

Public Document Pack

Dear Councillor

AUDIT COMMITTEE - TUESDAY, 7TH DECEMBER, 2021

I am now able to enclose, for consideration at next Tuesday, 7th December, 2021 meeting of the Audit Committee, the following reports that were unavailable when the agenda was printed.

Agenda No	Item
------------------	-------------

- | | |
|----|---|
| 5. | <u>Corporate Risk Register Quarterly Report</u> (Pages 1 - 64) |
|----|---|

This page is intentionally left blank



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

7 December 2021

Report of the Director of Finance and ICT

**Corporate Risk Quarterly Report
(2021-2022 Quarter 2)**

1. Purpose

- 1.1 To provide an update on strategic risks, major departmental risks and outcomes of the corporate risk management capability self-assessment.

2. Information and Analysis

Strategic Risk Register

- 2.1 The strategic risk register includes those risks with the greatest potential to have a negative impact on the Council's ability to deliver its core services and objectives. These are risks which are currently assessed as Red and subject to proactive monitoring and significant management action for control and mitigation.
- 2.2 A summary of the current strategic risks is shown in Table 1. All these risks have been reviewed and updated for Quarter 2 (Q2). No risks have been added or removed since Quarter 1 (Q1).
- 2.3 As only risks currently assessed as Red are included in the strategic risk register, attention should focus on how long each risk has been on the register and its assessment history. Out of the fifteen risks on the register, ten have been Red for six successive quarters. These risks are indicated with an asterisk in the 'change' column in Table 1. The committee should be assured that, while some risks have been Red for successive quarters, this does not mean action is not being taken.

These actions are detailed in the full strategic risk register shown in Appendix 2.

Table 1 – Summary of current strategic risks (Q2)

Risk description	Risk owner	Target score	Current score	Change (since last quarter)
Impact of a prolonged recovery and a funding gap	Peter Handford	Yellow	Red	None *
Increase in demand on Council services	Iain Little	Yellow	Red	None *
Failure to have adequate business continuity plans in place	Chris Henning	Green	Red	None
Failure to have adequate emergency response arrangements in place	Chris Henning	Yellow	Red	None
Effective change management	Emma Crapper	Green	Red	None *
Supply chain failure	Peter Handford	Green	Red	None *
Failure to achieve value for money for the Council's New Waste Treatment Facility; and failure to re-commission the facility and secure long-term operation	Chris Henning	Blue	Red	None
Information governance	Peter Handford	Yellow	Red	None
Adapting to climate change	Claire Brailsford	Green	Red	None
Protection of vulnerable adults	Helen Jones	Yellow	Red	None *
Protection of vulnerable children	Alison Noble	Yellow	Red	None *
Maintenance of property assets	Dave Massingham	Green	Red	None *
Maintenance of Place assets	Chris Henning	Green	Red	None *
Failure to understand or respond adequately to new or changing legislation and regulation	Helen Barrington	Yellow	Red	None *
Ineffectual workforce planning	Emma Crapper	Green	Red	None *

Note: Risks with six successive 'Red' scores are indicated with an asterisk

- 2.4 The format of the register in Appendix 2 has been redesigned to include historical scoring as requested by the Audit Committee. Also shown for the first time are separate assessments of reputation and financial impact as required by the new corporate risk management strategy.
- 2.5 The risk scoring method changed in September 2021 when the new strategy was introduced. The old and new scoring tables can be found at the end of Appendix 2.
- 2.6 The new scoring method gives a greater emphasis to the impact of a risk. Under the previous strategy the threshold score for a Red risk was 15 and above. This changed to 12 and above under the new strategy. The scores shown up to 2021-22 Q1 use the old scoring method. Scores for 2021-22 Q2 are shown using both the old and new methods for comparison purposes. The scores which will be shown from 2021-22 Quarter 3 (Q3) onwards will use the new scoring method only.

Departmental risk registers

- 2.7 The four Departmental Risk Registers (DRRs) contain the operational risks identified and recorded by each department:
- Adult Social Care and Health (ASCH)
 - Commissioning, Communities and Policy (CCP)
 - Children’s Services (CS)
 - Place (PL)
- 2.8 A summary of the total risks recorded in DRRs at the end of Q2 is shown in Table 2. The operational risk scores are still shown using the old scoring method. A full rescoring using the new method will be completed by all departments during Q3 and used in the next quarterly report.

Table 2 – Risks in Departmental Risk Registers (Q2)

Department	Red	Amber	Yellow	Green	Total
ASCH	10	8	8	2	28
CCP	17	13	23	9	62
CS	11	13	20	3	47
PL	7	11	11	1	30
Total	45	45	62	15	167

- 2.9 The council classes Red and Amber risks as ‘major risks’. There are 90 Red and Amber risks out of a total of 167 risks currently recorded in DRRs. The most Red and Amber risks are held by CCP (33%). The fewest are held by ASCH (17%). The total number of risks recorded in each DRR varies considerably, reflecting the different approaches taken

by each department. Further guidance will be given to departments about what to include in risk registers to help improve the consistency of corporate risk reporting in Q3 and Q4.

- 2.10 A summary of overall movement in operational risk severity (i.e. risk rating score) for the whole council is shown in Table 3.

Table 3 – Total risks movement by severity – all departments (Q2)

	Red	Amber	Yellow	Green	Total
Improved	3	3	7	7	20
No change	37	39	49	8	133
Worsened	5	3	6	0	14
Total	45	45	62	15	167

- 2.11 A summary of movement in operational risk severity by each department is shown in Table 4.

Table 4 – Risks movement by Department and severity (Q2)

Department	Red	Amber	Yellow	Green	Total
ASCH					
Improved	0	3	2	1	6
No change	6	5	6	1	18
Worsened	4	0	0	0	4
CCP					
Improved	3	0	1	4	8
No change	13	12	19	5	49
Worsened	1	1	3	0	5
CS					
Improved	0	0	1	1	2
No change	11	11	18	2	42
Worsened	0	2	1	0	3
PL					
Improved	0	0	3	1	4
No change	7	11	6	0	24
Worsened	0	0	2	0	2

- 2.12 A total of 12% of risks have shown improvement during Q2, with 8% worsening in score. The risk assessments for most recorded risks (80%) remain unchanged from Q1.

- 2.13 A summary of the distribution of major risks by category is shown in Table 5. The greatest number of risks are in the financial (30%), service disruption (27%) and public and employee health, safety and wellbeing (14%) categories. Risks in the financial category will be restated and recategorized in Q3/Q4 to clearly focus on the impacts of each risk.

Table 5 – Major risks by risk category

Category	Red	Amber	Total
Public and employee health, safety and wellbeing	5	8	13
Community	2	4	6
Economy	1	1	2
Environment	0	0	0
Service disruption	15	9	24
Skills capability	0	4	4
Legal	1	6	7
Contracts and partnerships	2	3	5
Information security	0	2	2
Financial	15	12	27

- 2.14 There are 31 Red risks (i.e. those scoring between 12 and 20) which have a lower target score but have shown little or no positive movement over two consecutive quarters. This is 69% of all Red risks.
- 2.15 There are 15 risks with Red target scores. In some cases, the Council may be limited in what it can do to reduce the cause or consequence (impact) of a risk. However, these risks will be reviewed during Q3 to see if the target score can be improved.

Risk management capability self-assessment

- 2.16 The Council has set itself the ambition to be among the best performing local authorities for risk management by December 2024. To deliver this ambition it has set itself stretching targets, measured using the CIPFA/ALARM (Chartered Institute of Public Finance and Accountancy/Association of Local Authority Risk Managers) risk management capability framework, as follows:
- Level 3 (Working) – by March 2022
 - Level 4 (Embedded and Working) – by March 2023
 - Level 5 (Driving) – by December 2024
- 2.17 Over the summer each department completed an unmoderated self-assessment survey using the capability framework. This provided a baseline assessment of current performance and identified potential strengths and weaknesses to support work to improve performance.
- 2.18 Overall, the survey indicates that the Council is performing around Level 2 (Happening), with elements of Level 3 (Working) and above already in place. This is a similar conclusion to a central assessment completed in 2019. With sustained leadership and work, the Council is well placed to meet the first corporate target of Level 3 (Working) in all departments by

March 2022. Some departments are in a good position to make accelerated progress to Level 4 (Embedded and Working) in some categories earlier than March 2023.

- 2.19 The results by each benchmark category are shown in Table 6. The strongest area overall is 'Processes' (Level 3), although some lower scores were reported by departments within this category. The weakest area overall is 'People' (Level 2) but with some higher scores also reported.

Table 6 – Summary of self-assessment scores

	Council Baseline Scores
Leadership & Management	2-3
Strategy & Policy	2-3
People	2
Partnership, Shared Risk & Resources	2-3
Processes	3
Risk Handling & Assurance	2-3
Outcomes & Delivery	2-3

- 2.20 Some specific work is being done to identify ways to strengthen performance in the 'leadership and management' and 'people' categories to help drive performance improvement in all areas. Other work in hand or planned includes quarterly updates on performance improvement by each department, development of risk management guidance, training materials and best practice workshops, corporate communications, strengthening risk management in corporate planning and incorporating corporate risk recording and reporting in APEX by 2022-23.

3. Alternative Options Considered

- 3.1 This is a regular report on progress with managing strategic risks. Additional summary information has now been added about operational risks in response to the Audit Committee's interest in this.
- 3.2 Information about the council's progress in meeting its corporate risk management performance ambition is also included.

4. Implications

4.1 Implications are discussed in Appendix 2.

5. Consultation

5.1 No formal consultation was undertaken in the preparation of this report.

6. Background Papers

6.1 Electronic files held by Risk and Insurance management, Finance & ICT Services, County Hall Complex.

7. Appendices

7.1 Appendix 1 – Strategic Risk Register.

7.2 Appendix 2 – Implications.

8. Recommendations

That the Audit Committee:

- a) Reviews the Strategic Risk Register to:
 - a. note the key risks to the Council.
 - b. note the target scores as a reflection of the aims of the Council.
 - c. note the mitigations identified to achieve target scores.
- b) Notes the summary of departmental risks performance.
- c) Notes the outcome of the council's risk management capability baseline self-assessment against the CIPFA/ALARM benchmark framework.

9. Reasons for recommendations

9.1 The Audit Committee is charged with providing governance and oversight of risk management performance within the Council.

Report Authors:

Peter Handford
Director of Finance & ICT

Jane Morgan
Risk and Insurance Manager

Contact details:

peter.handford@derbyshire.gov.uk

jane.morgan@derbyshire.gov.uk

Appendix 1

Implications

Financial

- 1.1 Financial implications in relation to specific risks are noted in the strategic risk register where applicable.

Legal

- 2.1 Legal implications in relation to specific risks are noted in the strategic and departmental risk registers where applicable.

Human Resources

- 3.1 Human Resources implications in relation to specific risks are noted in the strategic and departmental risk registers where applicable.

Information Technology

- 4.1 Information technology implications in relation to specific risks are noted in the strategic and departmental risk registers where applicable.

Equalities Impact

- 5.1 Equalities impact implications in relation to specific risks are noted in the strategic and departmental risk registers where applicable.

Corporate objectives and priorities for change

- 6.1 The strategic risk register, departmental risk registers and corporate risk management strategy underpin the successful delivery of the Council's objectives and deliverables set out in the Council Plan and service delivery plans.
- 6.2 The council's corporate risk management capability ambition is designed to strengthen risk management arrangements to underpin improved performance across the Council, and to deliver greater public value from its work.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

- 7.1 All other implications in relation to specific risks are noted in the strategic and departmental risk registers where applicable.

STRATEGIC RISK REGISTER

Report period:	2021-22	Q2
Report date:	11 November 2021	



The Derbyshire County Council strategic risk register includes all risks with the greatest potential negative impact on the Council.

Change to scoring from September 2021

The Corporate Risk Management Strategy 2021-2025 changed the method of scoring risks to give greater weighting to the 'Impact' score. The change took effect in September 2021 (2021-22 Q2). Risks scoring 15 or above (pre-September 2021) or 12 and above (from September 2021) are deemed 'strategic' and included in the strategic risk register. Scores for 2021-22 Q2 are shown using both methods to provide continuity when comparing scores pre and post-September 2021.

The scoring matrices are shown in Appendix 1A (pre-September 2021) and Appendix 1B (from September 2021).

Scoring history (trend)

Historic scoring data is shown from when new and significantly changed risks were first included in the register.

During 2021-22 some risks were split into component parts and wording amended to provide greater clarity. Historic scores have been retained except where the wording changed significantly to make comparison difficult.

Notes

1. Textual changes since the last report are shown in **Purple**.
2. Any risks not updated this quarter are **highlighted** in the 'Last update' box.

Summary of strategic risks

Note: Target and current scores use the revised scoring method from September 2021.

Risk description	Risk owner	Target score	Current score	Change (since last quarter)	Page
Impact of a prolonged recovery and a funding gap	Peter Handford	Amber	Red	No change	3
Increase in demand on Council services	Iain Little	Amber	Red	No change	7
Failure to have adequate business continuity plans in place	Chris Henning	Green	Red	No change	9
Failure to have adequate emergency response arrangements in place	Chris Henning	Amber	Red	No change	12
Effective change management	Emma Crapper	Green	Red	No change	15
Supply chain failure	Peter Handford	Green	Red	No change	18
Failure to achieve value for money for the Council's New Waste Treatment Facility; and failure to re-commission the facility and secure long-term operation	Chris Henning	Blue	Red	No change	21
Information governance	Peter Handford	Amber	Red	No change	23
Adapting to climate change	Claire Brailsford	Green	Red	No change	26
Protection of vulnerable adults	Helen Jones	Amber	Red	No change	28
Protection of vulnerable children	Alison Noble	Amber	Red	No change	32
Maintenance of property assets	Dave Massingham	Green	Red	No change	35
Maintenance of Place assets	Chris Henning	Green	Red	No change	37
Failure to understand or respond adequately to new or changing legislation and regulation	Helen Barrington	Amber	Red	No change	40
Ineffectual workforce planning	Emma Crapper	Green	Red	No change	45

Risk Description	Impact of a prolonged recovery and a funding gap									
	In the event that the Authority does not develop sufficient and timely proposals to deal with the ongoing or further reductions in funding/resources, there is a risk that the need to close the funding gap may result in identifying measures for unplanned reductions in service spend leading to deterioration or interruption of front line service delivery.									
Risk Owner	Peter Handford					Director of Finance and ICT				
Last update	Period:	2021-22 Q2				Date:	21 September 2021			
Target (score)	AMBER (8)				Probability:	Probable (4)		Impact:	Moderate (2)	
Current (score)	RED (20)				Probability:	Almost Certain (5)		Impact:	Extremely High (4)	
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
Other	Reputation impact assessment			MODERATE			Financial impact assessment			Band 8
Progress update	<p>The Council has updated its Five-Year Financial Plan alongside the setting of the Revenue Budget 2021/22 in February 2021. The update reflects the outcomes of the Spending Round 2020 and the Local Government Finance Settlement 2021/22.</p> <p>The continuation of mainstream funding for local authorities at 2020/21 levels is welcome, together with the additional funding for social care including the option of the Adult Social Care precept.</p> <p>This additional funding has allowed the Council to invest in critical services, such as adults and children's' social care. However, savings of £72m+ are still required over the medium in order to maintain a balanced annual budget.</p> <p>There is a significant commitment in the Council's 2021/22 Revenue Budget to provide an additional £27m of ongoing funding and £15m to support service pressures.</p>									

	<p>Given the uncertainty regarding Covid-19, the EU Exit, local government devolution and delays to the Fair Funding and Business Rates Reviews, consideration has been given to the longer- term financial sustainability of the Council in setting its 2021/22 budget. The Revenue Budget 2021-22 included a £10m contingency to support rising social care costs. This budget has been allocated to the Adult Social Care and Health, and Children’s Services departments, following the Quarter 1 2021-22 forecast outturn position which identified financial pressures for both departments.</p> <p>There is a reliance on the achievement of a programme of budget savings.</p> <p>The Covid-19 pandemic has resulted in an economic shock from which it will take some time to recover. The Revenue Outturn 2020-21 was considered by Cabinet on 29 July 2021 and approved the allocation from underspends of £9.000m to the Budget Management Earmarked Reserve and £14.000m to a newly established reserve as a contingency against potential funding losses during the Covid-19 recovery.</p>		
Controls	Description	Status	Owner
	Five-Year Financial Plan is updated at least annually and following key Government announcements e.g. Spending Rounds. In addition to this, the Council’s Financial Strategy has been revised and updated, and was approved by Cabinet on 9 September 2021. The Strategy sets out a framework in which the Council manages its financial resources.	In place/embedded	E Scriven
	Departmental budget reductions programmed developed together with a plan of lead-in times for consultation, where appropriate and the identification of workforce reductions.	In place/embedded	P Handford
	Budget Management Strategy Group established to ensure a cohesive approach to the monitoring of departmental budget saving targets, associated consultation activity and budget setting procedures. Departmental representatives following	In place/embedded	P Handford

	agreed terms of reference are meeting at least monthly with an expectation that the frequency of meetings will be more regular during the budget setting period. In addition, the Capital Strategy Group oversee the capital bids process and monitoring of the capital programme.		
	Budget Monitoring Policy ensures that there is regular reporting to SMTs and Members. The Director of Finance meets with Executive Directors and Cabinet Members to discuss the latest monitoring position. The position is reported to Cabinet and Council on a quarterly basis (effective from 1/4/2020) alongside departmental performance information.	In place/embedded	E Scriven
	The Reserves Policy stipulates that the Council's level of reserves will be reviewed at least annually. This includes a projection of the General Reserve balance to ensure that is maintained at an adequate risk assessed level.	In place/embedded	E Scriven
	Positive use of Better Care Fund and alignment of health and social care priorities for integrated working.	In progress/taking effect	H Jones
	Lobby Government in ensuring fair funding for Derbyshire. The Council responds to all key Government consultations in respect of the Funding Review which is currently ongoing. Consideration is being given to the establishment of countywide lobbying in association with district/borough/city councils, adopting a joined-up approach in respect of priority areas such as social care and homelessness.	In progress/taking effect	P Handford
	Monitor the impact of the National Funding Formula for schools and closely monitor the implications of the High Needs Block	In progress/taking effect	C Allcock

	level of funding ensuring compliance with the revised Government regulations.		
	Departments have identified estimated Covid-19 costs for 2021/22 and initial identification of service pressures over and above those identified as part of the 2021/22 budget setting process. The budget setting process for 2022/23 commenced in early Summer 2021 to ensure that the Council has early sight of the financial pressures faced in both the short and medium-term.	In progress/taking effect	P Handford
	A £15m recovery fund has been established to support the Derbyshire economy and recovery from Covid-19. It is expected that the majority of the scheme will each provide significant benefit to the local economy with a smaller portion for internal recovery, with a further £14.000m made available from 2020/21 underspends.	In progress/taking effect	P Handford

Risk Description	Increase in demand on Council services										
	As demand for services changes, the Council may need to adapt the services it currently offers in order to provide the new or additional services. Failing to manage the changes could lead to core services being reduced leading to significant impact upon stakeholders and partnerships; potential litigation; fines; risk of injury or death.										
Risk Owner	Iain Little					Deputy Director of Public Health					
Last update	Period:	2021-22 Q2				Date:	5 November 2021				
Target (score)	AMBER (8)				Probability:	Probable (4)		Impact:	Moderate (2)		
Current (score)	RED (16)				Probability:	Probable (4)		Impact:	Extremely High (4)		
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4	
								Q2 (Post-Sep 2021)			
Other	Reputation impact assessment			HIGH			Financial impact assessment		Band 4		
Progress update	<p>Demand Management has been identified as a priority project within the Enterprising Council approach.</p> <p>A report to Enterprising Council Board in May 2021 recommended that demand management is embedded across change management projects and programmes through developing an approach to understand and measuring demand. This will align the work with the Strategic Transformation workstream.</p> <p>An SRO has been identified, and links made to incorporate demand management within work of the Strategic Transformation Programme Management Office. This work continues to be delayed due to capacity pressures caused by the Council's Covid-19 response.</p>										

Controls	Description	Status	Owner
	SRO identified to lead work.	In place/embedded	E Crapper
	Demand management approach agreed.	In place/embedded	I Little
	Embedding of demand management approach within work of Strategic Transformation PMO	In progress/taking effect	I Little/E Crapper

Risk Description	Failure to have adequate business continuity plans in place									
	The emerging risk environment, the number and type of emergency and the interdependencies of services is increasingly making business continuity or "resilience" a significant focus for the Council.									
Risk Owner	Chris Henning				Executive Director, Place					
Last update	Period:	2021-22 Q2				Date:	4 October 2021			
Target (score)	GREEN (6)				Probability:	Unlikely (2)		Impact:	High (3)	
Current (score)	RED (20)				Probability:	Almost Certain (5)		Impact:	Extremely High (4)	
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
Other	Reputation impact assessment			MODERATE			Financial impact assessment		Band 5	
Progress update	<p>The Council's corporate business continuity plan provides a strategic framework around which staff can work to enable critical functions to be maintained, or quickly restored to minimise any effect on service delivery to the community.</p> <p>The plan concentrates on services provided at County Hall headquarters, Chatsworth Hall, John Hadfield House and Shand House. and identifies priority functions which need to be maintained or restored in order to provide critical services.</p> <p>Further work is being undertaken to look at services provided at other locations, partnership working and external suppliers.</p> <p>There is an established annual programme of training and exercises to ensure staff understand what their roles and responsibilities are, test the effectiveness of the plan and assist with future development.</p>									

	<p>Following a Business Continuity exercise organised by Emergency Planning a revised priority functions spreadsheet for all service areas is in place. The document ensures that heads of service are actively considering and documenting their business continuity arrangements. The priority functions spreadsheet needs to be revisited throughout the year; the previous version was completed in Nov 2020.</p> <p>Following the outbreak of the coronavirus, the Council has engaged in significant scenario planning across all departments to ensure that the Council is equipped to respond to ensure continuity of services on a priority basis.</p> <p>Directorates providing key services should have up to date service area plans detailing how they will continue/or resume critical services. An audit of these needs to be undertaken to ensure that there are plans and that they are up to date.</p> <p>The corporate business continuity priority functions spreadsheet needs to be revisited throughout the year; the previous version was completed in Nov 2020. The plan has been used during the response to Covid-19 however the plan has not been exercised since October 2019.</p> <p>Concern has been raised as to whether directorates/service areas have in place local service area plans and/or how up to date they are, and the adequacy of these. A review of how business continuity planning is resourced needs to be undertaken to ensure that it is adequately resourced.</p> <p>The revised scoring was proposed following a meeting with the Risk & Insurance Manager and Emergency Planning Manager.</p>		
Controls	Description	Status	Owner
	Corporate Business Continuity Plans updated and tested on an annual basis. Plan is held on an external resilient portal (ResilienceDirect) to which staff with identified roles and responsibilities have access.	In place/embedded	E Partington

	In the event of an emergency, the Business Continuity Management Team (key strategic corporate staff) will meet at appropriate intervals to agree the strategic objectives and task the Business Continuity Support Team in order to ensure an effective co-ordinated response.	In place/embedded	E Crapper
	Departments hold in-depth reviews of their continuity arrangements to ensure key services can continue.	In progress/taking effect	E Crapper
	ICT and procurement to work with departments to ensure systems procured provide resilience.	In progress/taking effect	T Gerrard
	Cross departmental working in place to support key areas. Skills and training identified.	In progress/taking effect	E Crapper
	Business Continuity Policy – May 2018	In progress/taking effect	E Partington

Risk Description	Failure to have adequate emergency response arrangements in place									
	The Council's ability to provide an effective response to an emergency situation, including major incidents such as severe weather (e.g. climate change-based flooding), fire, loss of utilities or pandemics, whilst maintaining its critical services to the public.									
	The emerging risk environment, the number and type of emergencies is increasingly making continuity or "resilience" a significant focus for the Council.									
	Budget cuts and rationalisation (including resourcing reductions) also challenge the Council in its ability to fulfil its Category 1 Responder statutory duty under the Civil Contingencies Act 2004.									
Risk Owner	Chris Henning				Executive Director, Place					
Last update	Period:	2021-22 Q2				Date:	4 October 2021			
Target (score)	AMBER (8)				Probability:	Unlikely (2)		Impact:	Extremely High (4)	
Current (score)	RED (16)				Probability:	Probable (4)		Impact:	Extremely High (4)	
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
Other	Reputation impact assessment			HIGH			Financial impact assessment		Band 5	
Progress update	Under the Civil Contingencies Act (CCA) 2004 the County Council is defined as a Category 1 Responder and therefore has statutory duties placed on it, one of which is to ensure that it has plans in place to respond to an emergency and continue to provide critical services, i.e. emergency planning and business continuity arrangements.									
	The Local Resilience Forum is made up of Category 1 Responders as defined by the CCA. As a Category 1 Responder the Council is jointly responsible for preparing and maintaining Derbyshire									

	LRF's community risk register and ensuring that multi-agency plans are in place to mitigate/respond to the risks/threats identified within it.		
Controls	Description	Status	Owner
	Corporate Emergency Plan updated and tested on an annual basis with multi agency training and exercises. Plan is held on an external resilient portal (ResilienceDirect) to which staff with identified roles and responsibilities have access.	In place/embedded	E Partington
	In the event of an emergency, key staff will attend multi agency Strategic Co-ordinating and Tactical Co-ordinating Groups as appropriate. During Covid-19, wherever possible, Strategic Coordinating Group and Tactical Coordinating Group meetings will be held virtually in response to Covid-19 and other major incidents.	In place/embedded	C Henning
	Following emergencies departments review their response with internal debriefs that feed into LRF multi-agency debriefs as appropriate.	In place/embedded	C Henning
	LRF multi-agency risk and capability plans are prepared and maintained by LRF partners to ensure an effective response by responding agencies including the County Council.	In place/embedded	C Henning
	Flood Risk Management Strategy and guidance notes - The flood risk management strategy sets out the Council's actions to help manage flood risk in Derbyshire. It also gives the role of our partners (such as district and borough councils, water companies, parish and town councils). The strategy is divided into 2 parts: <ul style="list-style-type: none"> Part 1 provides information about flooding and flood risk - it covers who to call, and how local people can help 	In place/embedded	J Gould

	<p>themselves to become more resilient to the impacts of flooding.</p> <ul style="list-style-type: none"> Part 2 covers the more technical details of understanding flood risk in Derbyshire - it has an action plan about how we will manage future risks and get money to cover costs. 		
	<p>Flood Risk Asset Register - register of structures or features in Derbyshire which are considered to have a significant impact on flood risk and requires permission if any changes are to be made. Owners of assets and features on the asset register must maintain their assets and ensure that they are working fully. The Council has the power to enforce the owners of registered assets to carry out this duty.</p>	In place/embedded	J Gould

Risk Description	Effective change management									
	The Council is undergoing significant organisational change from financial pressure or political change which could create significant workforce issues around having the right skills, productivity and capacity, each of which may adversely impact upon service delivery if not managed.									
	The effect of reducing the Council workforce and pressure for increased productivity without effective change management and employee engagement also carries health and attendance risks. The lack of effective change management can lead to significant impact upon stakeholders and partnerships; potential litigation; fines; risk of injury or death and unplanned spending increases.									
Risk Owner	Emma Crapper				Director of Organisation Development and Policy					
Last update	Period:	2021-22 Q2				Date:	22 October 2021			
Target (score)	GREEN (6)				Probability:	Possible (3)		Impact:	Moderate (2)	
Current (score)	RED (16)				Probability:	Probable (4)		Impact:	Extremely High (4)	
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
Other	Reputation impact assessment			HIGH			Financial impact assessment		Band 4	
Progress update	Work has taken place to further develop the whole council strategic transformation case identified as a key priority to drive forward Phase 2 of the Council's Enterprising Council approach. The initial work has focused on developing a whole council view of change activity across the organisation which will support the identification of priority programmes of work and the targeting of resources. A new centralised programme management office is currently in the process of being developed and this will ensure that the council develops a consistent approach to project/programme management and business planning across the organisation. The initial work has focussed on reviewing the									

existing change and transformation projects and programmes taking place across the Council. The PMO will also be responsible for ensuring the Council has the necessary skills, capacity and capability to deliver identify change.

A new Assistant Director – Business Change has been appointed for twelve months creating additional capacity to support the effective implementation of the strategic transformation case and the PMO.

Employee engagement and wellbeing is central to the development of the Council's people strategy and in the previous 12 months, the Council's has deployed a number of pulse surveys to seek views from its workforce.

A cycle of regular pulse surveys has been implemented which will complement the Council's wider approach to engagement (Listen and Engage, Shape and Respond). This is supported by internal communications narrative work centred on 'Our Spirit', with departmental employee engagement forums having now been held for all departments and the organisational engagement forum planned for November 2021.

Feedback from leadership forums also continues to help inform and mitigate against potential concerns within the workforce and will shape the engagement approach further as we proceed, supported by a clear leadership development approach and leadership behavioural framework. Leadership connections groups have been implemented to further strengthen discussions and communications across the leadership forum.

The council continues to progress its wellbeing strategy actions plans, focused on people, data and systems to ensure the strategy is successfully embedded, with continuation of new initiatives such as the employee assistance programme. The wellbeing strategy is being reviewed by end March 2022 to ensure it remains fit for purpose.

Controls	Description	Status	Owner
	Development of strategic transformation case and prioritised council wide programme of transformation.	In progress/taking effect	E Crapper
	Creation of a centralised Programme Management Office for the Council.	In progress/taking effect	E Crapper
	Development of effective governance arrangements to monitor and evaluate agreed change activity.	In progress/taking effect	E Crapper
	Deployment of the employee engagement pulse survey cycle as approved by CMT on 8 February 2020 supported by departmental and organisational employee engagement forums.	In progress/taking effect	J Skila
	Regular leadership forums / senior leadership forums to support leader development and information sharing, coupled with a leadership behavioural framework.	In progress/taking effect	J Skila
	Ongoing deployment, review and monitoring of the council's wellbeing strategy and associated action plans.	In progress/taking effect	J Skila

Risk Description	Supply chain failure									
	Failure to manage contracts effectively could lead to unforeseen increased costs; risk of contracts collapsing; increased carbon footprint.									
Risk Owner	Peter Handford				Director of Finance and ICT					
Last update	Period:	2021-22 Q2				Date:	3 November 2021			
Target (score)	GREEN (6)				Probability:	Unlikely (2)		Impact:	High (3)	
Current (score)	RED (20)				Probability:	Almost Certain (5)		Impact:	Extremely High (4)	
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
Other	Reputation impact assessment			HIGH			Financial impact assessment		Band 8	
Progress update	A Central Contract Management Support Team has been proposed to improve management of contracts across the Council. This is still subject to approval.									
Controls	Description						Status		Owner	
	A guidance document has been produced to ensure departments are aware of their responsibilities to ensure management of business continuity is part of their contract management processes. This document will be issued once audit sign off is received.						Proposed/not yet approved		T Gerrard	
	Proposed introduction of a standardised Contract Management Framework via a Central Management Professional Standards Team across the Council.						Proposed/not yet approved		T Gerrard	

	Identification of high value/high risk contracts including partnerships and partners which demand a higher level of contract management.	Proposed/not yet approved	T Gerrard
	Understanding the flow of Council goods and services from our suppliers will help mitigate supply chain risk and identify any potential risk to supply and/or costs this should include the manufacturing, movement and storage of goods, right through to order fulfilment. This data should be captured and reported on centrally as part of robust contract/supply chain management.	Proposed/not yet approved	T Gerrard
	Use of an external credit reference agency is proposed as part of contract management activity to check financial standing of providers during the life of the contract.	Proposed/not yet approved	T Gerrard
	Contract & provider knowledge sharing with other councils via the East Midlands Heads of Procurement and the national Public Sector Procurement Working Group.	Proposed/not yet approved	T Gerrard
	Reviewing and updating tender documentation and contracts to identify weaknesses which could contribute towards supply chain failure.	In progress/taking effect	T Gerrard
	Ensuring Business Continuity Plans are reviewed and tested with providers during the life of the contract as part of robust contract management activity.	Proposed/not yet approved	T Gerrard
	County Procurement is an active member of the Council's Environmental Sustainability Group. As part of this Group proposals to embed sustainability into Procurement activities are being considered. The Social Value Portal organisation is	In progress/taking effect	T Gerrard

	being on-boarded to deliver sustainability as part of the Social Value framework. A Soft Market Testing exercise is also being undertaken to identify a sustainability partner.		
--	---	--	--

Risk Description	Failure to achieve value for money for the Council's New Waste Treatment Facility; and failure to re-commission the facility and secure long-term operation									
	<p>The Council is working with stakeholders to determine the "Estimated Fair Value" (EFV) of the facility following termination of the Project Agreement with RRS. This is the compensation due to the former contractor and comprises the value of the plant, considering all of the costs of rectifying ongoing issues, and the costs of providing the services to meet the agreed contract standards.</p> <p>Failure to achieve value for money is a significant risk to the Council's budget. Failure to recommission the facility is a significant risk for the long-term waste management strategy, the Council's future economic and environmental sustainability and its reputation.</p>									
Risk Owner	Chris Henning				Executive Director, Place					
Last update	Period:	2021-22 Q2				Date:	2 November 2021			
Target (score)	BLUE (2)				Probability:	Unlikely (2)		Impact:	Low (1)	
Current (score)	RED (20)				Probability:	Almost Certain (5)		Impact:	Extremely High (4)	
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
Other	Reputation impact assessment			HIGH			Financial impact assessment		Band 7	
Progress update	<p>The Council is meeting regularly with the project funders to reach a consensual settlement on the EFV. In parallel preparations continue in the event negotiations are unsuccessful.</p> <p>Work to determine the condition and capability of the facility is nearing completion and will determine the next steps for the facility. This information is informing the EFV workstream.</p> <p>Project planning is underway on services post 2022, when the Service Continuity Contract expires. A Work Plan of key actions is in place, resources allocated and are subject to regular review.</p>									

Controls	Description	Status	Owner
	A Service Continuity Contract has been put in place to make sure waste continues to be dealt with, and that recycling centres and waste transfer stations continue to operate. These services are being provided by waste management company Renewi under a new two-year contract. The contract includes work to secure and preserve the waste treatment facility.	In place/embedded	C Brailsford
	Joint Waste Contract Management Boards (with Derby City Council) in place and meet regularly to provide strategic leadership.	In place/embedded	C Brailsford
	Internal Waste Project Board has been established and meets monthly.	In place/embedded	C Brailsford
	Specialist advisors (finance; commercial and legal) appointed and support the Project Team. The Project Team meets at minimum weekly.	In place/embedded	C Brailsford

Risk Description	Information governance									
	The Council's information governance policies, processes and systems insufficiently protect personal, commercial and other sensitive data, leading to potential harm to vulnerable persons, employees and commercial relationships, legal action, financial penalties and reputational damage.									
Risk Owner	Peter Handford				Director of Finance and ICT					
Last update	Period:	2021-22 Q2				Date:	1 November 2021			
Target (score)	AMBER (9)				Probability:	Possible (3)		Impact:	High (3)	
Current (score)	RED (12)				Probability:	Possible (3)		Impact:	Extremely High (4)	
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
Other	Reputation impact assessment			HIGH			Financial impact assessment		Band 3	
Progress update	<p>This corporate risk is being reformulated by the Director of Finance and ICT to address information governance (incorporating GDPR and cyber resilience).</p> <p>The risk scores are unchanged until the review is complete, and an informed assessment is made, however the current score reflects the large amount of controls in place.</p> <p>An implementation plan for The Data Strategy will shortly be provided for approval to centralise legacy flat file data into a secure SharePoint structure.</p>									
Controls	Description						Status		Owner	
	The ICT Data Architecture function to build out the data use and management guidelines for the Council.						In progress/taking effect		R Pearson	

	The data management strategy and a resource requirements report are to be considered by CMT and/or Cabinet over the coming weeks. This will allow the ICT Service to put the resources in place to develop an implementation plan to migrate to SharePoint and implement the advance security options available in the e5 license.	In progress/taking effect	R Pearson
	Staff see a screen each time they logon to the Council's network that lists the key policies that they must read and acknowledge. These same policies are presented to new staff at induction.	In place/embedded	
	File counter icon on desktops show staff their documents that are held locally.	In place/embedded	J White
	Information Governance Training is mandatory online training for all council staff, agency staff and temporary staff. It must be completed every 12 months and metrics are presented to the Information Governance Group monthly.	In place/embedded	J White
	ISO27001 certification gives the Council assurance that physical and technical processes are in place to secure and protect data.	In place/embedded	J White
	The council has a robust security incident management system in place which alerts of security vulnerabilities and data breaches.	In place/embedded	J White
	The council has access control on all systems holding data and permissions are reviewed quarterly.	In place/embedded	R Pearson

	The council has a range of technical defences in place to secure the council's Data Centres, server and network architecture, data backups and business continuity plans.	In place/embedded	R Pearson
	All Council issued devices are encrypted and PIN protected to prevent access to data on the hard drive.	In place/embedded	R Pearson

Risk Description	Adapting to climate change										
	The Council faces a challenge in relation to an increase in extreme weather patterns including increased rainfall, drought, heatwaves and unseasonal weather. This will result in risks of increased frequency of flooding; damage to infrastructure; risk to health, well-being and productivity; water and energy shortages; risks to natural capital; interruption of food production and trade; new and emerging pests, diseases and plant and animal species. Climate change around the world is likely to result in mass migration of people.										
Risk Owner	Claire Brailsford					Director of Environment and Transport					
Last update	Period:	2021-22 Q2				Date:	30 September 2021				
Target (score)	GREEN (6)					Probability:	Unlikely (2)		Impact:	High (3)	
Current (score)	RED (16)					Probability:	Probable (4)		Impact:	Extremely High (4)	
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4	Q2 (Post- Sep 2021)
Other	Reputation impact assessment			HIGH			Financial impact assessment			Band 8	
Progress update	<p>The Derbyshire Climate Change Adaptation Plan was produced in 2013 with a review of progress taking place in 2017.</p> <p>The Adaptation Plan addressed flooding, infrastructure, service delivery, adapting the built environment and community and business resilience planning with considerable work being undertaken in each area.</p> <p>Work undertaken on climate projections and will inform plans to build the resilience of Derbyshire to a changing climate to include risk assessments and adaptation plans.</p>										

Controls	Description	Status	Owner
	Analysis and distribution of future climate projections for Derbyshire	In progress/taking effect	C Brailsford
	Council Service risk assessments and adaptation plans	In progress/taking effect	C Brailsford
	Derbyshire Local Flood Risk Management Strategy	In place/embedded	J Gould
	Derbyshire Natural Capital Strategy (being commissioned)	In progress/taking effect	C Brailsford
	Planning guidance	Proposed/not yet approved	J Battye

Risk Description	Protection of vulnerable adults									
	Failure to protect the most vulnerable in our society could lead to significant fines; special measures; litigation; decreased staff morale; reputational damage.									
Risk Owner	Helen Jones				Executive Director, Adult Social Care and Health					
Last update	Period:	2021-22 Q2				Date:	18 October 2021			
Target (score)	AMBER (8)				Probability:	Unlikely (2)		Impact:	Extremely High (4)	
Current (score)	RED (12)				Probability:	Possible (3)		Impact:	Extremely High (4)	
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post- Sep 2021)		
Other	Reputation impact assessment			HIGH			Financial impact assessment		Band 4	
Progress update	<p>An Adult Social Care (ASC) Quality Assurance Strategy has been developed which is the foundation from which we will ensure that all ASCH functions drive the delivery of high quality services for the people of Derbyshire and work to continuously improve quality based on a clear understanding of expectations and requirements.</p> <p>This strategy has been incorporated into policy and is being driven by an overarching Quality Assurance Board that meets on a quarterly basis and which receives highlight reports at each meeting from workstream leads who are responsible for a specific area of quality assurance across the ASC department. There are six key work streams; Safe Services, Quality Recording, Quality Monitoring and Improvement, Quality Workforce, Communications and Quality Policies and Procedures.</p>									

	<p>Each work stream is required to utilise appropriate data to monitor and scrutinise activity across the department and report to the board via a highlight report as well as focus activity on key actions through detailed work stream action plans.</p> <p>The QA Board has reported updates on activity and required action to the ASC Portfolio Holder verbally to date and is now in the process of arranging quarterly written progress reporting from October 2021 onwards.</p> <p>In specific relation to the directly provided services such as residential care, homecare and day care activity there is also a Quality Improvement Board (QIB) which has now been established for some eighteen months or more. This Board is chaired by an Assistant Director and involves Group Managers across the department. The Board ensures that the quality and improvement of all directly provided services is the responsibility of the whole department and that the QA strategy is being implemented.</p> <p>The work of this Board is focused into the same six key work streams, and feeds directly into, the Quality Assurance Board that Board.</p>		
Controls	Description	Status	Owner
	An Adult Social Care Quality Assurance Strategy and Framework has been developed and agreed. This strategy has now been converted into policy and implemented across the department and is being embedded into practice.	In progress/taking effect	S Stevens
	The Quality Improvement Board meets on a six weekly basis to review progress within work streams, to drive delivery on the action plan and to identify new learning.	In place/embedded	T Henson
	The Quality Improvement Board provides regular updates to the ASC Quality Assurance Board, Senior Management team and Executive Director.	In place/embedded	T Henson

	Safeguarding leadership arrangements have been reviewed and additional investment has been made into the team as well as a transfer of the operational structure into the Commissioning, Safeguarding and Performance team to enable more independent scrutiny and oversight.	In place/embedded	J Ryalls/ S Knowles
	We have reviewed our approach to learning reviews and serious incidents. We have revised policy and process in order to ensure appropriate and consistent monitoring, review and learning mechanisms are established and embedded.	In progress/taking effect	J Ryalls/ S Knowles
	Additional investment has been made into the ASC Quality and Compliance team in order to ensure we have a focused approach to audit, monitoring and continuous improvement.	In place/embedded	T Henson
	An initial performance dashboard has been developed which currently monitors the performance of our care homes by measuring across six key metrics; staffing vacancies, occupancy, incidents, training, complaints and CQC rating. This dashboard is further being developed to capture quality, compliance and safeguarding activity across the whole department. Both the high-level dashboard, and a more detailed report sitting underneath, are sent to all relevant operational staff and are also monitored by the Quality and Compliance Team.	In progress/taking effect	T Henson
	Senior Managers are updated in relation to any significant incidents through a newly embedded 'notifiable incident form'.	In place/embedded	D Sullivan/ T Henson
	A Quality Assurance Board that meets on a quarterly basis, and which receives highlight reports at each meeting from	In place/embedded	S Stevens

	<p>workstream leads who are responsible for a specific area of quality assurance across the ASC department, has been established to oversee progress on actions and receive highlight reports on meets on a six weekly basis to review progress within work streams, to drive delivery on the action plan and to identify new learning. This board has provided regular verbal updates to the ASC Senior Management team, Executive Director and Portfolio Holder.</p> <p>From October 2021 the board will be providing written updates on a quarterly basis to the Executive Director and Portfolio Holder.</p>		
	<p>A data dashboard which was initially developed for our transformation programme, is being further developed to ensure that accurate reporting on specific areas of Quality assurance can be maintained in one place to support monitoring and reporting to the Quality Assurance Board.</p>	In progress/taking effect	L Elba-Porter

Risk Description	Protection of vulnerable children									
	Failure to protect the most vulnerable in our society could lead to significant fines; special measures; litigation; decreased staff morale; reputational damage.									
Risk Owner	Alison Noble					Acting Executive Director, Children's Services				
Last update	Period:	2021-22 Q2				Date:	27 September 2021			
Target (score)	AMBER (8)				Probability:	Unlikely (2)		Impact:	Extremely High (4)	
Current (score)	RED (12)				Probability:	Possible (3)		Impact:	Extremely High (4)	
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
Other	Reputation impact assessment			HIGH			Financial impact assessment			Band 7
Progress update	<p>Whilst risk can never be eliminated entirely, the council has robust policies and procedures in place to safeguard vulnerable children, supported by training and development, supervision and quality assurance processes.</p> <p>Structures and capacity within frontline teams have been reviewed, in order to reduce caseloads and increase support for practitioners via reflective supervision and management oversight.</p> <p>Successful recruitment and retention strategies have reduced turnover and vacancies in social care over the past two years, leading to greater workforce stability.</p> <p>More recently, social care in Localities have experienced higher turnover during the pandemic and additional strategies have been put in place.</p> <p>These measures provide a firm foundation for ongoing service improvement and the reduction of risks to children.</p>									

Controls	Description	Status	Owner
	Robust policies & procedures, training, supervision and QA in place. Supported by strong independent quality assurance function.	In place/embedded	A Noble
	Derbyshire Safeguarding Childrens Partnership embedding and supporting quality assurance and development of multi-agency safeguarding practice.	In progress/taking effect	L Dale
	Systemic practice operating model; integration of Early Help and Social Care.	In place/embedded	A Noble
	Formal and informal learning, coaching and mentoring. Work underway to further strengthen L&D approaches	In progress/taking effect	A Noble/ L&D team
	Robust procedures within Starting point to embed multi agency thresholds and pathways. Further work across DDSCP to strengthen partnership responsibility.	In progress/taking effect	P Lambert
	Reviewing of staffing, training and caseloads - establishing ongoing funding of service structure and capacity.	In progress/taking effect	A Noble
	Practice improvement plans with oversight by QA Board chaired by Exec Director. Regular performance monitoring and accountability at all levels across children's safeguarding and SEND services. Plan recently reviewed following achievement of original actions.	In place/embedded	P Lambert
	Supervision policy and management oversight reviewed and strengthened.	In place/embedded	P Lambert

	Workforce strategy - recruitment and retention of social workers improved; supporting more stable workforce and reducing remaining capacity pressures. Strategies developed and implemented to address recent staffing challenges in Locality areas. Longer term approaches to recruitment and retention being explored.	In progress/taking effect	P Lambert
	Strengthened procedures via DDSCP to identify and embed learning from serious case reviews/child practice reviews. Implementation of regular assurance reports to CMT on learning reviews and actions to strengthen practice.	In progress/taking effect	A Noble
	Systems in place to report regularly and learn from complaints.	In place/embedded	D Cohen
	Systems in place to ensure a joined-up approach to managing risks for children during COVID-19; strengthened multi-agency working.	In place/embedded	A Noble/ I Peel

Risk Description	Maintenance of property assets										
	Failure to maintain our assets could lead to significant fines; significant litigation; decreased staff morale; reputational damage; HSE investigation.										
Risk Owner	Dave Massingham					Director of Property					
Last update	Period:	2021-22 Q2				Date:	09/11/ 2021				
Target (score)	GREEN (4)				Probability:	Unlikely (2)		Impact:	Moderate (2)		
Current (score)	RED (12)				Probability:	Possible (3)		Impact:	Extremely High (4)		
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4	
							Q2 (Post-Sep 2021)				
Other	Reputation impact assessment			MODERATE			Financial impact assessment		Band 4		
Progress update	<p>In February 2019 Cabinet approved a new operating model for Corporate Property Services based on the property life cycle. The Asset Management Framework developed in 2019 documents the Strategy for managing Land and Buildings.</p> <p>A new Senior Management Team was established during 2020 and a programme to externalise non-core services commenced March 2020.</p> <p>In February 2021 a new Governance and decision arrangements framework was presented to Cabinet and agreed.</p> <p>Resources within operational service areas have been refocused on priority risk areas of Statutory Compliance and a new administrative and contract management team for Statutory Compliance areas has been implemented.</p>										

Controls	Description	Status	Owner
	Asset Management Framework is reviewed annually.	In place/embedded	J Scholes
	Governance and Performance Framework is a key deliverable in the service plan.	In progress/taking effect	G Massey
	A 5-year programme of individual asset plans for all council assets has been developed and is underway.	In progress/taking effect	J Scholes
	5-year programme of individual Condition Surveys for all council assets.	In place/embedded	S Brown
	Annual Premises Reviews to 100% of managed estate.	In place/embedded	S Brown
	Planned Preventative Maintenance plans to align with Asset Plans.	In progress/taking effect	S Brown
	Dedicated resource to Statutory Compliance – administration, contract management and operational service provision.	In place/embedded	S Brown

Risk Description	Maintenance of Place assets									
	Failure to maintain our assets could lead to significant fines; significant litigation; decreased staff morale; reputational damage; HSE investigation.									
Risk Owner	Chris Henning					Executive Director, Place				
Last update	Period:	2021-22 Q2				Date:	4 October 2021			
Target (score)	GREEN (4)				Probability:	Unlikely (2)		Impact:	Low (2)	
Current (score)	RED (12)				Probability:	Possible (3)		Impact:	Extremely High (4)	
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
Other	Reputation impact assessment			MODERATE			Financial impact assessment			Band 4
Progress update	<p>This risk is to be reviewed within the development of the FHM and Highways Capital Programmes.</p> <p>Representatives from Place, Property and Corporate Finance are seeking to develop a holistic strategy and approach to how individual plans, processes and procedures will fit together to form the Council's joined up approach.</p> <p>Derbyshire's approach to Highways Asset Management has been developed using the recommendations made within the 2013 Highways Management Efficiency Programme (HMEP) Highway Infrastructure Asset Management Guidance and is the basis of the Council's approach to delivering best practice, as set out in the 2016 Code of Practice for Well-Managed Highway Infrastructure.</p> <p>These required local authorities to adopt a risk based, integrated asset management approach to maintaining highway infrastructure by October 2018. These approaches are supported by the new funding models for local authority highway maintenance.</p>									

	<p>A Corporate Property Asset Management Framework is in place. Working with Property Services, Service Asset Management Plans are being developed.</p> <p>The Capital Strategy for 2022-22 provides a high-level overview of how capital expenditure and capital financing contribute to the provision of local public services.</p>		
Controls	Description	Status	Owner
	The Highways Infrastructure Asset Management Policy and Strategy documents set out delivery of road-related services against our key priorities taking into consideration residents' needs, the condition of the asset and how best use can be made of available resources. The emphasis is on managing our infrastructure assets efficiently and effectively by focusing on investing in long-term planned maintenance instead of short-term repairs. Documentation is reviewed biennially.	In progress/taking effect	J Gould
	Highway Network Management Plan - technical document which specifies how the department manages and provides change to Derbyshire's highway network. The document follows a review of existing policies and procedures to reflect the change to the risk-based approach set out in the HIAMs documentation and the criteria to manage the network. It reflects changes to materials and techniques within the industry, relevant legislation and current environmental guidance and practice.	In progress/taking effect	J Gould
Environmental Management System (EMS) - ISO 14001 Certification – Yearly Audit programme and three yearly recertification.	In place/embedded	J Gould	

	Quality Management System (QMS) – ISO 9001-2015 Certification - Yearly Audit programme and three yearly recertification.	In place/embedded	D Massey
--	--	-------------------	----------

Risk Description	Failure to understand or respond adequately to new or changing legislation and regulation									
	Lack of knowledge and understanding of statutory duties meaning the Council is at increased risk of special measures, HSE investigation, corporate manslaughter charges, personal prosecution and insurers refusing to provide indemnity on property or liability claims.									
Risk Owner	Helen Barrington					Director of Legal and Democratic Services				
Last update	Period: 2021-22 Q2				Date: 30 October 2021					
Target (score)	AMBER (8)					Probability: Unlikely (2)		Impact: Extremely High (4)		
Current (score)	RED (20)					Probability: Almost Certain (5)		Impact: Extremely High (4)		
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
Other	Reputation impact assessment			HIGH			Financial impact assessment		Band 7	
Progress update	This corporate risk has been reviewed by the new Director of Legal and Democratic Services.									
Controls	Description						Status		Owner	
	The Applicable Legislation Register containing principal current legislation that is applicable to the Council is published on the intranet. The Register is reviewed by the Information Governance Group annually, or as required, following additions and updates to legislation. https://staff.derbyshire.gov.uk/site-elements/documents/information-security/applicable-legislation-register.pdf						In place/taking effect		H Barrington	

	Need to ensure that this Register is updated regularly and promoted more widely.	Proposed	H Barrington
	All draft reports to Members are scrutinised for legal implications by Legal Services and relevant Council procedures provide for legal advice to be taken at appropriate stages.	In place/taking effect	H Barrington
	Monitoring Officer, Deputy Monitoring Officer, Section 151 Officer and Deputy Section 151 officer in post. Requirement for the posts to be legally or CCAB qualified respectively.	In place/taking effect	H Barrington / P Handford
	A range of qualified and experienced officers are in post across the major functions. Professional officers are required to maintain CPD. Relevant training and development opportunities are also provided.	In place/taking effect	Individual service areas
	Senior officers are members of local and national networks and forums to support, share best practice and information, including Derbyshire Monitoring Officers Group, Lawyers in Local Government, EM Lawshare, Derbyshire Finance Officers Association, Society of County Treasurers, Midlands Highway Alliance, engagement with DfE and Ofsted, Local Family Justice Board, East Midlands improvement alliance led by Directors of Children's Services etc.	In place/taking effect	Individual service areas
	Annual membership of relevant professional bodies for example: Association of Public Service Excellence (APSE), Chartered Institute of Public Finance and Accountancy (CIPFA), LGComms for Communications and CCMA for Customer Service, Association of Directors of Children's	In place/taking effect	Individual service areas

	Services that ensures officers are alerted to changes in legislation.		
	Officers subscribe to relevant professional updates and bulletins for information about changes in legislation, including CIPFA Finance Advisory Network, Public Sector Tax, Practical Law, Local Government Lawyer, LGA, LGiU,	In place/taking effect	Individual service areas
	External and internal audits/quality assurance are conducted on a variety of services in relation to quality, environmental, information governance and health and safety.	In place/taking effect	Individual service areas
	External advisers and consultants with specialised knowledge and experience in particular fields of expertise are used as required.	In place/taking effect	Individual service areas
	Complaints to the Local Government and Social Care Ombudsman are dealt with by a competent and legally qualified solicitor, who is able to identify trends and areas of non-compliance with legislation. Robust improvement plans can then be developed with strong governance arrangements to address areas of weaker or poor practice and ensure legislative compliance.	In place/taking effect	H Barrington/ P Peat
	Claims against the Council are assessed on a case by case basis to establish whether the claim has arisen due to failure to comply with legislation. Data shows that there is good understanding of legislation and overall compliance with it. The prospects of success of defending claims are predominantly reduced as a result of insufficient record keeping to evidence compliance.	In place/taking effect	H Barrington

	<p>Complaints are currently processed within departments without corporate oversight and comprehensive records. This is in the process of delivery change to support central monitoring and oversight that will enable trends and areas of non-compliance with legislation to be identified and addressed.</p>	Progressing	J Odams
	<p>Legal Services subscribe to Legal Resources as a reference source when giving legal advice to the Council, however this is predominantly hard copy specialist encyclopaedias. It subscribes to one online package PLC, which covers certain areas of law but not others. Free online resources are available and made use of such as Legislation.gov.uk. Hard copy resources are updated to incorporate new legislation, however there is inevitably a delay in legislative changes taking effect and being published in hard copy form. In addition, as council officers have in the main been working from home since March 2020, access to hard copy materials is limited. There is a significant risk that officers may inadvertently give incorrect advice due to lack of access to up to date and accurate legal resources.</p>	In place/taking effect	H Barrington
	<p>A move to online resources and procurement of an additional package would ensure that legislative reference materials are updated almost instantaneously and available remotely. Industry standard resources also include 'alert' functions to ensure officers are aware of legislative changes in their specialist areas. This would provide an opportunity for lawyers to notify client departments of changes in legislation they may not be aware of.</p>	Proposed	H Barrington
	<p>The lack of a dedicated VAT Officer has the risk of penalties from HMRC in the event of a VAT breach. Options are being</p>	Proposed	P Stone

	considered to a shared resource with the district/borough councils within the county.		
	Opportunity to develop robust relationship with the external auditors who highlight statutory/legislative changes to officers early so that they can be addressed.	Proposed	P Stone

Risk Description	Ineffectual workforce planning									
	A failure to recruit and retain experienced staff; a lack of succession planning in order to ensure effective continuity of key skills and knowledge at all levels including leadership skills. Resulting in unfilled posts, accepting a lower calibre of staff, increasing training requirement to upskill new staff, vital knowledge lost leading to service delivery issues.									
Risk Owner	Emma Crapper					Director of Organisation Development and Policy				
Last update	Period:	2021-22 Q2				Date:	22 October 2021			
Target (score)	GREEN (6)				Probability:	Possible (3)		Impact:	Moderate (2)	
Current (score)	RED (20)				Probability:	Almost Certain (5)		Impact:	Extremely High (4)	
Assessment history	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
Other	Reputation impact assessment			LOW			Financial impact assessment		Band 3	
Progress update	<p>Aligned to the development of the council's people strategy, core people priorities have been defined and approved which include focus on the attraction and retention of the workforce and responsive workforce plans.</p> <p>A review of recruitment services has been deployed, coupled with a revised learning and development operating model. This includes consideration of the organisation's approach to succession planning and performance management which will central to our future workforce planning approaches.</p> <p>In conjunction with the LGA, an assessment has been undertaken of the council's current approach to workforce planning in readiness for developing the future activity which is required to support delivery of more responsive workforce plans with findings now shared and workforce profiles have been developed for hard to recruit/key workforce groups aligned to service need.</p>									

Controls	Description	Status	Owner
	In conjunction with LGA, evaluation and development of the council's strategic workforce planning approach supported by consistent establishment controls that enable effective forecasting, resourcing solutions and development of departmental L&D plans (including succession planning and career/learning pathways).	In progress/taking effect	J Skila
	Deliver improved proactive recruitment campaign management and strategic recruitment advice considering the future needs, values and behaviours of the organisation. Be more active in the recruitment marketplace on the council's journey to becoming an employer of choice.	In progress/taking effect	J Skila

Corporate risk scoring tables (pre-September 2021)

Source: Derbyshire County Council Risk Management Strategy 2019-21 (v2.7)

Risk severity matrix

Likelihood	5	Moderate (5)	High (10)	Extreme (15)	Extreme (20)	Extreme (25)
	4	Low (4)	Moderate (8)	High (12)	Extreme (16)	Extreme (20)
	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	Extreme (15)
	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)
		1	2	3	4	5
		Impact				

Probability assessment criteria

Scale	Description
5	ALMOST CERTAIN: The event is expected to occur or occurs regularly (monthly, quarterly or biannual)
4	PROBABLE: The event will probably occur (annually)
3	POSSIBLE: The event may occur (1 incident in 2 years)
2	UNLIKELY: The event could occur (1 incident in 5 years)
1	RARE: The event may occur in certain extreme circumstances (1 Incident in 10 years or above)

Impact assessment criteria by risk category

		Risk Categories (highest scoring category used for overall score)								
Scale	Scale Description	Financial	Reputational	Physical Injury/Health and Safety	Environmental Damage	Service/ Operational Disruption/ Key Targets/ Objectives	Statutory Duties/ legal Implications	Partnership Implications	Information Governance	Stakeholder Implications
5	Very High	>£25,000,000	Lasting or permanent brand damage resulting from adverse comments in national press and media. Members/Officers forced to resign	Death or severe life-changing injuries	Major national or international	Severe disruption/loss of service more than 7 days	Multiple Litigation	Complete failure / breakdown of partnership	Significant breach, extensive national press, ICO fines, loss of ISO 27001 certification	Stakeholders would be unable to pursue their rights and entitlement and may face life threatening consequences
4	High	£10,000,000 to <£25,000,000	Temporary brand damage from coverage in national press/media	Extensive or multiple injuries/ Incidents reportable to HSE	Major local impact	Disruption/Loss of service less than 7 days	Litigation	Significant impact on partnership or most of expected benefits fail	Larger breach, no sensitive data loss local press coverage Or Minor breach, sensitive data loss local press coverage	Stakeholders would experience considerable difficulty in pursuing rights and entitlements
3	Medium	£5,000,000 to <£10,000,000	Extensive coverage in regional press/radio/TV/social media	Serious injuries/ incidents reportable to HSE	Moderate locally	Disruption/Loss of service less than 48 hours	Ombudsman	Adverse effect on partnering arrangements	Larger breach, no sensitive data loss and internally controlled Or Minor breach, sensitive data loss internally controlled	Some minor effects on the ability of stakeholders to pursue rights and entitlements, e.g. other sources or avenues would not be available to stakeholders
2	Low	£2,500,000 to <£5,000,000	Minor adverse comments in regional press/social media	Minor (i.e. first aid treatment)/ No time lost from work	Minor locally	Internal disruption only, no loss of service	Individual Claims	Minimal Impact on Partnership	Individual breach no loss of sensitive data	Minimal impact without needing to look at other sources or avenues
1	Negligible	<£2,500,000	Minimal adverse comments with minimal press/social media	None	None/ Insignificant	No loss of service	No impact	No Impact	No impact	No impact

Corporate risk scoring tables (from September 2021)

Source: Derbyshire County Council Corporate Risk Management Strategy 2021-25 (v1.0)

Risk severity matrix

Impact Score	Extremely high	4	Green (4)	Amber (8)	Red (12)	Red (16)	Red (20)
	High	3	Green (3)	Green (6)	Amber (9)	Red (12)	Red (15)
	Moderate	2	Blue (2)	Green (4)	Green (6)	Amber (8)	Amber (10)
	Low	1	Blue (1)	Blue (2)	Green (3)	Green (4)	Green (5)
	None	0	Blue (0)	Blue (0)	Blue (0)	Blue (0)	Blue (0)
			1	2	3	4	5
			Rare	Unlikely	Possible	Probable	Almost certain
			Likelihood Score				

Likelihood scoring

5	Almost certain	The event is expected to occur every year
4	Probable	The event could occur every year
3	Possible	The event could occur every two years
2	Unlikely	The event could occur every five years
1	Rare	The event could occur every 10 years or longer

Impact scoring

The highest scoring area (the 'primary impact') used to assess risk severity.

	Impact grading	Public and employee health, safety and wellbeing	Community	Economy	Environment	Service Disruption	Skills capability	Legal	Contracts and Partnerships	Information Security
4	Extremely high	Substantial level of harm to the health, safety and wellbeing of the community, members of the public or employees	Substantial disadvantage to large parts of the community and/or many vulnerable residents	Substantial negative impact on the County's economy, including hard infrastructure	International and/or national environmental damage	Substantial external or internal disruption and/or loss of service (more than seven days)	Substantial under-performance from skills gaps and/or shortages	Substantial legal action, claims and/or penalties against or by the Council	Substantial impact on service delivery from a contract and/or partnership failure	Substantial breach; Information Commissioner Office (ICO) fine; loss of ISO 27001 certification
3	High	Significant level of harm to the health, safety and wellbeing of the community, members of the public or employees	Significant disadvantage to large parts of the community and/or some vulnerable residents	Significant negative impact on the County's economy, including hard infrastructure	Significant regional environmental damage and/or failure to meet all or most internal climate change targets	Significant external or internal disruption and/or loss of service (between three to seven days)	Significant under-performance from skills gaps and/or shortages	Significant legal action, claims and/or penalties against or by the Council	Significant impact on service delivery from a contract and/or partnership failure	Significant external breach with no loss of sensitive data; or minor external breach with loss of sensitive data

	Impact grading	Public and employee health, safety and wellbeing	Community	Economy	Environment	Service Disruption	Skills capability	Legal	Contracts and Partnerships	Information Security
2	Moderate	Moderate level of harm to the health, safety and wellbeing of the community, members of the public or employees	Moderate disadvantage to large parts of the community and/or some vulnerable residents	Moderate negative impact on the County's economy, including hard infrastructure	Moderate regional and/or major local environmental damage and/or failure to meet many internal climate change targets	Moderate external or internal disruption and/or loss of service (between 24 to 48 hours)	Moderate under-performance from skills gaps and/or shortages	Moderate legal action, claims and/or penalties against or by the Council	Moderate impact on service delivery from a contract and/or partnership failure	Significant internal breach with no loss of sensitive data; or minor internal breach with loss of sensitive data
1	Low	Minimal level of harm to the health, safety and wellbeing of the community, members of the public or employees	Minimal disadvantage to the community and/or some vulnerable residents	Minimal negative impact on the County's economy, including hard infrastructure	Minimal regional and/or local environmental damage and/or failure to meet some internal climate change targets	Minimal external or internal disruption and/or loss of service (less than 24 hours)	Minimal under-performance from skills gaps and/or shortages	Minimal legal action, claims and/or penalties against or by the Council	Minimal impact on service delivery from a contract and/or partnership failure	Minor external or internal breach with no loss of sensitive data
0	None	No impact	No impact	No impact	No impact	No impact	No impact	No impact	No impact	No impact

Reputation impact assessment

Extremely High	Lasting or permanent national/local brand damage resulting from adverse comments in national press and media. Members/Officers almost certainly forced to resign.
High	Temporary national/local brand damage lasting up to two years from coverage in national and/or regional press/media. Members/Officers potentially forced to resign.
Moderate	Temporary local brand damage lasting up to one year from extensive coverage in regional press/ media.
Low	Temporary local brand damage lasting up to a few weeks from minor adverse comments in regional press/social media.
Extremely Low	Negligible local brand damage from limited adverse comments with minimal press/social media.

Page 62

Financial impact assessment

Each risk is assessed for the potential range of capital and/or revenue loss to the Council if the risk materialised.

Band 8	Loss over £20 million
Band 7	Loss between £10 million and £20 million
Band 6	Loss between £5 million and £10 million
Band 5	Loss between £3 million and £5 million
Band 4	Loss between £1 million and £3 million
Band 3	Loss between £100,000 and £1 million
Band 2	Loss between £50,000 and £100,000
Band 1	Loss under £50,000
Band 0	No financial loss

This page is intentionally left blank