

Corporate Risk Report

Q4 2023/34

Audit and Governance Committee

08 March 2024

Q4 2023/24 Risk Report

- Overall summary of corporate risks
- Corporate risks rated as red (score > 20)
 - Detail of each corporate red risk
- Corporate risks rated as amber (score between 10 and 20) and deteriorating
 - Detail of each corporate amber / deteriorating risk

Overall summary of corporate risks

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WCC Risk Summary

Risk Matrix

CEU

COaCH

E&I

People

WCF

VIEW GREEN

3

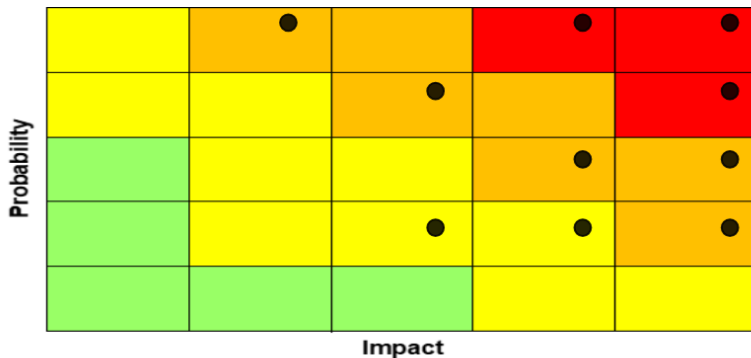
VIEW YELLOW

15

VIEW AMBER

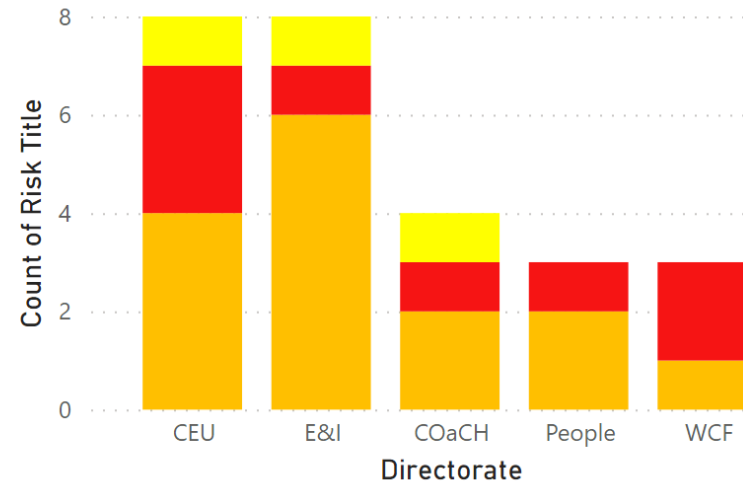
8

VIEW RED



VIEW CORPORATE RISKS

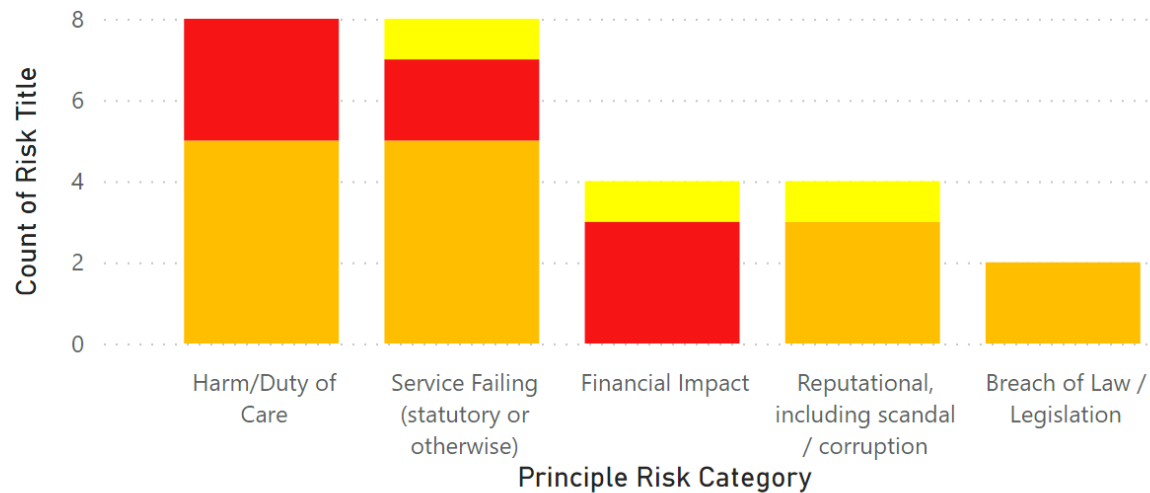
Corporate Risk by Directorate



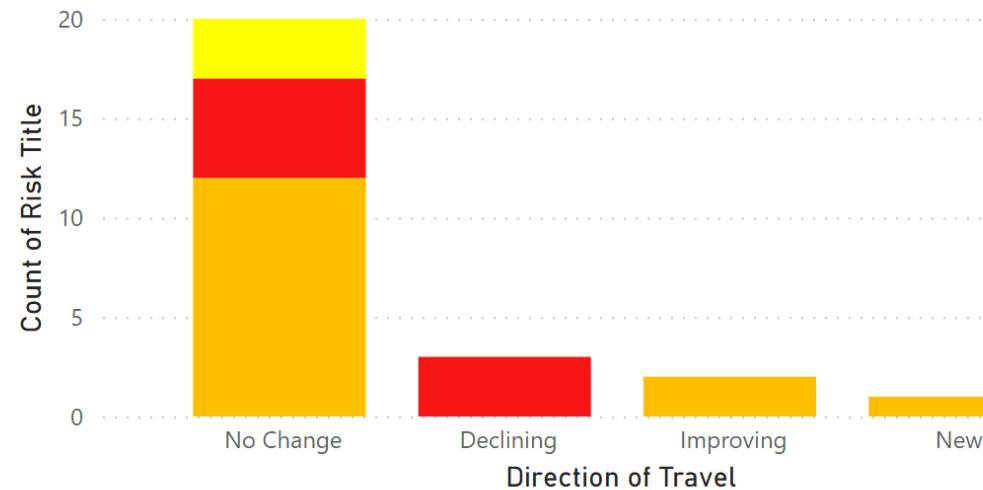
Corporate RR ?

Yes

Corporate Risk by Category



Corporate Risk by Direction of Travel



Corporate risks rated as red

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WCC All Risks

Principle Risk Category

- Select all
- Financial Impact
- Harm/Duty of Care
- Service Failing (statutory ...)

Corporate RR?

- Yes
- (Blank)
- No

Service Area

- Select all
- All
- Finance
- HR, OD & Engagement

Direction of Travel

- Select all
- Declining
- No Change

Green

Yellow

Amber

Red

8

Click to re-set selections and view all indicators

Risk Title

Principle Risk Category

Directorate

Service Area

Budget overspend/underspend, including failure to deliver financial savings identified in the MTFP - DE&I	Financial Impact	E&I	All
Financial pressure on resources due to increased demand on Children's Placements and Home to School Transport	Financial Impact	WCF	Social Care, AAD, Home to School Transport and High Need
Market instability	Financial Impact	People	People Commissioning
Outbreaks of human disease (epidemic or pandemic)	Harm/Duty of Care	CEU	Public Health
RAAC	Harm/Duty of Care	COaCH	Transformation and Commercial
Serious harm or death of a child or young person	Harm/Duty of Care	WCF	Safeguarding and Social Care
Ability to maintain positive Employee Relations	Service Failing (statutory or otherwise)	CEU	HR, OD & Engagement
Financial Instability	Service Failing (statutory or otherwise)	CEU	Finance

Exceptions – corporate red risks

Risk Title

Budget overspend/underspend (inc failure to deliver financial savings - E&I)

[Home](#)[Previous Screen](#)**Owner**

John Hobbs

Service?

Yes

Directorate?

Yes

Corporate?

Yes

Risk Description

Budget overspend/underspend, including failure to deliver financial savings identified in the MTFP, due to service pressures (demand, inflation, external factors) resulting in potential overspend

Service Area

All

Directorate

E&I

Risk Category

Financial Impact

Overall Score

20

Direction of Travel

No Change

Date Risk Identified

Monday, July 03, 2023

Review Date

11/01/2024

Score After Mitigation

16

Current Controls

Financial monitoring covered at DLT (monthly) and savings target gap reviewed as necessary (ongoing). Continue to support development of control measures dealing with on-going issues and improving quality of data. Appropriate business support officers to ensure prompt payment of invoices known to be overdue, liaising with Liberata Accounts Payable as appropriate. Financial training for service managers and beyond. Tighter budgetary monitoring, great understanding of the drivers behind HTST, some mitigations identified.

Further Actions Identified

- Continue to support managers and staff attending financial management and awareness training;
 - Develop specific training for capital budget managers
- Improve quality of financial forecasting, including training for managers as required
- One-to-one discussions with budget holders and DLT regarding robust forecasts particularly in relation to capital expenditure. • Progress mitigations, further development of innovative solutions. Raised with MPs

Financial pressure on resources due to increased demand

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Owner

Chris Bird

Service?

Yes

Directorate?

Yes

Corporate?

Yes

Risk Description

Overspend on placements due to increased demand (due to Children's Placements and Home to School Transport) and cost pressures in the market place as a result of inflation and capacity

Service Area

Social Care, AAD, Home t...

Directorate

WCF

Risk Category

Financial Impact

Overall Score

20

Direction of Travel

Declining

Date Risk Identified

Friday, September 10, 2021

Review Date

16/01/2024

Score After Mitigation

25

Current Controls

WCF budget performance is historically good, having achieved surplus' for years ending 20,21,22. In the financial year ending March 2023, the Company had a deficit which highlighted the ongoing wider financial pressures on children's services. These are national pressures not unique to Worcestershire. Pressures continue into 2023/24 and tackling the structural deficit forms part of the Council's budget setting process for 2024/25.

Further Actions Identified

Regular detailed budget monitoring to the Board and Council. Internal audit review (Jan 2024) of our placement process concluded that WCF management is efficient, effective and robust. Due to the financial pressures currently facing the Council, additional controls on expenditure e.g. holding non-frontline vacancies have been put in place.

Market instability

[Home](#)[Previous Screen](#)**Owner**

Rebecca Wassell

Service?

Yes

Directorate?

Yes

Corporate?

Yes

Risk Description

Significant upward pressure on costs (energy, food, staffing) allied to lower levels of occupancy than pre-Covid will lead some providers to give notice on some WCC funded residents and/or lead some homes to close

Service Area

People Commissioning

Directorate

People

Risk Category

Financial Impact

Overall Score

20

Direction of Travel

No Change

Date Risk Identified

Thursday, June 01, 2023

Review Date

21/02/2024

Score After Mitigation

20

Current Controls

The council will open discussions with providers who decide to exit the market to enable them to do so in a supported manner. Additionally there is a process agreed for reviewing fees which are historically low, where there is no increase in care need. Discussion and negotiation with providers.

Further Actions Identified

We will be launching invites for providers of older peoples residential care to join a DPS framework that will enable care homes to become "first choice providers". This will assist them in increasing occupancy and recovery of overheads. There is significant overprovision in the older peoples care home market and some consolidation is inevitable.

RAAC

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Owner

Andy Moran

Service?

Yes

Directorate?

Yes

Corporate?

Yes

Risk Description

County Hall roof is constructed using RAAC panels which are defective and have risk of failure.

Service Area

Transformation and Com...

Directorate

COaCH

Risk Category

Harm/Duty of Care

Overall Score

20

Direction of Travel

No Change

Date Risk Identified

Thursday, September 07, 2023

Review Date

21/02/2024

Score After Mitigation

6

Current Controls

Precautionary measures to vacate and prevent access to areas which would be affected by a RAAC panel failure.
Control measures have been implemented for FM staff which is to restrict access to when only absolutely necessary and a permit to work system in place.

Further Actions Identified

Final report from specialist structural engineers due by end of February 2024 with temporary propping and repair details and estimated costs

Serious harm or death of a child or young person

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Owner

Adam Johnston / Emma Brit...

Service?

Yes

Directorate?

Yes

Corporate?

Yes

Risk Description

Safeguarding risk because of serious harm or death of a child or failure to safeguard children. Reputational risk as a result of poor inspection or service breakdown.

Service Area

Safeguarding and Social ...

Directorate

WCF

Risk Category

Harm/Duty of Care

Overall Score

20

Direction of Travel

No Change

Date Risk Identified

Sunday, November 01, 2020

Review Date

16/01/2024

Score After Mitigation

20

Current Controls

Safeguarding issues have been monitored and managed through the WCF Performance Board and through partnership working with the Worcestershire Safeguarding Children Partnership (WSCP) and other local strategic partners. Quality Assurance measures are in place, and safeguarding arrangements and activity have been monitored by the WSCP Safeguarding Practice Review Board and Get Safe Partnership Board. An Ofsted inspection on FFD highlighted excellent practice and procedure on WCF quality assurance framework. Recent national coverage of a death of a child covered in the media increases the risk of higher demand on Worcestershire's FFD due to public and professional anxiety.

Further Actions Identified

Robust and Significant quality assurance process in place from and full end to end service perspective. Scrutiny of Social Care KPIs wherever performance is reported e.g. COG, Scrutiny Panel.

Ability to maintain positive Employee Relations

[Home](#)[Previous Screen](#)**Owner**

Richard Taylor

Service?

Yes

Directorate?

Yes

Corporate?

Yes

Risk Description

IF: the council is unable to negotiate or comply with employment legislation or our recognition agreement with our recognised trade unions THEN: this could result in legal and/or possible industrial action with a resultant financial and reputational impact and an inability to meet service demands

Service Area

HR, OD & Engagement

Directorate

CEU

Risk Category

Service Failing (statutory or otherwise)

Overall Score

20

Direction of Travel

Declining

Date Risk Identified

Monday, June 19, 2023

Review Date

08/02/2024

Score After Mitigation

15

Current Controls

Relationships continue with recognised unions to maintain communication, but national pay bargaining is maintained across all authorities

Further Actions Identified

Other methods of local considered reward and maintenance of clear responsibilities

Financial Instability

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Owner

Phil Rook

Service?

Yes

Directorate?

Yes

Corporate?

Yes

Risk Description

Risk that expenditure is in excess of income and there is a predicted or actual overspend in excess of funding available

Service Area

Finance

Directorate

CEU

Risk Category

Service Failing (statutory or otherwise)

Overall Score

25

Direction of Travel

No Change

Date Risk Identified

Sunday, May 01, 2022

Review Date

15/02/2024

Score After Mitigation

20

Current Controls

Successful delivery of savings is dependent upon a range of factors, not all of which are in the control of the County Council. All savings included in the MTFP have had an initial deliverability assessment so that a realistic financial plan can be presented. With the 2024/25 budget forecast to be balanced by the use of reserves there is less time to generate further recurrent savings and a higher margin of error on delivery. Identifying new recurrent savings will be a key activity, and a task made harder by the reduced options available. There will have to be extremely close monitoring during 2024/25 to ensure we remain on track.

Further Actions Identified

The savings plans developed for the next year is substantial, so a significant financial challenge exists as the Council, alongside the rest of the country, seeks to manage in a sustainable manner within available resources. These savings, combined with the drawdown of £7.865 million from the risk reserve, mean that the Council is proposing a balanced budget in 2024/25. However, things are a lot less certain for 2025/26, especially with the prospect of fiscal tightening as indicated in the Chancellor's Autumn Statement. Although the immediate focus will be to deliver the savings plans identified for 2024/25, further plans will need to be developed or additional funding received to manage the remaining gap and ensure the Council can remain financially sustainable.

Outbreaks of human disease (epidemic or pandemic)

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Owner

Lisa McNally

Service?

Yes

Directorate?

No

Corporate?

Yes

Risk Description

During the COVID 19 pandemic the local authority set up a local outbreak response team (LORT) alongside an (Infection Prevention Control) IPC team from the (Integrated Care Board) ICB, funded through COMF. As of March 2023 both teams were stood down. This risk is to the future management and response of emer...

Service Area

Public Health

Directorate

CEU

Risk Category

Harm/Duty of Care

Overall Score

20

Direction of Travel

Declining

Date Risk Identified

Wednesday, March 09, 2022

Review Date

31/01/2024

Score After Mitigation

12

Current Controls

There are robust, well rehearsed plans, liaison with relevant organisations/bodies who may hold framework/contingency plans for different types of infectious disease outbreaks, and ongoing scenario testing.

ICB IPC team continues to provide support to care homes.

PH has produced a paper outlining the costs and benefits (health and financial) to commissioning a nurse-led IPC team for residential settings. Conversations are ongoing with the ICB to consider joint commissioning of this enhanced service.

Further Actions Identified

Review of risk post-LORT/IPC. A plan will be created to show how an outbreak service will be stepped back up by the local authority if required again in the future. Future scenario testing will continue to be carried out with key stakeholders to test how the local system would respond to health protection issues.