



West Midlands
Combined Authority

ARAC High-level Strategic Risk Update – January 2022

Victoria Harman – Strategic Risk Manager
Finance & Business Hub

Contents

Strategic Risk Heat Map

Very High Rated Residual Risks

Strategic Risk Trends

Key Changes/ Escalated Risks

Material Changes Since November 2021 Review

Risk Heat Map

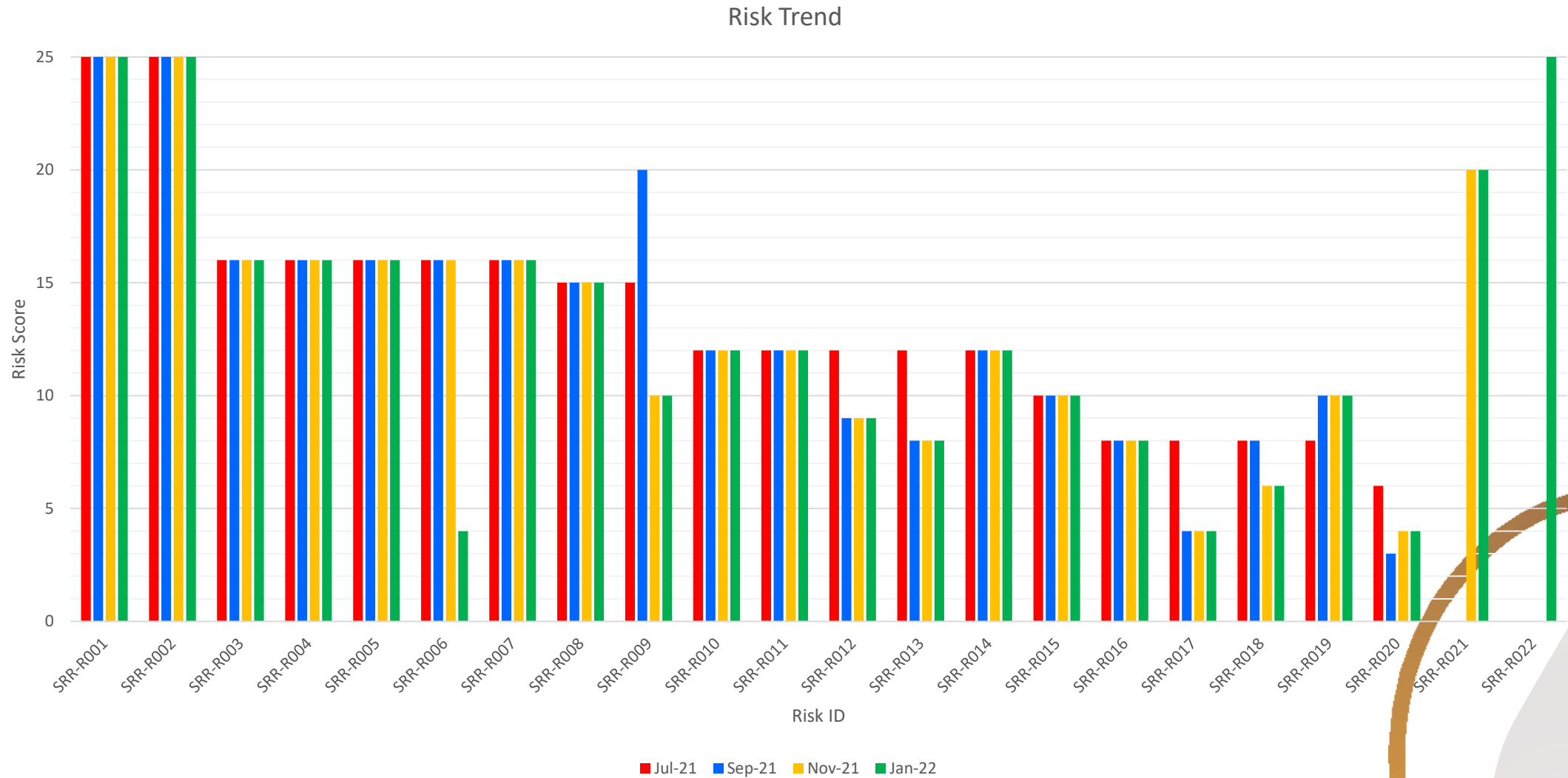
Current Threats							
Likelihood	5	Very high	0			3	
	4	High	0	1	0	4	1
	3	Medium	0	0	1	3	1
	2	Low	0	1	1	1	3
	1	Very low	0	0	0	2	0
			1	2	3	4	5
			Minimal	Minor	Significant	Major	Critical
			Impact				

Threat Rating	Score Range	Count
Limited	1-5	3
Medium	6-12	10
Very High	15-25	9
Total		22



- SRR-R001 Financial Assumptions for Investment Programme
- SRR-R002 External Factors
- SRR-R003 Data Protection & Protective Security
- SRR-R004 Stakeholder & Political Relations
- SRR-R005 Capacity and Capability
- SRR-R007 Longer term economic impact of Covid-19 on bus service provision.
- SRR-R008 Commerciality
- SRR-R021 Financial resilience of WMCA to absorb fiscal shocks (New Oct 21)
- **SRR-R022 Metro - 2GT fleet crack propagation (Suspension of all services from 13 November). TfWM Risk ID: 1142. (New December 2021)**

Risk Trend



Risk Trend Detail

9 Very High rated residual risks (scoring 15-25)

- 7 of which have remained static in the last 4 review cycles.
- Risk mitigation strategies are in place for all risks with a Very High residual rating have been carefully reviewed by individual risk owners during October & December and have been reviewed by SLT collectively during January for adequacy.
- 1 risk is a newly escalated risk from TfWM.
- Risks are monitored on a bi monthly basis by individual risk owners and SLT.

1 Previously Very High rated residual risk has reduced to Low

- Overall Delivery of Devolution Objectives – This risk previously duplicated elements of risk that were captured elsewhere within the risk register, the focus of this risk has been narrowed to cover the risk of changing Government priorities around Mayoral Combined Authorities. This has led to a reduction in the risk score.


10 Medium rated residual risks (scoring 6-12)

- 4 of which have reduced in materiality during the last 4 review cycles. All risks have mitigation plans in place and are reviewed by individual risk owners and SLT on a minimum of bi monthly basis.

3 Limited rated residual risk (score 1-5)

- 2 of the 3 risks have remained limited in the last 3 review cycles so will be de-escalated for ongoing management to appropriate Directorate Risk Registers.

Key material changes (since November 2021 review)

RISK ID & Name	Change	Details	Score Trend
Overall Delivery of Devolution Objectives & Covid effects and response to risk (SRR-R006)	Residual Likelihood score reduction from 4 to 1 (Overall score down from 16 to 4)	The risk has been substantially rewritten to focus on political uncertainty impacts on devolution objectives as other elements previously captured are duplicated elsewhere in the risk register.	
New Risk Escalation from TfWM Metro - 2GT fleet crack propagation (Suspension of all services from 13 November). TfWM Risk ID: 1142. (SRR-R022)	Previously a score of 15 on the originating risk register now escalated scoring 25 (5x5)	This risk has been escalated as it has materialised and has a corresponding issue with a remediation plan.	