

**Audit Committee**

**29 February 2024**

**Strategic Risk Management Progress**

**Report for 2023/24**

**Review 3: 1 October 2023 – 31**

**December 2023**



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**Report of Corporate Management Team**

**Paul Darby, Corporate Director of Resources**

**Councillor Richard Bell, Deputy Leader and Cabinet member for Finance**

### **Purpose of the Report**

- 1 This report supports the Council's Risk Management Strategy. It highlights the strategic risks facing the Council and provides an insight into the work carried out by the Corporate Risk Management Group between October and December 2023.

### **Executive summary**

- 2 In line with the constitution and the Corporate Risk Management Strategy, Audit Committee are responsible for monitoring corporate governance, including risk management activity. Heads of service identify and manage risks that may impede Council objectives and provide assurance that effective controls are in place.
- 3 All risks are formally reviewed three times each year, which contributes to improved performance, decision-making and governance. The review of the strategic risk register is overseen by the Corporate Risk Management Group. The member and officer risk champions are the Cabinet Portfolio Holder for Finance (Cllr Richard Bell) and Corporate Director of Resources (Paul Darby).
- 4 Since the last update to the committee, no new risks have been added. Two risks have been updated: community protection and health and social care reforms. One risk has been downrated: A690 land slippage.

- 5 There are updates on the management of five key risks: child safeguarding, Government funding, statutory sufficiency duty, climate change, and Educational Psychologists.
- 6 There are updates on the management of twelve non-key risks: equality duty, business interruption, education providers, Inclusive Economic Strategy, data breach, cyberattack, HNB SEND, poverty, children's homes staff, recruitment and retention, homelessness, Home to School Transport.
- 7 Two non-key risks have been closed: school improvement grant, construction prices.
- 8 One new emerging risk has been highlighted: international recruitment challenges. There are updates on four emerging/potential risks: recycling and waste, fire safety in supported living accommodation, Right Care, Right Person, and residual waste energy recovery facility. Three emerging/potential risks have been closed: Guaranteed Minimum Pensions, Procurement Act 2023, and Levelling-up funded programmes.
- 9 In summary, the report outlines that on 31 December 2023, there were 47 risks on the strategic risk register. There are eight key risks, relating to Government funding, educational psychologists, statutory sufficiency duty, climate change, children's social workers, child safeguarding, vulnerable adults, and savings plans, for which key mitigating actions have been identified.
- 10 Performance against key indicators is set out to provide assurance that strategic risks are being effectively managed, and that officers and members are appropriately skilled in risk management are included in the report.

## **Recommendation**

- 11 Audit Committee is recommended to confirm that this report provides assurance that strategic risks are being effectively managed within the risk management framework across the Council.

## Background

- 12 Each corporate director is required to have a designated service risk manager to lead on risk management at a service grouping level. In addition, the Council has designated the Deputy Leader and Cabinet Portfolio holder for Finance and the Corporate Director of Resources as member and officer risk champions respectively. Collectively, they meet with the Risk and Governance Manager as a Corporate Risk Management Group (CRMG). A summary setting out how the Council deals with the risk management framework is included in appendix 2.
- 13 Throughout this report, both in the summary and the appendices, all risks are reported as 'net risk' (after putting in place mitigating controls to the 'gross risk' assessment), which is based on an assessment of the impact and likelihood of the risk occurring with existing controls in place.

## Current status of the risks to the Council

- 14 On 31 December 2023, there were 46 risks included on the corporate strategic risk register, two less than on 30 September 2023. During the period covered by this report no risks were added, and two were removed.
- 15 In summary, the key risks to the Council are:
- (a) There is significant uncertainty in relation to **future funding** settlements from government, which will significantly impact upon the medium-term financial plan.
  - (b) Inability to recruit and retain **educational psychologists** at a time of rising demand may seriously inhibit the delivery of services and lead to significant delays in statutory Education, Health and Care needs assessments.
  - (c) Risk of being unable to meet the authority's **statutory sufficiency duty** to provide sufficient accommodation in the local authority area to meet the needs of Children Looked After and children in need.
  - (d) Risk that the Council fails, in its role as a community leader, to set an example and help partners, local businesses and communities make the necessary adaptations and mitigations in pursuit of the target of being a carbon-neutral County by 2050 (**climate change**).
  - (e) Inability to recruit and retain **children's social workers** and social work managers may seriously inhibit the delivery of services.

- (f) **Failure to protect a child** from death or serious harm (where service failure is a factor or issue).
- (g) Failure to protect a **vulnerable adult** from death or serious harm (where service failure is a factor or issue).
- (h) If timely and comprehensive **savings plans** are not in place across the council, required savings may not be achieved, necessitating extensive utilisation of reserves.

Progress on addressing these key risks is detailed in appendix 3.

- 16 Since the last update to the committee, no new risks have been added. Two risks have been updated: community protection and health and social care reforms. One risk has been downrated: A690 land slippage.
- 17 There are updates on the management of five key risks: child safeguarding, Government funding, statutory sufficiency duty, climate change, and Educational Psychologists.
- 18 There are updates on the management of twelve non-key risks: equality duty, business interruption, education providers, Inclusive Economic Strategy, data breach, cyberattack, HNB SEND, poverty, children's homes staff, recruitment and retention, homelessness, Home to School Transport.
- 19 Two non-key risks have been closed: school improvement grant, construction prices.
- 20 One new emerging risk has been highlighted: international recruitment challenges. There are updates on four emerging/potential risks: recycling and waste, fire safety in supported living accommodation, Right Care, Right Person, and residual waste energy recovery facility. Three emerging/potential risks have been closed: Guaranteed Minimum Pensions, Procurement Act 2023, and Levelling-up funded programmes.
- 21 A list of all the Council's strategic risks on 31 December 2023, aligned to the corporate themes in County Durham Vision 2035 and the Council Plan, is included in appendix 4.

- 22 Management has identified and assessed these risks using a structured and systematic approach and is taking proactive measures to mitigate these risks to a manageable level. This effective management of our risks is contributing to improved performance, decision-making and governance across the Council.
- 23 To provide assurance that strategic risks are being effectively managed, and that officers and members are appropriately skilled in risk management, performance against key indicators is set out in appendix 5.

### **Background papers**

- None

### **Other useful documents**

- None

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## **Appendix 1: Implications**

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### **Legal Implications**

There are no direct implications, but effective risk management helps to ensure compliance with legal and regulatory obligations.

### **Finance**

There are no direct financial implications, but effective risk management helps to avoid or minimise financial loss.

### **Consultation**

None

### **Equality and Diversity / Public Sector Equality Duty**

None

### **Climate Change**

There are no direct climate change implications, but effective risk management helps to avoid or minimise adverse impacts.

### **Human Rights**

None

### **Crime and Disorder**

None

### **Staffing**

Staff training needs are addressed in the risk management training plan.

### **Accommodation**

None

### **Risk**

This report supports the delivery of the objectives of the Council's Risk Management Strategy.

### **Procurement**

There are no direct implications, but effective risk management should be considerate with regard to compliance with procurement regulatory obligations.

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## **Appendix 2: How the Risk Management Framework operates**

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The Cabinet and the Corporate Management Team have designated the Cabinet Portfolio Holder for the Deputy Leader and Finance and the Corporate Director of Resources as Member and Officer Risk Champions respectively. Together they jointly take responsibility for embedding risk management throughout the Council and are supported by the Chief Internal Auditor and Corporate Fraud Manager, the lead officer responsible for risk management, as well as the Risk, Insurance and Governance Manager.

Each service grouping also has a designated service risk manager to lead on risk management at a service grouping level, and act as a first point of contact for staff who require any advice or guidance on risk management. Collectively, the risk champions, service risk managers and the Risk and Governance Manager meet as a Corporate Risk Management Group. This group monitors the progress of risk management across the Council, advises on strategic risk issues, identifies and monitors corporate cross-cutting risks, and agrees arrangements for reporting and awareness training.

An Audit Committee is in place, and one of its key roles is to monitor the effective development and operation of risk management and overall corporate governance in the Authority.

It is the responsibility of the Corporate Directors to develop and maintain the internal control framework and to ensure that their service resources are properly applied in the manner and to the activities intended. Therefore, in this context, heads of service are responsible for identifying and managing the key risks which may impact on their respective service, and providing assurance that adequate controls are in place, and working effectively to manage these risks where appropriate. In addition, independent assurance of the risk management process, and of the risks and controls of specific areas, is provided by Internal Audit. Reviews by the external auditor and bodies such as Ofsted and Care Quality Commission may also provide some independent assurance of the controls in place.

Risks are assessed in a logical and straightforward process, which involves the risk owner within the service assessing both the impact on finance, service delivery and stakeholders if the risk materialises, and also the likelihood that the risk will occur over a given period. The assessment is confirmed by the Service Management Team.

An assurance mapping framework is being developed to demonstrate where and how the Council receives assurance that its business is run efficiently and effectively, highlighting any gaps or duplication that may indicate where further assurance is required or could be achieved more effectively.

The Durham County Council Pension Fund maintains its own risk register, with risks managed in line with CIPFA's 2018 guidance on *Managing Risk in the Local Government Pension Scheme*. The Fund's risks are reviewed in detail by officers, with periodic reporting to the Pension Fund Committee in line with its Terms of Reference.

The Council is also jointly responsible for responding to civil emergencies (such as severe weather events, network power losses and flu epidemics) through the County Durham and Darlington Local Resilience Forum. An explanation of the arrangements for managing the risk of such events and a copy of the latest Community Risk Register can be found on the web page of the County Durham and Darlington Local Resilience Forum.



## Appendix 3: Progress on management of the Council’s Strategic Risks

Risks are assessed at two levels:

- Gross impact and likelihood are based on an assessment of the risk without any controls in place.
- Net impact and likelihood are based on the assessment of the current level of risk, taking account of the existing controls/ mitigation in place.

On 31 December 2023, there were 46 risks on the corporate strategic risk register, two less than on 30 September 2023. During this period no new risks were added, and two were removed.

The following matrix profiles the strategic risks according to their net risk evaluation on 31 December 2023. To highlight changes in each category during the last period, the number of risks on 30 September 2023 is shown in brackets.

### Overall number of Strategic Risks on 31 December 2023.

Impact					
Critical	1 (1)	1 (1)	3 (3)	0 (1)	1 (1)
Major		4 (4)	9 (7)	3 (5)	1 (0)
Moderate			14 (16)	8 (8)	
Minor				0 (0)	1 (1)
Insignificant					
Likelihood	Remote	Unlikely	Possible	Probable	Highly Probable

In the above matrix, the risks assessed as Critical/Highly Probable are,

- There is significant uncertainty in relation to future **funding settlements** from government, which will be impacted by the upcoming Fair Funding Review and by the allocation of funding from the Health and Social Care Levy.

## New risks

- 1 There are no new risks.

## Uprated risks

### Non-key risks

- 2 *Demand pressures on the **Community Protection** inspections and interventions may lead to an adverse impact on public health and safety in Co Durham (**NCC**).*

Demands on the service are still high, partly because of a continuing increase in registrations of new food businesses towards pre-Covid figures, and the likelihood of this risk has been uprated from possible to probable (now moderate impact, probable likelihood). Agency staff will be commissioned to assist as and when necessary to reduce the backlog of inspections.

An action plan has been developed and shared with the Food Standards Agency. The action plan seeks to complete all food hygiene interventions at premises rated: A, B and C by 31 March 2024; premises rated D by 31 March 2025; and premises rated E by 31 March 2026.

Recruitment is a sectoral wide issue across the United Kingdom in relation to suitably qualified and experienced staff and it is expected that resource versus workload demand risk will reduce once suitable resources are in situ.

- 3 *Uncertainties and challenges in relation to the impact of the Government's **health and social care reforms** in England set out in the Health and Care Act 2022 and associated Guidance (**AHS**).*

The Health and Social Care Act 2022 is intended to facilitate greater collaboration within the NHS and between the NHS, local government and other partners, and to support the recovery from the pandemic.

In County Durham the Council, the County Durham Care Partnership (CDCP) and the Integrated Care Board (ICB) will co-produce a joint committee to develop integrated commissioning and services. Initially the work of the joint committee is likely to focus on community services, primary care, adult social care and children and young people's services. However, the current NHS guidance is being reviewed and may change the governance arrangements for any joint committee. The

continuation of the Better Care Fund has been confirmed although this is subject to a proposed review by the ICB.

The ICB has implemented its initial operating model and staff structure, which has included resources deployed at the County Durham level. However, the operating model continues to be refined and developed and, in February 2024, the ICB began a process of consultation with staff and partners about version 2 of the operating model, scheme of delegation and staff structure. The CDCP has responded with a number of questions for further discussion, including clarification of the resources dedicated to County Durham. A group of senior staff from the CDCP is working on the co-production of a joint committee and aim to report to the Council following discussion with the ICB about the proposed revision of their scheme of delegation.

The ICB has been asked to deliver a 30% reduction in running costs in the financial year 2024/25. This is expected to lead to an operating model (version 2), which reduces our capacity to commission jointly to achieve better outcomes, reflect local need and maximise value for money. To reflect these developments, the net risk evaluation has been updated from moderate impact / possible likelihood to major / possible.

## **Downrated risks**

### Key risks

- 4 *Potential progressive land slippage near the A690 may develop to an extent where a major road closure is necessary for repairs to be undertaken (A690 slippage) (NCC).*

Specialist consultants have now provided a preferred design solution and there are ongoing discussions with the landowner and the contractor to agree land access issues, ecology constraints, and a programme of works. The works are expected start in January 2024 and complete within 12 months with minimal disruption to road users.

Following the allocation of £15m capital funding by the Member Officer Working Group, the revised net risk evaluation has been downrated from critical impact / probable likelihood to moderate / probable.

## Updates on the management of existing risks

### Key risks

- 5 *Failure to protect a child from death or serious harm where service failure is a factor or issue (**Child Safeguarding**) (**CYPS**).*

The service is planning to implement 'Stable Homes built on Love', the government's strategy for reform of children's social care, in response to Independent Review (Care Review) of Children's Social Care (2022).

- 6 *There is significant uncertainty in relation to future funding settlements from government, which will significantly impact upon the medium-term financial plan (**Govt Funding**) (**RES**).*

This risk was fully referenced in a MTFP14 report to Cabinet in October 2023, which set out the forecast savings requirements for the period 2024/25 to 2027/28 and the uncertainty over future government funding settlements beyond 2024/25, the ongoing impact of demand for services and the significant inflationary pressures upon the council. The risk faced has crystallised even further after the provisional local government finance announcement on 18 December. The settlement for 2024/25 was worse than forecast both for the council and nationally for all local authorities with the Service Grant reduced much more than was forecast. In addition, the settlement confirmed the position detailed by the Chancellor of the Exchequer in his 22 November 2023 Autumn Statement in relation to public services finance settlements for the period 2025/26 to 2027/28. Across this period public expenditure will increase by 1% in real terms. For unprotected government departments, however, this is likely to result in cash flat or reduced financial settlements.

With the financial outlook continuing to be extremely challenging, several local authorities across the country have indicated that they may shortly need to publish Section 114 notices, with several more expected to in the coming months.

Some of these announcements have been made by local authorities who are simply running out of funding to finance core services and not related to governance failures or risky commercial decisions.

Durham County Council currently has sufficient financial resilience, a strong track record of prudent financial management and sufficiently robust budget and MTFP planning processes such that we are not, at least at this stage, in danger of the Corporate Director of Resources

having to consider issuing a Section 114 notice at this stage. Across the medium term the position does look very challenging.

7 *Risk of being unable to meet the authority's **statutory sufficiency duty** to provide sufficient accommodation in the local authority area to meet the needs of Children Looked After and children in need (CYPS).*

The increasing demand and pressure placed on councils to meet their sufficiency duty is a position that is replicated across the UK, and this is exacerbated by a lack of placement provision.

Durham County Council's [Sufficiency and Commissioning Strategy for Looked After Children and Care Leavers 2022-2024](#) outlines a number of challenges and pressures.

The number of children in care continues to rise due to increases in various types of demand including children, young people and families requiring support who are on the edge of care; placement breakdowns; respite services for children who have a disability, and unaccompanied asylum-seeking children through the National Transfer Scheme.

The Sufficiency and Commissioning Strategy sets out the strategic approach to securing sufficient accommodation to meet the needs of our looked after children. Durham is part of the Regional Fostering Project across all North East authorities which is aiming to increase the number of foster carers available.

8 *High technology costs and a potential lack of Government funding and resources may prevent the Council from making the necessary adaptations and mitigations to meet its **climate change** targets (NCC).*

In June 2022, Cabinet approved the adoption of the second Climate Emergency Response Plan (CERP) for the period 2022-24, including the introduction of more challenging targets, namely, to achieve,

- (a) net zero by 2030 by retaining the CERP1 80% actual carbon reduction target for Council emissions by 2030 whilst offsetting or further reducing remaining emissions; and
- (b) net zero by 2045 for countywide emissions (improved from 2050).

In October 2023, Cabinet considered an update report on Climate Emergency Response Plan 2 and was asked to note that, whilst significant progress has been made, opportunities and challenges lay ahead, and guided by future CERPs, this will require resource

consideration as part of the medium-term financial plan alongside continued success in bids for Government funding.

The Net Zero Board, the Environment and Sustainable Communities Overview and Scrutiny Committee, and the County Durham Partnership will review performance against the plan and make recommendations for the revision of targets.

- 9 *Inability to recruit and retain **educational psychologists** at a time of rising demand may seriously inhibit the delivery of SEND services and lead to significant delays in statutory Education, Health and Care needs assessments (CYPS).*

As of December 2023, the numbers of full-time equivalent posts filled was as follows,

- (a) Educational Psychologists: 6.7 FTE out of 12.87.
- (b) Specialist Educational Psychologists: 4.83 FTE out of 7.25.
- (c) Area Principal Educational Psychologists: 2 FTE out of 5.

There is little movement within the establishment or the wider market, with the main challenge being that there are insufficient new educational psychologists qualifying regionally and nationally. Only 203 training places are made available nationally each year, which is insufficient to meet demand.

EHCPs are for children or young people aged up to 25 with special educational needs (SEN) who need more support than can be given through SEN support in their mainstream nursery, school or college. An EHCP needs assessment is an assessment of the education, health care and social care needs of a child or young person. The local authority has a legal duty to carry out the assessment process and must get psychological advice and information from an educational psychologist as part of the process.

Demand for statutory assessments has been increasing rapidly for at least two years now. Detailed analysis has highlighted a significant shortfall between the capacity of our current workforce and contracts and ongoing demand, which has impacted on our ability to meet our statutory obligations.

Without these assessments children with SEN may not be accessing the help they need to achieve within a timely way.

Salaries have been reviewed to bring them in line with our geographical and statistical neighbours. Job descriptions have been updated to

reflect the time off in lieu policy so that lack of flexibility does not put off applicants. Core hours reduced to increase flexibility for existing employees. Efforts are being made to identify and recruit overseas educational psychologists.

Corporate Management Team have recently agreed temporary funding of up to £716,800 in 2023-2024 and £960,000 in 2024-2025 to enable up to 1048 assessments to be undertaken by locums so that we are able to meet demand for EHC assessments within statutory timescales while work is undertaken to reduce demand and increase permanent capacity. Following a procurement exercise we have been able to secure capacity for a total of 777 assessments through two agencies.

Other planned improvements include discussions with regional stakeholders and the DfE regarding increasing the number of qualifying educational psychologists or allow other routes to qualification.

#### Non-key risks

- 10 *Failure to consider **equality** implications of decisions on communities leading to successful legal challenge and delays in implementation (**Corporate Affairs**).*

The Public Sector Equality Duty requires public authorities to have due regard to certain equality considerations when exercising their functions, including decision-making.

In December 2023, the Government issued revised Public Sector Equality Duty guidance for public authorities. This replaces previous guidance issued in 2011 and is intended to help decision-makers to comply with the duty.

Officers will undertake a detailed review of the new guidance to ensure that the Council continues to adhere to best practice, using the equality impact assessment process.

A new e-learning module is also being rolled out in early 2024 to further support the equality impact assessment process and provide guidance for staff and members.

- 11 *Breach of duty under Civil Contingencies Act by failing to prepare for, respond to and recover from a major incident, leading to a civil emergency (**NCC**).*

The corporate business impact analysis has been reviewed and revised and drafts of the corporate business continuity management policy,

strategy and plan have been prepared. Further work is being undertaken to assess the numbers of functions initially identified as class 1, in order to achieve more realistic prioritisation. The plans will be taken to corporate management team for sign-off in the New Year. Meetings with team leaders to prepare team-level operational business continuity management plans have commenced.

12 *Potential financial and other pressures threaten the viability of some education providers (CYPS).*

In July 2023, the Cabinet considered a joint report of the Corporate Director of Children and Young People's Services and Corporate Director of Resources which provided an overview of maintained schools' budget plans for 2023/24, as agreed by the relevant governing bodies. The report also highlighted where the Corporate Director of Resources would exercise his judgement in terms of approving the setting of deficit budgets, in accordance with the Council's constitution and the Scheme of Financing for Schools.

13 *Uncertain economic outlook may impede the delivery of the county's Inclusive Economic Strategy (REG).*

The Inclusive Economic Strategy was adopted by Cabinet in November 2023 and will be implemented between 2023 and 2025.

14 *Compliance with the Data Protection Act 2018 (data breach) (RES).*

The Council delivers a large number and diverse range of public services and, to do this effectively, it must collect and use information about people, which presents several risks, including the potential loss or disclosure of sensitive personal data.

Information governance and data management is maintained through the Data Protection Policy, the Data Quality Policy, training, and guidance for staff who handle personal data, registers of data assets, and various data sharing protocols. The Council is committed to complying with the law and good practice to minimise the likelihood of data breaches, and to limit the impacts of any breaches that do occur.

We take data breaches seriously and work hard to prevent their occurrence. Where they do occur, however, they provide invaluable information and learning from which the council can improve. Following some recent data breaches, we will be undertaking a series of specific interventions with the services in question, to reinforce legal requirements and refresh learning with the staff. We will also be introducing regular briefings for all strategic managers on data



breaches, ensuring a wider reflection of improvement opportunities and assist in reduction of the risk of similar breaches taking place.

In MTFP14, additional budget provision has been made to finance improvements to data governance, including the recruitment of additional officers into the information governance team.

- 15 *If the Council suffered a successful cyberattack or IT security breach, then it may be unable to effectively deliver essential services (RES).*

The Cyber Security Strategy, which was approved by Cabinet in June 2022 in response to the increasing threats from cyber criminals and several successful and high-profile cyber-attacks on other public and private organisations, aims to protect the Council's ICT networks, devices, programs and data from attack, damage, or unauthorized access. The strategy recognises that cyber-attacks will continue to evolve and that we must continue to work at pace to stay ahead of all threats.

Following a review of recommendations by the National Cyber Security Centre, and trialling by around 120 employees, the Council is changing the arrangements for managing mobile devices (phones and tablets) to increase the level of protection against security threats. The changes will align device management with existing laptop and desktop protocols, which enable proactive prevention of unauthorised applications and efficient enforcement of security policies to limit the Council's vulnerability to harmful malware and spyware.

In recent years, due to several global hacks and continued uncertainty following Russia's invasion of Ukraine, market conditions for cyber insurance have been unfavourable with local authorities being regarded as high-risk. However, as there are indications that the market has softened recently, a review of options for appropriate insurance cover will be explored.

- 16 *Increasing demand on the Dedicated Schools Grant budget for High Needs Block special educational needs services and inclusive education services may result in adverse impacts on finance and service delivery (HNB SEND) (CYPS).*

The HNB budget of the Dedicated Schools Grant (DSG) provides funding for SEND and Inclusion support services for children and young people in County Durham.

There have been insufficient resources to support children and young people with SEND and inclusion needs in recent years. This is due to a

combination of factors to include increasing demand for services, increasing complexity of additional needs in children and young people and constraints in local government spending. This position is replicated in many other local authorities.

A report to Cabinet in December 2023 provided an update on the latest forecast financial position for the High Needs Block (HNB) budget, overview of the HNB sustainability programme and an update on the Delivering Better Value (DBV) in SEND Programme.

Phase one of the HNB Sustainability Programme came to an end of the summer of 2023, which focussed on 9 key areas as agreed by Cabinet in 2019 and reported in previous reports and a review of the progress has taken place and is detailed in the report.

Phase two of our HNB Sustainability Programme commenced in September 2023, with a major part of it being implementation of the DfE supported Delivering Better Value in SEND work along with further work on Social, Emotional Mental Health and Early Years Funding.

The SEND and Inclusion Resources Board (SIRB) will continue to oversee the management of the programme, with reports to each Schools Forum meeting and regular updates for Cabinet.

- 17 *Risk that Council does not fully respond to the drivers of financial hardship, including those caused by the cost-of-living crisis and wider determinants of **poverty** to help alleviate the impacts on County Durham residents (**RES**).*

### Background

County Durham experiences higher rates of poverty amongst families with children and working-aged people than national averages and financial pressures on lower income households have increased considerably in recent years. The cost-of-living crisis in the UK since 2021 increased the number of residents experiencing financial hardship and poverty for the first time, and this continued during 2023 with above target inflation driving up prices of basic goods and wages failing to keep up with this increase.

Household Support Fund is a government funded grant which has been awarded to local authorities on an annual basis since 2020. It is used to support people struggling with food, energy, and water costs, or who need essential household items. In cases of genuine emergency, it can also be used to support housing costs if existing housing support schemes do not meet this need.

## Potential change

The council await an update from the Government and the Department for Works and Pensions (DWP) regarding the future of the Household Support Fund (HSF) when the current scheme ends on 31 March 2024. There has also been no confirmation of a continuation to the DWP administered cost-of-living payments into 2024/25 which, alongside the cessation of the Household Support Fund, could lead to the withdrawal of two avenues of additional support for people who are struggling with the continued increased cost of food and fuel from 1 April 2024.

## Implications

Challenges around management of this risk will increase significantly if the Household Support Fund is discontinued from 1 April 2024.

The amount of funding and the criteria for the scheme can vary. Previous iterations of the scheme were funded for a period of six months. In 2023/24 this changed to 12 months, providing more flexibility and more strategic approach to be delivered by local authorities. The total value awarded to Durham since October 2020, including the current HSF4 is £25,903,984 and the fund currently supports approximately 52,000 individuals and their families with financial support per annum. In the latest iteration of the scheme (2023/24) the council has been allocated £9.3 million, covering the 12-month period of April 2023 to March 2024.

Alongside the Household Support Fund, the DWP have also administered a series of cost-of-living payments since July 2022. Durham residents have received over £80 million of these support payments which equates to additional income of up to £900 per eligible individual.

HSF has been run in conjunction with the council's Welfare Assistance Scheme to which demand has increased year-on-year. The HSF has enabled the council to support this increased demand for those eligible to a sum of approximately £150,000 per year. For those not eligible for support, HSF has enabled local food and fuel banks to meet the increased demand despite the wider support available from Government's cost of living payments. Given its scale, cessation of HSF and wider funding is likely to see a significant increase in demand on internal and external provision for the coming year and with demand for local welfare provision, food and fuel help increasing year on year the cessation of this additional funding, is likely to have significant financial and resource implications.

From a welfare assistance scheme perspective without the £150,000 HSF top-up if funding, criteria, and demand remained at current increased levels, this fund would be fully spent during Q3 2024/25. However, if demand increases beyond current levels due to the end of HSF and the end of the DWP cost of living payment, the fund is likely to be fully spent during Q2 2024/25.

### Mitigations

The announcement of support through the Household Support Fund has previously been received within short timescales, so it is possible that an extension may be announced before the end of the current schemes, however, due to the current uncertainty, planning for the switch from this additional support is now underway. This will include:

- A review of the eligibility criteria, award levels and recurrence of applications for the council's Welfare Assistance Scheme.
- We must also consider the potential increase in demand due to families in receipt of Free School Meals no longer receiving two payments per year. This may involve a review of the Enhanced Policy for Welfare Assistance.
- A review of how support is provided for Welfare Assistance alongside our foodbank provision to enable a larger number to access essential services and ensure that support is delivered throughout the year without an increase to the budget already allocated.
- Work with third sector partners over what support will be available without the Household Support Fund funding.
- An application for around £1,000,000 to deliver additional initiatives with a focus on food poverty alleviation, the provision of cost-of-living advice and guidance and fun and food with half term activities which is currently being sought through UK Shared Prosperity funding with final decision making on approval expected in January 2023.

The Poverty Update Report and Action Plan, which highlights all of the above considerations and issues, will be considered by [Cabinet](#) on 14 February 2024.

- 18 *Inability to recruit residential **children's homes staff** may seriously inhibit capacity to deliver essential, specialist services to children and young people from across England and Wales (CYPS).*

This is an ongoing issue nationally and was added to the council's strategic risk register in early 2021 during the Covid19 pandemic. The

risk relates to various children's homes including a custom-built secure centre, which provides support to children and young people who have experienced significant trauma and, as a result, display challenging behaviour. The centre is the largest of 14 similar homes in England and Wales and is licensed to accommodate 34 children and young people. Despite being unable to maintain normal staffing levels due to challenges in recruiting and retaining residential workers and senior residential workers, the centre was judged "outstanding" by Ofsted in 2019 and 2021.

The nature of the work makes these roles inherently challenging, so the recruitment process is rigorous, and aims to ensure that only the most appropriate candidates are recruited, and that they are fully aware of the working environment.

As of December 2023, due to the number of vacancies combined with the level of sickness absence, the centre had only 25 placements from a capacity of 34. It is currently unable to significantly increase admissions towards capacity and is therefore unable to help the number of vulnerable children and young people for which it is designed.

The council uses a specialised recruitment agency for this area of work and discussions are being held to explore potential remedies. The service is also implementing some structural changes, including the removal of six residential worker posts and the introduction of trainee support workers, activity co-ordinator roles and extra maintenance staff.

- 19 *National and local shortages of skills and labour may cause recruitment and retention difficulties, resulting in capacity shortfalls (RES).*

The council is working with the Local Government Association on the development of a recruitment campaign for local government which will be piloted in the North East of England from January 2024, with learning from the pilot to inform a national roll out. The campaign, will create a brand identity for the sector that helps to demystify what councils do, challenge preconceptions, and highlight the infinite variety of roles in local government to benefit and enhance the good work that authorities are doing in the region to attract new talent.

- 20 *Increased financial and other pressures on households cause a rise in the number of people unable to buy or rent accommodation, with increased evictions and repossessions likely, leading to a significant increase in homeless presentations, use of temporary accommodation, demand for secure affordable housing and pressure on housing support services (homelessness) (REG).*

The following mitigations have been implemented during the review period,

- Use of Early Intervention fund to clear rent arrears where there is a sound business case to do so.
- Selective License fee paid in two parts instead of a single payment of £500 (discounts still available for multiple properties).
- Payment plans for those landlords who can evidence hardship/affordability issues.

- 21 *Increased levels of demand combined with high inflation on transport costs may disrupt the provision of **Home to School Transport**, leading to a potential budget overspend and adverse impacts on children and families (CYPS).*

An assessment of the budget requirement for Home to School Transport for 2024/25 has been undertaken, which indicates that costs will increase by £3.4 million 2024/25 in comparison to 2023/24. In the current year, expenditure is forecast to be in line with budget.

## Closed risks

### Non-key risks

- 22 *Government proposals to phase out **school improvement grant** by 2024/25 could undermine the Council's ability to support maintained schools effectively (CYPS).*

This risk has been closed as it is no longer valid following the phasing out of school improvement grant and significant restructure work to the Education Durham service. The Council has increased the Education support budget by £400k to provide support for a significant number of maintained schools. This is complemented by the school improvement service level agreement income and an annual requested de-delegation for school improvement from maintained primary schools. This was again secured for 2024/25 with an additional £186k to support this essential and successful work.

- 23 *Limited product availability and price increases in the construction industry may disrupt the delivery of capital projects by the Council either through external procurement routes or through the in-house construction delivery arms within both Corporate Property and Land and Highway Services (**construction prices**) (REG).*

While inflation is still an issue, the availability of products has improved substantially, and the risk is now considered unlikely. The risk evaluation is now low, and it has therefore been removed from the

corporate risk register but will continue to be monitored by officers in the service.

## Emerging/potential risks

### New

- 24 *Risk of providers becoming **international recruitment sponsors** and using unethical recruitment practices (including for example, modern slavery in worst case scenarios) or not following the strict guidance on sponsorship both of which create a risk to service provision should sponsorship licences be suspended and/or revoked by the Home Office (AHS).*

In February 2022 care workers were added to the Health and Care Worker visa shortage occupation list, enabling these roles to be recruited from overseas. This gives social care providers the opportunity to apply for sponsorship licences or to employ staff under a visa.

In October 2023, Skills for Care, an independent charity whose mission includes ensuring that social care has the right people, skills and support, published their annual State of Adult Social Care and Workforce Report. Although, this highlights an improvement in workforce capacity driven by an increase in international recruitment, the report also notes unethical international recruitment practices, such as modern slavery and labour exploitation.

- 25 *Potential inappropriate referrals of individuals involved in health, psychological and welfare related situations, under the new **Right Care, Right Person** operating model, may cause additional work pressures for Council services, resulting in adverse impacts on the mental health and wellbeing of the individuals concerned (AHS).*

This risk relates to the implementation of Right Care, Right Person (RCRP), which is a new, national operating model that the police and partners can use to ensure the right organisation with the right skills are able to respond and provide support to individuals involved in health, psychological and welfare related situations. The overarching principle of this model is to ensure better protection of vulnerable members of communities and provide them with the specialist help they need. The National Partnership Agreement (NPA), including the principles of RCRP operating in Humberside, is the basis by which all Police Forces across the country will implement the policy.

RCRP is inherently challenging because it is new, and learning from the Humberside model is still developing. It also relies on effective strategic partnership working and will focus on,

- initial response to people experiencing mental health crisis.
- responding to concerns for welfare of people with mental health needs (undertaking welfare checks), where the person is already in contact with a mental health service or other service commissioned to provide mental health support.
- instances of missing persons from mental health facilities, and walkouts of people with mental health needs from other health facilities (e.g., the Emergency Department).
- conveyance in police vehicles.

There is no specific RCRP funding, but in January 2023, the government announced £150m capital funding for Mental Health crisis response, including in that, £7million for specialised mental health ambulances.

A RCRP Task and Finish Group has been established with operational leads from Durham County Council, Darlington Borough Council, North East Ambulance Service, the NHS, the Integrated Care Board, Durham Constabulary, the Probation Service, the Coroners Service, and County Durham and Darlington Fire and Rescue Service. The group, which will hold its first meeting January 2024, includes the following aims in its terms of reference,

- To identify and understand the impact on organisations and partnership arrangements of RCRP.
- To identify responses needed to be put in place in readiness for RCRP.
- Effectively coordinate and deliver the implementation of RCRP.
- To manage any risks and issues in relation to the implementation of RCRP.

#### Updated

- 26 *Proposed changes to increase recycling and reduce plastic waste, to be implemented through the Environment Act 2021, may necessitate major service changes Countywide that are not fully funded through New Burdens funding, leading to significant additional costs to the council (recycling and waste) (NCC).*

DEFRA have announced a revised timeline and food waste changes must be introduced by 31 March 2026. The transitional capital element of New Burdens Funding has now been notified and financial modelling



is underway to assess whether the Durham allocation is sufficient. It is anticipated that a financial shortfall is highly likely. Transitional revenue costs available through the New Burdens Funding has not yet been notified but is expected from DEFRA by the end of Q4. To mitigate some of the impacts, planning for food waste collections and a refresh of the financial modelling had already commenced to estimate new service capital and revenue costs.

DEFRA announced that the Council will start receiving payments for the Extended Producer Responsibility changes from October 2025. We are still awaiting notification of what Durham's allocation will be and how the payments will be calculated.

27 *Differences of opinion over the interpretation of the Regulatory Reform Order 2005, in relation to who is the responsible person for meeting the requirements of the order in some types of accommodation (fire safety in supported living accommodation) (AHS).*

This risk relates to fire safety in supported living accommodation.

There is a difference of opinion over the interpretation of the Regulatory Reform (Fire Safety) Order 2005, in relation to who is the responsible person for meeting the requirements of the order in some types of accommodation. The key requirements, which are agreed, are that services must have in place a fire risk assessment, a fire evacuation strategy, appropriate training for care staff and a Personal Emergency Evacuation Plan (PEEP) for individual tenants, and these should be tested/timed.

The County Durham and Darlington Fire and Rescue Service (CDDFRS) believe that the council, as the organiser and funder of care, would be held to account for a fatality or injury to a supported living tenant in the event of a fire and the case went to court. The Council has a different view, and its advice is that the provider is responsible for ensuring their provision meets all relevant statutory requirements. Supported living providers have been made aware that they are responsible for putting in place fire risk assessments, fire training and PEEPs, and a further reminder of this was issued to the market in early October 2023. This will be verified during quality monitoring visits to be undertaken before the end of March 2024.

A desktop exercise was completed of those services with communal areas to identify priority services, individuals at most risk, and where increased overnight staffing levels will be necessary. Plans are in progress for one individual who is unable to self-evacuate to be relocated to alternative accommodation. Further work needs to be

completed for those service users who are unable to self-evacuate and may need to be reaccommodated, and to identify those services which may need to be decommissioned.

28 *Uncertainties relating to the partnership project between the seven North East Local Authorities (7LA) to procure and deliver a large residual **waste disposal / energy recovery facility (ERF) (NCC)**.*

This project seeks to procure a design, build, finance, and operate a contract for a 450,000-tonne capacity, residual waste / energy recovery facility (ERF).

The project is inherently challenging because of its scale in terms of duration and cost, the technology involved, and reliance on effective strategic partnership working.

There are also some potential variations in costs and funding, and the grid connection date is uncertain at this stage. However, the intended benefits include efficient, cost effective/secured and sustainable residual waste treatment for up to 40 years for 1.5 million residents, producing enough energy to power 60,000 homes with potential heat offtake and carbon management through carbon capture utilisation and storage.

The project is being managed through the Local Partnerships Programme Manager, with representation from the 7LA Boards, and supported by financial, technical and legal advisors.

Closed

29 *Potential financial liability arising from a change in administrative practice in relation to payments to retired employees entitled to **Guaranteed Minimum Pensions (RES)**.*

Work on the GMP exercise was concluded in October 2023, with the Fund communicating with affected pensioners ahead of October pensions payroll.

Around 550 pensions in payment were adjusted and despite this higher than usual rate of inflationary increase in April, 83% of pensions changed by no more than £10 per month. The total amount of arrears paid to underpaid pensioners was c£41k (funded from Pension Fund), whilst the total amount of overpayments written-off by the Fund was c. £171k. Both the value of arrears and value of write offs compare favourably with initial modelling.

The number of pensions in payment requiring rectification were lower than initially anticipated at the beginning of the project, and less than amounts experienced by similarly sized Local Government Pension Scheme Funds who have completed their rectification. This is at least in part, due to accurate historic record keeping. Following October's implementation, the Pensions Team received a very low volume of telephone queries from impacted pensioners.

- 30 *Reforms in the **Procurement Act 2023** may significantly limit the Council's ability to use the current procurement exemptions to enter into collaborative arrangements with other local authorities and public sector bodies to deliver efficient public services (RES).*

This is no longer considered a significant risk and will, therefore, not be added to the corporate risk register, although officers are continuing to monitor developments in this area.

The changes are expected to take effect in October 2024. It was noted in the previous review (Audit Committee, 27 November 2023) that the Transforming Public Procurement Bill may significantly limit the Council's ability to use the current procurement exemptions to enter collaborative arrangements with other local authorities and public sector bodies to deliver efficient public services. Previous concerns about exemption arrangements have now been addressed.

- 31 *Limited capacity and challenging timescales may prevent successful delivery of **Levelling-up funded programmes** (REG).*

This was listed as a potential risk in early 2023. The remainder of the Levelling Up Funding (LUF) was announced in November 2023 and, as no further funding was allocated to Durham County Council and the full LUF allocations have been distributed, the risk is no longer valid and has been closed.

## Key Risks

24 The Council's key risks are shown in the following table.

Key Risks Matrix

<b>Net Impact</b>					
Critical			6 Child Safeguarding 7 Savings Plans 8 Vulnerable Adults		1 Govt Funding
Major				2 Educational psychologists 3 Statutory Sufficiency Duty 4 Children's Social Workers 5 Climate Change	
Moderate					
Minor					
Insignificant					
<b>Net Likelihood</b>	Remote	Unlikely	Possible	Probable	Highly Probable

In this matrix, the key risks have been arranged according to the net impact and net likelihood evaluations to illustrate their relative severity. The full title of each risk is shown in the Key Risks Schedule on the following pages.

## Key Risks Schedule

The schedule below contains information about how the key risks are being managed, including proposed key actions. Where there have been changes to the risk assessment during the last quarter, these are highlighted in the column headed 'Direction of Travel'. The final column states when it is anticipated that the risk will have been reduced to an acceptable level.

Ref	Service leading on the risk	Range of impact (cross-cutting or service-specific)	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Direction of Travel	Anticipated date when risk will be at an acceptable level
1	RES  Risk owner: Head of Corporate Finance and Commercial Services	Cross-cutting	Our Council - Durham County Council has a reputation for listening to its residents, being well-managed and getting things done / 1 Our resources will be managed effectively.	R0595 - There is significant uncertainty in relation to future funding settlements from government, which will significantly impact upon the medium-term financial plan ( <b>Govt Funding</b> ). END	Critical	Highly Probable	Sound financial forecasting is in place based on thorough examination of the Government's "red book" plans alongside forecasting of council expenditure and income especially in relation to the areas impacted by growing demand and inflation pressures.		This will be a significant risk for at least the next 4 years.

Ref	Service leading on the risk	Range of impact (cross-cutting or service-specific)	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Direction of Travel	Anticipated date when risk will be at an acceptable level
2	CYPS  Risk owner: Head of Early Help, Inclusion and Vulnerable Children	Service-specific	Our People - Durham is a place where people will enjoy fulfilling, long and independent lives / Children and young people with special educational needs and disabilities will achieve the best possible outcomes.	UR0196 - Inability to recruit and retain <b>Educational Psychologists</b> at a time of rising demand may seriously inhibit the delivery of services and lead to significant delays in statutory Education, Health and Care needs assessments.	Major	Highly Probable	<p><b>Main controls:</b></p> <ol style="list-style-type: none"> <li>1. Job advert and recruitment materials regularly reviewed.</li> <li>2. Salaries reviewed to bring in line with our geographical and statistical neighbours</li> <li>3. Job descriptions updated to reflect time off in lieu policy so that lack of flexibility did not put off applicants</li> <li>4. Core hours reduced to increase flexibility for existing employees</li> <li>5. Capacity reviewed and additional posts created</li> <li>6. Contracts for additional locum support</li> <li>7. Contract to identify overseas Educational Psychologists for permanent contracts.</li> </ol> <p><b>Planned improvements:</b></p> <ol style="list-style-type: none"> <li>1. Updated action plan in place to address timeliness challenges alongside further work on projects to improve capacity and confidence in early intervention to seek to reduce number of new statutory assessments</li> <li>2. Discussions with regional stakeholders and DfE regarding increasing the number of qualifying educational psychologists or allow other routes to qualification</li> <li>3. Further larger contract to access significant additional locum support for statutory advice.</li> </ol>		The duration of this risk is uncertain.

Ref	Service leading on the risk	Range of impact (cross-cutting or service-specific)	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Direction of Travel	Anticipated date when risk will be at an acceptable level
3	CYPS  Risk owners: Corporate Director Children and Young People's Services and Corporate Director Adult and Health Services	Service-specific	Our People - Durham is a place where people will enjoy fulfilling, long and independent lives / Children and young people will enjoy the best start in life, good health and emotional wellbeing.	R0659 - Risk of being unable to meet the authority's <b>statutory sufficiency duty</b> to provide sufficient accommodation in the local authority area to meet the needs of Children Looked After and children in need.	Major	Probable	Corporate CYP Sufficiency Board, chaired by Corporate Director Children and Young People's Services, attended by senior managers from relevant corporate services. Durham County Councils Sufficiency and Commissioning Strategy sets out the strategic approach to securing sufficient accommodation to meet the needs of our looked after children. This includes initiatives to increase the number of foster carers and the provision of in-house children's homes. Sufficiency issues are also being faced by all local authorities, and the implementation of the Governments responses to the Independent Care Review will be important in transforming the children's social care system to better support the most vulnerable children and families. Durham is part of the Regional Fostering Project across all North East Authorities which is aiming to increase the number of foster carers available.		This risk is long term.

Ref	Service leading on the risk	Range of impact (cross-cutting or service-specific)	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Direction of Travel	Anticipated date when risk will be at an acceptable level
4	CYPS  Risk owner: Head of Children's Social Care	Service-specific	Our People - Durham is a place where people will enjoy fulfilling, long and independent lives / 1 Children and young people will enjoy the best start in life, good health and emotional wellbeing.	R0660 - Inability to recruit and retain <b>children's social workers</b> and social work managers may seriously inhibit the delivery of services.	Major	Probable	<b>Main controls:</b> Social Work (SW) Academy. Regional agreement on agency payments. Recruitment and Selection Policy and guidance. Monitoring competitiveness of grades / pay rates. Recruitment and retention for specified roles. Supporting various routes into SW. Management development and leadership academy to ensure SWs are well supported. Supervision framework. <b>Planned improvements:</b> Ongoing risk assessment to determine if extensions to R&R allowances are justified and are applied to the right groups of social workers. Increasing investment in routes into social work. Further improving recruitment. Enhancing flexibility.		The duration of this risk is uncertain.



Ref	Service leading on the risk	Range of impact (cross-cutting or service-specific)	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Direction of Travel	Anticipated date when risk will be at an acceptable level
5	NCC  Risk owner: Head of Environment	Cross-cutting	Our Environment - Durham has taken action to tackle the climate emergency, reduce the impact of pollution and waste on our county and protect, restore and sustain our natural environment / Work with others to achieve a carbon neutral county.	R0684 - High technology costs and a potential lack of Government funding and resources may prevent the Council from making the necessary adaptations and mitigations to meet its <b>climate change</b> targets.	Major	Probable	One of the key mitigations is the Climate Emergency Response Plan 2022-2024, incorporating over 150 projects. The scale, duration and complexity of the programme means that sustained oversight, monitoring and review are essential. Net Zero Board, Environment and Sustainable Communities Overview and Scrutiny Committee and the County Durham Partnership will review performance against the plan and make recommendations for the revision of targets.		This risk is long term.

Ref	Service leading on the risk	Range of impact (cross-cutting or service-specific)	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Direction of Travel	Anticipated date when risk will be at an acceptable level
6	CYPS  Risk owner: Corporate Director Children and Young People's Services	Service-specific	Our People - Durham is a place where people will enjoy fulfilling, long and independent lives / All children and young people will have a safe childhood.	0227 - Failure to protect a child from death or serious harm where service failure is a factor or issue ( <b>Child Safeguarding</b> ).	Critical	Possible	Durham Safeguarding Children Partnership has been established in line with the statutory requirements set out in 'Working Together 2018'. Partnership learning through scrutiny mechanisms and learning reviews underpins training for front line staff and regular staff supervision takes place. The Councils planned implementation of 'Stable Homes built on Love' following the National Care Review.		This risk is long term.

Ref	Service leading on the risk	Range of impact (cross-cutting or service-specific)	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Direction of Travel	Anticipated date when risk will be at an acceptable level
7	RES  Risk owner: Head of Corporate Finance and Commercial Services	Cross-cutting	Our Council - Durham County Council has a reputation for listening to its residents, being well-managed and getting things done / 1 Our resources will be managed effectively.	R0561 - If timely and comprehensive <b>savings plans</b> are not in place across the council, required savings may not be achieved, necessitating extensive utilisation of reserves.	Critical	Possible	The Delivery plan implementation will be monitored by CMT and Cabinet.		This will be a significant risk for at least the next 4 years. No further mitigation is planned at the current stage.

Ref	Service leading on the risk	Range of impact (cross-cutting or service-specific)	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Direction of Travel	Anticipated date when risk will be at an acceptable level
8	AHS  Risk owner: Head of Adult Care	Service-specific	Our People - Durham is a place where people will enjoy fulfilling, long and independent lives / Support people whose circumstances make them vulnerable.	R0562 - Failure to protect a <b>vulnerable adult</b> from neglect or abuse, including financial abuse (where service failure is a factor or issue).	Critical	Possible	As the statutory body, the multi-agency Durham Safeguarding Adults Partnership has a Business Plan in place for taking forward actions to safeguard vulnerable adults including a comprehensive training programme for staff and regular supervision takes place. Procedures are reviewed on a regular basis. Following allegations of abuse at Whorlton Hall Hospital, an independent review of the Council's safeguarding adults' processes has been commissioned. Any learning from this and other such reviews will inform actions to reframe and further develop practice.		Nationally there has been an increased awareness of potential vulnerabilities relating to adults with care and support needs. High profile exposures heighten awareness of adult safeguarding concerns. This risk is long term.

## Appendix 4: List of all Strategic Risks (by Corporate Theme)

Based on the net risk assessment on 31 December 2023, the following tables highlight the risks for each Corporate Theme in County Durham Vision 2035 and the Council Plan.

**Corporate Theme: Our Council - Durham County Council has a reputation for listening to its residents, being well-managed and getting things done**

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
1	RES	R0595 - There is significant uncertainty in relation to future funding settlements from government, which will significantly impact upon the medium-term financial plan ( <b>Govt Funding</b> ).	Treat	See key risk schedule in appendix 3.
2	RES	R0561 - If timely and comprehensive <b>savings plans</b> are not in place across the council, required savings may not be achieved, necessitating extensive utilisation of reserves.	Treat	See key risk schedule in appendix 3.
3	REG	R0614 - Potential serious injury or loss of life due to the Council failing to meet its statutory, regulatory and best practice responsibilities/ requirements for <b>property and land</b> .	Treat	<b>Main controls:</b> Unitised Corporate Property and Land Service, asset database, training programme. Capitalised maintenance programme. Incident reporting and monitoring in collaboration with relevant parties, where appropriate. <b>Planned improvements:</b> implement a corporate service delivery model and estate management performance indicators.
4	NCC	R0565 - Breach of duty under Civil Contingencies Act by failing to prepare for, respond to and recover from a <b>major incident</b> , leading to a civil emergency.	Treat	<b>Main controls:</b> Local Resilience Forum Strategic Board (strategic direction), Tactical Business Group (delivery and performance management), Standing Group (horizon scanning, threat assessments, training, testing and plan exercises). Mutual aid agreement with neighbouring local authorities. <b>Planned improvements:</b> The Storm Arwen Improvement Action Plan consists of 22 actions, between August 2022 and March 2025, across five themes, namely, community resilience (5), planning and preparedness (8), emergency response resources ((4), activation and use of Council staff (2), and decision-making and governance (3).
5	REG	UR0169 - Increased difficulty in retaining or finding tenants for Council-owned <b>leisure/retail units</b> , leading to an increased risk of	The current controls are considered adequate.	<b>Main controls:</b> Marketing Strategy. Proactive, national marketing of units through a specialist external agency. Tailored incentives for potential tenants. Business Durham connects businesses with the right funding, advice, and networks they need to grow and thrive. Budget monitoring and control. Regular progress reports to Corporate Management Team. Supporting businesses through discretionary rate relief schemes.

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
		medium to long term losses in revenue.		
6	REG	R0681 - Potential <b>violence and aggression</b> towards members and employees from members of the public.	The current controls are considered adequate.	<b>Main controls:</b> Oversight by Health, Safety and Wellbeing Strategic Group. Management of Violence & Aggression Policy. Potentially Violent Persons Register. Guidance to employees and elected members. Violence and Aggression accident and incident reporting procedure. Physical security features on Council premises. Collaboration with Durham Police re intelligence, where appropriate. Civil action against individuals, where appropriate. Security Strategy and Policy. Security assessment of customer access related premises. Violence and aggression related guidance, support and inductions for members.
7	NCC	UR0198 – Supply chain issues around <b>fleet, plant, equipment</b> , parts and fuel, including high prices, reduced availability and long lead times, may prevent the timely delivery of goods and services for a class 1 function/statutory service, resulting in a business interruption, breach of a statutory duty and serious adverse impacts on service users and the community.	The current controls are considered adequate.	<b>Main controls:</b> Corporate Procurement Strategy 2020 - 2024, including collaborative procurement and supplier engagement, category management approach, supporting services with contract management. Sourcing products and services from an increased number of suppliers.
8	REG	R0611 - Serious breach of <b>Health and Safety</b> Legislation.	The current controls are considered adequate.	<b>Main controls:</b> Health and Safety (H&S) Management System, policy, strategy, supporting guidance, codes of practice. Proactive audit, inspection and monitoring regimes, accident, incident and ill-health reporting procedures adapted for Covid19. Occupational H&S Team. Oversight by cross-service Corporate Health, Safety and Wellbeing Strategic Group, chaired by Corporate Director of Resources and Director of Regeneration, Economy and Growth.
9	RES	UR0154 - National and local shortages of skills and labour may cause <b>recruitment and retention</b> difficulties, resulting in capacity shortfalls.	Treat	<b>Main controls:</b> A comprehensive action plan is in place to strengthen and modernise our strategic approach to recruitment across the council supported by monthly highlight reports and additional posts have been put in place in Human Resources and Employee Services to support this work. <b>Planned improvements:</b> A Corporate Communications Plan for Recruitment continues to be developed as improvements are made and new initiatives are being implemented including a dedicated Jobs and Careers Facebook page to promote vacancies, careers and working at the council and development of the council's website to include information on careers and working in each of the council's services.
10	NCC	R0589 - Failure to consult with communities on major service & policy changes leading to legal challenge & delays in implementation ( <b>Consultation</b> ).	The current controls are considered adequate.	<b>Main controls:</b> Consultation Statement (commitment and approach), Consultation Plan, Consultation Team, cross-service Consultation Officer Group. Consultation is embedded in strategic planning, decision-making and Medium-Term Financial Plan. Consultations web page. Membership of the Consultation Institute (awareness, advice).

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
11	RES	R0657 - If the Council suffered a successful <b>cyberattack</b> or IT security breach, then it may be unable to effectively deliver essential services.	Treat	<b>Main controls:</b> In June 2022, Cabinet approved a new cyber security strategy, which will be underpinned by the implementation programme. Business Continuity plans. Collaboration with Police, Fire, NHS via a Strategic Co-ordination Group. Critical assets risk assessed. Anti-Virus, Anti-spam, Spyware software protection. Regular Intrusion Detection test. Firewalls. Password protection. Third-Party Access Policy. Staged phishing exercises. User awareness. <b>Planned improvements:</b> Development of Cyber Incident Response and Recovery Plan.
12	RES	R0440 - Due to the current economic climate, there is potential for increases in <b>fraud and corruption</b> in relation to grants, hardship reliefs and scams.	The current controls are considered adequate.	<b>Main controls:</b> Corporate Fraud Team, Counter Fraud & Corruption Strategy, Fraud Response Plan, Corporate Fraud Sanction Policy, Confidential Reporting Code, Anti-Money Laundering Policy and Counter Fraud Plan. Preventive measures include training, fraud awareness, and publicity campaigns/fraud communication strategy. Numerous fraud reporting channels available. Data analytics/matching and fraud data hub. Reported cases are investigated rigorously and promptly, and appropriate action taken. Multi-agency partnerships working.
13	RES	R0649 - Potential size and scope of the liabilities of <b>equal value</b> claims.	The current controls are considered adequate.	<b>Main controls:</b> The Council is working with claimants and their legal representatives to determine those claimants who have a legitimate claim. Work is ongoing with the Tribunal to seek an agreeable settlement for all parties.
14	NCC	R0633 - Failure to prepare for, respond to and recover from a disruptive event, leading to a major interruption to the provision of essential services by the Council ( <b>business interruption</b> ).	The current controls are considered adequate.	<b>Main controls:</b> Business Continuity Management (BCM) Strategy, Policy and Steering Group. Comprehensive, up-to-date business impact analysis data. Service-specific, management-approved business impact analyses. Strategic, tactical and operational plans tested and in place. Backup ICT site. A business continuity training package for senior managers has been developed and is available on the Durham Learning and Development portal. <b>Planned improvements:</b> A Surge Escalation Plan is being developed in consultation with relevant Cabinet Portfolio holders and Trade unions, for approval by Cabinet and incorporation into the Corporate Emergency Plan.
15	RES	R0655 - Potential breach of the Data Protection Act 2018 ( <b>data breach</b> ).	The current controls are considered adequate.	<b>Main controls:</b> Data Protection Policy and supporting procedures. Information Security Policy. Statutory Data Protection Officer appointed. Oversight by cross-service Information Governance Group. Regular data protection training for staff. Data breach reporting process and procedure. Technology and working practices to avoid potential homeworking related breaches.

**Corporate Theme: Our Communities - Durham is a great county in which to live, with flourishing communities which are connected and supportive of each other**

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
16	NCC	R0641 - Potential progressive land slippage near the A690 may develop to an extent where a major road closure is necessary for repairs to be undertaken ( <b>A690 slippage</b> ).	Treat	<p><b>Main controls:</b> Monitoring by the Highway Inspector is continuing, and any remedial works found to be necessary are being programmed. Specialist consultants have now provided a preferred design solution and negotiations are underway to enter into a design and build contract. Further site investigations continue to help inform the final design solution.</p> <p><b>Planned improvements:</b> Works will be programmed accordingly, and a communications plan designed to inform all highway users of the project.</p>
17	NCC	UR0189 - Risk that the council is unable to meet its responsibilities under the <b>Terrorism (Protection of Premises) Bill</b> when enacted, which sets to improve protective security and organisational preparedness at publicly accessible locations.	The current controls are considered adequate.	<p><b>Main controls:</b> The risk is managed with Local Resilience Forum partners through the Government's countering terrorism strategy CONTEST (2023), which is an integrated approach to counter-terrorism, based on four main elements. The CONTEST work streams are Prevent, Pursue, Protect and Prepare. The Home Office and Counter Terrorism Policing UK identified DCC and 32 other authorities across the North East as a pilot area for Publicly Accessible Locations management in relation to protecting people and places from a terrorist attack in the run up to the Terrorism (Protection of Premises) Bill being laid before parliament. A Protect and Prepare Group (PAPG) was set up to take a joined-up approach and allow the assessment of current and emerging risks and vulnerabilities, and the provision of effective and proportionate mitigation measures. The pilot has now concluded, but the PAPG will continue to meet to support any responsibilities under the Terrorism (Protection of Premises) Bill when it becomes an Act.</p> <p>In County Durham, the Safe Durham Partnership prioritises work to prevent people becoming terrorists or supporting terrorism. This work has a strong link to safeguarding because vulnerable adults and children can be susceptible to radicalisation and recruitment into terrorist organisations. There may be warning signs that can help identify those people for suitable interventions and support.</p> <p>The Safe Durham Partnership follows the recommendations within the National Channel Duty Guidance to enable partners to ensure that children, young people and adults are protected from the harm of being drawn into terrorism.</p> <p>Channel is a multi-agency approach, led by local authorities and the police, which provides support to individuals identified as being at risk of being drawn into terrorist related activity. County Durham Channel seeks to: -</p> <ul style="list-style-type: none"> <li>(a) safeguard individuals who might be vulnerable to being radicalised, so that they are not at risk of being drawn into terrorist related activity; and</li> <li>(b) ensure that individuals and communities have the ability to resist all forms of terrorism and violent extremist activity likely to lead to terrorism.</li> </ul>
18	REG	UR0164 - Withdrawal of, or changes to, financial support to bus operators may result in reduced <b>public transport</b>	The current controls are considered adequate.	<p><b>Main controls:</b> The Council will be contributing £2m from an underspend of the concessionary fares budget, which will cushion the impacts on services and on bus users. Continued liaison with the Department for Transport regarding the continued impacts of the pandemic on bus patronage.</p>



Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
		coverage, leading to a lack of essential transport services for users and/or calls for financial assistance from the Council.		
19	NCC	UR0201 - Potential progressive <b>land slippage</b> near a public highway may develop to an extent where a major road closure is necessary for extensive and high-cost repairs to be undertaken.	The current controls are considered adequate.	<b>Main controls:</b> Highways Maintenance Plan. Local Transport Plan Capital Programme and Budget. Additional investment through Capital Contingencies and MTFP capital bids.
20	NCC	UR0202 - Financial constraints may lead to the deterioration in the condition of a key <b>highway structure</b> to an extent where significant repairs or structure replacement is required, resulting in a breach of statutory duty, expensive remedial works, disruption to highways users, and damage to local businesses and the local economy.	The current controls are considered adequate.	<b>Main controls:</b> Highways Maintenance Plan. Local Transport Plan Capital Programme and Budget. Additional investment through Capital Contingencies and MTFP capital bids. Programme of principal and general inspections of highways assets in line with relevant standards and codes of practice. Intrusive investigations and assessment calculations to determine condition and loading capacity where concerns are reported or identified.
21	Corp Affairs	R0470 - Failure to consider <b>equality</b> implications of decisions on communities leading to successful legal challenge and delays in implementation.	The current controls are considered adequate.	<b>Main controls:</b> Member portfolio for Equality and Inclusion. Dedicated Equality Team provides training, awareness, support and guidance to members and staff. Public Sector Equality Duty objectives are included in the Council Plan. Impact assessment process is embedded in processes for strategic planning, decision-making, public and stakeholder consultation and the medium-term financial plan.

**Corporate Theme: Our Economy - Durham has a thriving and inclusive economy with more and better jobs and fewer people suffering from the hardships of poverty and deprivation**

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
22	CYPS	R0646 - Potential financial and other pressures threaten the viability of some <b>education providers</b> .	The current controls are considered adequate.	<b>Main controls:</b> School Strategy. Education Review Board. Sustainability Fund (early years providers). New protocols in place to support federations and shared headships. Leadership advisers support to schools. Business Continuity Planning and monitoring. Consultation on amalgamation of schools where opportunities arise.
23	RES	R0683 - Risk that Council does not fully respond to the drivers of financial hardship, including those caused by the 'cost of living crisis' and wider determinants of <b>poverty</b> to help alleviate the impacts on County Durham residents.	The current controls are considered adequate.	<b>Main controls:</b> Poverty Action Strategy and Plan; Child Poverty Action Plan; Poverty Action Steering Group; Housing Welfare Reform Group triage process; Child Poverty Group; Partnership working including but not exclusive to Advice in County Durham Partnership; Various practical, financial and advisory support services; and Communications programme and staff training.
24	REG	UR0166 - Increased financial and other pressures on households cause a rise in the number of people unable to buy or rent accommodation, with increased evictions and repossessions likely, leading to a significant increase in homeless presentations, use of temporary accommodation, demand for secure affordable housing and pressure on housing support services ( <b>homelessness</b> ).	Treat	<b>Main controls:</b> The Housing Solutions service supports residents who are in financial difficulty and at risk of homelessness, including referrals to organisations providing advice and support on housing, finance/financial management, employment, energy/fuel, foodbanks, furniture schemes. The Housing Poverty Group meets every six weeks to consider issues relating to poverty, share best practice and promote joint working. Partnership working with social housing providers to understand, raise awareness and respond to key issues. The Stop B4U Serve initiative encourages landlords and tenants to approach the Council about potential eviction notices to consider alternatives. Implementation of Government-funded initiatives to support vulnerable/excluded groups: Rough Sleeping, Move On Fund to help accommodate and support vulnerable individuals who cannot access mainstream housing. <b>Planned improvements:</b> Direct provision by the Council through the establishment of a Housing Revenue Account. Change to Durham Key Options to ensure those in greatest need have the highest priority. Change to the Housing Solutions service to target resources where needed most. Training and awareness to enable front line staff support and work collectively with partners. Improved monitoring and governance of services, including expenditure of budgets and costs. Recruitment of additional temporary staff (if needed).
25	CYPS	UR0187 – Increased levels of demand combined with high inflation on transport costs may disrupt the provision of <b>Home to School Transport</b> , leading to a potential	Treat	<b>Main controls:</b> Home to School Transport Transformation Programme. A strategic Home to School Travel Board was established in June 2022 and an operational working group co-ordinates activities across the component parts of the system. A refreshed Home to School Transport Policy was approved by CMT during 2022/23. Home to School Transport Scrutiny Team established during 2022/23.

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
		budget overspend and adverse impacts on children and families.		<b>Planned improvements:</b> Establish a central Home to School Transport co-ordination function as an invest to save programme of work between Spring 2023 and March 2026. Develop joined up dashboards and reporting as part of Councils Business Intelligence Programme. Business Process Review of end to end system.
26	REG	R0648 - Uncertain economic outlook may impede the delivery of the county's <b>Inclusive Economic Strategy</b> .	Treat	<b>Main controls:</b> Engagement and advice by Business Durham. Weekly Regional Business Intelligence reports to Government. The County Durham Pound project. Business Grant Schemes. Levelling Up process. <b>Planned improvements:</b> The Council is reviewing budgets for regeneration and development projects in line with known cuts as well as increasing costs and uncertainties. The Council is also working with neighbouring local authorities and the Government on a new devolution deal which should give some certainty over funding for some of these projects. We will also continue to lobby the Government for appropriate levels of funding to help address our needs and supports growth across the county.
27	REG	UR0185 - Challenging national, and international economic conditions beyond the control of the council risk the loss of <b>local businesses and jobs</b> across the county.	Treat	<b>Main controls:</b> The council provides support for businesses through Business Durham and coordinates activities via County Durham Economic Partnership. The council also works with partners to support businesses that are making redundancies with a range of workforce development and training services. However, international and national economic conditions – which the council cannot control - have the greatest impact on local businesses. Our new Inclusive Economic Strategy and accompanying Delivery Plan include a range of interventions to address strategic economic weaknesses, support long-term growth, and safeguard businesses and jobs and can be modified as conditions change.  <b>Planned improvements:</b> The council continually reviews budgets for regeneration and development projects and is joining the North East Mayoral Combined Authority to garner more support and funding for strategic project and promote the county's opportunities and needs. UK Shared Prosperity Funding – which is a partial replacement for EU funding – is being deployed until March 2025 and the council will continue to bid for external funding and maximise resources via delivery partnerships. The council adopted a new Inclusive Economic Strategy (IES) in late 2022 as one of its core plans and is expected to adopt a delivery plan for the IES in late 2023 which will help to plan and coordinate business support activities and align workforce improvements with business needs. In addition, an investment plan is being prepared for adoption in early 2024 which will identify opportunities to secure private and public funding.
28	CYPS	UR0149 - Pupils may not adequately recover from the impacts of Covid19, leading to ongoing or increased inequality of <b>educational outcomes</b> , restricted employment prospects and an increase in the number of NEETS.	The current controls are considered adequate.	<b>Main controls:</b> CYP Strategic Plan 2019 – 2022. Education Durham Support and Development team. School governing bodies. CYP O&SC. Durham Schools Forum. DurhamWorks programme. Education Endowment Foundation. Teacher Development Trust. Various head teacher associations. Virtual-live training. School improvement plans. Education Durham Performance and Standards team.

**Corporate Theme: Our Environment - Durham has taken action to tackle the climate emergency, reduce the impact of pollution and waste on our county and protect, restore and sustain our natural environment**

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
29	NCC	R0684 - High technology costs and a potential lack of Government funding and resources may prevent the Council from making the necessary adaptations and mitigations to meet its <b>climate change</b> targets.	Treat	See key risk schedule in appendix 3.
30	NCC	UR0175 - Potential impacts of the spread of <b>Ash Dieback</b> Disease on the environment, public safety, and Council finances.	Treat	<p><b>Main controls:</b> Appointment of additional permanent and temporary staff to support tree inspections. Appointment of additional temporary staff to support woodland management and tree planting. Potential insurance claims arising from the Ash Dieback situation has been discussed with the Council's insurer, who has been informed of the Council's tree management arrangements.</p> <p><b>Planned improvements:</b> An Ash Dieback Management Plan is being developed. Ash dieback surveys are being carried out on secondary distributor and link roads (2024). A new tree risk management strategy and proactive inspection regime for trees owned or managed by the council is being introduced. The Tree Management Policy has revised to include a section on tree risk management, inspection procedures and Ash Dieback: this is scheduled to go to Cabinet in March 2024 for approval. Management of woodland estate is being enhanced through Woodland Management Grants. A programme of tree and woodland planting on 70 hectares of council land is being delivered between 2020 – 2024.</p>

Corporate Theme: Our People - Durham is a place where people will enjoy fulfilling, long and independent lives

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
31	CYPS	UR0196 - Inability to recruit and retain <b>Educational Psychologists</b> at a time of rising demand may seriously inhibit the delivery of services and lead to significant delays in statutory Education, Health and Care needs assessments.	Treat	See key risk schedule in appendix 3.
32	CYPS	R0659 - Risk of being unable to meet the authority's <b>statutory sufficiency duty</b> to provide sufficient accommodation in the local authority area to meet the needs of Children Looked After and children in need.	Treat	See key risk schedule in appendix 3.
33	CYPS	R0660 - Inability to recruit and retain <b>children's social workers</b> and social work managers may seriously inhibit the delivery of services.	Treat	See key risk schedule in appendix 3.
34	CYPS	0227 - Failure to protect a child from death or serious harm where service failure is a factor or issue ( <b>Child Safeguarding</b> ).	Treat	See key risk schedule in appendix 3.
35	AHS	R0562 - Failure to protect a <b>vulnerable adult</b> from neglect or abuse, including financial abuse (where service failure is a factor or issue).	Treat	See key risk schedule in appendix 3.
36	AHS	UR0144 - Uncertainties and challenges in relation to the impact of the Government's <b>health and social care reforms</b> in England set out in the Health and Care Act 2022 and associated Guidance.	The current controls are considered adequate.	<p><b>Main controls:</b> In County Durham we have</p> <ul style="list-style-type: none"> <li>• Established an Oversight Board chaired by the Chief Executive to support the preparations for CQC "assurance" and emphasise the Council wide nature of the CQC's activity</li> <li>• Through a Quality Assurance Board completed a self-assessment and financial return and identified areas of good practice and those which may require development</li> <li>• Taken part in an Association of Directors of Adult Social Services (ADASS) Annual Conversation which took the form of a peer review with recommendations which we are implementing</li> <li>• Worked with the CQC through ADASS to give feedback on the proposed frameworks</li> <li>• Improved our performance reporting</li> <li>• Communicated with staff and partners to keep them up to date with the emerging "assurance" framework</li> </ul>

				<ul style="list-style-type: none"> <li>At Overview and Scrutiny Committee and the Health and Wellbeing Board provided briefings for Councillors and partners</li> </ul>
37	AHS	UR0158 - Increased demand and workforce pressures during the winter period may disrupt the council's and partners' <b>urgent and emergency care</b> services.	Treat	<p><b>Main controls:</b> Detailed preparations are in place across system partners, using established winter planning and emergency process protocols. Reports detailing plans are presented to Adults, Health and Wellbeing Overview and Scrutiny Committee (OSC) on a regular basis. Durham Local Area Delivery Board (LADB) prepare for expected surges in demand and co-ordinate work across partners.</p> <p><b>Planned controls:</b> Partnership working is key to managing this risk and includes engagement with the Local Accident and Emergency Delivery Board, jointly developing improvement plans, and engaging with both the independent sector care market and the voluntary and community sector on preventative support.</p>
38	NCC	R0452 - Demand pressures on the <b>Community Protection</b> inspections and interventions may lead to an adverse impact on public health and safety in Co Durham	Treat	<p><b>Main controls:</b> The Community Protection Team's work is governed by Food Safety/Health and Safety plans. There is a training and development programme and post-graduate training for some staff. The team has been strengthened in 2021 by an apprenticeship programme. Investment in the service has allowed for the increased capacity in terms of enhanced training and development and the recruitment of qualified and competent staff. The service has developed a dedicated resource to deal with the potential for commercialisation of the service to cater for increased business advice as an alternative to enforcement action to achieve business compliance.</p>
39	CYPS	R0674 - Volatile and high-cost, demographic demands of children looked after on the Children's Social Care budget may result in adverse impacts on the budget and service delivery ( <b>CLA costs</b> ).	The current controls are considered adequate.	<p><b>Main controls:</b> Monthly outturn forecasts monitored by CMT. Quality Improvement Board. Children's Services Improvement Plan. Oversight by CMT, Cabinet, DSCP &amp; partners. Fostering &amp; Adoption Strategies. Placement Resource Panel. Risk-based approach to identifying children to be looked after. Placement Efficiency Strategy. Pre-Birth Service.</p> <p>Funding agreed to develop Edge of Care home to be operational 2024 to reduce the number of children at higher risk of entering high cost external placements if entering care. Expansion plan of in-house Children's home portfolio to place children in Durham and reduce the use of high cost external residential placements. Development of a Permanence Monitoring Group chaired by Practice Lead to monitor children exiting care and to ensure permanency wherever possible for children in care.</p>
40	AHS	R0634 - Pressures nationally across residential, nursing and domiciliary care providers, could affect the availability, delivery, continuity, quality, sustainability and capacity of care provision within County Durham ( <b>care providers</b> ).	Treat	<p><b>Current controls:</b> Market analysis and engagement, to help providers understand the local context and align business plans with the council's vision for the future of local public health, social care and housing markets. Links to national policy makers and professional bodies, collaboration with providers and health colleagues to share intelligence and understand market sustainability issues. County Durham Care Academy supports the development of an adult social care workforce with a range of initiatives and courses. As part of the Covid response, regular information was collected from providers via the Operating Pressure Escalation Levels tool to identify provider pressures, enabling the Council to offer appropriate support and maintain market oversight. Learning from this work has continued post-pandemic. Specific support has been offered on business planning.</p> <p><b>Planned improvements:</b> In line with Charging Reforms, a cost of care exercise, provisional market sustainability plan and a spend report has been submitted to Department of Health and Social Care and published on the Council's website to inform providers on the current position and future strategic direction.</p>

41	AHS	R0183 - Risk of a successful legal challenge in relation to <b>Deprivation of Liberty Safeguards</b> , due to high caseloads and capacity pressures, leading to financial penalties and reputational damage.	Treat	<p><b>Main controls:</b> Applications are processed using the Directors of Adult Social Services (ADASS) screening tool with oversight by the Deprivation of Liberty Safeguards Project Group, which receives regular updates on performance and forecasting scenarios. Recruitment of 20 independent Best Interest Assessors and advertising/recruitment of several internal posts. Refresher training for relevant staff. Operating processes, including the use of the new social services information database have been modified to improve efficiency and effectiveness.</p> <p><b>Planned Improvements:</b> A review of the Best Interest Assessors function to ensure that key objectives are met. Recruitment of around 10 full-time equivalent Best Interest Assessors, and a scan of expired cases to consider reinstatement, where appropriate.</p>
42	CYPS	R0671 - Increasing demand on the Dedicated Schools Grant budget for High Needs Block special educational needs services and inclusive education services may result in adverse impacts on finance and service delivery ( <b>HNB SEND</b> ).	Treat	<p><b>Main controls:</b> SEND and Inclusion Resources Board. Collaboration with schools to make the HNB more sustainable. Schools Forum Reference Group. Monthly tracker report for SEND and HNB expenditure &amp; forecasting to Programme Board. Programme Management and Performance Management Framework. Monthly highlight reports presented to the Programme Board.</p> <p><b>Planned Improvements:</b> Implementation of HNB Sustainability Programme, Phase 2. Delivery of the Delivering Better Value in SEND Implementation Plan.</p>
43	CYPS	UR0167 - Increase in volume and complexity of demand for children's safeguarding services post coronavirus period ( <b>child safeguarding demand</b> ).	The current controls are considered adequate.	<p><b>Main controls:</b> To strengthen Families First services, additional management capacity has been provided and the number of teams will be increased from 14 to 15. A growth bid to strengthen children's social care capacity has been agreed. Robust processes in place at First Contact and MASH to assess new referrals, while trends and patterns are monitored regularly to ensure managers are sighted on peaks and troughs. Weekly discussions are also held with safeguarding partners.</p>
44	CYPS	UR0148 - Inability to recruit residential <b>children's homes staff</b> may seriously inhibit capacity to deliver essential, specialist services to children and young people from across England and Wales.	Treat	<p><b>Main controls:</b> Human Resources Team. Recruitment strategy. Working with specialised recruitment agency. Performance and Development Review Scheme. Occupational Health service. Employee assistance programme. Independent psychotherapy service. Post-incident debriefing and learning. Secure and recruitment/retention allowance; developed webpages to improve appeal to prospective candidates; reviewed induction process.</p> <p><b>Planned improvements:</b> Further develop recruitment materials and supporting service information for main Aycliffe site and new transitions home (Maple House).</p>
45	AHS	R0666 - Risk that the Council is subject to legal challenge by Providers in relation to application of its Residential and Non-Residential Care Charging Policy and Deferred Payment Policy ( <b>Care Charging Policy</b> ).	The current controls are considered adequate.	<p><b>Current controls:</b> Adult Social Care Residential Care Charging Policy and Deferred Payment Agreement Policy. Legal advice and oversight where required, including on individual cases. Review of individual cases to ensure compliance. Financial Planning to mitigate potential impact. Liaison with other local authorities. Dialogue with providers. Updated guidance on self-funders issues to staff.</p> <p><b>Planned improvements:</b> In line with Charging Reform, the Council has submitted to the Department of Health and Social Care a cost of care exercise as specified by their guidance, a final market sustainability plan and a spend report. These documents have also been published on the Council website.</p>
46	REG	R0490 - Serious injury or loss of life due to <b>Transport Safeguarding</b> failure.	The current controls are	<p><b>Main controls:</b> Children's and adults' safeguarding policies. In-house fleet buses are maintained regularly. Contractors are required to maintain vehicles in a safe, roadworthy condition and comply</p>

			considered adequate.	with relevant, statutory provisions. Sample checking of vehicles in co-operation with the Police and the Driver and Vehicle Licensing Agency.
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