



Report to: STAR Joint Committee
Date: 16th December 2020
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:

Name: Nichola Cooke
Phone: 07711 454555

Background

Financial Impact:	Financial impact of income and savings 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:	Risk 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 STAR Risk Register has been reviewed by STAR WLT as part of the annual refresh and to reflect the position as a result of COVID-19.
- 2.2. 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

- 2.3. The new risks added are:

- 021 - Reductions in income from Partners and Customers impacts on STAR budget and future sustainability
- 022 - New working from home arrangements impact of staff morale, and mental and physical health
- 023 - New legislation changes impact on Core Offer, compliance and workloads

2.4. The risks removed are:

- 006 - Failure to deliver March 2020 restructure impacts on staff morale and service delivery
- 003 - Regional/GM strategies and growth of competition from external agencies impacts on STAR's ability to be sustainable

2.5. The risks that have increased are:

- 015 - Failure to meet agreed in-year 5-STAR KPI targets
- 001 - Increases in running costs impacts on STAR budget and future sustainability
- 005 - Recruitment and retention of suitably qualified and/or experienced procurement staff impacts on ability to deliver services to Partners

2.6. No risks have decreased in scoring.

3. Summary

3.1. As a result of COVID we have seen an 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 the Board:

- Notes the contents of this report.

Report Appendices

1. STAR Procurement Risk Register v3.0

Appendix 1: STAR Procurement Strategic Risk Register v3.0



Corporate Risk Register

Version: 3.0

Issue Date: 19th November 2020

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
014	15 Apr 19	SLAs	Underperformance by internal SLA providers to STAR (Legal, HR, ICT and Finance services by Trafford Council and Tableau by Stockport Council) impacts on STAR's ability to deliver effective services to its Partners and Customers	3	3	9	<ul style="list-style-type: none"> - Wider Leadership team liaises regularly with client leads from each of the services that support STAR - Resource and quality issues are identified at an early stage and mitigation is implemented - Leadership Team will escalate any concerns with the STAR Board 	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"> - Leadership Team regularly reviews KPI reports and metrics to identify any risks which can be addressed - Quarterly reporting to Board and Joint Committee 	Nichola Cooke
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"> - Briefings are held with new members to brief them on STAR and their roles and responsibilities - Leadership Team to continually review and assess the impact of the instability of governance arrangements for STAR – reporting to the STAR Board 	Lorraine Cox
021 - NEW	19 Nov 20	Finance	Reductions in income from Partners and Customers impacts on STAR budget and future sustainability	2	4	8	<ul style="list-style-type: none"> - Income target reviewed annually - Implemented a charging policy to ensure full cost recovery - Procurement Business Partners are developing links with new and existing Clients to secure new income - Report to Board and JC Quarterly 	Nichola Cooke
023 - NEW	19 Nov 20	Legal	New legislation changes impact on Core Offer, compliance and workloads	4	2	8	<ul style="list-style-type: none"> - Monitor legislation progress and timelines - Influence policy changes through national contacts - Update QMS with any new requirements - Implement staff and stakeholder training on new requirements - Seek STAR Legal advice, where required 	Elizabeth McKenna
001	15 Apr 19	Finance	Increases in running costs impacts on STAR budget and future sustainability	2	3	6	<ul style="list-style-type: none"> - Regular budget monitoring; including cost forecasting - Spending freeze implemented, when required - Reported to Board 	Nichola Cooke
004	15 Apr 19	Staff	Growth in Partners and Customers leads to fragmentation of STAR and loss of identity as staff work across an increasing number of bases	2	3	6	<ul style="list-style-type: none"> - Continuous Improvement plans in place to continue to improve the offer - Weekly staff bulletins - Regular whole-team meetings - Category team meetings and 1-2-1s - Wider Leadership and Leadership meetings - Policy documents (e.g. Responsible Procurement Strategy, Business Plan, Delivery Plan and QMS create a STAR identity - Annual staff survey undertaken 	Lorraine Cox

005	15 Apr 19	Staff	Recruitment and retention of suitably qualified and/or experienced procurement staff impacts on ability to deliver services to Partners	2	3	6	- 'Grow Your Own' training and development policy continues to meet succession requirements - Further training and development opportunities are being identified - Talent management is being developed from apprenticeship-level and upwards and forms part of New Business Plan	Elizabeth McKenna
008	15 Apr 19	Service Quality	Volume of procurement activity impacts on quality of service delivered	2	3	6	- HoSPs work with Category Managers and Procurement Officers to identify capacity issues - Implementation of In-tend to allow automation of workplans - Annual 'Know Your Business' analysis undertaken on procurement activity - Cyclical reporting, forward planning and strategic savings planning work embedded	Elizabeth McKenna
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	- STAR continues to analyse volume and type of activity to identify any new opportunities and/or risks - Wider Leadership Team further developing strategic relationships with key Clients	Elizabeth McKenna
018	15 Apr 19	PR	Failure of STAR to identify Modern Slavery in its Partners' supply chains	2	3	6	- STAR has produced guidance for suppliers which is available on the STAR website - Analysis is conducted on a project by project basis for higher risk contracts - STAR continues to hold CIPS Corporate Ethics Mark which includes a commitment to regular training for staff - STAR supports its Partners with their annual reporting on Modern Slavery - STAR has developed a methodology to implement a risk-based review for lower risk contracts	Elizabeth McKenna
020	15 Apr 19	National Agenda	EU withdrawal ("Brexit") arrangements impact on supplier sourcing of supplies and impacts on STAR Partners' savings objectives	2	3	6	- Regular briefings at given at STAR team meetings - Awaiting national guidance - The Chest is enabled to publish new Contract Notices from January 2021	Elizabeth McKenna
022 - NEW	19 Nov 20	Staff	New working from home arrangements impact of staff morale, and mental and physical health	2	3	6	- DSE assessment undertaken and IT equipment issues e.g. laptop risers, screen, chair etc - Promoted staff well-being services provided by Trafford Council - Regular staff survey undertaken - Regular staff engagement, celebrating success and promoting well-being initiatives - Continue to review working from home arrangements in line with Trafford Council policy/approach	Lorraine Cox
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	- STAR holds cyclical Board and Joint Committee meetings - Leadership Team holds cyclical Board Member 1-2-1s - HoSPs are leading on stakeholder management - STAR will develop a contingency plan and will review the IAA exit strategy if the risk increases	Lorraine Cox
011	15 Apr 19	ICT & Data	STAR staff are unable to access the Trafford systems	1	4	4	- STAR colleagues are provided with mobile connectivity which enables Wi-Fi hotspot creation - Business Continuity Plan is in place and reviewed annually, or more frequently if required - Laptop refresh has been undertaken to upgrade existing IT equipment - Implementation of TEAMS to all members of the team to help facilitate home working	Nichola Cooke

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	- A structured Quality Management System is in place which provides guidance and templates - Whole-team meetings are used to share best practice and training - Annual reporting through PI Insurance renewal to ensure monitoring - Professional and qualified legal support is provided through a Legal SLA with Trafford Council - Continuous Improvement plan in place	Elizabeth McKenna
006	15 Apr 19	Staff	Failure to deliver March 2020 restructure impacts on staff morale and service delivery	1	3	3	- Leadership team is working with HR to ensure delivery by March 2020 - Regular communication is being maintained with the wider team - Liaison with both STAR Board & Joint Committee will continue (for approvals)	Lorraine Cox
007	15 Apr 19	Service Quality	Non-delivery of key work streams in the STAR Business Plan	1	3	3	- Delivery via Task & Finish Squads with regular reporting to STAR Wider Leadership Team - Forms part of the new Business Plan	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	- STAR ensures that business continuity clauses are embedded into contracts to minimise any downtime of third party systems - Each systems has a nominated Contract Manager within STAR	Nichola Cooke
003	15 Apr 19	Growth	Regional/GM strategies and growth of competition from external agencies impacts on STAR's ability to be sustainable	1	2	2	- Regular horizon scanning to identify threats and opportunities - Regular liaison with wider GM stakeholders	Elizabeth McKenna
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	- SLAs managed by the Development Team - HoSPs monitor workload with their teams - A new charging policy ensures that resources can be made available to service Customer requirements at full cost recovery - Leadership team ensures that Customer agreements (SLAs) include realistic requirements - All STAR staff are used for Customers to ensure equality of opportunity and minimise poaching of staff - Annual 'Know Your Business' analysis undertaken on procurement activity	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	- Tableau has been implemented for spend analysis ensuring consistency, accuracy and regular monthly reporting - Roles and responsibilities and standard templates developed to ensure quality of data from Partners - Cyclical Reporting Plan and Data Protocol in place	Nichola Cooke
017	15 Apr 19	PR	Poor PR impacts on STAR and its Partners' and Customers' reputations	1	2	2	- Relationship management with all stakeholders - STAR complaints procedure in place to ensure any issues are resolved consistency and promptly - STAR social media fields are monitored - Utilise Council Communications teams when required	Nichola Cooke