

Audit Committee

29 November 2024



Strategic Risk Management Progress

Report for 2024/25

Review 2: 1 June 2024 - 30 September

2024

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 June and September 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, relating to potential under-insurance of the Council's property assets (Reinstatement Values). **Two risks** have been updated, relating to the Inclusive Economic Strategy and the potential loss of local businesses and jobs. **No risks** have been closed.
- 5 There are **updates on the management of six key risks** set out in the report, relating to Educational Psychologists, Government Funding, Savings Plans, Climate Change (High Technology Costs), Statutory Sufficiency Duty, and Childrens Social Workers.
- 6 There are **updates on the management of 16 non-key risks** set out in the report, relating to Transport Safeguarding, Poverty, A690 Land Slippage, Major Incident, Recruitment and Retention, Education Providers, Children in Care Costs, Home to School Transport, HNB SEND, Equal Value Claims, Care Providers, Childrens Home Staff (WiP), Land Slippage, Community Protection, Violence and Aggression, and Ash Dieback Disease.
- 7 There are **updates on the management of three emerging/potential risks**, relating to fire safety in supported living accommodation, the Right Care Right Person operating model, and the recruitment and retention of children's homes staff.
- 8 In summary, the report outlines that on 30 September 2024, there were **47 risks on the strategic risk register**. Of these, there are **nine key risks**, relating to Government Funding, Educational Psychologists, Statutory Sufficiency Duty, Inclusive Economic Strategy, 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 30 September 2024, there were 47 risks included on the corporate strategic risk register, one more than on 31 May 2024.
- 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) Uncertain economic outlook may impede the delivery of the county's **Inclusive Economic Strategy**.
 - (e) 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**).
 - (f) Inability to recruit and retain **Children's Social Workers** and **Social Work Managers** may seriously inhibit the delivery of services.

- (g) **Failure to Protect a Child** from death or serious harm (where service failure is a factor or issue).
- (h) Failure to protect a **Vulnerable Adult** from death or serious harm (where service failure is a factor or issue).
- (i) 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, relating to potential under-insurance of the Council's property assets (Reinstatement Values). **Two risks** have been updated, relating to the Inclusive Economic Strategy and the potential loss of local businesses and jobs. **No risks** have been closed.
- 16 There are **updates on the management of six key risks** set out in the report, relating to Educational Psychologists, Government Funding, Savings Plans, Climate Change (High Technology Costs), Statutory Sufficiency Duty, and Childrens Social Workers.
- 17 There are **updates on the management of 16 non-key risks** set out in the report, relating to Transport Safeguarding, Poverty, A690 Land Slippage, Major Incident, Recruitment and Retention, Education Providers, Children in Care Costs, Home to School Transport, HNB SEND, Equal Value Claims, Care Providers, Childrens Home Staff (WiP), Land Slippage, Community Protection, Violence and Aggression, and Ash Dieback Disease.
- 18 There are **updates on the management of three emerging/potential risks**, relating to fire safety in supported living accommodation, the Right Care Right Person operating model, and the recruitment and retention of children's homes staff.
- 19 A list of all the Council's strategic risks on 30 September 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 30 September 2024, there were 47 risks on the corporate strategic risk register, one more than on 31 May 2024. During this period one new risk was added, and none were removed.

The following matrix profiles the strategic risks according to their net risk evaluation on 30 September 2024. To highlight changes in each category during the last period, the number of risks on 31 May 2024 is shown in brackets.

Overall number of Strategic Risks on 30 September 2024.

Impact					
Critical	1 (1)	1 (1)	3 (3)	0 (0)	1 (1)
Major		4 (4)	10 (9)	4 (3)	1 (1)
Moderate			13 (14)	8 (8)	0 (0)
Minor				0 (0)	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 significantly impact upon the medium-term financial plan.

New risks

Non-key risks

- 1 *UR0212 – Potential under-insurance of the Council's property assets against adverse events, leading to financial loss and reputational damage should a claim be made and the insured value not being sufficient to reinstate the building (**Reinstatement Values**) (REG).*

The Council's asset register contains around 1334 assets, which are used for various purposes, including general service delivery, education, housing, commercial, heritage and industrial leases. As of 30 September 2024, the Council have 50 vacant buildings, these are a mix of vacant buildings available for disposal, those that form part of capital projects, those that are to be re-let. All these assets require insuring.

For some property assets, the Council does not comply with the requirements of its insurance policy. Up until 2012 a Royal Institution of Chartered Surveyors (RICS) qualified quantity surveyor, employed by the Corporate Property and Land service (CPaL) in the REG service grouping, provided reinstatement cost assessments/major review (RCA's/MR) which provided the information necessary to obtain the correct level of insurance cover. RCAs are valid for 5 years. The council have not had correct reinstatement application since at least 2017. Currently the reinstatement module within the Asset Manager database is not populated. In the absence of any reinstatement values, Net Book Values (NBV's), which are recorded on Asset Manager and are used purely for capital accounting purposes, have been used for insurance purposes. Insurance have ensured consistent % uplift across all assets provided to insurers to obtain cover. CPaL have raised concerns with this approach as NBV do not represent RCA, however, this is preferential to providing any NIL values on which insurance cannot be obtained.

A 'worst case scenario' example of a total loss DCC building, is if the asset valuation NBV is £80m but, the reinstatement costs (replace old for new) would be £160m; DCC would be responsible for the difference. In such a scenario the insurance company would settle / pay £79.9m (this is minus the £100k excess) so in total this would be a £80.1m cost to the Council.

DCC provides insurance for tenanted assets and therefore the above scenario could have significant repercussions should a claim be submitted, and the tenant is advised the asset is under-insured by a loss adjuster. In such an example, the Council would remain responsible for the under-insured value, however by this point damage

to reputation from tenants' perspective would be an issue. Damage to reputation of Durham County Council, due to insufficient insurance cover and unnecessary preventable waste of financial resources, is a key consideration.

The responsibility for meeting the requirements of ensuring the Council's assets are correctly valued for total reinstatement costs rests with the Corporate Property and Land Team. To meet the requirements of reinstatement valuations, CPaL would need to employ or engage RICS qualified surveyors to undertake this work, (as per function until 2012). This would require growth in budget.

Having accurate total reinstatement values and keeping these up to date will ensure that the necessary and appropriate level of insurance cover is obtained, and policy compliance is realised.

Upated risks

Key risks

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

This risk has been uprated from moderate impact, possible likelihood to major impact, probable likelihood, which now makes it a key risk.

The council adopted the Inclusive Economic Strategy (IES) in late 2022, followed by the IES Delivery Plan in late 2023 and a new Investment Plan in early 2024. The IES aims for "more and better jobs in an inclusive, green economy" up to 2035. Funding for the strategy comes from the UK Shared Prosperity Fund (UKSPF), which replaced EU structural funding post-Brexit. The UKSPF is supplemented by the Multiply fund for addressing numeracy issues and the Rural England Prosperity Fund (REPF) for supporting rural communities.

Despite national economic recovery from the Covid pandemic and post-Brexit adjustments, local and regional economies face persistent challenges. These include high inflation, elevated interest rates, low growth, skills shortages, and decreased business confidence. The county, still among the most deprived areas in the UK, struggles with high worklessness, cost of living issues, long-term sickness, and low education levels.

To address these issues, the IES and related funding aim to boost skills, employment, and local businesses. However, the success of these plans depends on wider political and economic factors beyond the council's control. The new UK government and North East Combined Authority (NECA) will play crucial roles in addressing these challenges. The upcoming Autumn Budget 30th October 2024, and NECA's strategies will be pivotal in shaping future support and funding.

Without certainty from the government and NECA about their economic strategies, investment plans, and devolution approaches, it is unclear whether we can deliver the Inclusive Economic Strategy and achieve our growth targets or close the gap with national levels of economic performance. In the post-Covid period, we have made good progress in returning to pre-Covid levels of economic performance and exceeding these on some measures. However, there is a risk that the county will lose this momentum and not be able to deliver the developments, programmes, and more and better jobs that we need across the county and provide more local economic opportunities.

Non-key risks

- 3 *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).*

This risk has been uprated from moderate impact, possible likelihood to major impact, possible likelihood.

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 latest business data shows that the number of businesses in the county has fluctuated in recent years with very little overall growth between 2021 and 2023. The business growth we have seen in the county has been driven by small businesses which are at greatest risk from economic downturns.

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 next government following the forthcoming general election. Uncertainty about future local authority funding and devolution means it is difficult to plan economic support beyond March 2025.

Revenue funding from regional and government sources is particularly important for the delivery of economic development services across the county. Without devolved revenue funding the council will lose the ability to support business growth and innovation, which drive the creation of new job opportunities for residents that are out of work or want to advance their careers.

The council will continue to work with the new North East Mayoral Authority and other external partners to promote our needs and opportunities to the government and maximise the resources we have control over. Initiatives such as the County Durham Pound are also helping to improve local procurement and supply chains and reduce external economic risks.

Updates on the management of existing risks

Key risks

- 4 *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).*

This risk relates to Educational Psychologists. In September 2024 the establishment was 25.63 FTE roles, and there were 7.6 FTE vacancies (a vacancy rate of 30%).

There are real challenges recruiting both Educational Psychologists who carry out assessments, and Area Principal Educational Psychologists who manage service provision.

It is widely recognised that that the shortage of Educational Psychologists is a local, regional, and national problem.

To meet demand Cabinet has agreed to temporary funding of £1,676,800 to support contracts for agency Educational Psychologists to carry out assessments. This funding ends in March 2025, and work is currently underway to determine what additional capacity will be required in the following 2 years.

Demand for statutory assessments has been increasing rapidly for at least 2 years. Work to assess capacity and demand has been undertaken. A growth bid for 2025-2026 has been agreed and will add 4 FTE Educational Psychologists to the establishment along with some continued locum support to cover for demand and vacancies.

In a policy change, CYPS have employed Soulbury / Association of Educational Psychologists guidance.

- 5 *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 in Care and Children in Need (CYPS).*

The risk assessment now has an additional control measure in place, relating to the Intensive Families Support project, which aims to ensure that families are getting the right help at the right time to prevent escalation of need / reduce the number of children coming into care without previous access to universal and targeted services.

There is a change of description of the risk changing from Children Looked After (CLA) to Children in Care (CiC).

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

The risk review details the market picture regarding attract and retain activity and further measures being taken to improve the workforce further.

The overall vacancy rate across our social work workforce is 12.57% (as of August 24). The trend is gradually decreasing from the highest point on record (21.41% in July 2023). Although part of this decrease is due to the deletion of 7 long term vacant social work posts to create the funding for 10 new social work trainee posts, and improved data cleansing, we are seeing some positive trends in increased numbers of new starters, reduced numbers of leavers.

A recruitment and retention allowance applies within Families First Teams and Children in Care Teams.

- 7 *UR0051 - There is significant uncertainty in relation to future funding settlements from government, which will significantly impact upon the medium-term financial plan (**Government Funding**) (RES).*

The current position remains uncertain and challenging post the General Election, with the Government indicating the challenging fiscal parameters it faces.

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 will be extremely challenging and may need to be increased if some budgetary assumptions worsen.

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. There are also numerous scenarios which could play out regarding the impact on the council for a Fair Funding Review, in terms of the division of funding across local government.

The Autumn Statement / Budget will be published on 30 October and will inform government departmental allocations and may provide clarity on council tax referendum limits etc for 2025/26, which will have a significant bearing on the Council's budget next year.

- 8 *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 obligations and service delivery.

Government will undertake a comprehensive spending review in 2025, which means the settlement for 2025/26, which will be a short-term "rollover settlement" which follows similar principles to that of 2024/25. This means that the council's historic and ongoing low tax raising capacity, ongoing financial pressure in children's social care, adult social care and other service provision, budgetary pressures for which the Council will need to make additional budgetary provision across the four years of the medium-term financial planning period may not be supported through sufficient national funding once again.

The council is working up a range of savings proposals for 2025/26, and a wider series of transformational savings proposals for later years in anticipation of funding levels not being substantially increased, and to address increasing demand and costs of service delivery.

- 9 *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. (Neighbourhoods and Climate Change).*

In July 2024 the third Climate Emergency Response Plan (CERP3) was adopted by cabinet.

The service is currently on track to meet 2030 targets. Based on the current financial position, resources, and staff capacity, the service will be unable to meet the plans strategic objectives.

Non-key risks

- 10 *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. (**Resources**).*

County Durham disproportionately experiences higher rates of poverty amongst families with children and working aged people than national averages and financial pressures on lower income households have increased considerably in recent years.

The 'cost of living crisis' that the UK has experienced since 2021 continues to impact our residents' experiencing poverty and will lead to more residents experiencing financial hardship and poverty for the first time.

Further economic uncertainty is being exacerbated by the 'cost of living crisis' e.g. The Consumer Prices Index (CPI) rising by 2.2% in the 12 months to August 24.

Private rental prices paid by tenants in the UK rose by 8.4% in the 12 months to August 24, down from 8.6% in the 12 months to July 24, with inflation currently running at 2.2% CPI as of August 24.

With wages failing to match the increased interest rates (mortgages or non-secured debt) and the rise basic goods having slowed, the prices remain high, exposing families (including those which have previously not struggled), residents and families to levels of poverty not experienced previously.

Changes were made to the Winter Fuel allowance eligibility from winter 2024. This would see the payment limited to those eligible for Pension Credit. For County Durham, where there are over 89,000 pension age households, this will see eligibility restricted to just over 14,000 households.

The Household Support Fund, which provides support to low-income households, was extended from 01 October 2024 to 31 March 2025. No decision on if the fund will continue beyond this date has been made.

- 11 *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 current understanding is that the land slippage continues, and ground investigation evidence demonstrates that the embankment is showing an average of 1mm movement per month.

The project has suffered delays as a consequence of land negotiations, which are nearing resolution, and a requirement for NWL to divert one of their strategic mains, which was not anticipated in the original feasibility study.

The junction improvement works are now due to commence in November 2024, however this is dependent on the NWL diversion works being completed.

The main piling works are now anticipated to start in early 2025 and will take around 12 months to complete.

Capital funding is in place to fund the project in 2023/24, 2024/25 and 2025/26.

- 12 *UR0154 - National and local shortages of skills and labour may cause **Recruitment and Retention** difficulties, resulting in capacity shortfalls (RES).*

Work by the council is being progressed to support routes into employment and talent pipelines (including Work Experience, T-Levels, Graduate Recruitment and Placements, with other opportunities being explored).

The council has a comprehensive action plan in place to strengthen and modernise strategic and operational approaches to recruitment. Regular update highlight reports and additional posts have been put in place and the recruitment function has been centralised in Human Resources and Employee Services to support this work.

A Corporate Communications Plan for Recruitment continues to be developed as improvements are made and new initiatives are being implemented including dedicated Jobs and Careers Facebook and Instagram pages 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 whilst process improvements are also being made to support the candidate experience which includes a simplified application form.

- 13 *UR0019 - Demand pressures on the **Community Protection** inspections and interventions may lead to an adverse impact on public health and safety in Co Durham (NCC).*

Unexpected reassurance visits to circa 80 funeral homes arising from problems identified in the Humber & East Riding Local Authority and enhanced requirements relating to food standards as a result of the introduction of 'Natasha's Law' is placing additional demands on the Community Protection Team.

At the request of the Ministry of Justice, the Community Protection service prioritised the assurance visits to all funeral care homes within the County which had a direct impact on the food safety inspection programme (Circa 300 inspections). To mitigate the impact, inspections of low-risk food premises were reprioritised. As a consequence, the backlog of food safety inspections due for inspection has increased and will be carried forward into 2025/26 further compounding demands on existing resources and achievement of our inspection programme in the forthcoming year 2025/26. This may lead to further scrutiny from the Food Standards Agency who are the National Regulator.

With the current IT application being unsupported, it is due to be replaced in May 2025 with a more intuitive platform, giving Community Protection the ability to complete site reports at point of inspection, simplifying the process and reducing hours spent on the reporting process.

- 14 *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).*

Engagement with Schools Forum took place in July 24 to determine options for reducing pressure on the HNB budget and consider options for transfer from other blocks.

Following discussions and consideration of the different effects on schools, it was decided not to pursue the option to transfer from other blocks and instead consider other options.

Meetings are planned in with the Durham Association of Primary Headteachers (DAPH) and Durham Association of Secondary Headteachers (DASH) for September 24 which will be followed by a consultation and cabinet report.

- 15 *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 (CYPS).*

This risk relates to Home to School Transport (H2ST) provision in primary, secondary and special schools, and alternative provision. The H2ST budget for 2024/25 was increased by £3.550 million to provide for inflationary and demand increases, and this followed a 2023/24 budget increase to £29.2m from £19.5m in the previous year.

Estimates of H2ST spending over the MTFP period are currently being reviewed, however if demand and price increases seen in recent years continue there will be a significant further pressure in this area.

The function provides daily transport to almost 9,000 passengers, made up of mainstream and SEND passengers along with other special provision. This is delivered by 1246 contracts and utilising over 300 different transport suppliers.

The challenges in delivering this service may have been exacerbated by Covid as parents increasingly sought single person transport to safeguard children's health.

Overall transport costs have been increasing and are forecast to rise further in future years, largely because of increases in SEND and specialist transport demand, increasing contractor prices and inflation. Insufficiency of places at some special schools has lengthened the journey of several SEND contracts.

The findings of a review about the removal of non-entitled concessionary travel were presented to cabinet on 10 July 2024, however, the proposed removal decision was deferred. Cabinet agreed that further work should be undertaken on the review and brought back to a future meeting.

- 16 *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 (CYPS).*

As at review 1, Aycliffe Secure Centre was looking at alternative routes for recruitment and is trialling "Grow Your Own", recruiting less experienced staff as support workers and developing them to become residential workers.

As at review 2 the team provided an update, detailing that the first member of staff has been recruited through the "grow your own" scheme and started last month.

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

Given previous organisational restructuring, the monitoring and compliance officers were reduced in numbers limiting capacity for compliance inspections.

Across the locality of Durham there are growing numbers of children entitled to home to school transport, resulting in the increased likelihood of an incident occurring.

To counter this work is ongoing to highlight the increased risk to the council in relation to safeguarding and consider funding two additional posts within the Integrated Passenger Transport Team Group (IPTG) within Transport and Contract Services.

18 *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 have been appointed and have received validator training (July 2024), and 60 staff have received basic validator training (June - July 2024). Ash dieback surveys have been carried out (Summer 2024) in schools that are signed up to the arboricultural inspection service level agreement. Simultaneously inspections have also been carried out on the county's busiest roads (circa 856km) and the procurement of asset management software for trees is being procured, estimated roll out being March 25.

19 *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 (**Children in Care Costs**) (CYPS).*

Throughout the risk assessment, references to 'Children Looked After (CLA)' have been removed and replaced with Children in Care (CIC).

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

The CIC placements budget, including in-house children's homes, has increased significantly in recent years from £38.2 million in 2021-22 to £76.6 million in 2024-25. It is still however, anticipated that expenditure in this area will exceed budget in 2024-25.

MTFP(15) is currently being updated to include provision for additional funding to meet demographic pressures and price increases in each of the years between 2025-26 and 2028-29.

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

The risk assessment now reflects the effect and planned actions given the recent announcement of the removal of Ofsted final judgements has been supported by the removal of enforced academy orders for double RI schools – a new regional team will support schools with reduced threat of academisation. Schools which receive an inadequate grading in addition to safeguarding or for quality of education or personal development and well-being. These schools will still be considered for an academy order solution.

21 *UR0097 - Potential size and scope of the liabilities of **Equal Value Claims (RES)**.*

As the scope of potential liabilities related to outstanding equal value claims from 2005 becomes clearer, the financial risk to the Council could be significant.

Claims have been lodged since 2005 by over 3000 staff in relation to equal value claims. The claims are based upon the comparison of the pay of one job with another.

The Council is now working towards resolving these claims, by agreeing the final value and list of claimants in liaison with Trade Unions and their legal representatives. This value is close to been finalised and can be funded from an allocated earmarked reserve set aside for these claims.

22 *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 (**NCC**).*

There are four named progressive land slippages, which require remedial attention:

- a. Pemberton Road, Consett;
- b. Crakehill, Hamsterley;
- c. The Batts, Binchester;
- d. Burnigill Bank.

The works to address the B6300 Burnigill Bank Landslip is now complete with ongoing monitoring in place.

- 23 *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.

Exercise Franklin will be conducted with EMT on 2nd October.

Designed primarily as an internal exercise to put EMT members through their paces looking at the Corporate Emergency Plan and the Corporate Business Continuity Plan, this type of exercise is planned to take place every two years.

- 24 *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**).*

In the past year two new care homes have opened in the region which has reduced the impact of the two closures in 2023.

Work is being carried out in relation to the Market reshaping exercise on older persons care and care provision (understanding long-term demand, expectations of older people and alternatives to residential care) which is progressing well and will conclude in 2024/25.

- 25 *UR0129 - Potential **Violence and Aggression** towards members and employees from members of the public (**REG**).*

Violence and Aggression (V&A) related incidents continue to be one of the top five causes of accidents and ill health in the council. They

account for 32% of all accidents and incidents reported, with 490 V&A incident reports being submitted in 2023/24 from a total of 1514.

It is clear that within these headline figures there has been an increase in V&A incidents relating to elected members, although under reporting of incidents remains a challenge. The level of support and advice has increased during 2023/24. This has resulted in several elected members being provided with individual risk assessments and general V&A related advice including signposting to the LGA V&A risk control information sources. In some instances, reports have also been made to the police where criminal proceedings have commenced and charges brought under harassment and malicious communications.

These statistics unfortunately reflect the national picture within local government in terms of the most common causes of accidents and incidents within the workplace for employees and elected members.

There remain to be a wide range of proactive and reactive control measures which the council has in place which are effective in controlling risks which do not currently require change or addition to. There is a range of mitigations in place, which are referenced in the risk assessment.

Emerging/potential risks

Update on the management of existing risks.

- 26 *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).*

Phases 1 and 2 of the Right Care Right Person (RCRP) Operating Model has been rolled out successfully with the Council and wider partners adapting well to the new model. Work remains ongoing to develop awareness to all AHS and CYPS Staff regarding transformation in relation to the RCRP protocol and included a presentation regarding the partner question set. Resource is in place through the Emergency Duty Team (EDT) to respond to cases as they arise. A reasonable worst case would be aligned to Durham Constabulary responding not to a welfare concern, which would result in AHS deploying additional resources (EDT) to manage the risk (for example – the transportation of a service user to mental health hospital for a Mental Health Act assessment from a GP surgery requiring EDT to resolve the risk / issue).

Daily standup meetings have now ceased and progressed to weekly updates with partners. Phase 3 of the roll-out of the RCRP protocol intends that DCC partners and front-line services will continue with the roll out and build in interim reviews with a meeting due to take place to review key data / feedback and to propose a next steps action plan.

Roll out of RCRP Protocol has been more successful than anticipated and is no longer considered a corporate risk. As such, this risk will be monitored and managed within the service.

27 *UR0203 - Differences of opinion over the interpretation of the Regulatory Reform Order 2005, in relation to who is the responsible person for meeting the requirements of the order in some types of accommodation (fire safety in supported living accommodation) (AHS).*

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 / specialist fire safety 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 teams 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.

28 ***UR0213 - Inability to Recruit Children's Homes Staff may seriously inhibit capacity to deliver essential, specialist services to children and young people from across England and Wales (CYPS).***

Our Sufficiency and Commissioning Strategy commits us to developing new Children's Homes so that our children living in costly external homes can come back to live in Durham in homes which better meet their needs. Each Children's Home must have a manager who is registered with Ofsted, responsible under the Children's Homes Regulations for leading the staff team and ensuring the quality of care provided to the children who live in the home. The recruitment of Registered Managers is a challenge across England. As of 31 March 2024, Ofsted reported that 771 (22%) of children's homes in England did not have a Registered Manager in post.

In Durham, recruiting Registered Managers for our Children's Homes has been increasingly in difficulty since 2020 despite a significant number of initiatives. We currently have 2 vacant posts for Registered Managers in new homes which have been vacant for over 1 year, and we will need to recruit at least a further 2 over the next 18 months to be able to open the new homes now being developed. Salary is a major factor in our difficulty attracting Registered Managers, and we do not expect to be able to recruit to these posts without significantly improving our offer. Our main competitors for Registered Managers are not other local authorities, but private sector Children's Homes. Durham is disproportionately affected, with 40 private sector Homes in the County, 29% of all the regional total.

Our recruitment is already very active, with support from our resourcing team and two agencies. In Autumn 2024 we are launching a development programme designed to support our Deputy Managers to take their next step become registered managers. A £2,500 recruitment and retention allowance is already in place, and the posts have recently been updated and regraded from grade 13 to 14. This is likely to be implemented in Autumn 2024. This will not be sufficient to allow us to compete, so consideration is being given to the application of a market supplement. We are also considering extending the notice period for

Registered Managers to 3 months to better fit with Ofsted's requirements and allow a longer transition period when a manager leaves. Consideration is also being given to investing in a 'pro-active' well-being package, with the aim of piloting a programme which encourages employees across our Children's Homes to access to complementary and alternative therapies including massage, reiki and reflexology, and to take care of their physical health.

Key Risks

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

Key Risks Matrix

Net Impact					
Critical			7 Child Safeguarding 8 Savings Plans 9 Vulnerable Adults		1 Govt Funding
Major				3 IES 4 Statutory Sufficiency Duty 5 Children's Social Workers 6 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	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Anticipated duration of risk (key risks only)
1	RES	Cross-cutting	Our Council	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 Control: 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.

2	CYPS	Service-specific	Our People	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.</p> <p>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>Regular reviews of activity and updating of demand forecasts to seek to ensure permanent posts and locum support meets service demands and statutory timescales.</p> <p>Planned improvements: Consideration of whether further changes to pay across the workforce are required.</p>	The duration of this risk is uncertain.
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3	REG	Service-specific	Our Economy	UR0096 - Uncertain economic outlook may impede the delivery of the county's Inclusive Economic Strategy.	Major	Probable	<p>Main Controls: The council will continue to maximise existing funding to achieve the greatest possible economic outcomes and engage with regional and national partners and the government where possible to lobby for an extension to, or replacement of, the UKSPF.</p> <p>Through the County Durham Economic Partnership, we will continue to develop activities identified in the IES Delivery Plan as well as new activities to start if suitable funding becomes available.</p> <p>We will continue to monitor data and update evidence in line with the IES that demonstrates our needs and opportunities and use this to inform engagement with regional partners and the government and the design of their strategies and investment plans.</p> <p>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 whilst simultaneously working 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.</p> <p>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>	This risk is long term.
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Ref	Service leading on the risk	Range of impact	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Anticipated duration of risk (key risks only)
4	CYPS	Service-specific	Our People	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 in Care 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.</p> <p>This includes initiatives to increase the number of foster carers and the provision of in-house children's homes. Sufficiency issues are also being faced by all local authorities, and the implementation of the Government's 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.</p> <p>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	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Anticipated duration of risk (key risks only)
5	CYPS	Service-specific	Our People	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.
6	NCC	Cross-cutting	Our 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: The key mitigation is the Climate Emergency Response Plan 2024-2027, incorporating over 200 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>	This risk is long term.

Ref	Service leading on the risk	Range of impact	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Anticipated duration of risk (key risks only)
7	CYPS	Service-specific	Our People	UR0006 - Failure to protect a child from death or serious harm where service failure is a factor or issue (Child Safeguarding).	Critical	Possible	<p>Main Controls: Durham Safeguarding Children Partnership was established in line with the statutory requirements set out in 'Working Together 2018'. A partnership learning through scrutiny mechanisms and learning reviews underpins training for front line staff and regular staff supervision takes place.</p> <p>The Councils planned implementation of 'Stable Homes built on Love' following the National Care Review.</p>	This risk is long term.
8	CYPS	Cross-cutting	Our Council	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	<p>Main Control: The Delivery plan implementation will be monitored by CMT and Cabinet.</p>	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	Corporate Theme	Risk	Net Impact	Net Likelihood	Proposed Key Actions	Anticipated duration of risk (key risks only)
9	AHS	Service-specific	Our People	UR0032 - 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>Planned Improvement: 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 relating to adults with care and support needs. High profile exposures heighten awareness of adult safeguarding concerns.</p>	This risk is long term.

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

Based on the net risk assessment on 30 September 2024, the following tables highlight the risks for each Corporate Theme in County Durham Vision 2035 and the Council Plan.

Corporate Theme: Our Council - We want a council which is efficient and effective, financially sound and forward looking. A council which is delivering high value local services that meet the wants and needs of our residents in a sustainable manner by a motivated workforce trained for the future.

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	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

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
				Improvement Action Plan relating to the promotion of community resilience and resources surge planning.
4	REG	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	<p>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.</p> <p>Planned Improvements: Implement a corporate service delivery model and estate management performance indicators.</p>
5	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>
6	CES	UR0103 - Potential breach of the Data Protection Act 2018 (data breach).	Treat	<p>Main Controls:</p> <p>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>
7	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>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
8	RES	UR0212 – Potential under-insurance of the Council's property assets against adverse events, leading to financial loss and reputational damage should a claim be made and the insured value not being sufficient to reinstate the building. (Reinstatement Values); (RES / REG).	Treat	<p>Main Controls: To provide an interim solution: A reinstatement cost assessment (RCA) report and contract procurement variation has been approved, to acquire the services of external RCI Surveyors to carry out RCA's/MR's. The external service will be for a period of 3 years and worked through an asset programme determined by DCC managers, to include the CIT Manager (resources), Asset Property and Strategy Manager (REG).</p> <p>In the absence of any RCA values, NBV's have been provided to insurers, by insurance team, to acquire some insurance cover. A percentage increase for all assets, has been agreed with the insurers. NB this will still leave an element of risk for which the Council will be responsible, not the insurers.</p> <p>CPaL will signpost insurance to service area to ascertain value type where necessary, which will be denoted to insurers. Where no value is available - a NBV is preferred to a NIL value. This process to remain until the RCA/MR's are input onto the Asset Manager system and the requirement to maintain and update reinstatement values periodically will be built into the core annual processes alongside the capital accounting valuations.</p> <p>Planned Improvements: By mid-2027, implement a long-term solution to the RCA/MR process, whether that be using an externally qualified service provider or employing RICS qualified surveyors. Ensure Reinstatement cost assessments are made available to insurers for every DCC asset requiring insurance cover and that these are kept up to date.</p>
9	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>
10	CES	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.	<p>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).</p>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
11	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.
12	RES	UR0097 - Potential size and scope of the liabilities of equal value claims.	The current controls are considered adequate.	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.
13	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.
14	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 and operational approach to recruitment across the council supported by monthly regular update highlight reports and additional posts have been put in place the recruitment function has been centralised 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 dedicated Jobs and Careers Facebook and Instagram pages to promote vacancies, careers and working at the council and development of the council's website to include information on careers and working in search of the council's services. Process improvements are also being made to support the candidate experience which includes a simplified application form. Looking at increasing overseas recruitment and other workforce initiatives to increase talent pipelines and support succession plan. Revised workforce strategy 2024-27.
15	NCC	UR0198 – Supply chain issues around Fleet, Plant, Equipment, parts and fuel, including high prices,	The current controls are	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.

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
		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.	considered adequate.	
16	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. 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>
17	REG	UR0169 - Increased difficulty in retaining or finding tenants for Council-owned Leisure and Retail Units, leading to an increased risk of medium to long term losses in revenue.	The current controls are considered adequate.	<p>Main Controls: Marketing Strategy. Proactive, national marketing of units through a specialist external agency. Tailored incentives for potential tenants.</p> <p>Business Durham connects businesses with the right funding, advice, and networks they need to grow and thrive. Budget monitoring and control.</p> <p>Regular progress reports to Corporate Management Team. Supporting businesses through discretionary rate relief schemes.</p>

Corporate Theme: Our Communities - We want to develop our towns and villages to be places where people want to be. With housing that meets need, high streets that are vibrant, safe, and attractive social hubs, and with direct links between population centres and employment and leisure.

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
18	CES	UR0023 - Failure to consider equality implications of decisions on communities and employees leading to successful legal challenge and delays in implementation.	Treat	<p>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.</p> <p>Planned Improvement: Roll out equality impact assessment e learning training module across management and strategic leadership persons within DCC.</p>
19	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.</p> <p>Specialist consultants have now provided a preferred design solution and negotiations are underway to enter into a design and build contract.</p> <p>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>
20	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.	<p>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.</p>

21	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.</p> <p>The pilot has now concluded, but the PAPG will continue to meet to support any responsibilities under the Terrorism (Protection of Premises) Bill when it becomes an Act.</p> <p>In County Durham, the Safe Durham Partnership prioritises work to prevent people becoming terrorists or supporting terrorism. This work has a strong link to safeguarding because vulnerable adults and children can be susceptible to radicalisation and recruitment into terrorist organisations. There may be warning signs that can help identify those people for suitable interventions and support.</p> <p>The Safe Durham Partnership follows the recommendations within the National Channel Duty Guidance to enable partners to ensure that children, young people and adults are protected from the harm of being drawn into terrorism.</p> <p>Channel is a multi-agency approach, led by local authorities and the police, which provides support to individuals identified as being at risk of being drawn into terrorist related activity. County Durham Channel seeks to:</p> <ul style="list-style-type: none"> (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 (b) ensure that individuals and communities have the ability to resist all forms of terrorism and violent extremist activity likely to lead to terrorism.
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Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
22	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.
23	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.

Corporate Theme: Our Economy - We want to create a sustainable, inclusive economy with a diverse range of jobs to meet all skill levels, with targeted learning programmes from school age, aligned to the needs of businesses and innovation opportunities.

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
24	REG	UR0096 - Uncertain economic outlook may impede the delivery of the county's Inclusive Economic Strategy.	Treat	<p>Main Control: The council will continue to maximise existing funding to achieve the greatest possible economic outcomes and engage with regional and national partners and the government where possible to lobby for an extension to, or replacement of, the UKSPF.</p> <p>Through the County Durham Economic Partnership, we will continue to develop activities identified in the IES Delivery Plan as well as new activities to start if suitable funding becomes available.</p> <p>We will continue to monitor data and update evidence in line with the IES that demonstrates our needs and opportunities and use this to inform engagement with regional partners and the government and the design of their strategies and investment plans.</p> <p>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.</p> <p>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.</p> <p>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>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
25	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.
26	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.
27	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.	Main Controls: CYP Strategic Plan 2019 – 2022; Education Durham Support and Development Team; School governing bodies; CYP O&SC; Durham Schools Forum; DurhamWorks programme; Education Endowment Foundation; Teacher Development Trust; Various head teacher associations; Virtual-live training; School improvement plans and Education Durham Performance and Standards team.
28	REG	UR0166 - Increased financial and other pressures on households cause a rise in the number of people unable to buy or rent	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.

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
		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).		<p>The Housing Poverty Group meets every six weeks to consider issues relating to poverty, share best practice and promote joint working. Partnership working with social housing providers to understand, raise awareness and respond to key issues.</p> <p>The Stop B4U Serve initiative encourages landlords and tenants to approach the Council about potential eviction notices to consider alternatives.</p> <p>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.</p> <p>Planned Improvements: Direct provision by the Council through the establishment of a Housing Revenue Account.</p> <p>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.</p> <p>Training and awareness to enable front line staff support and work collectively with partners.</p> <p>Improved monitoring and governance of services, including expenditure of budgets and costs. Recruitment of additional temporary staff (if needed).</p>
29	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 with partners 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, the new government is yet to set out its plans for national, regional and local economic growth and local authority funding which makes it difficult to plan support and economic development activities beyond the 2024/25 financial year.</p> <p>If external funding is not secured from the Government or the North East Combined Authority some business and employment support schemes may have to be ended and jobs in the council and other providers may be lost.</p> <p>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 local strategic economic weaknesses,</p>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
				<p>support long-term growth, and safeguard businesses and jobs and can be modified as conditions change.</p> <p>Whilst the Inclusive Economic Strategy is being integrated with other corporate strategies, economic development services are discretionary and dependent on funding that sits outside the council's core funding envelope. In the past, European funding has been crucial to the delivery of economic development services and more recently levelling up funding and the UK Shared Prosperity Fund have supported the delivery of services, but the future of this funding is uncertain under the new government.</p> <p>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.</p> <p>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 new government has committed to devolving funding for regeneration and economic development to Mayoral Combined Authorities, but the amounts of funding available and mechanisms for local authorities accessing this funding are yet to be understood. Elected members and officers are working with the combined authority, local MPs and the government, where possible, to promote the county's needs and opportunities and try to influence new strategies and investment plans. The council and Economic Partnership will seek opportunities to respond to relevant government consultations and provide evidence to 'think tanks' and lobbying group to try to influence future policies and investments.</p> <p>The council is asking for the government to commit to investments that were announced under the previous government as well as a one-year extension to the UK Shared Prosperity Fund as a minimum. This will allow us more time to develop and complete regeneration and economic development programmes and allow the government more time to design and implement new strategies, policies, and investment plans. In the meantime, we are maximising the resources we have available.</p>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
				<p>The council is also continuing to work with local businesses, developers, and inward investors to develop new sites and properties that will support new business and job opportunities including NETPark Phase 3, the next phase of Jade Business Park phase, Forrest Park, Integra 61, and Durham City Innovation District. It is also continuing to work on regeneration schemes across the county to improve towns and villages, public transport, broadband services, and improve the supply and choice of housing. The council is also continuing to promote the county to developers, investors, innovative businesses, and visitors to generate more opportunities for growth with our economic potential being increasingly recognised.</p> <p>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.</p> <p>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>
30	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	<p>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.</p> <p>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.</p>

Corporate Theme: Our Environment - We want to protect our natural environment for future generations, create a built environment that supports good health, make the county carbon neutral by 2045 and restore and enhance our local wildlife and habitat.

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
31	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	Main Controls: The key mitigation is the Climate Emergency Response Plan 2024-2027, incorporating over 200 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.
32	NCC	UR0175 - Potential impacts of the spread of Ash Dieback Disease on the environment, public safety, and Council finances.	Treat	Main Controls: 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. Potential insurance remains a concern from Ash Dieback, the insurer are aware of the woodland management plan. Planned Improvements: An Ash Dieback Management Plan is being developed. Ash dieback surveys are being carried out on secondary distributors and link roads (2024). Asset management software for trees is being procured and will be rolled out with subsequent training for staff. Ash dieback surveys are being carried out (Summer 2024) in schools that are signed up to the arboricultural inspection SLA. 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. A request for additional resources has been submitted as part of MTFP 15.

Corporate Theme: Our People - We want our residents to be healthy and to live independently for as long as possible. We want to reduce health inequality, improve mental health and create a sustainable high-quality care market.

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
33	REG	UR0025 - Serious injury or loss of life due to Transport Safeguarding failure.	The current controls are considered adequate.	<p>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.</p> <p>External Contractor Staff Suitability Policy for school and social care transport.</p>
34	CYPS	UR0006 - Failure to protect a child from death or serious harm where service failure is a factor or issue (Child Safeguarding).	Treat	<p>Main Controls: Durham Safeguarding Children Partnership was established in line with the statutory requirements set out in 'Working Together 2018'. A partnership learning through scrutiny mechanisms and learning reviews underpins training for front line staff and regular staff supervision takes place.</p> <p>The Councils planned implementation of 'Stable Homes built on Love' following the National Care Review.</p>
35	AHS	UR0032 - Failure to protect a vulnerable adult from neglect or abuse, including financial abuse (where service failure is a factor or issue).	Treat	<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>Planned Improvement: 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 relating to adults with care and support needs. High profile exposures heighten awareness of adult safeguarding concerns.</p>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
36	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.</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.</p> <p>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>Regular reviews of activity and updating of demand forecasts to seek to ensure permanent posts and locum support meets service demands and statutory timescales.</p> <p>Planned improvements: Consideration of whether further changes to pay across the workforce are required.</p> <p>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 points on their pay scales and enable Durham to remain competitive with other LAs and providers of EP services.</p> <p>Planning to implement proposals for 4 additional FTE Educational Psychologists along with some continued locum support to cover for demand and vacancies.</p>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
37	CYPS	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 in Care and Children in Need.	Treat	<p>Main Controls: Corporate CYP Sufficiency Board, chaired by Corporate Director, Children & Young Peoples Services, atted 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.</p> <p>This includes initiatives to increase the number of foster carers and the provision of in-house children's homes. Sufficiency issues are also being faced by all local authorities, and the implementation of the Governments responses to the Independent Care Review will be important in transforming the children's social care system to better support the most vulnerable children and families.</p> <p>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>
38	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
39	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:</p> <p>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>
40	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).	The current controls are considered adequate.	<p>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:</p> <p>Regular reports to the County Durham Care Partnership Executive.</p> <p>Scheduled meetings between senior officers working on the potential Joint Committee and the deployment of ICB resources in County Durham.</p> <p>Fortnightly meetings between health and care Chief Officers exercising oversight of the work on a potential Joint Committee.</p> <p>Periodic reports to Cabinet, Health and Wellbeing Board and Overview and Scrutiny Committees as needed.</p> <p>Oversight of the Better Care Fund by Health and Wellbeing Board and NHS England.</p>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
41	AHS	UR0158 - Increased demand and workforce pressures during the winter period may disrupt the council's and partners' urgent and emergency care services.	Treat	<p>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.</p> <p>Planned Controls: Partnership working is key to managing this risk and includes engagement with the Local Accident and Emergency Delivery Board, jointly developing improvement plans, and engaging with both the independent sector care market and the voluntary and community sector on preventative support.</p>
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>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
43	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>2024 – staff development continues with post graduate and apprentices continuing to work in the Food and Health & Safety Team (now called the Health Protection Team).</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.</p> <p>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>
44	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 SEND).	Treat	<p>Main controls: SEND and Inclusion Resources Board; Collaboration with schools to make the HNB more sustainable, Schools Forum Reference Group. Monthly tracker report for SEND and HNB expenditure & 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 took place in July 24 to determine options for reducing pressure on the HNB budget and consider options for transfer from other blocks. Following discussions and consideration of the different effects on schools, it was decided not to pursue the option to transfer from other blocks and instead consider other options. Meetings are planning in with DAPH and DASH in September 24 and will be followed by a consultation and cabinet report.</p> <p>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>

Ref	Service	Risk	Conclusion	Main Controls and Planned Improvements
45	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 (Children in Care (CIC) costs).	The current controls are considered adequate.	<p>Main Controls: 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.</p> <p>The CLA placements budget has increased significantly in recent years from £30.3 million in 2021-22 to £63.8 million in 2024-25. It is still however, anticipated that expenditure in this area will exceed budget in 2024-25.</p> <p>MTFP(15) is currently being updated to include provision for additional funding to meet demographic pressures and price increases in each of the years between 2025-26 and 2028-29.</p>
46	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>
47	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 trends and patterns are monitored regularly to ensure managers are sighted on peaks and troughs. Weekly discussions are also held with safeguarding partners.</p>

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.	A new e-learning package consisting of 3 modules has been uploaded to the DLDS application. Module 1 is mandatory for all leaders and managers. Between 1 June and 14 October 2024, 201 of 1467 leaders and managers completed module 1. Further updates will be provided in future reports.
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.	Risk management training was delivered to Audit Committee members in July 2024. A new e-learning package has been completed and is available in the DLDS application.