

Wiltshire Council Strategic Risk and Issues Summary - 2023/24

This summary gives details of issues the council is dealing with, the strategic risk register and the emerging risk that may need to be quantified in the future. A guide to reading the risk register is included at the end of this summary.

Issues

Obstacles and Challenges that are now present and being managed as issues by Wiltshire Council

Macro economic pressures on our budgets: Sustained inflation

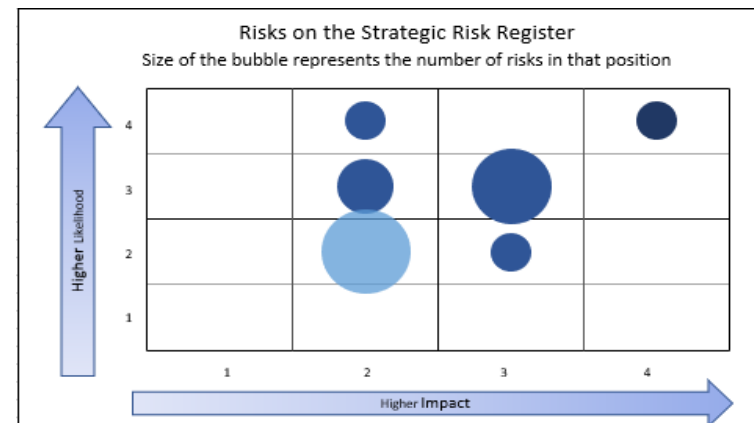
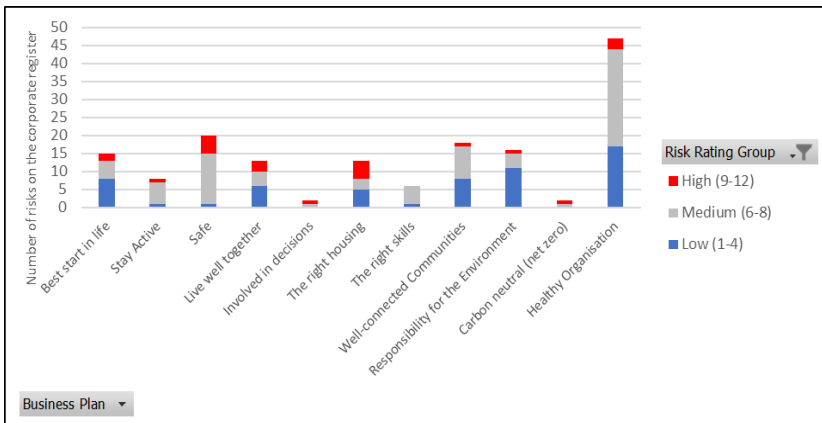
Nationally, there is a 'cost of living crisis' impacting businesses and residents and, due to sustained high inflation, the Council has experienced a significant increase above that forecast in the budget. 2023/24 budgets were increased by inflation increase estimates and this is being monitored as part of budget monitoring. Cabinet approved a re-purposing of reserves at quarter three that allowed for £7m to be transferred to the General Fund reserve, increasing the balance from £21.056m to £28.056m. This brings the level of the reserve alongside the latent demand £7.794m and collection fund volatility reserve £9.470m up to the value that was set out in risk assessed level of reserves required to support the Council's budget for 2023/24 that was set out in the budget report in February 2023. It will provide additional capacity and resilience to support the financial position in the forthcoming year, support the financial risks within the budget and allow lead in time for transformation and to reshape services to deliver on-going financial resilience and sustainability. The quarter one revenue forecast has a small underspend, so the economic pressures being faced by the Council are therefore being managed, notably mitigations on the £2m estimated additional cost of the, as yet unfinalised, pay award.

Staff Capacity: Recruitment and retention

Some, but not all, service areas have identified that this has now become an issue, with there being a range of factors at play in different labour markets. These include:

- A smaller national workforce (less European immigration, earlier retirement/semi-retirement following the pandemic, increased numbers of those on out of work benefits) and closer to full employment.
- Specific skills shortages.
- Competition from the private sector and from other public sector organisations.
- The impact of the increase in the cost of living making higher wages more important.
- The cost increase of driving for those who have to travel in their role.

The result is that some services are now impacted by insufficient staffing.



Strategic Risk Register - ranked by Inherent Risk Score (the risk as it is now), national level risks shown in grey																		
Risk short name	Cause	Event	Effect	Primary Risk Category	Secondary Risk Category	Owner	Risk Response	Q1 Inherent Impact	Q1 Inherent Likelihood	Q1 Inh Risk Rating	Q1 DoT	Appetite check Q1	Q1 Mitigation Actions	Q1 Actions Confidence	Q1 Residual Impact	Q1 Residual Likelihood	Q1 Res Risk Rating	
1	Unable to meet demand for special educational needs or disability (SEND) school provision	Cost of provision exceeds the High Needs Block (HNB) of the Dedicated Schools Grant (DSG)	More of the DSG spent on providing education for SEND	Shortfall in the funding for schools	Financial	Legal	Helean Hughes	Treat	4	4	16	▶	Outside	DBV work has recently commenced. Data has been submitted and analysis will be undertaken through the DfE led process.	Low	4	4	16
	Lack of capacity in the social care market	Changes in the local market (including recovery from the pandemic) means there is insufficient supply of Home Care, Independent Fostering Agencies, Children's Homes, provision for complex needs (including people with complex behavioural needs)	Too often provision has to be secured out of county, often in competition with other local authorities at a cost higher than the local market	The right type of care is not always available, people able to be discharged have to wait longer in hospital and budgetary pressure increases if people are placed in out of county or spot provision	Service Delivery	Financial		Treat	4	4	16	▶	Outside	Block purchased day care. New tender going live in September. Still issues about sufficiency and handbacks	Moderate	3	3	9
3	Failure to manage housing development	Lack of a 5 year land supply	Loss of control over the location of new development	Non-plan led housing development may be granted consent through the appeal process; Allowing development where we don't want it; Increase in costs - defending appeals; Pressure on staff.	Legal	Reputation	Jean Marshall	Treat	4	3	12	▶	Outside	Updated our 5 year land supply in April. Development Management teams are seeking to approve applications where there are no major policy obstacles, Spatial Planning continue to support neighbourhood plans to bring forward housing sites, in addition to encouraging developers to bring forward allocated sites. We do have an improved position, but still short of the 5 years. Progress on the local plan is still being given a priority.	Moderate	3	3	9
	Increasing vulnerability to climate impacts	Inability to adapt key infrastructure and services to increasingly severe weather impacts from climate change.	Increased impacts from more frequent and intense weather events such as flooding, droughts, heatwaves and storms.	Direct impact on health, safety, environment, businesses and infrastructure.	Health & Safety	Service Delivery	Sarah Valdus	Treat	3	4	12	New	Outside	The council's climate adaptation plan is currently being reviewed and will identify what measures can be put in place to prepare council services and the county for these climate impacts. Due to the costs associated with implementing some of these measures and the long term nature of these	Moderate	2	4	8

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5	Uncontrolled cost of social care	Changes in regulation (including the cost of increased infection prevention & control measures), workforce pressures and inflationary pressures in the care market	Each individual care package cost increases	Greater budgetary pressure to meet statutory requirements impacting on preventative and other spend	Financial	Service Delivery	Tolerate	3	3	9	▶	Within	Continue to identify budgetary pressures and report in to Cabinet.	Moderate	3	3	9	
6	Cyber Resilience	Malicious attacks from either internal or external individuals or organisations with the intent of stealing data or impacting the council's ability to deliver services.	Wiltshire Council's security is compromised opening up access to councils systems and personal and corporate data for malicious activity.	Loss of personal or corporate information OR loss or interruption of some or all council services delivered to citizens of Wiltshire.	Service delivery	Reputation	Mark Tucker	Treat	3	3	9	▶	Within	As per Q4 work continues around recovery plans. A new plan is in place with a phased delivery over the next two years supported by a new Cybersecurity Strategy that will be issued this Autumn.	High	3	3	9
7	Failure in Safeguarding Children	The council and / or multi- agency partners failing to follow procedures or to undertake a thorough assessment	The council and / or multi- agency partners providing inappropriate intervention or no intervention.	Children not being protected from harm.	Service Delivery	Reputation	Lucy Townsend	Treat	4	2	8	▶	Within	6% vacancy rate across the service, 17% vacancy rate for social workers filled with 12% agency staff. Market Supplements agreed to enhance our workforce strategy. Remains 1 of our 6 strategic priorities.	High	2	2	4
8	Impact of negative media/social media coverage on council	Potential negative reaction to council decision making and delivery of services.	Negative public reaction expressed via social media and through the media	Negative impact on council's reputation.	Reputation	Reputation	Perry Holmes	Tolerate	2	3	6	▼	Within	Good controls in place include horizon scanning, working closely with directorate SMTs and trained members of staff ready to respond to incidents.	High	2	3	6

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9	[Composite] Information Governance	Failure to manage information effectively in keeping with Data Protection Act Principles leading to reportable incidents and potential data breaches	1. Personal Information not obtained and / or processed fairly 2. Excessive information obtained and held beyond service purpose 3. Information held for longer than purpose requires 4. Information not accurately captured / maintained or kept current 5. Information not protected by adequate technical measures 6. Sensitive information inappropriately disclosed either verbally, on paper or electronically.	Unlawful use and / or disclosure of personal data results in Risk and distress to individuals concerned, potential fines from Information Commissioners Office (ICO), reputational damage and loss of confidence in the authority.	Legal	Financial	Perry Holmes	Tolerate	3	2	6	►	Within		High	3	2	6
10	[Composite] Income Collection	Decrease in levels of income due to lower payment rates, take up of services or increase default rates	Failure to collect income as expected and budgeted for	Increased financial pressure on other service areas in order to deliver a balanced budget across the Council as a whole which results in cuts to those other services spend.	Financial	Reputation	Lizzie Watkin	Treat	2	3	6	►	Within	Additional budget monitoring and training with all heads of service	High	2	2	4
11	[Composite] Corporate Health, Safety & Wellbeing	Inadequate or ineffective control strategy is established	Lack of application by managers and individuals of corporate policy and procedures	Likelihood of personal harm increases.	Health & Safety		Kate Blackburn	Tolerate	2	2	4	▼	Within	Ongoing programme of compliance monitoring and additional capacity created by cessation of traded off to non-maintained schools	High	2	2	4

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12	[Composite] Budget management	New unfunded project, unforeseen demand or failure to make planned savings	Inability to deliver key statutory services within the service-level budget envelope	Increased financial pressure on other service areas in order to deliver a balanced budget across the authority as a whole which results in cuts to those other services spend.	Financial	Reputation	Lizzie Watkin	Treat	2	3	6	▶	Within	New planned savings delivery work	High	2	2	4
13	[Composite] Not on track for the Council to be carbon neutral by 2030	Lack of prioritisation for carbon reduction by other council departments	Financial considerations mean decisions are made not to undertake carbon reduction activity	Wiltshire Council fails to be carbon neutral by 2030	Service Delivery	Reputation	Parvis Khansari	Tolerate	2	3	6	▶	Within	Significant investments in energy efficiency measures and renewable energy across our estate, streetlights and fleet	High	2	2	4
14	Hospital discharges resulting in high cost and highly restrictive packages of care	Increase in number people needing to be discharged from hospital not being discharged	Challenge from external partners on the quality/quantity of available provision	Increase in out of county placements and / or high cost packages, hospital beds being unavailable for others with complex needs.	Service delivery	Financial		Treat	2	2	4	▼	Within	This remains a high risk. Hospital discharges are high cost and lack of suitable placements mean that they can be restrictive. Two people are due to be discharged in Q3 which will put a cost pressure on the budget.	High	2	3	6

Emerging Risks	
Events that have the potential to interrupt the work of the Council but of which not enough is yet known to quantify the risk to the delivery of our services.	
Continuing financial impact of global events	International capital and energy markets remain impacted by conflict and speculative investment are likely to sustain additional inflationary pressure in the UK. Although inflation is slowly coming down, this is not fast enough to be in line with our budget assumptions. Volatility in global markets and events still presents a risk to UK inflation. Disruption to global supply chains causing shortages, more inflation and potentially more demand for support of council services. A more uncertain world could mean a more insular economy and lower UK market sentiment meaning less investment in Wiltshire.
Additional service pressures	As the Council operates in a multi-agency environment with complex and intricate dependencies, it could be adversely impacted by the actions of others (including short term workforce pressures, greater service demand or budgetary constraints).

How to read the strategic risk register

There are significant challenges for Wiltshire Council as it looks to empower people, build stronger communities, grow the county's economy and lead the way in tackling climate change. The Strategic Risk Register reflects these challenges.

The Strategic Risk Register draws together information recorded on risk registers of individual services across Wiltshire Council.

Information that has significance across the council as a whole is displayed in two categories on the Strategic Risk Register.

1. Critical service risks: significant risks that sit in a single service but which, should they become an issue, will have a significant impact on the council as a whole.
2. Composite strategic risks: where similar risks exist in a number of different services which would not have a significant impact on the organisation on their own but put together represent a significant impact. These risks are compiled into a single strategic composite risk and included within the strategic risk register. These risks are scored by reviewing the service component risks.
3. National level risks: Wiltshire Council's response to the risks recorded by central government on the National Risk Register (NRR). The updated NRR is due to be published in the near future. When it is, Wiltshire Council will work within the Local Resilience Forum to produce an appropriate response. In the meantime Wiltshire Council's pre-existing response to the previous NRR is shown in the grey rows above.

Each risk is fully defined by the responsible service (who assess the cause, event and effect that make up the identified risk).

Each risk is scored for impact and likelihood to give an overall score. A risk is scored twice; firstly, as inherent (the current level of risk) and then as residual (the risk as it would be once all the planned mitigating actions are in place).

The confidence in the implementation of these mitigating actions is assessed as high, moderate or low. This guides the reader of the register to understand the true current risk.

A whole range of service risks are kept under observation each quarter.

