised Local Plan proposals now progressing through the EIP. (CMT/HoDS)</p> <p>Topic papers now completed and submitted to the Inspector with the Local Plan. G & T sites to be considered at the EIP in Dec 16. (HoDS)</p>	<div data-bbox="1839 655 2074 868" style="text-align: center;"> </div> <p>Local Plan reaching a significantly advanced stage.</p>

Key:

New narrative

Narrative transferred

Deleted narrative

Comment

⊕ = Current risk score

etc = Previous risk scores

⌘ etc = trail (direction) of changes

CMT	:	Corporate Management Team
SMT	:	Senior Management Team
CE	:	Chief Executive
DCE(AJ)	:	Deputy Chief Executive and Monitoring Officer – Andrew Jones
DCE(BH)	:	Deputy Chief Executive – Bill Hunt
HoF	:	Head of Finance (and S151 Officer)
HoDS	:	Head of Development Services
HoH&CP	:	Head of Health & Community Protection
HoNS	:	Head of Neighbourhood Services
HoH&PS	:	Head of Housing & Property Services
HoCS	:	Head of Cultural Services
HR	:	Human Resources & Organisational Development Manager
ICT	:	ICT Manager