

### The main changes made to the Corporate Risk Register are listed below:

- i) Revision to DCC001. Definition made more explicit by referring to the level of severity being considered in relation to this risk '*The risk of a serious safeguarding error where the council has responsibility, resulting in serious injury or death*'. The mitigating actions have been updated to reflect the establishment of the Corporate Safeguarding Committee, and it's noted that further mitigation is likely to occur once the national report on Safeguarding is received from the Wales Audit Office.
- ii) Revision to DCC004: '*The risk that the HR framework doesn't support the organisation's aims*'. Mitigating actions have been updated to note that a new CRM is now in place; Middle Managers are being consulted with; and feedback is being used to improve the transactional service, with apparent success. Strategically, some development's still required. This will happen as part of the 'Selecting Talent and Developing Potential' project. The inherent and residual risks scores remain identical at the moment. Although it's felt the risk has reduced, it hasn't done so sufficiently to change the score yet.
- iii) Revision to DCC006: '*The risk that the economic and financial environment worsens beyond current expectations, leading to additional demand on services and reduced income*'. One new mitigating action has been added regarding the Freedom & Flexibilities approach to budget-setting. It's suggested the inherent risk score stays the same at A1, but the residual risk score has reduced from C1 to C2 based on the fact that the likelihood is reduced (as we are better placed to manage the reduced income).
- iv) Revision to DCC007: '*The risk that critical or confidential information is lost or disclosed*'. Existing mitigating actions have been added: Information Strategy now in place, the Strategic Information Risk Officer reviews security breaches, SLT and Corporate Governance are trained in Information Security, and we have enforced the encryption of removable media devices. We consider that all of these steps have reduced the Residual Risk score from a C3 to D3, but further mitigating actions are also identified, including: the addition of a new Information Security Policy, changes to the Corporate Stores, and the rollout of corporate Information Security training via e-learning.
- v) No change to DCC011: '*The risk of a severe weather, contamination, or public health event*'. Although processes are planned that should mean we're better able to respond to a crisis, it's suggested that the Residual Risk score remains the same until the mitigating actions are complete. Hopefully this score can be reduced at the next review.
- vi) Revision to DCC012: '*The risk of a significantly negative report(s) from external regulators*'. No change to the score here, but the further mitigating action column has updated to refer to the recent merger of the Annual Governance Statement and the Corporate Self-Assessment, which will be

approved and published by June.

- vii) Revision to DCC013: *'The risk of significant financial and reputational liabilities resulting from management of some Arm's Length organisations'*. There are two new mitigating actions here: one based on developing our response to Internal Audit's recommendations regarding our management of Arm's Length organisations (the report was not yet produced at the time of writing), and another referring to the review of the Clwyd Leisure situation (particularly the lessons learned). Note, although Clwyd Leisure issues that we are dealing with only pose reputational risks now, we don't feel that our controls in this area are yet sufficiently strong to justify reducing the Residual Risk score.
- viii) No change to DCC014: *'The risk of a health & safety incident resulting in serious injury or the loss of life'*.
- ix) Revision to DCC016: *'The risk that the impact of welfare reforms is more significant than anticipated by the council'*. It's acknowledged that Corporate Governance is still to be updated regarding the Welfare Reform Group's structure and activity. Council are also to be briefed about the pressures facing the council and the work of the group.
- x) Revision to DCC017: *'The risk that the ICT framework does not meet the organisation's needs'*. There's been substantial change regarding the management of this risk since this Register was last reviewed, including a restructure so that ICT now sits under Business Improvement & Modernisation; a change in the section's leadership; and the progress of a hardware rollout. Further mitigating actions to be completed include the delivery of the MS Enterprise software and the development of a telephony strategy. Although significant and confidence-building, the framework itself is still in development, hence the score hasn't yet been downgraded. However, once the fundamental elements of hardware, software and telephony are in place (supported by a rolling cycle of renewal) this risk might be eliminated.
- xi) Revision to DCC018: Formerly worded, *'The risk that change/modernisation programme and project benefits are not fully realised'*, this risk now reads, *'The risk that programme and project benefits are not fully realised'* – widening focus from the Modernisation programme to all projects and programmes within the council. It's suggested that the Residual Risk score increases here from a C2 to a B2. This is for two reasons: i) we don't feel confident that the controls we have in place are sufficient for ensuring benefits are realised, and ii) increasing financial pressures mean we have to demonstrate and extract value for money. Three mitigating actions have been suggested, namely: developing a corporate handbook containing guidance for managing change, developing a proposal for managing the delivery of project benefits, and ensuring Programme Boards' progress is updated to CET quarterly.
- xii) No change to DCC019: *'The risk that the availability of the Welsh Government's match-funding contribution towards Band A of the 21st Century Schools programme is not in line with the timescales for Denbighshire's work'*

*programme*'. It should be noted that business cases submitted to the Welsh Government have met with approval, all of which suggests that our approach to managing the programme is good.

xiii) Removal of DCC020: *'The risk that the review by The Commission on Public Service Governance and Delivery negatively affects Denbighshire'*. Given that we don't foresee any short-term changes and are continuing to go about our business as usual, we think our position is quite stable and currently does not pose a risk. Further clarity will be achieved once the Welsh Government responds to the Williams Report. This might result in the risk being reinstated, but it's not something that we need to respond to at the moment.

xiv) DCC021: *'The risk that effective partnerships and interfaces between BCU Health Board and Denbighshire County Council (DCC) do not develop, leading to significant misalignment between the strategic and operational direction of BCU and DCC'*. It's acknowledged here that a new Chief Executive has been appointed for BCUHB, but is yet to take up his post. Until in post, this risk level remains the same. Regional meetings between the North Wales local authorities and the Health Board are arranged from 6 May.