



**Report to:** STAR Joint Committee  
**Date:** 16<sup>th</sup> March 2022  
**Report for:** Information  
**Report from:** Assistant Director (Development), STAR Procurement

### **Report Title**

**STAR Procurement Strategic Risk Register**

### **Summary**

The purpose of this report is to:

- Share the updated STAR Risk Register.

### **Recommendations**

The recommendation of this report is that the Joint Committee

- Notes the contents of this report

### **Contact person for access to background papers and further information:**

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### **Background**

Financial Impact:	Financial risks included in risk register
Legal Impact:	Legal risks included in risk register
Human Resources Impact:	HR risks included in risk register
Asset Management Impact:	None

E-Government Impact:	IT risks included in risk register
Risk Management Impact:	This Risk Register aids monitoring and mitigation planning
Health and Safety Impact:	None

## **Consultation**

No public consultation required

## **Reasons for Recommendation(s)**

The report is issued for information only.

### **1. Introduction**

- 1.1 The STAR Risk Register has been revised and updated in line with best practice. This is a live document that is reviewed regularly by STAR Wider Leadership Team (WLT) and reported to STAR Board and STAR Joint Committee annually, or by exception.
- 1.2 Following Joint Committee, the STAR Risk Register is shared with all our Partners Audit teams for information and where appropriate inclusion in corporate risk registers.

### **2. Updates to Risk Register**

- 2.1. The risks can be summarised in the following heat maps:

2019 Heat Map (Total 20)

		Impact			
		1	2	3	4
Probability	4	1	1	1	1
	3	1	1	1	1
	2	1	1	6	1
	1	1	4	5	3

2020 Heat Map (Total 21)

		Impact			
		1	2	3	4
Probability	4	1	3	2	1
	3	1	1	2	1
	2	1	1	8	1
	1	1	3	2	3

2021 Heat Map (Total 23)

		Impact			
		1	2	3	4
Probability	4	1	2	1	1
	3	1	1	4	1
	2	1	1	4	1
	1	1	4	3	5

- 2.2. The new risks added are:

- 024 – Increased income generation activity leading to non-compliance with relevant legislation

- 025 - Complexity of governance and decision making arrangements leading to inefficiencies in growth and inability to be responsive to growth opportunities efficiently
- 026 - Legal Challenge arises due to emergency procurements undertaken during the COVID response in line with published Procurement Policy Notes

2.3. The risks have been removed but two risks have been combined

2.4. The risks that have increased are:

- 021 - Reductions in income from Partners (i.e. no inflationary increase) and customers impacts on STAR budget and future sustainability is causing a greater concern
- 005 - Recruitment and retention of suitably qualified and/or experienced procurement staff that have the skills to deliver across multi partners impacts on ability to deliver services to Partners
- 008 - Volume of procurement activity impacts on quality of service delivered i.e. Partners' outsourcing of services to private companies or in-sourcing back into the Council impacts on procurement activity and strategic influence in those areas
- Global and national issues EU withdrawal ("Brexit") arrangements impact on supplier sourcing of supplies and impacts on STAR Partners' savings objectives e.g. Brexit, COVID, energy prices and inflation

2.5. The risks that have decreased in scoring are:

- 014 - Underperformance by internal SLA providers to STAR (Legal, HR, ICT and Finance services by Trafford Council and Tableau and data by Stockport Council) impacts on STAR's ability to deliver effective services to its Partners and Customers
- 002 - Withdrawal of one or more Partners leads to workforce and funding instability and inability to deliver remaining Partners' requirements

### **3. Summary**

3.1. There has been a slight increase in the number of high graded risks and a slight increase in overall number of risks. Mitigation action are in place and will continue to be monitored and managed by STAR WLT.

### **4. Recommendations**

4.1. It is recommended that Joint Committee:

- Notes the contents of this report.

### **Report Appendices**

1. STAR Procurement Risk Register v3.0

**Appendix 1: STAR Procurement Strategic Risk Register v4.0**



Corporate Risk Register

Version: 4.0 (Draft)

Issue Date: February 2022

Document Owner:  
Assistant Director  
(Development)

Summary			Risk Description & Impact				Preventative Actions	
ID	Date Raised	Type	Description of risk / impact	Prob (1-4)	Impact (1-4)	Score (P x I)	Mitigating actions / Countermeasures	Risk Owner
021	19 Nov 20	Finance	Reductions in income from Partners (i.e. no inflationary increase) and Customers impacts on STAR budget and future sustainability	3	4	12	<ul style="list-style-type: none"> <li>- Income target reviewed annually</li> <li>- Implemented a charging policy to ensure full cost recovery</li> <li>- Procurement Business Partners are developing links with new and existing Clients to secure new income</li> <li>- Report to Board and JC Quarterly</li> </ul>	Nichola Cooke
015	15 Apr 19	KPIs	Failure to meet agreed in-year 5-STAR KPI targets	3	3	9	<ul style="list-style-type: none"> <li>- Leadership Team regularly reviews KPI reports and metrics to identify any risks which can be addressed</li> <li>- WLT undertake deeper dive analysis of KPI data</li> <li>- Quarterly reporting to Board and Joint Committee</li> <li>- Annual review of targets</li> </ul>	Nichola Cooke
005	15 Apr 19	Staff	Recruitment and retention of suitably qualified and/or experienced procurement staff that have the skills to deliver across multi partners impacts on ability to deliver services to Partners	3	3	9	<ul style="list-style-type: none"> <li>- 'Grow Your Own' training and development policy continues to meet succession requirements</li> <li>- Further training and development opportunities are being identified</li> <li>- Talent management is being developed from apprenticeship-level and upwards and forms part of New Business Plan</li> <li>- Resource review</li> <li>- Recruitment strategy/marketing of opportunities</li> </ul>	Elizabeth McKenna
008	15 Apr 19	Service Quality	Volume of procurement activity impacts on quality of service delivered i.e. Partners' outsourcing of services to private companies or in-sourcing back into the Council impacts on procurement activity and strategic influence in those areas	3	3	9	<ul style="list-style-type: none"> <li>- HoSPs work with Category Managers and Procurement Officers to identify capacity issues</li> <li>- Implementation of In-tend to allow automation of workplans</li> <li>- Annual 'Know Your Business' analysis undertaken on procurement activity</li> <li>- Cyclical reporting, forward planning and strategic savings planning work embedded</li> <li>- STAR continues to analyse volume and type of activity to identify any new opportunities and/or risks</li> <li>- Wider Leadership Team further developing strategic relationships with key Clients</li> </ul>	Elizabeth McKenna
020	15 Apr 19	Finance	Global and national issues EU withdrawal ("Brexit") arrangements impact on supplier sourcing of supplies and impacts on STAR Partners' savings objectives e.g. Brexit, COVID, energy prices and inflation	3	3	9	<ul style="list-style-type: none"> <li>- Regular briefings at given at STAR team meetings</li> <li>- Seek and share national and regional guidance</li> <li>- Market intelligence and position statements through Category Strategies</li> <li>- The Chest is enabled to publish new Contract Notices from January 2021</li> </ul>	Elizabeth McKenna
019	15 Apr 19	Governance	Changes in Joint Committee & Board membership impact on STAR Procurement service delivery	4	2	8	<ul style="list-style-type: none"> <li>- Briefings are held with new members to brief them on STAR and their roles and responsibilities</li> <li>- Leadership Team to continually review and assess the impact of the instability of governance arrangements for STAR – reporting to the STAR Board</li> </ul>	Lorraine Cox

023	19 Nov 20	Legal	New legislation changes impact on Core Offer, compliance and workloads	4	2	8	<ul style="list-style-type: none"> <li>- Monitor legislation progress and timelines</li> <li>- Influence policy changes through national contacts</li> <li>- Update QMS with any new requirements</li> <li>- Implement staff and stakeholder training on new requirements</li> <li>- Seek STAR Legal advice, where required</li> </ul>	Elizabeth McKenna
014	15 Apr 19	SLAs	Underperformance by internal SLA providers to STAR (Legal, HR, ICT and Finance services by Trafford Council and Tableau and data by Stockport Council) impacts on STAR's ability to deliver effective services to its Partners and Customers	2	3	6	<ul style="list-style-type: none"> <li>- Wider Leadership team liaises regularly with client leads from each of the services that support STAR</li> <li>- Resource and quality issues are identified at an early stage and mitigation is implemented</li> <li>- Leadership team will escalate any concerns with the STAR Board</li> <li>- <b>Development Team to have dedicated contract managers for SLA's</b></li> </ul>	Nichola Cooke
001	15 Apr 19	Finance	Increases in running costs (Excluding staffing and internal SLA's) impacts on STAR budget and future sustainability	2	3	6	<ul style="list-style-type: none"> <li>- Regular budget monitoring; including cost forecasting</li> <li>- Spending freeze implemented, when required</li> <li>- Reported to Board</li> </ul>	Nichola Cooke
004	15 Apr 19	Staff	Growth in Partners and Customers leads to reduced performance and service to existing Partners fragmentation of STAR and loss of identity as staff work across an increasing number of bases	3	2	6	<ul style="list-style-type: none"> <li>- Resource review</li> <li>- Clear roles and responsibilities between delivery and development</li> <li>- Robust business case in place for growth/new partners</li> <li>- Rigorous project management and communications</li> </ul>	Lorraine Cox
010	15 Apr 19	Service Quality	Partners' outsourcing of services to private companies or in-sourcing back into the Council impacts on procurement activity and strategic influence in those areas	2	3	6	Combined with 008	Elizabeth McKenna
018	15 Apr 19	PR	Failure of STAR to deliver ethical, responsible procurement i.e. identify Modern Slavery in its Partners' supply chains, driven by regulation or policy/strategy drivers in our Partner organisations	2	3	6	<ul style="list-style-type: none"> <li>- STAR has produced guidance for suppliers which is available on the STAR website</li> <li>- Analysis is conducted on a project by project basis for higher risk contracts</li> <li>- STAR continues to hold CIPS Corporate Ethics Mark which includes a commitment to regular training for staff</li> <li>- STAR supports its Partners with their annual reporting on Modern Slavery</li> <li>- STAR has developed a methodology to implement a risk-based review for lower risk contracts</li> <li>- Questionnaire to Suppliers e.g. Real Living Wage</li> <li>- Liaise with Partners to ensure Responsible Procurement Strategy encapsulates all aspects of ethical and responsible procurement</li> </ul>	Elizabeth McKenna
022	19 Nov 20	Staff	New Hybrid/working from home arrangements impact of staff morale, and mental and physical health	2	3	6	<ul style="list-style-type: none"> <li>- DSE assessment undertaken and IT equipment issues e.g. laptop risers, screen, chair etc</li> <li>- Promoted staff well-being services provided by Trafford Council</li> <li>- Regular staff survey undertaken</li> <li>- Regular staff engagement, celebrating success and promoting well-being initiatives</li> <li>- Continue to review hybrid/working from home arrangements in line with Trafford Council policy/approach</li> <li>- Partners to keep STAR updated on local arrangements</li> </ul>	Lorraine Cox
024 – NEW	10 Feb 22	Growth	Increased income generation activity leading to non-compliance with relevant legislation	1	4	4	- A review to be commissioned to assess the current arrangements and potential future risks	Lorraine Cox
025 – NEW	10 Feb 22	Growth	Complexity of governance and decision making arrangements leading to inefficiencies in growth and inability to be responsive to growth opportunities efficiently	1	4	4	- A review to be commissioned to assess the current arrangements and potential future risks	Lorraine Cox
026 – NEW	28 February 22	Legal	Legal Challenge arises due to emergency procurements undertaken during the COVID response in line with published Procurement Policy Notes	1	4	4	- STAR have followed the advice issued in the Procurement Policy Notes and have proactively managed all urgent/emergency procurement activity	Elizabeth McKenna

002	15 Apr 19	Growth	Withdrawal of one or more Partners leads to workforce and funding instability and inability to deliver remaining Partners' requirements	1	4	4	<ul style="list-style-type: none"> <li>- STAR holds cyclical Board and Joint Committee meetings</li> <li>- Leadership Team holds cyclical Board Member 1-2-1s</li> <li>- HoSPs are leading on stakeholder management</li> <li>- STAR will develop a contingency plan and will review the IAA exit strategy if the risk increases</li> </ul>	Lorraine Cox
016	15 Apr 19	Legal	Receipt of legal challenge to STAR contract award impacts on STAR and its Partners' and Customers' reputation with suppliers	1	4	4	<ul style="list-style-type: none"> <li>- A structured Quality Management System is in place which provides guidance and templates</li> <li>- Whole-team meetings are used to share best practice and training</li> <li>- Annual reporting through PI Insurance renewal to ensure monitoring</li> <li>- Professional and qualified legal support is provided through a Legal SLA with Trafford Council</li> <li>- Continuous Improvement plan in place</li> </ul>	Elizabeth McKenna
007	15 Apr 19	Service Quality	Non-delivery of Core Offer and STAR Business Plan	1	3	3	<ul style="list-style-type: none"> <li>- Delivery via Task &amp; Finish Squads with regular reporting to STAR Wider Leadership Team</li> <li>- <del>Forms part of the new Business Plan</del></li> <li>- <b>LT review of the STAR Business Plan</b></li> <li>- <b>Category Strategies in place and regular STAR Chamber</b></li> <li>- <b>Regular 121 with Board members and regular meetings with service leads</b></li> </ul>	Lorraine Cox
012	15 Apr 19	ICT & Data	Unavailability of key third party systems, e.g. The Chest, Social Value Portal, In-tend, Sharpspring etc, impact on service delivery and supplier interaction	1	3	3	<ul style="list-style-type: none"> <li>- STAR ensures that business continuity clauses are embedded into contracts to minimise any downtime of third party systems</li> <li>- Each systems has a nominated Contract Manager within STAR</li> </ul>	Nichola Cooke
011	15 Apr 19	ICT & Data	STAR staff are unable to access the Trafford systems	1	2	2	<ul style="list-style-type: none"> <li>- STAR colleagues are provided with mobile connectivity which enables Wi-Fi hotspot creation</li> <li>- Business Continuity Plan is in place and reviewed annually, or more frequently if required</li> <li>- Laptop refresh has been undertaken to upgrade existing IT equipment</li> <li>- <b>Implementation of Office 365 will provide greater resilience</b></li> </ul>	Nichola Cooke
009	15 Apr 19	Service Quality	Conflict between Partners' requirements and those of Customers leads to an inability to deliver effectively to both Partners and Customers	1	2	2	<ul style="list-style-type: none"> <li>- <b>Customer activity secured, managed and delivered by the Development Team</b></li> <li>- <b>External resources i.e. agency staff utilised</b></li> <li>- HoSPs monitor workload with their teams</li> <li>- <b>The charging policy ensures that resources can be made available to service Customer requirements at full cost recovery</b></li> <li>- Leadership team ensures that Customer agreements (SLAs) include realistic requirements</li> <li>- <del>All STAR staff are used for Customers to ensure equality of opportunity and minimise poaching of staff</del></li> <li>- Annual 'Know Your Business' analysis undertaken on procurement activity</li> </ul>	Nichola Cooke
013	15 Apr 19	ICT & Data	Reliance on spend and other data from Partners with inability to influence data quality impacts on category management	1	2	2	<ul style="list-style-type: none"> <li>- Tableau has been implemented for spend analysis ensuring consistency, accuracy and regular monthly reporting</li> <li>- Roles and responsibilities and standard templates developed to ensure quality of data from Partners</li> <li>- Cyclical Reporting Plan and Data Protocol in place</li> </ul>	Nichola Cooke
017	15 Apr 19	PR	Poor PR impacts on STAR and its Partners' and Customers' reputations	1	2	2	<ul style="list-style-type: none"> <li>- Relationship management with all stakeholders</li> <li>- STAR complaints procedure in place to ensure any issues are resolved consistency and promptly</li> <li>- STAR social media fields are monitored</li> <li>- Utilise Council Communications teams when required</li> </ul>	Nichola Cooke