

**[NOT FOR PUBLICATION]**

**DERBYSHIRE COUNTY COUNCIL**

**AUDIT COMMITTEE**

**1 February 2022**

**Report of the Assistant Director of Finance - Audit**

**Overview of Place Department Risks**

**1. Purpose**

- 1.1 Background information for the Audit Committee's review of risks in the Place department.

**2. Information and Analysis**

- 2.1 The Audit Committee is conducting a rolling programme to review strategic risks directly with risk owners. This meeting focuses on the Place department and will be attended by Chris Henning (Executive Director, Place) and Claire Brailsford (Director, Environment and Transport). Chris Henning will give a short introduction to risk management in Place followed by questions and discussion with committee members.
- 2.2 The Place department holds the greatest number of strategic risks on the council's strategic risk register and are summarised in Table 1. Full details of each strategic risk are provided in Appendix 1. A copy of the departmental risk register is provided for further background information in Appendix 2.
- 2.3 The committee will recall that the method for scoring risk impacts changed in September 2021 when the new corporate risk management strategy was introduced. Information showing both the old and new scoring methods is in Appendix 3. The transition to the new method took place in Q2. Risk scores for Q2 are therefore shown using both the old and new methods for continuity purposes.

**Table 1 – Summary of current strategic risks owned by Place**

<b>Risk description</b>	<b>Risk owner</b>
Failure to have adequate business continuity plans in place	Chris Henning
Failure to have adequate emergency response arrangements in place	Chris Henning
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
Adapting to climate change	Claire Brailsford
Maintenance of Place assets	Chris Henning

2.4 The committee will receive its regular quarterly report covering all the council's risks up to the end of Q3 at its next meeting on 22 March 2022.

### **3. Alternative Options Considered**

3.1 This is a regular rolling review of strategic risks with risk owners by the Audit Committee.

### **4. Implications**

4.1 Implications are discussed in Appendix 1.

### **5. Consultation**

5.1 No formal consultation was undertaken in the preparation of this report. The risk registers were prepared by Place department.

### **6. Background Papers**

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

### **7. Appendices**

7.1 Appendix 1 – Implications

7.2 Appendix 2 – Place strategic risks

7.2 Appendix 3 – Place departmental risk register

7.4 Appendix 4 – Risk scoring tables (old and new methods)

## **8. Recommendations**

That the Audit Committee:

- a) Reviews the information provided in this paper for discussion with Chris Henning and Claire Brailsford.

## **9. Reasons for recommendations**

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

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## **Implications**

### **Financial**

- 1.1 Financial implications are noted in the strategic and departmental risks where applicable and in the financial impact assessments for each strategic risk in Appendix 2.

### **Legal**

- 2.1 Legal implications are noted in the strategic and departmental risks where applicable.

### **Human Resources**

- 3.1 Human resources implications are noted in the strategic and departmental risks where applicable.

### **Information Technology**

- 4.1 Information technology implications are noted in the strategic and departmental risks where applicable.

### **Equalities Impact**

- 5.1 Equalities impact implications are noted in the strategic and departmental risks 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 strategy 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 are noted in the strategic and departmental risks where applicable.

**STRATEGIC RISK REGISTER (EXTRACT: PLACE)**

<b>Report period:</b>	2021-22	Q3
<b>Report date:</b>	14 January 2022	



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 Place 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
Failure to have adequate business continuity plans in place	Chris Henning	Green	Red	No change	7
Failure to have adequate emergency response arrangements in place	Chris Henning	Amber	Red	No change	10
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	13
Adapting to climate change	Claire Brailsford	Amber	Red	Target increase	15
Maintenance of Place assets	Chris Henning	Green	Green	Current reduction	17

<b>Risk Description</b>	<b>Failure to have adequate business continuity plans in place</b>									
	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.									
<b>Risk Owner</b>	<b>Chris Henning</b>				Executive Director, Place					
<b>Last update</b>	Period:	2021-22 Q3				Date:	12 January 2022			
<b>Target (score)</b>	GREEN (6)				Probability:	Unlikely (2)		Impact:	High (3)	
<b>Current (score)</b>	RED (20)				Probability:	Almost Certain (5)		Impact:	Extremely High (4)	
<b>Assessment history</b>	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
<b>Other</b>	<b>Reputation impact assessment</b>			MODERATE			<b>Financial impact assessment</b>		Band 5	
<b>Progress update</b>	<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 &amp; Insurance Manager and Emergency Planning Manager.</p>		
<b>Controls</b>	<b>Description</b>	<b>Status</b>	<b>Owner</b>
	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

<b>Risk Description</b>	<b>Failure to have adequate emergency response arrangements in place</b>									
	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.									
<b>Risk Owner</b>	<b>Chris Henning</b>				Executive Director, Place					
<b>Last update</b>	Period:	2021-22 Q3				Date:	12 January 2022			
<b>Target (score)</b>	AMBER (8)				Probability:	Unlikely (2)		Impact:	Extremely High (4)	
<b>Current (score)</b>	RED (16)				Probability:	Probable (4)		Impact:	Extremely High (4)	
<b>Assessment history</b>	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
<b>Other</b>	<b>Reputation impact assessment</b>			HIGH			<b>Financial impact assessment</b>		Band 5	
<b>Progress update</b>	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.		
<b>Controls</b>	<b>Description</b>	<b>Status</b>	<b>Owner</b>
	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"> <li>Part 1 provides information about flooding and flood risk - it covers who to call, and how local people can help</li> </ul>	In place/embedded	J Gould

	<p>themselves to become more resilient to the impacts of flooding.</p> <ul style="list-style-type: none"> <li>• 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.</li> </ul>		
	<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

<b>Risk Description</b>	<b>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</b>									
	<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 <b>associated</b> 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 <b>determine the future use of the New Waste Treatment Facility</b> is a significant risk for the long-term waste management strategy, the Council’s future economic and environmental sustainability and its reputation.</p>									
<b>Risk Owner</b>	<b>Chris Henning</b>				Executive Director, Place					
<b>Last update</b>	Period: 2021-22 Q3				Date:		11 January 2022			
<b>Target (score)</b>	BLUE (2)				Probability: Unlikely (2)		Impact: Low (1)			
<b>Current (score)</b>	RED (20)				Probability: Almost Certain (5)		Impact: Extremely High (4)			
<b>Assessment history</b>	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
<b>Other</b>	<b>Reputation impact assessment</b>			HIGH			<b>Financial impact assessment</b>			Band 7
<b>Progress update</b>	<p>The councils are working to agree an “estimated fair value” for the facility taking into account all of the costs of rectifying ongoing issues at the facility, and the costs of providing the services to meet the agreed contract standards. 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.</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.		
<b>Controls</b>	<b>Description</b>	<b>Status</b>	<b>Owner</b>
	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 <b>short-term</b> 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 <b>and meets monthly</b> .	In place/embedded	C Brailsford
Specialist advisors (finance; commercial, <b>technical</b> and legal) appointed and support the Project Team. The Project Team meets at minimum weekly.	In place/embedded	C Brailsford	

<b>Risk Description</b>	<b>Adapting to climate change</b>									
	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.									
<b>Risk Owner</b>	<b>Claire Brailsford</b>				Director of Environment and Transport					
<b>Last update</b>	Period:	2021-22 Q3				Date:	11 January 2022			
<b>Target (score)</b>	AMBER (9)				Probability:	Possible (3)		Impact:	High (3)	
<b>Current (score)</b>	RED (16)				Probability:	Probable (4)		Impact:	Extremely High (4)	
<b>Assessment history</b>	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post- Sep 2021)		
<b>Other</b>	<b>Reputation impact assessment</b>			HIGH		<b>Financial impact assessment</b>			Band 8	
<b>Progress update</b>	The Derbyshire Climate Change Adaptation Plan was produced in 2013 with a review of progress taking place in 2017.									
	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>Since the 2013 study climate change understanding and science has progressed, and the policy and guidance around climate change adaptation has changed. The target score has been reassessed in the context of these changes.</p> <p>There is therefore now a need to assess what this information means to the Council and the services that it delivers, using the Derbyshire Climate Change Adaptation Plan developed in 2013 as a good starting point.</p> <p>A draft Climate Projections for Derbyshire 2020-2100 report has been developed, summarising information about how the climate of Derbyshire, the UK and the world are changing and may change in the future. A draft project proposal for assessing the risks facing Council Services has also been developed and shared with CMT and the Corporate Risk Management Group, with a plan for project delivery in 2022.</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>		
<b>Controls</b>	<b>Description</b>	<b>Status</b>	<b>Owner</b>
	Analysis and distribution of future climate projections for Derbyshire	In progress/taking effect	C Brailsford
	Council Service risk assessments and adaptation plans <b>aligned where possible to existing processes and plans</b>	In progress/taking effect	C Brailsford
	Derbyshire Local Flood Risk Management Strategy	In place/embedded	J Gould
	Derbyshire Natural Capital <b>and Biodiversity</b> Strategy (being commissioned)	In progress/taking effect	C Brailsford
	Planning guidance	Proposed/not yet approved	J Battye



<b>Risk Description</b>	<b>Maintenance of Place assets</b>									
	Authority's ability to maintain assets to a requisite standard.									
<b>Risk Owner</b>	<b>Chris Henning</b>					Executive Director, Place				
<b>Last update</b>	Period:	2021-22 Q3				Date:	11 January 2022			
<b>Target (score)</b>	GREEN (4)				Probability:	Unlikely (2)		Impact:	Moderate (2)	
<b>Current (score)</b>	GREEN (6)				Probability:	Possible (3)		Impact:	Moderate (2)	
<b>Assessment history</b>	2020-21	Q1	Q2	Q3	Q4	2021-22	Q1	Q2 (Pre-Sep 2021)	Q3	Q4
								Q2 (Post-Sep 2021)		
<b>Other</b>	<b>Reputation impact assessment</b>			MODERATE			<b>Financial impact assessment</b>		Band 4	
<b>Progress update</b>	<p>This risk is to be reviewed within the development of the FHM and Highways Capital Programmes. The risk has been updated to reflect a more accurate risk description, moving away from the potential consequence led narrative. Evaluating the current risk and mitigations in place against the risk has led to this risk moving from Red to Green.</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 is 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>		
<b>Controls</b>	<b>Description</b>	<b>Status</b>	<b>Owner</b>
	<p>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.</p>	<p>In progress/taking effect</p>	<p>J Gould</p>
	<p>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.</p>	<p>In progress/taking effect</p>	<p>J Gould</p>
<p>Environmental Management System (EMS) - ISO 14001 Certification – Yearly Audit programme and three yearly recertification.</p>	<p>In place/embedded</p>	<p>J Gould</p>	

	Quality Management System (QMS) – ISO 9001-2015 Certification - Yearly Audit programme and three yearly recertification.	In place/embedded	D Massey
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**PLACE DEPARTMENTAL RISK REGISTER – 2021-22 QUARTER 3**

See separate document.

**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

<b>Impact Score</b>	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
			<b>Likelihood Score</b>				



## Likelihood scoring

<b>5</b>	<b>Almost certain</b>	The event is expected to occur every year
<b>4</b>	<b>Probable</b>	The event could occur every year
<b>3</b>	<b>Possible</b>	The event could occur every two years
<b>2</b>	<b>Unlikely</b>	The event could occur every five years
<b>1</b>	<b>Rare</b>	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	<b>Extremely high</b>	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	<b>High</b>	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

	<b>Impact grading</b>	<b>Public and employee health, safety and wellbeing</b>	<b>Community</b>	<b>Economy</b>	<b>Environment</b>	<b>Service Disruption</b>	<b>Skills capability</b>	<b>Legal</b>	<b>Contracts and Partnerships</b>	<b>Information Security</b>
<b>2</b>	<b>Moderate</b>	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
<b>1</b>	<b>Low</b>	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
<b>0</b>	<b>None</b>	No impact	No impact	No impact	No impact	No impact	No impact	No impact	No impact	No impact

## Reputation impact assessment

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

## Financial impact assessment

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

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