

**West London Waste Authority Risk Register**

**SUMMARY**

This report provides the Committee with the Authority's updated Risk Register. The key points are:

- Most of the key risks facing the Authority are mitigated
- Two new risks and mitigations have been added to reflecting changes in legislation and industrial action in rail industry

**RECOMMENDATION(S)**

The Committee is asked to:-

- 1) Note the content of the Risk Register (Appendix 2)

1. The Authority's Risk Management Policy (Appendix 1) identifies the risk register as a key tool for managing risk. This sets out the main risks to which the Authority is exposed and the actions management is taking to mitigate those risks. This is in line with good corporate governance.
2. The Corporate Risk Register is a formal document that is reviewed regularly by risk owners and is a standard agenda item for both WLWA Officer and Senior Management Team meetings which are held regularly throughout the year, where risks and actions are considered and updated routinely.
3. The risks are grouped according to the widely used PESTLE framework - political, economic, social, technological, legislative and environmental risks. Each risk is reviewed individually with risk owners taking responsibility for updating the register and highlighting significant changes and new risks. At the end of the risk register there is a matrix which helps Officers to score individual risks in terms of their probability and potential impact should they crystallize.
4. Appendix 2 provides the latest risk register which was updated at the latest round of management meetings. In overall terms, the risk register identifies 2 Red and 16 Amber risks facing the Authority and the mitigating actions to reduce the risk. All but 2 of the risks have been mitigated to a Green status. A brief explanation of the Amber risks are provided below and also of risk 16 a new item for the risk register:
  - Driver shortages – this risk is largely outsourced to the haulage contractors we work with.

- Covid-19 pandemic – The mitigations in place are largely the same as at the height of the pandemic. With the roll out of the vaccine the risk is significantly less now even with the emergence of new omicron variant. So the Authority and boroughs are well placed to manage any issues. However given the uncertainty around variants and the worldwide picture, this is a risk that will require ongoing monitoring.
- Changes in legislation – this new item identifies the risks and opportunity costs highlighted at the March strategy day and which will inform the Authority’s strategy going forwards. The mitigations will be reflected in the collaborative development of the strategy.
- Industrial action impacting rail movements – this new risk reflects the impact of the proposed industrial action. The impact is largely outsourced to the disposal contractors and there are also a range of other of mitigations that can help manage this risk

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# Risk Management Policy

## Policy Statement

One component of the Authority's corporate governance framework is to manage risks effectively in order to make a positive contribution towards the achievement of the Authority's corporate aims and objectives and to maximise the opportunities to achieve its vision, whilst obtaining assurances about the management of those risks.

The Authority is committed to the proactive management of key external and internal risks and actively promotes the principles of effective Risk Management throughout the organisation and its partner organisations. Effective partnership risk management allows the Authority to demonstrate a positive risk culture and improved outcomes, whilst improving its ability to deliver innovative and challenging projects.

Effective risk management is essential for both an organisation and its partners to achieve strategic objectives and improve outcomes for local people and for this to occur there needs to be strong leadership from Senior Officers and Members, clear strategies in place and trained and engaged staff.

The Authority's Risk Management Policy and framework will apply best practice to the identification, evaluation and control of key risks and ensures that any residual risks are at an acceptable level. This will be achieved through:

- Adopting an effective and transparent corporate approach to proactive Risk Management by the Authority and the work of key external partners
- Integrating Risk Management into the operational and management practices and procedures of the Authority to promote a culture of risk awareness
- Providing information to support the Authority's annual assurance statement, as to the effectiveness of the arrangements for risk management and internal control mechanisms in practice.

## Framework

The Risk Management Framework provides the basis used to improve and strengthen governance and front-line service delivery throughout the Authority. The framework is described in the following bullet points:

- The Authority undertakes to promote and ensure that the management of risk is linked to the achievement of its priorities and service objectives and supports continuous improvement in service delivery and performance.
- The risk management approach will be appropriate to the size and scale of Authority operations and activities.
- Members and the senior management team own, lead and support risk management.
- Ownership and accountability are clearly assigned for the management of risks at all levels throughout the Authority. There is a commitment to embedding risk management into the Authority's culture and organisational processes at all levels including corporate, project, operational and service.
- All Members and officers acknowledge and embrace the importance of risk management as a process, by which key risks and opportunities are identified, evaluated, managed and contribute towards good governance. This is reinforced through the delivery of appropriate training.
- Effective and transparent monitoring and reporting mechanisms are in place to continuously review the Authority's exposure to, and management of, risks and opportunities. The effectiveness of these mechanisms are continually reviewed, updated and improved where opportunities arise.
- Open and inclusive processes are established and maintained by involving all those associated with the planning and delivery of services, including stakeholders and partners.
- Best practice systems for managing risk are used throughout the Authority, including mechanisms for monitoring and reviewing effectiveness against agreed standards and targets.
- Accountability to stakeholders is fully demonstrated through periodic progress reports and an annual assurance statement on the effectiveness of the Authority's risk management framework. This includes the Annual Governance Statement.
- The policy statement and framework will be reviewed periodically as required, to ensure their continued relevance to the Authority.

### **Risk register and risk appetite**

A key tool in the management of risk is the risk register. This identifies the key risks faced by the Authority and classifies them into the following categories:

- Political

- Economic
- Social
- Technological
- Legislative
- Environmental

The register is reviewed at all levels of management and makes an overall assessment (priority) of those risks based on scoring of the impact, likelihood and effect of mitigating actions. The assessment (priority) can be red, amber or green where green represents risks that have been largely mitigated and red risks are those which haven't.

The Authority's aim is to contain all risks within the green category (i.e. are largely mitigated). Essentially this demonstrates the Authority's low risk appetite. However it should be noted that this may not be possible for all risks and where new risks emerge and mitigations are being put in place.