

# Central Durham Crematorium Joint Committee

23 September 2015

Risk Register Update 2015/16



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## Joint Report of Terry Collins – Corporate Director: Neighbourhood Services; Don McLure – Corporate Director: Resources and Treasurer to the Joint Committee

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### Purpose of the Report

1. To provide an update with regards to the management of risk and the Risk Registers for the Central Durham Crematorium Committee, in accordance with the arrangements established for the routine reporting of risk issues.

### Background

2. A Risk Assessment report was presented to Members at the April 2015 meeting which included a comprehensive risk register that identified all known risks of a Service and Operational nature, with all risks scored using the Durham County Council methodology and approach to Risk Management. In approving the report, the Committee committed to regular monitoring and reporting of both strategic and operation risks.

### Updated Risk Assessment – August 2015

3. The Risk Register considered and approved by the Joint Committee on 22 April 2015 has been reviewed, reassessed and updated in accordance with the Durham County Council methodology/approach to Risk Management. This entails an assessment of both the gross and net risk from each area, the difference between the gross and net risk score being that the net risk result is after taking into account existing control measures. Full details of the Durham County Risk Management Methodology are set out at Appendix 2.
4. In line with the previous reports, two risk registers are in situ, separately identifying Service and Operational risks.
5. Both sections of the Risk Register have been reviewed by the Risk Officer responsible for Neighbourhood Services and the Bereavement Services Manager. Net risk ratings have been agreed by consensus and actions to mitigate and/or tackle issues arising from the individual risks have been agreed for the forthcoming year.
6. The risk surrounding the possible adverse impact of the current refurbishment works of the Chapel and the Crematorium has now been closed as the internal refurbishment has been completed.

7. Risks of “Contractual failure in relation to future planned projects or maintenance leading to financial claims or losses and loss of reputation and income e.g. Replacement of Cremators” and “Inability to recruit appropriately qualified staff at short notice” have now been closed as all mitigating actions have been completed to reduce the risks to a tolerable level.
8. All other strategic risks have low Net Scores and there have been no changes to the scores following the review. These risks are all considered to be at tolerable levels.
9. As with Service Strategic Risks, the Operational Risks (i.e. those that are key to the operational areas of the service which relate to individual tasks carried out on a routine basis) have also been reviewed and plotted onto a risk matrix and these are set out at Appendix 4 together with individual risk assessments for each of these. These assessments confirm that these risks are being well managed and it can be demonstrated that there is a risk culture embedded within the business.
10. There have been no changes to the remaining Operational Net Risk Scores following the review and all risks are considered to be at a tolerable level.

### **Embedding Risk Management**

11. In order to ensure that risk management continues to be embedded and that the risk register is kept up to date, regular reviews will need to continue to be carried out to ensure any new and emerging risks are identified, existing risks are removed if no longer appropriate and existing risks are reviewed taking into account current issues.

### **Conclusions**

12. The risk register has been revised and updated and rescored, where appropriate, in accordance with Durham County Council criteria.

### **Recommendations and Reasons**

13. It is recommended that:
  - (i) Members of the Central Durham Joint Crematorium Committee note the content of this report and the updated position following the September review.
  - (ii) The Risk Registers are kept up to date and continue to be reviewed by the Joint Committee on a half yearly basis the next one to be completed in January 2016.

### **Background Papers**

- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 22<sup>nd</sup> April 2015
- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 25<sup>th</sup> September 2013
- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 23<sup>rd</sup> January 2013
- Risk Assessment – Report to Central Durham Crematorium Joint Committee – September 2012

- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 25<sup>th</sup> January 2012
- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 28 September 2011
- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 26 January 2011
- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 29 September 2010
- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 27 January 2010
- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 12 June 2009
- External Audit Report – Report to Central Durham Crematorium Joint Committee – 30 October 2009

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## **Appendix 1: Implications**

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There are no financial implications associated with this report. Exposure to financial risk is integral to the gross and net risk assessments undertaken and included in the Risk Registers attached at Appendix 3 and 4.

### **Staffing**

None

### **Finance**

None

### **Risk**

The report and associated appendices sets out in detail the strategic and operational risks, control measures in place to mitigate these and improvement actions associated with these. Each risk has been scored and against the Durham County Council risk management methodology. Maintaining and continually reviewing the risk register is a key component of the control and governance framework for the Central Durham Crematorium Joint Committee.

### **Equality and Diversity**

None

### **Accommodation**

None

### **Crime and Disorder**

None

### **Human Rights**

None

### **Consultation**

Officers of Spennymoor Town Council were consulted on the contents of this report.

### **Procurement**

None

### **Disability Discrimination Act**

None

### **Legal Implications**

None

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## Appendix 2: Durham County Council Risk Management Process

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The risk management process at Durham County Council is based upon a cycle:-



Once a Risk has been identified it is analysed and evaluated as follows:-

- Likelihood X Impact (taking into account Financial + Service Delivery + Stakeholder impacts)

Initially the **Gross Risk** is assessed by scoring the impact and likelihood of the risk **without** taking account of any controls that the Council may already have in place. It is essential to determine this Gross risk, as it is the key baseline against which to evaluate this risk on an ongoing basis.

The **Net Risk** is then determined **after** taking account of any controls that the Council may already have in place, and the likelihood that the risk event may occur over a given period.

In order to calculate the scores for Likelihood and Impact the Risk Assessment criteria is used as outlined below.

After scoring the risk a decision is made whether to Tolerate, Transfer, Treat or Terminate the risk. If any control improvements or actions have been identified as a result of reviewing the risk these are allocated to a responsible officer with timescales to ensure they are carried out before the next review.

## DURHAM COUNTY COUNCIL – IMPACT FACTORS

Factor	Severity	Financial	Service Delivery/ Performance	Stakeholder and Reputation
5	Critical	> / = £15M  > 5% of Service budget	<ul style="list-style-type: none"> <li>• Inability to meet statutory duties</li> <li>• Key services can no longer be delivered – emergency actions needed, which need Cabinet approval.</li> <li>• Significant Legal Action / Challenge</li> <li>• Intervention or sanctions by regulatory body / prosecution or litigation (including corporate manslaughter)</li> <li>• Strike action which is Council-wide or service-wide in a critical Service for a long period</li> </ul>	<ul style="list-style-type: none"> <li>• Perception of the majority of potential partners and stakeholders that the Council is not 'fit to deal with'.</li> <li>• Loss of life</li> </ul>
4	Major	£5M - £15M  3% - 5% of Service budget	<ul style="list-style-type: none"> <li>• Major disruption to some statutory and / or non statutory services i.e. key service delivery adversely affected – crisis management implemented, which needs Cabinet approval.</li> <li>• Strike action which is Council-wide or service-wide in a critical Service for a short period</li> </ul>	<ul style="list-style-type: none"> <li>• Serious reputational damage to the Council regionally, nationally and internationally</li> <li>• Damage to relationships with central government or other public bodies e.g. One North-East, Environment Agency, other Councils</li> <li>• Perception of small number of potential partners and stakeholders that the Council is not 'fit to deal with'.</li> <li>• Serious injury to individual</li> </ul>
3	Moderate	£1M - £5M  1% - 3% of Service budget	<ul style="list-style-type: none"> <li>• Moderate disruption to statutory and / or non statutory services i.e. some disruption to service delivery – action plans to rectify</li> <li>• Failure of Service to maintain existing status under other Inspection regimes e.g. Ofsted</li> <li>• Resolution requires approval at CMT level</li> <li>• Limited strike action within a Service</li> </ul>	<ul style="list-style-type: none"> <li>• Results in negative Regional or National press / media coverage</li> <li>• Minor reputational damage to the County Council</li> <li>• Major criticism by other stakeholders e.g. Partners, central government</li> </ul>
2	Minor	£0.5M - £1M  0.2% - 1% of Service budget	<ul style="list-style-type: none"> <li>• Minor service disruption / customer dissatisfaction i.e. little disruption to service delivery – no long term or permanent impact on key services</li> <li>• Capable of resolution by Service Management Team</li> </ul>	<ul style="list-style-type: none"> <li>• Results in negative press coverage within County Durham</li> <li>• Minor criticism by Community</li> <li>• Minor criticism by other stakeholders e.g. Partners, central government</li> <li>• Significant number of complaints from service users</li> <li>• Serious Reputational damage to own Service area</li> </ul>
1	Insignificant	< £0.5M  < 0.2% of Service budget	<ul style="list-style-type: none"> <li>• Insignificant service disruption e.g. very little or no disruption to services</li> <li>• Impairment of quality of service</li> <li>• Capable of resolution by Head of Service and their management team</li> </ul>	<ul style="list-style-type: none"> <li>• Results in negative press coverage within the locality / ward</li> <li>• Insignificant criticism by Community</li> <li>• Insignificant criticism by other stakeholders e.g. Partners, central government</li> <li>• Insignificant number of complaints from service users</li> <li>• Minor Reputational damage to own Service area</li> </ul>

## DURHAM COUNTY COUNCIL - LIKELIHOOD FACTORS

Factor	Description	Expected Frequency
5	Highly Probable	<ul style="list-style-type: none"> <li>• <b>More than once a year</b></li> <li>• Something that is already occurring or is likely to be a regular occurrence throughout a one year period</li> <li>• Inevitable i.e. the event is expected to occur in most circumstances</li> <li>• &gt;80% chance of occurring</li> </ul>
4	Probable	<ul style="list-style-type: none"> <li>• <b>Once a year</b></li> <li>• Something that has occurred in the last year, or is likely to occur at least once throughout a one-year period.</li> <li>• Probable or where the conditions of the loss occur on a regular basis i.e. the event will probably occur in most circumstances</li> <li>• 61% to 80% chance of occurring</li> </ul>
3	Possible	<ul style="list-style-type: none"> <li>• <b>Every 1-3 years</b></li> <li>• Likely only to happen at some point over the next 1 to 3 years.</li> <li>• Possible but responding to well understood situations i.e. the event might occur at some time</li> <li>• 31% to 60% chance of occurring</li> </ul>
2	Unlikely	<ul style="list-style-type: none"> <li>• <b>Every 3-5 years</b></li> <li>• Likely only to happen at some point over the next 3 to 5 years or likely to continue to occur i.e. the event is not expected to occur</li> <li>• 11% to 30% chance of occurring</li> </ul>
1	Remote	<ul style="list-style-type: none"> <li>• <b>Over 5 years</b></li> <li>• Rare activity or is unlikely based on current intelligence i.e. the event may only occur in exceptional circumstances</li> <li>• &lt; 10% chance of occurring</li> </ul>

### Appendix 3: Service Risk Register

RISK MATRIX							
5	Highly Probable						LIKELIHOOD
4	Probable						
3	Possible		11				
2	Unlikely	4, 17	7 & 10				
1	Remote	12, 16	1, 2, 5, 6, 8	9			
		Insignificant (Score 1-3)	Minor (Score 4-6)	Moderate (Score 7-9)	Major (Score 10-12)	Critical (Score 13-15)	
IMPACT							

Risk. No.	Risk – Ranked by Risk Number	Net Risk Score	Ranking
1	Not implementing changes in legislation	6	7
2	Non compliance with the current fire order	6	7
3	Impact of staff morale due to uncertainty over Job Evaluation and Single Status (CLOSED DECEMBER 2014)		
4	Sickness absence of key staff	6	7
5	Disclosure of confidential information through incorrect disposal / maintenance of information	5	12
6	Failure of Cremators / Specialist Equipment	6	7
7	ICT and Power Failure	10	3
8	Loss of Income/Money	5	12
9	Breakdown of Partnership	7	6
10	Loss of knowledge and ability to cover existing workload through premature staff loss	10	3
11	Managing excess deaths	12	2
12	Financial Losses due to reputation	3	14
13	Contractual failure in relation to future planned projects or maintenance leading to financial claims or losses and loss of reputation and income e.g. Replacement of Cremators (CLOSED AUGUST 2015)		
15	Inability to recruit appropriately qualified staff at short notice. (CLOSED AUGUST 2015)		
16	Lack of awareness of the Impact of Equalities, DDA, Access to Services and Age Legislation	3	14

<b>Risk. No.</b>	<b>Risk – Ranked by Risk Number</b>	<b>Net Risk Score</b>	<b>Ranking</b>
17	Damage to Public or Vehicles due to tree branches falling	6	7

<b>Risk. No.</b>	<b>Risk – Ranked by Net Risk Score</b>	<b>Net Risk Score</b>	<b>Ranking</b>
3	Impact of staff morale due to uncertainty over Job Evaluation and Single Status (CLOSED DECEMBER 14)		
11	Managing excess deaths	12	2
7	ICT and Power Failure	10	3
10	Loss of knowledge and ability to cover existing workload through premature staff loss	10	3
15	Inability to recruit appropriately qualified staff at short notice. (CLOSED AUGUST 2015)	10	3
9	Breakdown of Partnership	7	6
1	Not implementing changes in legislation	6	7
2	Non compliance with the new fire order	6	7
4	Sickness absence of key staff	6	7
6	Failure of Cremators / Specialist Equipment	6	7
17	Damage to Public or Vehicles due to tree branches falling	6	7
5	Disclosure of confidential information through incorrect disposal / maintenance of information	5	12
8	Loss of Income/Money	5	12
12	Financial Losses due to reputation	3	14
13	Contractual failure in relation to future planned projects or maintenance leading to financial claims or losses and loss of reputation and income e.g. Replacement of Cremators. (CLOSED AUGUST 2015)	3	14
16	Lack of awareness of the Impact of Equalities, DDA, Access to Services and Age Legislation	3	14

## Appendix 4: Operational Risk Register

RISK MATRIX							
5	Highly Probable						LIKELIHOOD
4	Probable						
3	Possible						
2	Unlikely		5				
1	Remote	7,8	2,3,4,6	1			
		Insignificant (Score 1-3)	Minor (Score 4-6)	Moderate (Score 7-9)	Major (Score 10-12)	Critical (Score 13-15)	
		IMPACT					

Risk No.	Risk – Ranked by Risk Number	Net Risk Score	Ranking
1	Injury to staff and visitors	7	2
2	Exterior Pathways, Steps and Grounds	5	3
3	Use of hand tools and machinery for gardening on site, driveway and car park	5	3
4	Cleaning, Maintenance and Gardening Duties	5	3
5	Risk Assessments and Reviews not undertaken	10	1
6	Violent or other Assault on officer whilst lone working	5	3
7	Limited Space in Office Area (closed December 2014)	3	7
8	Slips, trips and falls	3	7

Risk No.	Risk – Ranked by Net Risk Score	Net Risk Score	Ranking
5	Risk Assessments and Reviews not undertaken	10	1
1	Injury to staff and visitors	7	2
2	Exterior Pathways, Steps and Grounds	5	4
3	Use of hand tools and machinery for gardening on site, driveway and car park	5	4
4	Cleaning, Maintenance and Gardening Duties	5	4
6	Violent or other Assault on officer whilst lone working	5	4

<b>Risk. No.</b>	<b>Risk – Ranked by Net Risk Score</b>	<b>Net Risk Score</b>	<b>Ranking</b>
<b>7</b>	<b>Limited Space in Office Area (Closed December 2014)</b>	<b>3</b>	<b>8</b>
<b>8</b>	<b>Slips, trips and falls</b>	<b>3</b>	<b>8</b>