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Committee and Date

West Mercia Energy Joint
Committee

26th September 2025

Item

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Public

RISK MANAGEMENT UPDATE

Responsible Officer Nigel Evans

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1. Summary

- 1.1 In accordance with the WME Risk Management Strategy, the purpose of this report is for the Joint Committee to receive details of any medium and high risks that have been identified by WME.

2. Recommendations

- 2.1 The Joint Committee are asked to consider and endorse, with appropriate comment the medium risks presented (no high risks identified).

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1 The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998.
- 3.2 There are no direct environmental, equalities or climate change consequences arising from this report.
- 3.3 Given the subject matter of this report, the assessment of risk forms a fundamental part of the risk strategy.

4. Financial Implications

- 4.1 The financial implications of each risk are considered when the impact of the risk is assessed.

5. Background

- 5.1 The WME Risk Management Strategy is reviewed and presented to the Joint Committee on an annual basis. This was presented and endorsed by the Joint Committee in March. WME Risk Management Strategy states that the Joint Committee are to receive details of all medium and high risks at each meeting.

- 5.2 The risk register is kept under constant review and is formally reviewed by the management of WME twice a year. The current risk register comprises of seventy-one highlighted risks.

- 5.3 The majority of the risks within the risk register are operational with controls in place which mitigate the impact of the risks to an acceptable risk level.

- 5.4 The table below presents the two medium risks that have been identified.

Ref	Risk	Risk Owner	L	I	Rank	Rank Change
Current Medium Risks						
1	Breach of Capital at Risk levels above 10% of Review Point level (as a result of market spike)	Julie Wassall	1	5	Medium	No change
2	Loss of business due to central government initiative or regulatory change e.g. DfE supported energy for schools program	Nigel Evans	3	4	Medium	No change

L – likelihood of the risk

I – impact of the risk

- 5.5 Risk Ref 1 continues to be evaluated as a medium with the likelihood remaining at one, which means in our view the breach of the risk levels within the year may only occur in exceptional circumstances but should it occur the impact could be major.

- 5.6 Risk Ref 2 remains as a medium ranked risk but it should be noted that the likelihood rating having been increased from 2 to 3. This is as a result of further promotion of an energy for schools arrangement by the Department of Education over recent months with Crown Commercial Service (CCS), and the recommendations made within the NHS and Blue Light sectors for bodies to also utilise CCS. Whilst we believe that our offering is preferable to that being offered there is the risk that some customers may consider these promoted offerings.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Joint Committee 14th March 2025 – Risk Management Update

Member

Councillor P Stoddart of Herefordshire Council (Chair of the Joint Committee)

Appendices

None