



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 January and May 2024.

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, **one new risk** has been added, in relation to international recruitment by some adult social care providers. **One risk has been closed**, in relation to the Adult Social Care Charging Policy.
- 5 There are **updates on the management of four key risks** set out in the report, in relation to savings plans, Government funding, recruitment

and retention of children's social workers, and recruitment and retention of educational psychologists.

- 6 There are **updates on the management of 19 non-key risks** set out in the report, in relation to transport safeguarding, civil emergency, consultation, business interruption, care providers, A690 slippage, education providers, Inclusive Economic Strategy, data breach, cyberattack, HNB SEND, children looked after costs, health and social care reforms, educational outcomes, urgent and emergency care services, Ash Dieback disease, businesses and jobs, supply chain issues (fleet, plant and equipment), and highway structures.
- 7 There are **updates on four emerging/potential risks**, in relation to fire safety in supported living accommodation, Right Care Right Person operating model, the residual waste energy recovery facility, and reinstatement values of assets.
- 8 In summary, the report outlines that on 31 May 2024, there were **47 risks on the strategic risk register**. Of these, there are **eight key risks**, in relation 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.
- 9 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

- 10 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

- 11 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.
- 12 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

- 13 On 31 May 2024, there were 47 risks included on the corporate strategic risk register, the same as on 31 December 2023. During the period covered by this report one risk was added and one was removed.
- 14 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.

- 15 Since the last update to the committee, one new risk has been added, in relation to international recruitment by some adult social care providers. One risk has been closed, in relation to the Adult Social Care Charging Policy.
- 16 There are updates on the management of four key risks, in relation to savings plans, Government funding, recruitment and retention of children's social workers, and recruitment and retention of educational psychologists.
- 17 There are updates on the management of 19 non-key risks in relation to transport safeguarding, civil emergency, consultation, business interruption, care providers, A690 slippage, education providers, Inclusive Economic Strategy, data breach, cyberattack, HNB SEND, children looked after costs, health and social care reforms, educational outcomes, urgent and emergency care services, Ash Dieback disease, businesses and jobs, supply chain issues (fleet, plant and equipment), and highway structures.
- 18 There are updates on four emerging/potential risks, in relation to fire safety in supported living accommodation, Right Care Right Person operating model, the residual waste energy recovery facility, and the reinstatement values of assets.
- 19 A list of all the Council's strategic risks on 31 May 2024, aligned to the corporate themes in County Durham Vision 2035 and the Council Plan, is included in appendix 4.

- 20 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.
- 21 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

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

None

Appendix 2: How the Risk Management Framework operates

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 May 2024, there were 47 risks on the corporate strategic risk register, the same as on 31 December 2023. During this period one new risk was added, and one was removed.

The following matrix profiles the strategic risks according to their net risk evaluation on 31 May 2024. To highlight changes in each category during the last period, the number of risks on 31 December 2023 is shown in brackets.

Overall number of Strategic Risks on 31 May 2024.

Impact					
Critical	1 (1)	1 (1)	3 (3)		1 (1)
Major		4 (5)	10 (10)	4 (4)	1 (1)
Moderate			13 (12)	8 (8)	
Minor					1 (1)
Insignificant					
Likelihood	Remote	Unlikely	Possible	Probable	Highly Probable

In the above matrix, the risk assessed as Critical/Highly Probable is:

- 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

Non-key risks

- 1 ***UR0207 - Potential for unethical **International Recruitment Practices** (e.g., modern slavery) by some adult social care providers (International Recruitment Challenges) (AHS).***

Having previously been highlighted as an emerging risk, a full risk assessment has been completed resulting in a net risk evaluation of moderate impact, possible likelihood and, as such the risk has been escalated to the corporate risk register.

International recruitment provides adult social care providers with an opportunity to recruit overseas staff to address the national workforce shortage issue. However, there are risks of some providers using unethical recruitment practices (e.g., modern slavery) or not following the strict guidance on sponsorship of overseas workers both of which create a risk to service provision should sponsorship licences be revoked by the Home Office.

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 highlighted an improvement in workforce capacity driven by an increase in international recruitment, the report also noted unethical international recruitment practices, including modern slavery and labour exploitation. Although local issues around sponsorship that have arisen to date have been well managed by the Integrated Commissioning Team, with additional checks and provider support put in place, as the scale of the use sponsorship licences increase in County Durham so does the risk if licences were subsequently revoked.

The potential impacts for service users and their families include lack of essential care and reduced choice in social care provision. Potential financial impacts include the cost of implementing contingency arrangements for service users where their placement / care package is no longer deliverable under current arrangements and resource pressures on the commissioning service and operational teams potentially requiring additional staffing on a temporary basis in a worst case scenario. Other potential impacts include reduced service levels during affected periods while transition arrangements are made and reduced standards of service/performance during affected periods while transition arrangements are made.

Key controls for this risk include market oversight by AHS Integrated Commissioning and expertise developed on potential issues in the market and associated monitoring of provision, legal advice where required, and service and financial planning to mitigate potential impact. Officers are also linked to regional work to both support appropriate international recruitment and deal with issues of licence revocation through the North East Association of Directors of Adult Social Services.

Closed risks

Non-key risks

- 2 *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 (**Care Charging Policy**) (AHS).*

As part of the contract extension with adult social care providers (residential and nursing care) the Integrated commissioning team have put in place, more robust processes to ensure those people placed on the Council's contract are not full fee-paying and have agreed a methodology for applying uplifts in the care fee rate based on an agreed basket of indicators.

The current two-year fee deal with providers ends on 31 March 2025 and contract discussions will be taking place shortly in order to secure a deal for 2025/26 onwards.

Following the above developments, this is no longer considered a significant risk and has therefore been closed.

Updates on the management of existing risks

Key risks

- 3 *UR0031 - If timely and comprehensive **Savings Plans** are not in place across the council, required savings may not be achieved, necessitating extensive utilisation of reserves (**RES**).*

Developing proposals and meeting savings targets continues to be extremely challenging, particularly considering the level of savings and transformation of services that have been delivered to date.

Since 2010 there has been a sustained focus on management and back-office savings to protect frontline services, but achieving savings in this way is becoming much more difficult and going forward, if

significant savings are required in future, then it will be much more difficult to avoid impacts on front line service delivery.

Savings in recent years have also focused on generating additional fees and charges. The quarter one forecast of outturn report 2024/25 shows that a number of these income related savings are not realising the income levels required and whilst some of this is due to timing / delivery delays the ability to balance the budgets in this way is becoming more challenging.

If Government funding settlements remain as challenging as they have been, this may lead to difficult decisions being required in relation to service delivery, with priority being given to meeting statutory service delivery.

- 4 *UR0051 - 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**).*

The current position remains uncertain and challenging post the General Election.

A report to Cabinet on 18 September 2024 set out a budget shortfall / savings requirement of circa £64m over the 2025/26 to 2028/29 MTFP planning period – this being after assumed annual increases in Council tax of 2.99% in each of the next four years and after the delivery of circa £8.3m of savings plans agreed as part of MTFP14 that cut across the next four years. Delivering further savings of this magnitude would be extremely challenging.

As part of the 2023/24 outturn report to Cabinet in July 2024, a review of earmarked reserves was approved, which resulted in an increase in the MTFP support reserve and the Early Retirement / Voluntary Retirement reserve in anticipation of the support that will be required to deliver and smooth in the savings required to balance the Council's budget across the coming four years.

Following the General Election, the new Government have announced that a Comprehensive Spending Review (CSR) will be undertaken in 2025 and have committed to publishing multi-year settlements from 2026/27 onwards. There has been no commitment to any additional funding for the sector at this stage for 2025/26 or across the CSR period with statements consistently stating how stretched the public finances are.

The Autumn Statement / Budget will be published on 31 October and will inform departmental allocations and council tax referendum limits etc for 2025/26, which will have a significant bearing on the Council's budget next year.

5 *UR0108 - Inability to recruit and retain **Children's Social Workers** and social work managers may seriously inhibit the delivery of services (CYPS).*

Between July 2023 and March 2024, the overall vacancy rate across our social work workforce fell from around 21% to around 16%.

The following control improvements have recently been scheduled: -

- (a) identification of a route to support social work managers following removal of the Pathways programme by the DfE;
- (b) implementation of a career development framework to retain social workers in Durham;
- (c) consideration of replacement of 10 social work vacancies with social work trainees to create additional social workers for the future.

6 *UR0196 - 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 (CYPS).*

Demand for statutory assessments has been increasing rapidly for at least two years, and there is insufficient capacity in the service due to high vacancy levels. As at May 2024, the vacancy rate was 41%.

Work to measure capacity and demand has determined that additional posts were required to address the backlog that has arisen and to stabilise the service. Temporary funding of £1,676,800 has been agreed to support contracts for agency educational psychologists (EPs) to carry out assessments, and a growth bid for 2025-26 has been developed which will be considered as part of the development of the 2025/26 budget and MTFP(15).

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

There are contracts in place to obtain additional EP capacity through agencies for the completion statutory assessments and the recruitment

of five EPs from overseas. There is also a contract to recruit two area principal EPs to provide management capacity.

Salaries have been increased by one point to bring them into line with geographically and statistically comparable authorities.

New performance metrics have been developed and introduced across the Education, Health, and Care process to better identify and track progress with requests and timeliness.

Control improvements being considered include the introduction of an Advanced Educational Psychologist role and changes to the Structured Professional Assessment point system so that EPs are better supported to reach the higher pay points on their pay scales.

Non-key risks

7 *UR0025 - Serious injury or loss of life due to **Transport Safeguarding** failure (REG).*

This risk relates to school and adult social care transport services, including children with special needs, provided by the Council and local businesses.

On 15 November 2023 Cabinet approved the External Contractor Staff Suitability Policy for school and social care transport for assessing the suitability of an individual to be deployed in the provision of such transport.

8 *UR0033 - 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).*

Following an organisational restructure, ownership of this risk has been reassigned from Partnerships and Community Engagement to Community Protection.

Implementation of the remaining actions in the Storm Arwen Improvement Action Plan is continuing, and this includes the promotion of community resilience and resources surge planning. Actions arising from the Mighty Oak (National Power Outage) exercise are being addressed through national, regional and local sub-groups.

A corporate emergency planning exercise is planned for 2 October 2024.

- 9 *UR0048 - Failure to consult with communities on major service & policy changes leading to legal challenge & delays in implementation (Consultation) (Corporate Affairs).*

Following an organisational restructure, ownership of this risk has been reassigned from Partnerships and Community Engagement to Corporate Affairs.

- 10 *UR0081 - 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 (Business Interruption) (NCC).*

Following an organisational restructure, ownership of this risk has been reassigned from Partnerships and Community Engagement to Community Protection.

The development of operational business continuity plans has been strengthened by giving greater consideration to ICT interruptions and disaster recovery.

- 11 *UR0082 - Pressures nationally across residential, nursing, and domiciliary/community care providers, could affect the availability, delivery, continuity, quality, sustainability, and capacity of care provision within County Durham (Care Providers) (AHS).*

There is pressure from markets to pay the living wage across providers.

A key mitigation for this risk is the use of the market position statement (MPS) to promote market opportunities and development for providers, and the MPS 2023/25 has now been published on the Council's website.

One new care home was opened in early 2024, with one more due to open in late 2024, reducing the impact of the two closures in 2023.

- 12 *UR0089 - 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).*

The Council's ground investigation evidence demonstrates that the embankment is showing an average of 1mm movement per month.

Works are anticipated to commence on site in August 2024 (previously January 2024) with an anticipated 14 months works programme.

Capital funding is in place to fund the project and the scheme is within budget.

13 *UR0094 - Potential financial and other pressures threaten the viability of some **Education Providers**. (CYPS).*

A non-recurring Deficit Support Grant of £500k received in 2023/24 support gaps in schools finance has meant that no schools in the Durham area required a licence deficit in 2024/25.

The Deficit Support Grant is currently supporting in the region of 20 schools, who would otherwise be in a deficit situation. This funding does not address the underlying financial viability concerns in many of these schools and if it is not continued it will leave schools facing similar problems as of budget setting for 2025/26.

In July Cabinet considered a report on School Budget Plans for 2024/25. Corporate Management Team keep an oversight on financially vulnerable schools and schools have been encouraged to move to three-year budgeting. The Education and finance teams work closely to support (and challenge) financially vulnerable schools, with strategic discussions taking place with head teachers and governing bodies. Potential school closures and amalgamations may be necessary to address underlying structural deficits.

14 *UR0096 - Uncertain economic outlook may impede the delivery of the county's **Inclusive Economic Strategy** (REG).*

The future of the UK Shared Prosperity Fund (UKSPF), which replaced EU funding, remains uncertain beyond March 2025. UKSPF has been particularly important for providing business and employability support in line with the Inclusive Economic Strategy. The Council does not have the resources to finance any shortfall, being reliant on national and regional funding. Therefore, our ability to continue, and develop new, programmes in line with the IES from 2025/26 onwards is highly uncertain.

Economic Development services budgets have been agreed and external funding has been secured to March 2025 to enable us to continue and start strategic regeneration and growth and inclusive growth projects. Direct discussions are taking place with local, regional, and national levels and via lobbying groups about the continuation of the UK Shared Prosperity Fund from 2025/26 onwards.

The service is increasing engagement with government and regional bodies to promote our opportunities and needs including working closely with the new North East Mayoral Combined Authority (NECA) to ensure we gain suitable support.

The new government is yet to set-out its strategic approach and the funding it will use to support deprived parts of the UK. Details of the government's approaches are expected in the Autumn Budget on 30 October 2024, which should provide some clarity. By this point, NECA should also have some of its own strategies and investment plans in place.

The position will be reviewed after the Autumn Budget and an update will be provided to Audit Committee in November 2024.

15 ***UR0103 - Potential breach of the Data Protection Act 2018 (Data Breach) (Corporate Affairs).***

This risk has been reassigned from Digital Services to Corporate Affairs following a restructure and transfer of responsibilities.

The corporate business intelligence programme is a new development for the council, involving development of new skills and technical solutions to enable us to manage information and data. The programme has a board in place, providing oversight of delivery. External support has been sought to support ensuring effective information governance controls are in place. Specific training is being delivered to officers who will be managing and manipulating the data. A specific risk register is in place for the programme.

As part of the IT Framework, the Information Governance Group (IGG), including the Corporate Director of Resources (Senior information Risk Owner), is to be re-established with an enhanced information risk management approach. The Group includes senior management as well as officers across all services and this will allow us to manage strategic and operational information risks as they emerge.

The Group's work will include: -

- (a) overseeing the information governance action plan over the next three years 2024-26.
- (b) development of an Information Asset Register.
- (c) business process reviews around Data Breaches, FOI handling, and SAR handling.
- (d) additional work around Information Sharing Agreements and Data Protection Impact Assessments.

- 16 *UR0105 - If the Council suffered a successful **cyberattack** or IT security breach, then it may be unable to effectively deliver essential services. (Resources).*

Controls for this risk have been strengthened. Firstly, the Supply Chain Security Assessment process has now been successfully introduced and is now business-as-usual and a pivotal element of all onboarding activity and or contract renewal. Secondly, Multi Factor Authentication has been introduced, limiting the potential for phishing activity.

Meetings have taken place with over 70 teams across the council in conjunction with Civil Contingency team to ensure that individual service business continuity plans reflect actions that would be needed in event of cyber security incident. Feedback from these meetings is presently being reviewed and findings will be collated into the final organisational Cyber Security Business Continuity Plan.

To further strengthen controls, management will review the position of a softening insurance market towards the threat of cyberattack. This work is being undertaken by Digital Services and Corporate Insurance to establish position of value for money.

- 17 *UR0119 - 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).*

In December 2023, Cabinet received 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.

Planned control improvements for this risk include: -

- (a) Engagement with the Schools Forum to determine options for reducing pressure on the HNB budget, followed by consultation.
- (b) Testing of the 11 reform areas as part of the Regional SEND and Alternative Provision Change Programme.

- 18 *UR0122 - 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 (CLA costs) (CYPS).*

In April 2015, the number of children in care (CiC) in Durham was relatively stable at 622 (62 per 10k). Since April 2016, the number of CLA has continued to rise each year, reaching 1,214 in March 2024.

The CLA budget has increased significantly in recent years from £24.218 million in 2018-19 to £76.574 million in 2024-25. It is still however, anticipated that expenditure in this area will exceed budget in 2024-25. It is also noted that this issue has a financial impact on other Council services of having to fund Childrens Social Care.

MTFP(14) included provision for additional funding to meet demographic pressures and price increase in each of the years between 2024-25 and 2027-28. These figures have been revised (increased) as part of MTFP(15), which covers the period 2025-26 to 2028-29.

Other controls for this risk include: -

- (a) corporate oversight by CMT, Cabinet, Durham Safeguarding Children Partnership, and partners; and
- (b) risk-based approach to identifying children to be looked after.

19 *UR0144 - Uncertainties and challenges in relation to the impact of the Government's changes to commissioning and integration arrangements for health and social care following the enactment of the **Health and Care Act 2022** and associated Government guidance (AHS).*

The risk assessment has been reviewed in detail and reworked.

In mitigation, the Council is working with the Integrated Care Board (ICB) and other partners in The County Durham Care Partnership to share resources and expertise to mitigate any changes to integration arrangements. This includes: -

- (a) regular reports to the County Durham Care Partnership Executive;
- (b) scheduled meetings between senior officers working on the potential Joint Committee and the deployment of ICB resources in County Durham;
- (c) fortnightly meetings between health and care Chief Officers exercising oversight of the work on a potential Joint Committee;
- (d) periodic reports to Cabinet, Health and Wellbeing Board and Overview and Scrutiny Committees as needed;
- (e) oversight of the Better Care Fund by Health and Wellbeing Board and NHS England.

- 20 *UR0149 - Pupils may not adequately recover from the impacts of Covid19, leading to ongoing or increased inequality of **Educational Outcomes**, restricted employment prospects and an increase in the number of NEETS. (CYPS).*

Although we have a normalised return to school pattern, there are still significant issues around attendance and extreme persistent absence (under 50% attendance).

Similarly, Elective Home Education (EHE) has grown as a consequence of children's anxieties around school attendance. Prior to COVID, the number of children in EHE was around 600, and this has doubled to around 1200.

The consequences for long term support for employment and training are significant. Resourcing this increased demand will become more difficult with reduced funding through the UK Shared Prosperity Fund (UKSPF).

The main controls for this risk include the Children and Young People's (CYP) Strategic Plan, the DurhamWorks programme and scrutiny, challenge and support through various committees and groups including CYP Overview and Scrutiny Committee, school governing bodies, Durham Schools Forum.

- 21 *UR0158 - Increased demand and workforce pressures during the winter period may disrupt the council's and partners' **Urgent and Emergency Care Services**. (AHS).*

Causes of this risk include legacy issues in terms of population health and behaviours caused by the pandemic.

Durham County Council and Integrated Care Board partners have the ability to flex some service delivery to access additional capacity across the winter period to meet increased demand, e.g. intermediate care beds. However, it should be noted that some of this activity relies on short-term grant funding, so it is not guaranteed in the medium to longer term.

- 22 *UR0175 - Potential impacts of the spread of **Ash Dieback Disease** on the environment, public safety, and Council finances. (NCC).*

The issue of tree risk management has been brought into focus recently, due to an increasing number of storms and severe weather events posing a risk of trees being damaged or falling in strong winds and heavy rain.

In March 2024, Cabinet considered a report, which proposed revisions to the corporate Tree Management Policy and revised policy and procedures and referenced new and emerging issues such as ash dieback. The proposed policy seeks to ensure that risks arising from trees are managed in a proportionate way and deliver a high standard of tree care, and that statutory and other legal duties are met. The policy makes it clear that members of the public or their agents cannot be authorised to undertake work on council land due to health and safety, insurance, and other considerations. The inspection regime adopted by the policy is an internationally recognised system for tree risk management.

Despite financial pressures faced, the Council has increased investment into staffing, increasing the tree team's capacity. Two officers will receive validator training in July 2024, and 60 staff will receive basic validator training during June and July 2024. Ash dieback surveys are being carried out (Summer 2024) in schools that are signed up to the arboricultural inspection service level agreement. Also, asset management software for trees is being procured.

23 *UR0185 – Challenging national, and international economic conditions beyond the control of the council risk the loss of local **Businesses and Jobs** across the county (REG).*

Businesses continue to be affected by high inflation, driven by higher costs of energy, components and materials, food, and wages, meaning that the costs of doing business are high. This is compounded with high interest rates and low growth across the UK is affecting the confidence of businesses to invest in growth and skills shortages are restricting business growth. Whilst the UK economy has largely recovered from the impacts of Covid and businesses have a clearer understanding of the post-Brexit trading conditions, these and other national issues mean that the conditions for businesses remain highly uncertain.

The loss of EU funding over 7-year implementation periods means that external regeneration funding will end in 2025 and will depend on the priorities of the new government. Uncertainty about future local authority funding and devolution means it is difficult to plan economic support beyond March 2025. However, we will continue to work with the new North East Mayoral Combined Authority and other external partners to promote our needs and opportunities to the government and maximise the resources we have control over.

The position will be reviewed after the Autumn Budget and an update will be provided to Audit Committee in November 2024.

- 24 *UR0198 – Supply chain issues around **Fleet, Plant, Equipment, 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 (NCC).*

Fuel deliveries are generally reliable, but prices remain high, and the Israel/Gaza conflict may continue to cause disruption in future. There are no significant other changes to report.

- 25 *UR0202 - Financial constraints may lead to the deterioration in the condition of a key **Highway Structure** 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 (NCC).*

With a structures maintenance backlog of approximately £55 million (previously reported as £38 million), the available budgets are insufficient to maintain a deteriorating asset, and additional investment is required to upgrade the existing structures condition to a serviceable standard.

The main controls for this risk are the Highways Maintenance Plan; the 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.

Emerging/potential risks

Updates on the management of existing risks

- 26 *UR0203 - Interpretation of the Regulatory Reform Order 2005, in relation to responsibility for meeting the requirements of the order in some types of accommodation (**Fire Safety in Supported Living Accommodation**) (AHS).*

Discussions between officers in Durham County Council and the County Durham and Darlington Fire and Rescue Service (CDDFRS) have been ongoing for many months regarding fire safety in supported living accommodation and differing opinions and perspectives regarding the interpretation of the order. If the Council is deemed to have overall

responsibility for implementing the recommendations in the Order and is perceived as failing to comply, there may be legal implications/costs, which are yet unknown. The Order could have significant financial impact to the Council and Integrated Care Board (ICB), as well as raising conflicting legislative issues in relation to the Care Act 2014 requirements to commission and deliver services to meet assessed social care needs, to promote independence, choice, and progression rather than create dependency and restrictive forms of care.

CDDFRS colleagues, remain fixed in their interpretation and believe there is consensus at a national level. To challenge this further would require independent legal advice. While this still could be considered following wider discussions, a sensible approach would be to commence a programme of reviews and recommissioning for individuals and services, according to need, in the context of safe evacuation. While this would be a proactive approach, a more urgent response may be required for any services CDDFRS decides to inspect at short notice.

A full report detailing progress on mitigating this risk and ongoing issues and plans for decisions was considered by management in July 2024. Communications are being developed and circulated to operational staff and providers to ensure compliance with the Fire Safety Act. For individual service risks, Legal and Health and Safety advice is being sought with a view to developing an escalation process as required.

Following a full refresh of the strategic risk assessment, taking account of the mitigating actions that have been implemented, the net risk evaluation has been assessed as minor impact, possible likelihood. As such, the risk will not be escalated to the corporate risk register but will continue to be monitored and reported within the service.

- 27 *UR0204 - 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).*

Post phase 1 roll-out of the RCRP protocol, it is intended that DCC, partners and front-line services will continue with the roll out and build in interim reviews with a meeting to be scheduled Oct-Nov to review key data / feedback and to propose a next steps action plan. It must be noted that current data would be potentially skewed by the summer period Jul – Sept 24 which includes school summer holidays.

28 *UR0205 - Uncertainties in relation to the partnership project between the seven North East Local Authorities (7LA) to procure and deliver a large **Residual Waste Energy Recovery Facility (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.

Northern Power Grid have provided a grid connection timescale of 2026, which has allowed the procurement process to restart, and a new timetable for project implementation, build and delivery is to be agreed. There remains some uncertainty in that there are some potential variations in costs and funding.

The intended benefits of the project 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.

29 *UR0212 – Potential under-insurance of the Council's property assets against adverse events, leading to financial loss and reputational damage (**Reinstatement Values**), (**RES/REG**).*

The net risk evaluation has been assessed as major impact, unlikely likelihood.

The Council's asset register contains around 1,175 properties, which are used for various purposes, including general service delivery, education, housing, commercial and industrial uses under lease and rental agreements with third parties. As at July 2024, around 60 properties were not in use.

A review of the asset valuations has shown that for a number of years, the net book value has been used for insurance purposes for some properties, instead of the full reinstatement value, meaning that the Council may not be insured for the full financial impact of losses for potential adverse events. This exposes the Council to potential financial

loss and reputational damage should an incident occur and the insurer seeks to cap any claim to the net book value.

The insurance policy requires that the Council has carried out regular valuations utilising qualified Royal Institution of Chartered Surveyors (RICS) members at intervals of not more than five years to ensure that the assets are adequately insured for reinstatement purposes.

To minimise the potential likelihood and consequences of this risk, a reinstatement cost assessment report and contract procurement variation have been approved to acquire the services of external RICS surveyors to carry out Reinstatement Cost Assessments and Major Reviews of the councils buildings. This work will be funded from the Insurance Reserve and will be undertaken over a period of three years through an asset programme determined by the Corporate Insurance Team and the Corporate Property and Land Team, thereafter, the work will be commissioned to run alongside the five year rolling programme of asset revaluations undertaken for capital accounting purposes.

In the meantime, it has been agreed with the Council's insurers that, where applicable, a percentage increase will be applied to net book values to reduce the shortfall in cover for which the Council would otherwise be liable.

Key Risks

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

Key Risks Matrix

Net Impact					
Critical			6 Child Safeguarding 7 Savings Plans 8 Vulnerable Adults		1 Govt Funding
Major				3 Statutory Sufficiency Duty 4 Children's Social Workers 5 Climate Change	2 Educational psychologists
Moderate					
Minor					
Insignificant					
Net Likelihood	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	1 Our Council - Durham County Council has a reputation for listening to its residents, being well-managed and getting things done.	UR0051 - There is significant uncertainty in relation to future funding settlements from government, which will significantly impact upon the medium-term financial plan (Govt Funding).	Critical	Highly Probable	Main Controls: 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	5 Our People - Durham is a place where people will enjoy fulfilling, long and independent lives.	UR0196 - 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.	Major	Highly Probable	<p>Main controls: Job advert and recruitment materials regularly reviewed with active advertising.</p> <p>Salaries reviewed to bring in line with our geographical and statistical neighbours.</p> <p>Job descriptions updated to reflect time off in lieu policy so that lack of flexibility did not put off applicants.</p> <p>Core hours reduced to increase flexibility for existing employees.</p> <p>Capacity reviewed and additional posts created.</p> <p>Contracts for additional locum support. Contract to identify overseas. Educational Psychologists for permanent contracts.</p> <p>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.</p> <p>Planned improvements: Consideration of whether further changes to pay across the workforce are required and consideration of whether an "Advanced Educational Psychologist" role can be introduced.</p> <p>Changes to Structured Professional Assessment point system so that Educational Psychologists are better supported to reach the higher pay</p>		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	5 Our People - Durham is a place where people will enjoy fulfilling, long and independent lives.	UR0107 - 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.	Major	Probable	<p>Main Controls: Corporate CYP Sufficiency Board, chaired by Corporate Director, Children & Young Peoples 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.</p> <p>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.</p>		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	NCC: Risk owner: Head of Environment	Cross-cutting	4 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.	UR0132 - 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.	Major	Probable	<p>Main Controls: One of the key mitigations is the Climate Emergency Response Plan 2022-2024, incorporating over 150 projects.</p> <p>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.</p>		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
5	CYPS: Risk owner: Head of Children's Social Care	Service-specific	5 Our People - Durham is a place where people will enjoy fulfilling, long and independent lives.	UR0108 - Inability to recruit and retain Children's Social Workers and social work managers may seriously inhibit the delivery of services.	Major	Probable	<p>Main controls: 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.</p> <p>Planned improvements: 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.</p>		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
6	RES Risk owner: Head of Corporate Finance and Commercial Services	Cross-cutting	1 Our Council - Durham County Council has a reputation for listening to its residents, being well-managed and getting things done.	UR0031 - If timely and comprehensive savings plans are not in place across the council, required savings may not be achieved, necessitating extensive utilisation of reserves.	Critical	Possible	Main Controls: 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
7	CYPS: Risk owner: Corporate Director Children and Young People's Services	Service-specific	5 Our People - Durham is a place where people will enjoy fulfilling, long and independent lives.	UR0006 - Failure to protect a child from death or serious harm where service failure is a factor or issue (Child Safeguarding).	Critical	Possible	Main Controls: 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
8	AHS: Risk owner: Head of Adult Care	Service-specific	5 Our People - Durham is a place where people will enjoy fulfilling, long and independent lives.	R0562 - Failure to protect a Vulnerable Adult from neglect or abuse, including financial abuse (where service failure is a factor or issue).	Critical	Possible	<p>Main Controls: 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.</p> <p>Following allegations of abuse at Whorlton Hall Hospital, an independent review 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.</p>		<p>"Nationally there has been an increased awareness of potential vulnerabilities in relation to adults with care and support needs. High profile exposures heighten awareness of adult safeguarding concerns.</p> <p>"This risk is long term."</p>

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

Based on the net risk assessment on 31 May 2024, 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	UR0051 - There is significant uncertainty in relation to future funding settlements from government, which will significantly impact upon the medium-term financial plan (Govt Funding).	Treat	Main Controls: 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.
2	RES	UR0031 - If timely and comprehensive (savings plans) are not in place across the council, required savings may not be achieved, necessitating extensive utilisation of reserves.	Treat	Main Controls: The Delivery plan implementation will be monitored by CMT and Cabinet.
3	RES	UR0066 - Potential serious injury or loss of life due to the Council failing to meet its statutory, regulatory and best practice responsibilities/ requirements for (property and land).	Treat	Main Controls: Unitised Corporate Property and Land Service, asset database, training programme. Capitalised maintenance programme. Incident reporting and monitoring in collaboration with relevant parties, where appropriate. Planned Improvements: implement a corporate service delivery model and estate management performance indicators.
4	NCC	UR0033 - 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.	Treat	Main Controls: 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. Planned Improvements: On-going implementation of remaining actions in the Storm Arwen Improvement Action Plan in relation to the promotion of community resilience and resources surge planning. Corporate emergency planning exercise planned for 2 October 2024.
5	REG	UR0169 - Increased difficulty in retaining or finding tenants for Council-owned leisure/retail units, leading to an increased risk of medium to long term losses in revenue.	The current controls are considered adequate.	Main Controls: 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
6	REG	UR0129 - Potential violence and aggression towards members and employees from members of the public.	The current controls are considered adequate.	Main Controls: 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. Corporate 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 fleet, plant, equipment, 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.	Main Controls: 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	UR0064 - Serious breach of Health and Safety Legislation.	The current controls are considered adequate.	Main Controls: 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 recruitment and retention difficulties, resulting in capacity shortfalls.	Treat	Main Controls: 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. Planned Improvements: 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. Looking at increasing overseas recruitment and other workforce initiatives to increase talent pipelines and support succession plan. Revised workforce strategy 2024-27
10	CA	UR0048 - Failure to consult with communities on major service & policy changes leading to legal challenge & delays in implementation (Consultation).	The current controls are considered adequate.	Main Controls: 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	UR0105 - If the Council suffered a successful cyberattack or IT security breach, then it may be unable to effectively deliver essential services.	Treat	<p>Main Controls: 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.</p> <p>Planned Improvements: Development of Cyber Incident Response and Recovery Plan</p>
12	RES	UR0017 - Due to the current economic climate, there is potential for increases in fraud and corruption in relation to grants, hardship reliefs and scams.	The current controls are considered adequate.	<p>Main Controls: 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.</p>
13	RES	UR0097 - Potential size and scope of the liabilities of equal value claims.	The current controls are considered adequate.	<p>Main Controls: 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.</p>
14	AHS	UR0207 - Potential for unethical international recruitment practices (e.g., modern slavery) by some adult social care providers (International Recruitment Challenges).	Treat	<p>Main Controls: Market oversight by AHS Integrated Commissioning and expertise developed on potential issues in the market and associated monitoring of provision. Legal advice available where required. Service and financial planning to mitigate potential impact. Liaison with other local authorities and partner agencies. Dialogue with providers. Guidance and support available to providers and their staff.</p> <p>Planned Improvements: AHS Integrated Commissioning have instigated a data collection exercise to establish the scale of international recruitment in Durham (providers with licenses; numbers of international recruits per provider). This will help to inform further risk analysis and planning. The situation can however change quickly, and consideration will be given to the frequency of such exercises if it is identified that these need to continue in future. It should also be noted that such exercises are resource intensive for commissioning staff.</p> <p>AHS Integrated Commissioning are exploring with DCC HR the possible use of DCC sponsorship licences as a contingency for local ASC staff that may have difficulties in finding a new sponsor if their current sponsor's licence is revoked.</p>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
15	NCC	UR0081 - 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 (business interruption).	The current controls are considered adequate.	<p>Main Controls: 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.</p> <p>Planned Improvements: A Surge Escalation Plan has been agreed and is being developed in consultation with relevant Cabinet Portfolio holders and Trade unions.</p>
16	CA	UR0103 - Potential breach of the Data Protection Act 2018 (data breach).	Treat	<p>Main Controls: 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.</p> <p>Main Controls: Data Protection Policy and supporting procedures. Information Security Policy. Statutory Data Protection Officer appointed. Oversight by a new cross-service information governance group that will oversee the council's information governance work. Regular data protection training for staff. Data breach reporting process and procedure. Technology and working practices to avoid potential homeworking related breaches. Programme board in place ensuring oversight and assurance for the new corporate business intelligence programme.</p>

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
17	NCC	UR0089 - 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).	Treat	<p>Main Controls: 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>Planned Improvements: Works will be programmed accordingly, and a communications plan designed to inform all highway users of the project.</p>
18	NCC	UR0189 - Risk that the council is unable to meet its responsibilities under the Terrorism (Protection of Premises) Bill when enacted, which sets to improve protective security and organisational preparedness at publicly accessible locations.	The current controls are considered adequate.	<p>Main Controls: 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.</p> <p>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> <p>(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,</p> <p>(b) Ensure that individuals and communities have the ability to resist all forms of terrorism and violent extremist activity likely to lead to terrorism.</p>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
19	REG	UR0164 - Withdrawal of, or changes to, financial support to bus operators may result in reduced public transport coverage, leading to a lack of essential transport services for users and/or calls for financial assistance from the Council.	The current controls are considered adequate.	Main Controls: 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.
20	NCC	UR0201 - Potential progressive land slippage 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.	Main Controls: Highways Maintenance Plan. Local Transport Plan Capital Programme and Budget. Additional investment through Capital Contingencies and MTFP capital bids.
21	NCC	UR0202 - Financial constraints may lead to the deterioration in the condition of a key highway structure 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.	Main Controls: 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.
22	CA	UR0023 - Failure to consider equality implications of decisions on communities and employees leading to successful legal challenge and delays in implementation.	Treat	Main Controls: 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. Planned improvement: Roll out equality impact assessment e learning training module across management and strategic leadership persons within DCC.

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
23	CYPS	UR0094 - Potential financial and other pressures threaten the viability of some education providers.	The current controls are considered adequate.	Main Controls: 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.
24	RES	UR0131 - 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.	The current controls are considered adequate.	Main Controls: 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.
25	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 (homelessness).	Treat	Main Controls: The Planning and Housing Service supports residents who are at risk of homelessness or require housing related support, 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 in relation 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, Prevention Grant Fund to help accommodate and support vulnerable individuals who cannot access mainstream housing. Planned Improvements: 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. Reconfiguration of the Planning and Housing 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 expiture of budgets and costs. Recruitment of additional temporary staff (if needed).
26	CYPS	UR0187 – 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.	Treat	Main Controls: 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. Planned Improvements: 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.

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
27	REG	UR0096 - Uncertain economic outlook may impede the delivery of the county's Inclusive Economic Strategy.	Treat	<p>Main Controls: Engagement and advice by Business Durham. Weekly Regional Business Intelligence reports to Government. The County Durham Pound project. Business Grant Schemes. Levelling Up process.</p> <p>The Council is reviewing budgets for regeneration and development projects in line with known cuts as well as increasing costs and uncertainties. The Council has also worked with neighbouring local authorities and the Government to agree a new devolution deal for the North East 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 support growth across the county and the continuation or replacement of the UK Shared Prosperity Fund.</p>
28	REG	UR0185 - Challenging national, and international economic conditions beyond the control of the council risk the loss of local businesses and jobs across the county.	Treat	<p>Main Controls: 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.</p> <p>Planned Improvements: 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.</p>
29	CYPS	UR0149 - Pupils may not adequately recover from the impacts of Covid19, leading to ongoing or increased inequality of educational outcomes, restricted employment prospects and an increase in the number of NEETS.	The current controls are considered adequate.	<p>Main Controls: CYPS 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.</p>

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
30	NCC	UR0132 - 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.	Treat	<p>Main Controls: The main control 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.</p>
31	NCC	UR0175 - Potential impacts of the spread of Ash Dieback Disease on the environment, public safety, and Council finances.	Treat	<p>Main Controls: DCC has made appointments (perm anent and non-permanent) to support woodland management and tree planting.</p> <p>A new tree risk management strategy and proactive inspection regime for trees owned or managed by the council has been introduced and is being rolled out. Ash dieback surveys are being undertaken on the highway network.</p> <p>Potential insurance remains a concern from Ash Dieback, the insurer is aware of the woodland management plan.</p> <p>Planned Improvements: An Ash Dieback Management Plan is being developed.</p> <p>Ash dieback surveys are being carried out on secondary distributors and link roads (2024).</p> <p>Asset management software for trees is being procured and will be rolled out with subsequent training for staff.</p> <p>Ash dieback surveys are being carried out (Summer 2024) in schools that are signed up to the arboricultural inspection SLA.</p> <p>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> <p>A request for additional resources has been submitted as part of MTFP 15.</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
32	CYPS	UR0196 - 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.	Treat	<p>Main Controls: Job advert and recruitment materials regularly reviewed with active advertising. Salaries reviewed to bring in line with our geographical and statistical neighbours. Job descriptions updated to reflect time off in lieu policy so that lack of flexibility did not put off applicants. Core hours reduced to increase flexibility for existing employees. Capacity reviewed and additional posts created Contracts for additional locum support Contract to identify overseas Educational Psychologists for permanent contracts. Action plan in place to address timeliness challenges along side further work on projects to improve capacity and confidence in early intervention to seek to reduce number of new statutory assessments.</p> <p>Planned Improvements: Consideration of whether further changes to pay across the workforce are required. Consideration of whether an "Advanced Educational Psychologist" role can be introduced. Changes to Structured Professional Assessment point system so that Educational Psychologists are better supported to reach the higher pay points on their pay scales and enable Durham to remain competitive with other LAs and providers of EP services.</p>
33	CYPS	UR0122 - 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.	Treat	<p>Main Controls: Corporate CYP Sufficiency Board, chaired by Corporate Director, Children & Young Peoples 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.</p> <p>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.</p>
34	CYPS	UR0108 - Inability to recruit and retain children's social workers and social work managers may seriously inhibit the delivery of services.	Treat	<p>Main Controls: 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.</p> <p>Planned Improvements: 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.</p>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
35	CYPS	UR006 - Failure to protect a child from death or serious harm where service failure is a factor or issue (Child Safeguarding).	Treat	Main Controls: The 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.
36	AHS	UR0032 - Failure to protect a vulnerable adult from neglect or abuse, including financial abuse (where service failure is a factor or issue).	Treat	Main Controls: 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.
37	AHS	UR0144 - Uncertainties and challenges in relation to the impact of the Government's changes to commissioning and integration arrangements for health and social care following the enactment of the Health and Care Act 2022 and associated Government Guidance. (Health and Social Care Reforms) (AHS)	The current controls are considered adequate.	Main Controls: We are currently working with the ICB and other partners in The County Durham Care Partnership to share resources and expertise to mitigate any changes to integration arrangements. This includes: Regular reports to the County Durham Care Partnership Executive. Scheduled meetings between senior officers working on the potential Joint Committee and the deployment of ICB resources in County Durham. Fortnightly meetings between health and care Chief Officers exercising oversight of the work on a potential Joint Committee. Periodic reports to Cabinet, Health and Wellbeing Board and Overview and Scrutiny Committees as needed. Oversight of the Better Care Fund by Health and Wellbeing Board and NHS England.
38	AHS	UR0158 - Increased demand and workforce pressures during the winter period may disrupt the council's and partners' urgent and emergency care services.	Treat	Main Controls: 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. Planned Improvements: 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.

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
39	NCC	UR0019 - Demand pressures on the Community Protection inspections and interventions may lead to an adverse impact on public health and safety in Co Durham	Treat	<p>Main Controls: 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.</p> <p>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>
40	CYPS	UR0122 - 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 (CLA costs).	The current controls are considered adequate.	<p>Main Controls: Monthly outturn forecasts monitored by CMT. Quality Improvement Board. Children's Services Improvement Plan. Oversight by CMT, Cabinet, DSCP & partners. Fostering & 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>
41	AHS	UR0082 - Pressures nationally across residential, nursing and domiciliary / community care providers, could affect the availability, delivery, continuity, quality, sustainability and capacity of care provision within County Durham (care providers).	Treat	<p>Main Controls: 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 (including regular engagement forums). County Durham Care Academy supports the development of an adult social care workforce with a range of initiatives and courses. Specific support has been offered on business planning.</p> <p>Planned Improvements: In line with Charging Reforms, a cost of care exercise, provisional market sustainability plan and a sp 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. The AHS MPS 2023/25 has also been published on the council's website.</p>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
42	AHS	UR0183 - Risk of a successful legal challenge in relation to Deprivation of Liberty Safeguards, due to high caseloads and capacity pressures, leading to financial penalties and reputational damage.	Treat	<p>Main Controls: 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>Planned Improvements: 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>
43	CYPS	UR0119 - 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 S).	Treat	<p>Main Controls: S and Inclusion Resources Board. Collaboration with schools to make the HNB more sustainable. Schools Forum Reference Group. Monthly tracker report for S and HNB expenditure & forecasting to Programme Board. Programme Management and Performance Management Framework. Monthly highlight reports presented to the Programme Board. Implementation of DBV programme with DfE funding. Implementation of reform areas as part of Regional S and AP Change Partnership.</p> <p>Planned Improvements: Engagement with Schools Forum is planned to determine options for reducing pressure on the HNB budget and options for transfer from other blocks. This is likely to be followed by a consultation, cabinet report and possible request to Secretary of State.</p>
44	CYPS	UR0167 - Increase in volume and complexity of demand for children's safeguarding services post coronavirus period (child safeguarding demand).	The current controls are considered adequate.	<p>Main Controls: To strengthen Families First services, additional management capacity has been provided. 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 trs and patterns are monitored regularly to ensure managers are sighted on peaks and troughs. Weekly discussions are also held with safeguarding partners.</p>
45	CYPS	UR0148 - 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.	Treat	<p>Main Controls: 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>Planned Improvements: Further develop recruitment materials and supporting service information for main Aycliffe site and new transitions home (Maple House).</p>
46	AHS	UR0144 - 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 (Care Charging Policy).	The current controls are considered adequate.	<p>Main Controls: 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>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
47	REG	UR0025 - Serious injury or loss of life due to Transport Safeguarding failure.	The current controls are considered adequate.	Main Controls: 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 with relevant, statutory provisions. Sample checking of vehicles in co-operation with the Police and the Driver and Vehicle Licensing Agency. External Contractor Staff Suitability Policy for school and social care transport.

Appendix 5: Performance of Risk Management

Performance Indicators - Tangible Measures

Objective: To demonstrate that risks are being effectively managed				
KPI	Measure of Assessment	Target & (Frequency of Measurement)	Last Period	This Period
All risks are reviewed on a continual cycle	Service Risk Review completed each quarter	100% (3 times pa)	100%	100%
Risk mitigation is being implemented as planned	Risk actions on high-scoring risks implemented within target date	Target N/A (3 times pa)	No outstanding actions	No outstanding actions
Risks are being effectively managed	Number of current risks where Net risk scores have reduced over the quarter	Target N/A (3 times pa)	None	None
Contributing to effective corporate governance	Meeting CIPFA governance principles and objectives on risk management	Confirmed in the annual review of the effectiveness of corporate governance (Annual)	None	None
Objective: To ensure that Officers and Members are appropriately skilled in risk management				
KPI	Measure of Assessment	Target & (Frequency of Measurement)	Last Period	This Period
Appropriate staff are adequately skilled in risk management	Number of officers attending risk management training course	Target N/A	No training provided in this period.	No training provided in this period. An e-learning package is at an advanced stage of development.
Members are adequately skilled in risk management	New Members attending risk management training course within 6 months of being elected (for co-opted members, within 6 months of being appointed)	75%	No training provided in this period.	No training provided in this period. An e-learning package is at an advanced stage of development.