

## Audit, Risk & Assurance Committee

<b>Date</b>	4 October 2023
<b>Report title</b>	WMCA Strategic Risk Update
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<b>Report has been considered by</b>	Linda Horne, Executive Director of Finance and Business Hub, Section 151 Officer

### Recommendation(s) for action or decision:

#### Audit, Risk and Assurance Committee is recommended to:

- (a) Note the key messages in the Strategic Risk Update.
- (b) Consider and note revisions, or planned revisions, to the Strategic Risk Register.

## 1. Purpose

- 1.1. Taken together, the Strategic Risk Update at appendix 1, the Strategic Risk Register (SRR) at appendix 2, and the Issues Log at appendix 3, provide the ARAC with visibility of the strategic risks currently faced by the WMCA and support its function in monitoring the operation of risk management at the WMCA.

## 2. Background

- 2.1 The SRR supports the identification and management of the risks faced by the organisation in achieving its organisational or strategic objectives. The SRR captures only those high-level risks which are of such significance as to require oversight by the Executive Board (Exec Brd). The Exec Brd monitors WMCA's risk environment on a regular basis to ensure key risks are captured on the SRR and measures are in place to effectively manage or mitigate their effects.

### 2.2 Risks

The latest review has resulted in a reduction in the assessment of one risk, the closure of another and the identification of three new risks. This means there are now 12 strategic risks rated High, four of which have the highest residual rating:

- *Failure to deliver the opportunities and benefits of the Investment Programme*
- *Inflation & global supply chain pressures*
- *TfWM Programme Cost Management*
- *Local authority partners in financial difficulties or entering Section 114*

The eight other risks rated at High / Red are:

- *Financial resilience of WMCA to absorb fiscal shocks*
- *Information assurance & security*
- *Stakeholder & political relations*
- *Capacity and capability*
- *Single Settlement – Negotiations*
- *Post pandemic sustainability of public transport network*
- *Commerciality*
- *Cost of Living Crisis.*
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Details of these changes can be found in *Appendix 1 – Strategic Risk Update*.

## 3. Financial Implications

N/A

**4. Legal Implications**

N/A

**5. Equalities Implications**

N/A

**6. Inclusive Growth Implications**

N/A

**7. Geographical Area of Report's Implications**

N/A

**8. Other Implications**

N/A

**9. Schedule of Background Papers**

Appendix 1 Strategic Risk Update

Appendix 2 WMCA Strategic Risk Register

Appendix 3 WMCA Issues Log