

**TO: GOVERNANCE AND AUDIT COMMITTEE**  
**26<sup>TH</sup> JUNE 2019**

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**STRATEGIC RISK UPDATE**  
**Head of Audit and Risk Management**

**1 PURPOSE OF REPORT**

1.1 This report presents the updated Strategic Risk Register.

**2 EXECUTIVE SUMMARY**

2.1 The Strategic Risk Register is updated and reviewed by the Strategic Risk Management Group (SRMG) on a quarterly basis and by the Corporate Management Team (CMT) and the Governance and Audit Committee at least twice a year in accordance with the Risk Management Strategy

**3 RECOMMENDATIONS**

3.1 **To provide feedback on the completeness of risks and appropriateness of risk scores including the score for risk appetite in the Register attached at Appendix 1.**

**4 REASONS FOR RECOMMENDATION**

4.1 To ensure the Strategic Risk Register accurately reflects the Council's risks.

**5 ALTERNATIVE OPTIONS CONSIDERED**

5.1 There are no alternatives.

**6 SUPPORTING INFORMATION**

**Update of Strategic Risk Register**

6.1 The Register was last reviewed by the Governance and Audit Committee on 30<sup>th</sup> January 2019, by SRMG on 8<sup>th</sup> May and by CMT on 5<sup>th</sup> June 2019.

6.2 Key proposed changes reviewed and agreed at SRMG and CMT were to:

- To add a risk on internal control weaknesses as identified in the Head of Internal Audit Annual Opinion which are currently being investigated and actioned by the Corporate Management Team;
- To add a risk on continuing health care;
- To increase the Finance risk due to uncertainty around level of future central government funding and delays in delivering transformation savings. This mirrors the increase in risk in the Central directorates risk register;
- To increase the transformation risk due to pressure on transformation savings;
- To increase the business continuity risk due to recent incidents that have highlighted weaknesses and gaps in out of hours IT support and the need for service areas to have a clearer understanding of systems and functionality

and how to instigate business continuity processes in the event of an incident and the findings of the review of business continuity across the authorities in the emergency planning shared service..

## **7 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

### Borough Solicitor

- 7.1 There are no specific legal implications arising from the recommendations in this Report.

### Borough Treasurer

- 7.2 No direct financial implications

### Equalities Impact Assessment

- 7.3 Not applicable.

### Strategic Risk Management Issues

- 7.4 A robust Strategic Risk Register that is a complete and up to date record of the significant corporate risks is essential for effective risk management, enabling the Council to prioritise resources to identify and implement actions to address the threats to the achievement of the Council's objectives and make informed decisions

## **8 CONSULTATION**

### Principal Groups Consulted

- 8.1 SRMG and CMT.

### Method of Consultation

- 8.2 At the SRMG and CMT meetings on 8<sup>th</sup> May and 5<sup>th</sup> June 2019 respectively.

### Representations Received

- 8.3 Not applicable.

**Sally Hendrick**

**Head of Audit and Risk Management**

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**sally.hendrick@bracknell-forest.gov.uk**

## STRATEGIC RISK REGISTER JUNE 2019

| Strategic Theme 1: Value for money: Performance Measures : Spending is within budget   |  |             |                     |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
|--|--|-------------|---------------------|-------------|--------------------------------|-------------------|---------|--------------------------------|-------------------|-------------|---|-------------------|---------|-------------|----|----|---|-------------|----|----|---|-------------|----|----|---|-------------|----|----|---|-------------|----|----|---|-------------|----|----|---|-------------|----|----|---|-------------|----|----|---|
| <p><b>Risk 1: Significant pressures on the Council's ability to balance its finances whilst maintaining satisfactory service standards</b></p>   |  |             |                     |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
| <p><b>Risk Owner:</b> Director; Finance</p>  |  |             |                     |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
| <p><b>Risk Rating (Likelihood x Impact)</b></p> <p>Unmitigated 5 x 5</p> <p>Current Residual 4 x 4</p> <p>Appetite 2 x 4</p> <p><b>Potential Impact</b></p> <p>Strategic objectives and statutory duties not met</p>   | <table border="1"> <caption>Risk Rating Data</caption> <thead> <tr> <th>Quarter</th> <th>Unmitigated</th> <th>Current</th> <th>Appetite</th> </tr> </thead> <tbody> <tr> <td>Qtr 4 16/17</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 1 17/18</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 2 17/18</td> <td>25</td> <td>16</td> <td>8</td> </tr> <tr> <td>Qtr 3 17/18</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 4 17/18</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 1 18/19</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 2 18/19</td> <td>25</td> <td>16</td> <td>8</td> </tr> <tr> <td>Qtr 3 18/19</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 4 18/19</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 1 19/20</td> <td>25</td> <td>16</td> <td>8</td> </tr> </tbody> </table> <p><b>Rationale for current score:</b><br/>Increased due to uncertainty around the level of future central government funding due to the Comprehensive Spending Review and Fair Funding Review. In addition, delays in delivery of transformation savings in some areas increase pressures on current and future budgets.</p> <p><b>Rationale for risk appetite:</b><br/>Achieving a sustainable financial position is a core responsibility.</p> <p><b>Current RAG rating</b> <span style="background-color: red; color: white; padding: 2px;">Red</span></p> | Quarter     | Unmitigated         | Current     | Appetite                       | Qtr 4 16/17       | 25      | 12                             | 8                 | Qtr 1 17/18 | 25  | 12                | 8       | Qtr 2 17/18 | 25 | 16 | 8 | Qtr 3 17/18 | 25 | 12 | 8 | Qtr 4 17/18 | 25 | 12 | 8 | Qtr 1 18/19 | 25 | 12 | 8 | Qtr 2 18/19 | 25 | 16 | 8 | Qtr 3 18/19 | 25 | 12 | 8 | Qtr 4 18/19 | 25 | 12 | 8 | Qtr 1 19/20 | 25 | 16 | 8 |
| Quarter  | Unmitigated  | Current     | Appetite            |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
| Qtr 4 16/17  | 25   | 12          | 8                   |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
| Qtr 1 17/18  | 25   | 12          | 8                   |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
| Qtr 2 17/18  | 25   | 16          | 8                   |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
| Qtr 3 17/18  | 25   | 12          | 8                   |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
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| Qtr 1 19/20  | 25   | 16          | 8                   |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
| <p><b>Current Actions</b> <i>(What we are currently doing about the risk)</i></p> <ul style="list-style-type: none"> <li>• 4 year financial settlement in place but this is now in its final year and there is uncertainty around the Comprehensive Spending Review and Fair Funding Review.</li> <li>• Efficiency plan in place signed off by full Council.</li> <li>• Transformation Board to deliver significant savings over the medium term.</li> <li>• Continuous engagement with Members regarding priorities</li> <li>• Medium term financial strategy will need to be continually monitored and reviewed</li> <li>• CIL governance processes and procedures established and prioritising spend in accordance with BFC Regulation 123 infrastructure list. Regular dialogue with Town and Parish Councils to come to an agreed accord on spending of CIL monies.</li> <li>• Approved capital spending plans are in place e.g. for Binfield Learning Village at Blue Mountain,. These are built in to the Council's capital programme and are monitored. Regular updates going to CMT.</li> </ul> | <p><b>Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities</b></p> <table border="1"> <thead> <tr> <th></th> <th>Officer responsible</th> <th>Target date</th> </tr> </thead> <tbody> <tr> <td>Medium Term Financial Planning</td> <td>Director: Finance</td> <td>Ongoing</td> </tr> <tr> <td>2020/21 budget setting process</td> <td>Director: Finance</td> <td>Ongoing</td> </tr> <tr> <td>Council wide debt management review in progress</td> <td>Director: Finance</td> <td>Ongoing</td> </tr> </tbody> </table>   |             | Officer responsible | Target date | Medium Term Financial Planning | Director: Finance | Ongoing | 2020/21 budget setting process | Director: Finance | Ongoing     | Council wide debt management review in progress | Director: Finance | Ongoing |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
|  | Officer responsible  | Target date |                     |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
| Medium Term Financial Planning   | Director: Finance  | Ongoing     |                     |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
| 2020/21 budget setting process   | Director: Finance  | Ongoing     |                     |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |
| Council wide debt management review in progress  | Director: Finance  | Ongoing     |                     |             |                                |                   |         |                                |                   |             |   |                   |         |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |             |    |    |   |

**Strategic Theme 1: Value for money:** Performance Measures :The cost, quality and delivery mechanism of all services will be reviewed by 2019

**Risk 2: Council unable to deliver the transformation programme due to:**

- Difficulties in delivering individual projects
- Difficulties in tracking transformation changes
- Benefits/savings not being achieved
- Linkages between individual transformation projects and knock on effects across transformation projects not adequately identified and taken into consideration.

**Risk Owner:** Chief Executive

**Risk Rating (Likelihood x Impact)**

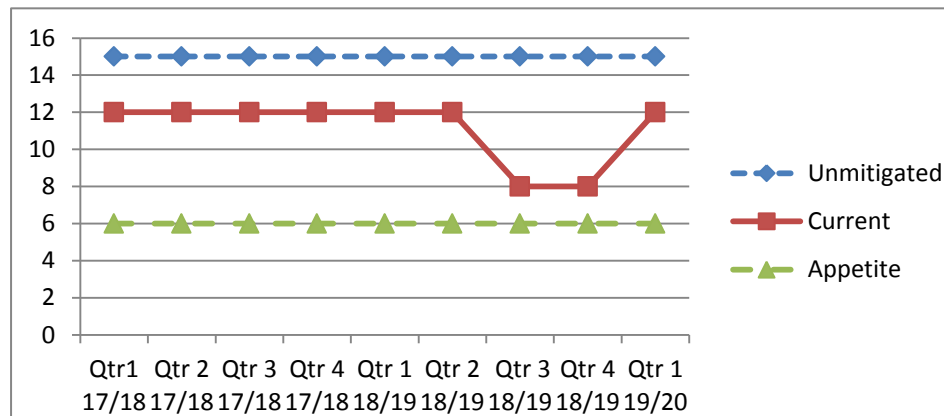
Unmitigated 3 x 5

Current Residual 3 x 4

Appetite 2 x 3

**Potential Impact**

Conflicting pressures between elements of the programme Core objectives/benefits not achieved. Statutory responsibilities not met



**Rationale for current score:**

Governance arrangements around the projects are robust and projects are generally on track but there are some pressures on financial savings from transformation projects.

**Rationale for risk appetite**

Transformation process is in response to the need to make radical changes to service delivery to be sustainable moving forward and hence a significant level impact is accepted but mitigated by a low tolerance for likelihood.

**Current RAG rating** Amber

**Current Actions** (What we are currently doing about the risk)

- Transformation Board and regular Transformation Board meetings
- Programme Manager
- Centralisation of transformation programme under the transformation team umbrella. Separate risk registers set up for the significant transformation projects
- Regular Transformation team meetings include monitoring of dependencies
- Key dependencies escalated to the Board
- Additional financial checks introduced for transformation projects managed within departments
- Exercise undertaken at CMT to prioritise transformation projects which has accelerated key projects where greatest financial impact are expected and deferred projects with a lower level of return.

**Further Mitigation** (what more should we do to reduce risk to our risk appetite level) and opportunities

|  | Officer responsible | Target date |
|--|---------------------|-------------|
|  |                     |             |
|  |                     |             |

**Strategic Theme 1: Value for money:** Performance Measure; Spending is within budget

**Strategic Theme 6: Strong, safe, supportive and self reliant communities :** Performance Measure: Safeguarding structures to safeguard children and vulnerable adults are well established.

**Risk 3: Significant loss of and changes to responsibilities of key Council staff through redundancy, restructure retirements, etc. together with managing services with reduced capacity Council and staff resources re-allocated to the transformation programme. Council and its outsourced providers unable to recruit and retain staff at all levels.**

**Risk Owner:** CMT

**Risk Rating (Likelihood x Impact)**

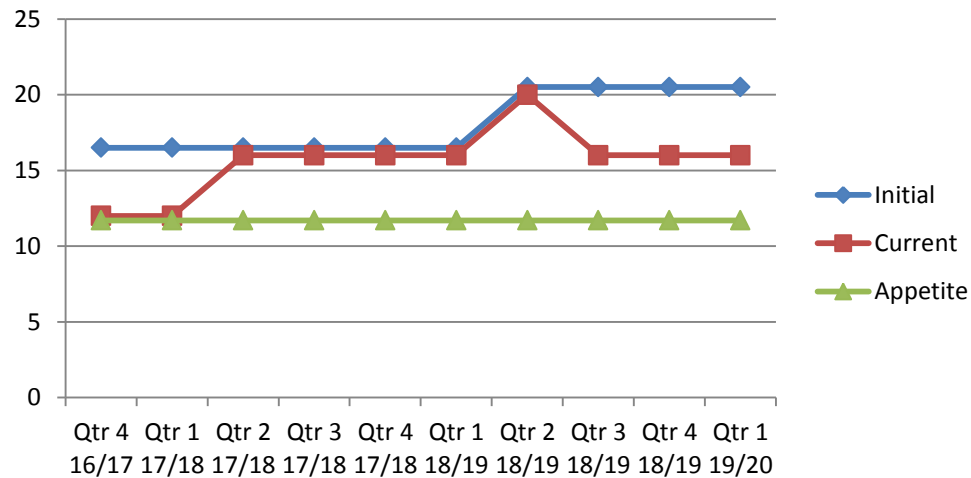
Unmitigated 5 x 4

Current Residual 4 x 4

Risk Appetite 3 x 3

**Potential Impact**

Disruption to services.  
Failure to meet statutory duties



**Rationale for current score:**

Appointments have now been made to senior posts and officers are already in post but some appointments are still to be made at Head of Service level and there are still a large number of interims in post and sickness absence in key posts.

**Rationale for risk appetite**

Staff are the key resource in delivering key services and providing support to front line services.

**Current RAG rating** **Amber**

**Current Actions(What we are currently doing about the risk)**

- For BFC staff monitor the impact and review our reward and recognition approach as necessary to ensure that BFC remains seen as an attractive employer
- Introduce staff retention plans and measures and succession planning arrangements
- Workforce planning

**Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities**

|  | <b>Officer responsible</b> | <b>Target date</b> |
|--|----------------------------|--------------------|
| Monitor service delivery through providers of domiciliary care                           | Executive Director, People | Ongoing            |
| Monitor financial impact   | Director; Finance          | Ongoing            |
| Mitigation required re apprenticeship levy requirements                                  | CMT                        | Ongoing            |
| Sub-group of Transformation working group of workforce focusing on care in the community | Sub-group                  | Ongoing            |
| Clear handover of responsibilities   | Relevant senior officers   | Ongoing            |
| Appointment of interims to fill gaps during recruitment                                  | Relevant senior officers   | Ongoing            |

**Strategic Theme 1: Value for money:** Performance Measure; Spending is within budget

**Strategic Theme 6: Strong, safe, supportive and self reliant communities :** Performance Measure: Safeguarding structures to safeguard children and vulnerable adults are well established.

**Risk 4 Uncertainty around the impact of alternative options for Brexit, the financial and operational implications for services such as social care, contingency planning requirements and the potential impact for businesses located in the Borough.**

**Risk Owner:** Director Place, Planning and Regeneration

**Risk Rating (Likelihood x Impact)**

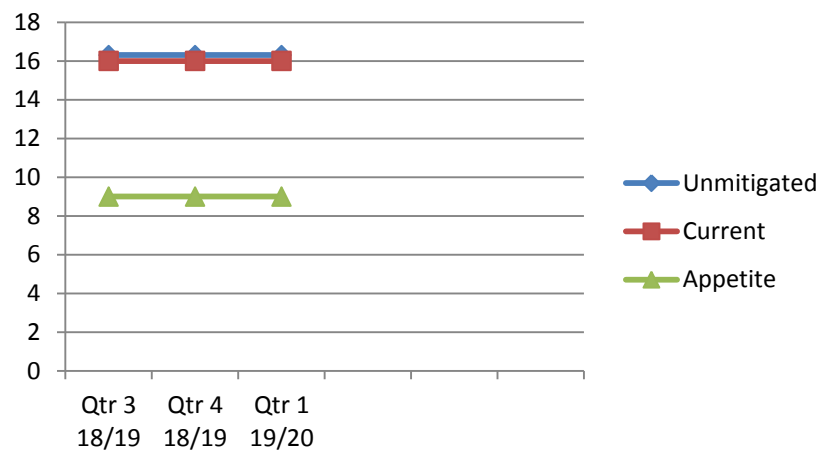
Unmitigated 4 x 4

Current Residual 4 x 4

Appetite 3 x 3

**Potential Impact**

Economic prosperity not sustained



**Rationale for current score:**

Current uncertainty means that the risk is relatively high.

**Rationale for risk appetite**

Given potential operational and financial consequences risk appetite is low.

**Current RAG rating** Red

**Current Actions** (What we are currently doing about the risk)

- Reviewing impact in local teams
- Review of potential impact undertaken by National Management Trainee and reported to CMT, Senior Leadership Group and Members.

**Further Mitigation** (what more should we do to reduce risk to our risk appetite level) and opportunities

|                           | Officer responsible | Target date |
|---------------------------|---------------------|-------------|
| Ongoing monitoring at CMT | CMT                 | Ongoing     |
|                           |                     |             |

**Strategic Theme 3: People have the life skills and education opportunities they need to thrive**

Performance Measures : School places are available in all localities

**Risk 5: The Council Policy of providing local school places for local children results in a mismatch of provision.**

**Risk Owners:** Executive Director, People

**Risk Rating (Likelihood x Impact)**

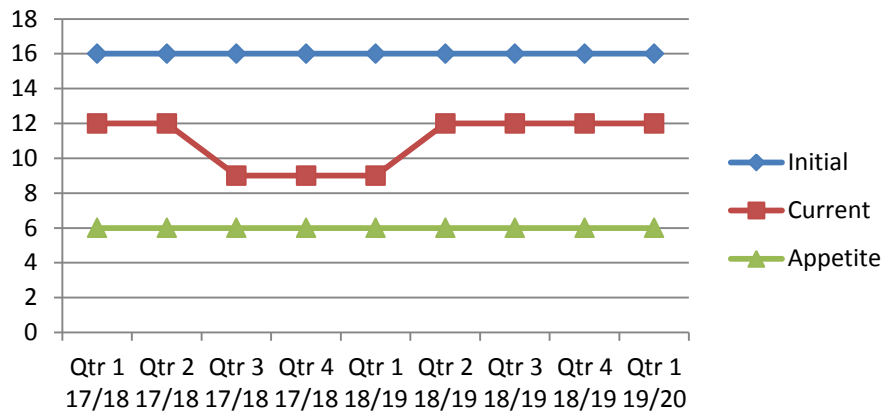
Initial underlying 4 x 4

Current Residual 4 x 3

Appetite 2 x 3

**Potential Impact**

Cost overruns/ pressure on the capital budget  
Late delivery . Core objective to deliver required additional school places not delivered



**Rationale for current score:**

There is currently surplus of places.

**Rationale for risk appetite**

Risk appetite is fairly low given the Council's statutory responsibilities to educate

**Current RAG rating** Red

**Current Actions (What we are currently doing about the risk)**

- Pupil Places Planning Board in place
- Annual school place planning based on a review of future housing plans, numbers on roll and demographic data provides data on
  - ⇒ pupil data and statistics
  - ⇒ forecasts of pupil numbers for the next five years
  - ⇒ commentary on the need to add or remove school capacity
  - ⇒ estimates of future housing growth
  - ⇒ School Places Plan and Capital Strategy approved by the Executive
- Reduction in pace of delivery of new schools and managing intake at Kings Academy Binfield

**Further Mitigation (what more should we do to reduce risk to our risk appetite level)**

|  | <b>Officer responsible</b> | <b>Target date</b> |
|--|----------------------------|--------------------|
| The external consultant has now produced his independent report which will now be reviewed.  | Executive Director, People | Ongoing            |
| New pupil yield information is due in. This is based on a survey of householders in new houses to identify the numbers of children if properties | Executive Director, People | Ongoing            |

**Strategic Theme 3: People have the life skills and education opportunities they need to thrive**

Performance Measures :Children have access to high quality early years provision /School places are available in all localities /All young people who have left school go on to further education, find employment or undertake some form of training

**Strategic Theme 4: People live active and healthy lifestyles**

Performance Measures:Comprehensive public health programmes aimed at adults and young people/Personal choices available to allow people to live at home are increased///Integration of council and health services care pathways for long term conditions is increased /Accessibility and availability of mental health services for young people and adults is improved

**Risk 6: Council unable to predict and plan for future changes and in-year variations in demands for services arising from demographic changes and national policy initiatives.**

**Risk Owners:** Executive Director, People

**Risk Rating (Likelihood x Impact)**

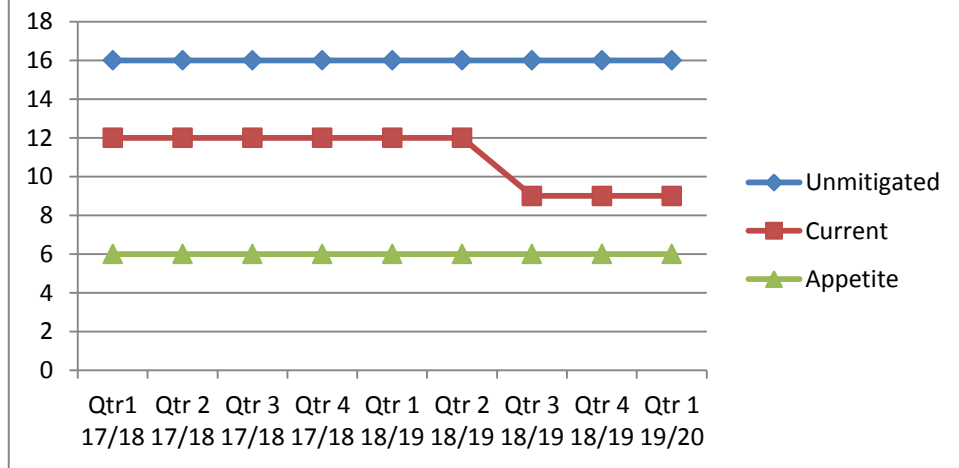
Unmitigated 4 x 4

Current Residual 3x 3

Appetite 2 x 3

**Potential Impact**

Failure to meet demand.  
Statutory duties not met



**Rationale for current score:**

Increasing pressure on children’s social care and adult social care. Impact of people in need coming into the Borough but there is flexibility in the Council budget to be able to respond to this.

**Rationale for risk appetite**

Tolerance in forecasting relatively low due to knock on effect on financial planning

**Current RAG rating** Amber

**Current Actions** *(What we are currently doing about the risk)*

- Business intelligence being developed
- Redefining the community function
- Continuous monitoring of demand levels for children’s social care
- Case by case challenge including robust legal challenge
- Monitoring impact of SEND reform and implementation of Education, Health and Care Plans.
- Block contracts for high cost placements e.g. contract let for independent fostering agencies
- Edge of Care model in place to prevent escalation to intervention levels for children
- Three Conversations approach for incoming cases and RAS model
- Early intervention and small budget available per team to use in preventative ways

**Further Mitigation** *(what more should we do to reduce risk to our risk appetite level) and opportunities*

|   | <b>Officer responsible</b> | <b>Target date</b> |
|---|----------------------------|--------------------|
| Reviewing transition from Children to Adult Social Care | Executive Director, People | Qtr 4              |



- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>• An asset based approach to assessment by social care staff</li><li>• Development of digital platform to support customers to use their direct payments creatively and greater use of community resources and technology in support packages</li><li>• A community model of intermediate care and reablement</li><li>• Plans to develop up step up and step down beds in partnership with the Frimley Acute Trust</li><li>• Increasing the number of personal assistants on the PA register that offer personal care</li></ul> |  |
|---|--|

**Strategic Theme 4: People live active and healthy lifestyles**

**Performance Measures: Comprehensive public health programmes aimed at adults and young people/Personal choices available to allow people to live at home are increased///Integration of council and health services care pathways for long term conditions is increased /Accessibility and availability of mental health services for young people and adults is improved**

**Risk 7: Council unable to sustain delivery of services to support adult social care needs due to insufficient external provision for adult social care.**

**Risk Owners:  
Executive Director  
People**

**Risk Rating (Likelihood x Impact)**

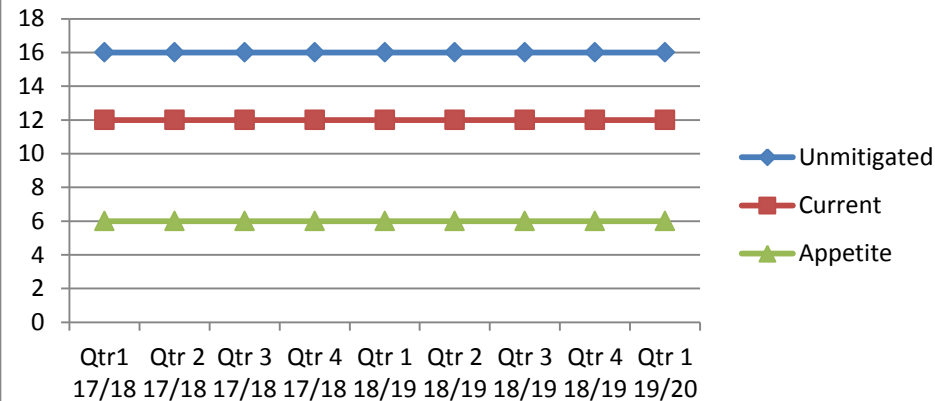
**Unmitigated 4 x 4**

**Current Residual 4x 3**

**Appetite 2 x 3**

**Potential Impact**

Failure to meet demand.  
Statutory duties not met.  
Increased budget pressures



**Rationale for current score:**

A number of residential care homes identified as at risk of closure. Whilst residential care provision is getting better there are still supply chain problems for nursing and domiciliary care and there is vulnerability in the whole market and uncertainty both nationally and locally around the Brexit provider staffing implications.

**Rationale for risk appetite**

Appetite is low due to the potential impact for vulnerable individuals.

**Current RAG rating** Red

**Current Actions (What we are currently doing about the risk)**

- Monitor contracts and implementation of quality assurance process
- Gather intelligence through ADASS South East Commissioning network and from neighbouring authorities
- Working with CCGs, and other local authorities to actively create additional supply in the care home market
- Monitor financial standing of significant providers using internal intelligence and through the ADASS commissioning network
- Robust contingency planning where risks are identified
- Negotiating favourable block contracts to provide leverage on costs with other external providers in place

**Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities**

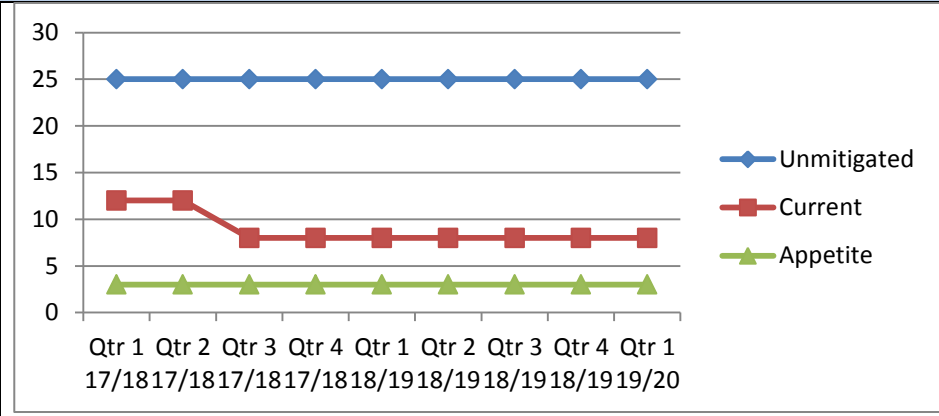
|  | <b>Officer responsible</b> | <b>Target date</b> |
|--|----------------------------|--------------------|
| Re-use of the Heathlands site to deliver further social care provision | Executive Director People  | Ongoing            |

**Strategic Theme 6: Strong, safe, supportive and self-reliant communities**  
 Performance Measure: Safeguarding structures to safeguard children and vulnerable adults are well established.

**Risk 8: Factors outside the control of the Council may result in the injury, death or sexual exploitation of a vulnerable child or adult in the community.**

**Risk Owners: Executive Director People**

**Risk Rating (Likelihood x Impact)**  
 Unmitigated 5 x 5  
 Current Residual 2 x 4  
 Appetite 1 x 3  
**Potential Impact**  
 Loss or reputation.  
 Fines/penalties. Insurance claims



**Rationale for current score:**  
 Increasing police protection referrals to Social Care, County lines and increased impact from drugs and gangs in the Borough.

**Rationale for risk appetite**  
 Given the risk relates to the safeguarding of vulnerable individuals the risk appetite will be low.

**Current RAG rating** Red

- Current Actions** *(What we are currently doing about the risk)*
- Local Safeguarding Children’s Board brings together senior and operational staff within local organisations to help co-ordinate services and make certain they work together to keep children safe from harm. The Board has a role in monitoring and overseeing the contribution partnership organisations make towards safeguarding children
  - S11 Audits
  - Proactive strategies for recruitment of social workers being implemented
  - Proactive parenting projects now in place e.g. family group conferencing, Symbol project supporting parents with learning disabilities
  - Multi Agency Safeguarding Hub
  - Transformation project around early intervention and prevention.
  - Monitoring children vulnerable to CSE and going missing via the multi-agency CSE/Missing operational group.
  - Joint Safeguarding Adults Board (with W.A.M.) brings together key partners to work together to mitigate risks to vulnerable adults and prevent harm. Serious Adult Reviews provide learning that is shared across organisations to reduce risks. Safeguarding training is mandatory for staff within all of the member organisations and there is a continual focus on safeguarding awareness raising.

**Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities**

|   | Officer responsible        | Target date |
|---|----------------------------|-------------|
| Developing more robust quality control internally | Executive Director: People | Qtr 4       |

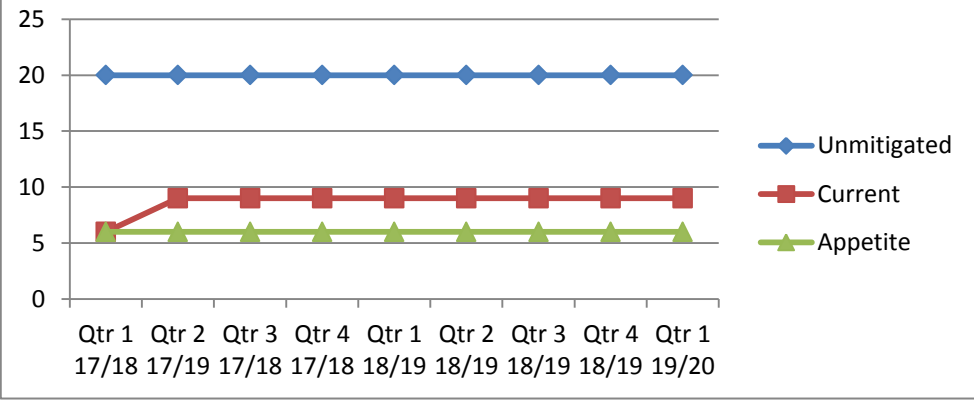
- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>• Commissioners and operational staff are involved in quality assurance monitoring of commissioned services together with the statutory body, CQC.</li><li>• Adult Safeguarding Board in place with independent chair.</li><li>• S11 audit completed. Action identified to log safeguarding training.</li><li>• Changes to deprivation of liberty safeguards has resulted in increase in demand as expected hence dealing only with urgent cases which is the approach supported by DOH</li></ul> |  |
|---|--|

Strategic Theme 1: Value for money  
 Strategic Theme 2: A Strong and Resilient Economy  
 Strategic Theme 3: People have the life skills and education opportunities they need to thrive  
 Strategic Theme 4: People live active and healthy lifestyles  
 Strategic Theme 5: A clean, green growing and sustainable place  
 Strategic Theme 6: Strong, safe, supportive and self-reliant communities

**Risk 9: IT Strategy and digital infrastructure fails to meet the needs of the organisation. Pressure on ICT resources to deliver substantial and complex changes introduced under the Enterprise Agreement (EA) and potential end user resistance to both disruption during implementation and the changes being introduced.**

Risk Owners: Executive Director Delivery

**Risk Rating (Likelihood x Impact)**  
 Unmitigated 4 x 5  
 Current Residual 3 x 3  
 Appetite 2 x 3  
**Potential Impact**  
 Disruption to services. Failure to meet statutory duties.



**Rationale for current score:**  
 New Strategy being developed.

**Rationale for risk appetite:**  
 Appetite is low due to dependency on IT for delivery of all services

**Current RAG rating** Amber

**Current Actions** (*What we are currently doing about the risk*)

- Paper taken to Resources DMT and CMT in November to help get buy in to the EA project from the Directors
- EA Project being implemented module by module and communication will be made with teams affected at each stage

**Further Mitigation** (what more should we do to reduce risk to our risk appetite level) and opportunities

|                            | Officer responsible            | Target date |
|----------------------------|--------------------------------|-------------|
| IT Strategy being revised. | Executive Director of Delivery | Ongoing     |

Strategic Theme 1: Value for money  
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**Risk 10: IT controls or staff vulnerabilities fail to prevent a cyber attack and/or unable to respond effectively to an attack to enable IT services to be sustained.**

Risk Owners: Executive Director Delivery

**Risk Rating (Likelihood x Impact)**

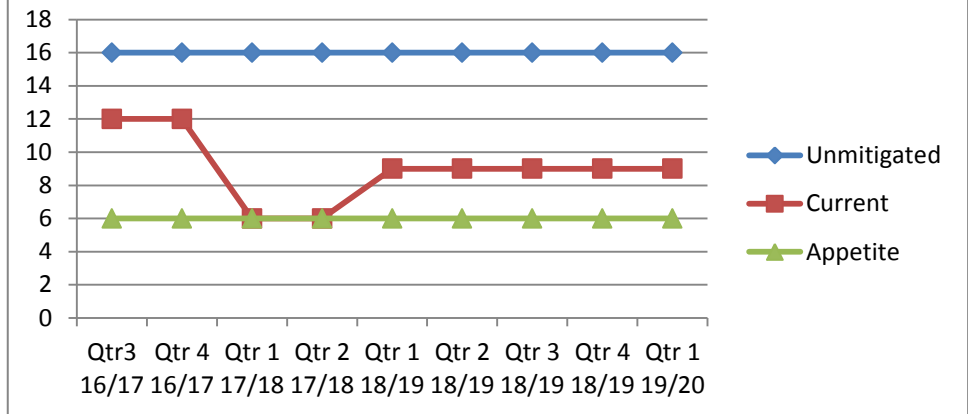
Unmitigated 4 x 4

Current Residual 3 x 3

Appetite 2 x 3

**Potential Impact**

Disruption to services. Failure to meet statutory duties. Reputational damage.



**Rationale for current score:**

Due to potential for human error and volume of attempts to attack the Council's systems.

**Rationale for risk appetite**

Appetite is low due to dependency on IT for delivery of all services

**Current RAG rating** Amber

**Current Actions** *(What we are currently doing about the risk)*

- Use PSN and N3 accreditation process to test for vulnerabilities
- Members of government early warning groups such as CISP (Cyber-Security Information Sharing Partnership) and WARP (Warning, Advice and reporting point)
- Communication to raise staff awareness to risks
- Disaster Recovery Plan and Action Plan for the systematic recovery of systems.
- Disaster Recovery contract with a provider to get systems up and running and an Action Plan for the systematic recovery of systems

**Further Mitigation** *(what more should we do to reduce risk to our risk appetite level) and opportunities*

|   | <b>Officer responsible</b>                | <b>Target date</b> |
|---|---|--------------------|
| Reminders on risks will be issued to staff after PSN accreditation issued | Assistant Director<br>Customer Experience | Ongoing            |
| Develop a cyber security action plan following the audit of this area.    | Assistant Director<br>Customer Experience | Ongoing            |
| Cyber risks monitored through Delivery risk register                      | Assistant Director<br>Customer Experience | Ongoing            |

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**Risk 11: Council unable to comply with data protection/security requirements to secure data resulting in inappropriate disclosure, loss or theft of sensitive data. Uncertainty of impact of placing more responsibility on end users by changing IT controls to meet business needs (E.g. changes to protective marking, access to Windows 10 and removal of Endpoint). Failure to meet requirements of GDPR.**

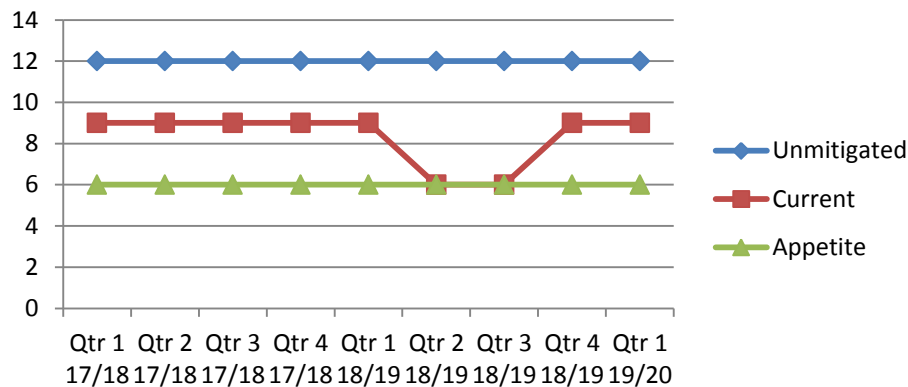
**Risk Owners:**  
 Executive Director  
 Delivery

**Risk Rating (Likelihood x Impact)**

Initial underlying 3 x 4  
 Current Residual 3x 3  
 Appetite 2 x 3

**Potential Impact**

Fines/penalties. Disruption to services. Failure to meet statutory duties. Removal of access to external databases and systems e.g. DWP



**Rationale for current score:**

*Risk score increased due to significant breaches incurred.*

**Rationale for risk appetite**

In addition to the financial risk, financial penalties are now very high and will be increasing further hence the Council will seek to minimise the risk of these being incurred.

**Current RAG rating** Amber

**Current Actions** *(What we are currently doing about the risk)*

- E-learning for information security and data protection.
- Monitoring of information security breaches at Information Governance Group, SRMG and at CMT.
- Information Asset Register. IT systems holding information assets are now being identified. Data mapping to be undertaken as part of GDPR implementation
- GDPR compliance action plan in place

**Further Mitigation** *(what more should we do to reduce risk to our risk appetite level) and opportunities*

|  | <b>Officer responsible</b>                   | <b>Target date</b> |
|--|--|--------------------|
| Working with HR on policies for users and communication strategies | Assistant Director Customer Experience       | Ongoing            |
| E-Learning to be updated as part of GDPR implementation            | Lawyer (Information Management and Security) | Ongoing            |

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**Risk 12: Business Continuity Plans and procedures inadequate or not clearly communicated and understood.**

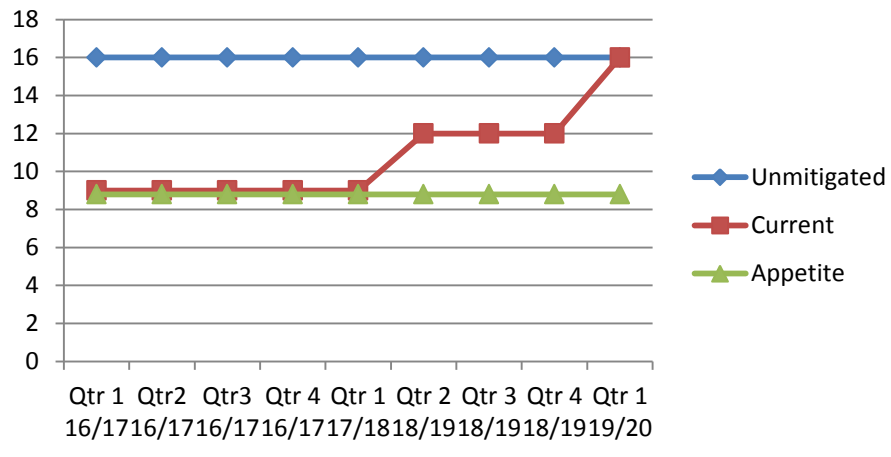
**Risk Owners:** Director;  
Finance

**Risk Rating (Likelihood x Impact)**

Unmitigated 4 x 4  
 Current Residual 4 x 4  
 Appetite 3 x 3

**Potential Impact**

Failure to respond effectively to a business continuity incident  
 Disruption to services. Failure to meet statutory duties



**Rationale for current score:**

Risk has increased to address areas of improvement identified by the review of business continuity across the authorities participating in the emergency planning shared service and also due to recent incidents that have occurred out of hours which have highlighted that there is no formal or robust IT support in place. This needs to be addressed at CMT to determine the appetite and actions that are required to set-up up formal arrangements, if required. More clarity and understanding of systems and functionality needs to be understood from within the business so that when an issue occurs it can be addressed quickly invoking business continuity plans where appropriate to do.

**Rationale for risk appetite**

The Council has accepted resources to be applied to business continuity are limited and that arrangements should only fulfil basic mandatory requirements.

**Current RAG rating** Amber

**Current Actions** (What we are currently doing about the risk)

- Council Wide Business Continuity Plan in place although this is out of date and needs to reflect the reduced estate and agile working and new structure.
- Key contracts are monitored on a regular basis as part of the contract performance mechanisms in place for all contractors. This should address any capacity or performance issues that might indicate that there may be issues with financial/general viability

**Further Mitigation** (what more should we do to reduce risk to our risk appetite level) and opportunities

|                                 | Officer responsible             | Target date |
|---------------------------------|---------------------------------|-------------|
| Council Wide plan to be updated | Executive Director:<br>Delivery | Ongoing     |



|   |  |   |         |
|---|--|---|---------|
| <ul style="list-style-type: none"> <li>Financial assessments of tenderers undertaken for all major contracts let by the Council and annual financial assessment checks where appropriate for major contractors</li> <li>New backup solution now in place.</li> <li>To raise profile of having effective contract management in place</li> <li>Increased resilience due to power generator being in place and system replication</li> <li>Emergency planning arrangements now in place.</li> <li>Review undertaken of business continuity arrangements across the emergency planning shared service authorities and report produced with actions for improvement</li> <li>DR testing of critical system undertaken as per agreed schedule</li> </ul> | Actions to be taken to address areas for improvement raised in the review of business continuity across the emergency planning shared services authorities | Executive Director: Delivery            | Ongoing |
|   | ICT to develop trigger point plan for response to an incident  | Assistant Director: Customer Experience | Ongoing |

**Strategic Theme 1: Value for money**  
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**Strategic Theme 6: Strong, safe, supportive and self-reliant communities**

**Risk 13: Weaknesses in the internal control environment.** Risk Owners: CMT

| <p><b>Risk Rating (Likelihood x Impact)</b></p> <p>Unmitigated 5 x 4</p> <p>Current Residual 4 x 3</p> <p>Appetite 2 x 2</p> <p><b>Potential Impact</b></p> <p>Increased potential for financial loss, fraud and safeguarding issues. Reputational damage. External sanction.</p> | <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Category</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Unmitigated</td> <td>20</td> </tr> <tr> <td>Current</td> <td>12</td> </tr> <tr> <td>Appetite</td> <td>5</td> </tr> </tbody> </table> | Category | Value | Unmitigated | 20 | Current | 12 | Appetite | 5 | <p><b>Rationale for current score:</b></p> <p>2018/19 audits have indicated an increasing number of areas with weakened controls.</p> <p><b>Rationale for risk appetite</b></p> <p>Appetite is low as ensuring that an effective control environment is in place is fundamental to ensuring the organisation's objectives are met and is a statutory requirement under the Accounts and Audit Regulations.</p> <p style="text-align: center;"><b>Current RAG rating</b> <span style="background-color: red; color: white; padding: 2px 5px;">Red</span></p> |
|---|--|----------|-------|-------------|----|---------|----|----------|---|---|
| Category  | Value  |          |       |             |    |         |    |          |   |   |
| Unmitigated   | 20   |          |       |             |    |         |    |          |   |   |
| Current   | 12   |          |       |             |    |         |    |          |   |   |
| Appetite  | 5  |          |       |             |    |         |    |          |   |   |

| <p><b>Current Actions</b> <i>(What we are currently doing about the risk)</i></p> <ul style="list-style-type: none"> <li>Limited assurance audit reports to be monitored at DMTs</li> <li>Reporting to Governance and Audit Committee required from Assistant Directors for repeat limited assurance reports.</li> <li>Common themes of weakness discussed at CMT on 24<sup>th</sup> April.</li> </ul> | <p><b>Further Mitigation</b> <i>(what more should we do to reduce risk to our risk appetite level) and opportunities</i></p> <table border="1" style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 10%;">Officer responsible</th> <th style="width: 10%;">Target date</th> </tr> </thead> <tbody> <tr> <td style="height: 30px;"></td> <td></td> <td></td> </tr> </tbody> </table> |             | Officer responsible | Target date |  |  |  |
|--|---|-------------|---------------------|-------------|--|--|--|
|  | Officer responsible   | Target date |                     |             |  |  |  |
|  |   |             |                     |             |  |  |  |

|  |  |                                   |         |
|--|--|-----------------------------------|---------|
|  | Actions to address commons themes of weakness to be identified and monitored at CMT. | CMT                               | Ongoing |
|  | Internal Audit Plan 2019/20  | Head of Audit and Risk Management | Ongoing |

Strategic Theme 1: Value for money  
 Strategic Theme 4: People live active and healthy lifestyles

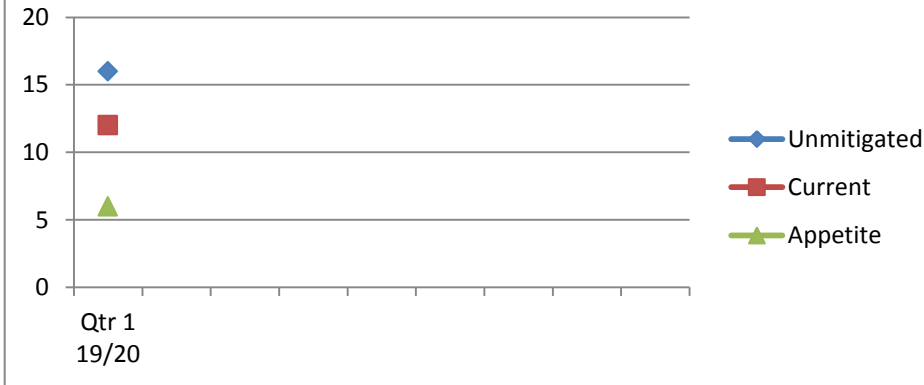
**Risk 14: Continuing Health Care**

**Risk Owners: Executive Director People**

**Risk Rating (Likelihood x Impact)**

Unmitigated 4 x 4  
 Current Residual 3 x 4  
 Appetite 2 x 3

**Potential Impact**  
 Financial cost to the Council  
 Financial cost to the care recipient



**Rationale for current score:**

Potential for considerable financial impact where funding for cases with significant and complex physical or mental health needs should potentially be provided by the NHS as CHC for people assessed as having a Primary Health Need

**Rationale for risk appetite**

Appetite is low due to financial impact for both the Council and the care recipient.

**Current RAG rating** Amber

**Current Actions** *(What we are currently doing about the risk)*

- External Consultant to undertake a review of Continuing Health Care

**Further Mitigation** *(what more should we do to reduce risk to our risk appetite level) and opportunities*

|  | Officer responsible | Target date |
|--|---------------------|-------------|
|  |                     |             |
|  |                     |             |

RISK MATRIX

LIKELIHOOD

|   |   |   |   |   |   |
|---|---|---|---|---|---|
| 5 |   |   |   |   |   |
| 4 |   |   |   |   |   |
| 3 |   |   |   |   |   |
| 2 |   |   |   |   |   |
| 1 |   |   |   |   |   |
|   | 1 | 2 | 3 | 4 | 5 |

IMPACT

Likelihood:

5 Very High

4 High

3 Significant

2 Low

1 Almost Impossible

Impact:

5 Catastrophic

4 Critical

3 Major

2 Marginal

1 Negligible