

## Appendix 1

**The main changes made to the Corporate Risk Register are listed below, along with any points of note:**

- i) No change to DCC001: *'The risk of a serious safeguarding error where the council has responsibility, resulting in serious injury or death'*. The planned mitigating actions are close to completion, but are still to be implemented.
- ii) Revision to DCC004: *'The risk that the HR framework doesn't support the organisation's aims'*. Support processes are now in place, and the Improvement Plan is progressing (annual leave guidance has been developed, the appraisal system has been reviewed and new lifecycles have been developed for managers). Enough progress has been made to justify a reduction in the residual risk score from a B2 to a C2, but there is still some work to be done around updating policies and procedures, and a strategy for developing leadership.
- iii) No change to DCC006: *'The risk that the economic and financial environment worsens beyond current expectations, leading to additional demand on services and reduced income'*. The inherent and residual risk scores remain identical, with this being a significant risk. This is because although the Freedom & Flexibilities program is identifying savings, it is still a work in progress.
- iv) Revision to DCC007: *'The risk that critical or confidential information is lost or disclosed'*. A previous mitigating action ('Roll out of information security e-learning') is fulfilled, but not all office-based staff have completed the training. Hence, an additional action has been added: to report non-completion to Cabinet, and inform SLT of this process. Other mitigating actions are due for completion at the next Corporate Risk Register review (March 2015).
- v) No change to DCC011: *'The risk of a severe weather, contamination, or public health event'*. Although there had been progress against implementation of the mitigating actions, they are not yet complete (but delivery of training to SLT and finalisation of the Incident Handbook are imminent). Until these actions are complete, the scores remain at D2. The actions we are putting in place at the moment should reduce the Impact of an emergency event (whereas mitigating actions for most risks tend to affect the Likelihood), and this should be tested by a multi-agency training exercise scheduled for October.
- 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 to merge the Annual Governance Statement and the Corporate Self-Assessment is complete.

- vii) Revision to DCC013: *'The risk of significant financial and reputational liabilities resulting from management of some Arm's Length organisations'*. There's a new mitigating action here, which is that Internal Audit will develop a robust framework for monitoring governance arrangements with 'Council Funded Service Providers'. This is expected to be delivered by March 2015, at which point the risk's score will be reviewed. It's suggested that we change the reference here from "Arm's Length Organisations" to "Council Funded Service Providers" for consistency.
- viii) No change to DCC014: *'The risk of a health & safety incident resulting in serious injury or the loss of life'*.
- ix) No change to DCC016: *'The risk that the impact of welfare reforms is more significant than anticipated by the council'*. This remains an area of uncertainty and, therefore, a risk for the Council.
- x) Revision to DCC017: *'The risk that the ICT framework does not meet the organisation's needs'*. There are two mitigating actions for this risk (Telephony Strategy, and MS Enterprise rollout), which aren't due for delivery until March 2015. Progress against them has increased our confidence in our ability to deliver these actions, but where this risk originally focussed on the ICT department itself, consideration has now broadened to consider other important IT systems that the council operates, such as Social Service's PARIS system. There are some corporate projects that have a dependency on PARIS (e.g. Vulnerable People Mapping, Central Invoice Registration), and there may be similar non-central IT systems across the Council that need to fit with the organisation's strategy. Should we consider how we respond to this situation under this risk description?
- xi) No change to DCC018: *'The risk that programme and project benefits are not fully realised'*. The Strategic Investment Group is now the only one that can approve funding for capital projects, and a representative from the Corporate Programme Office (who will seek to ensure that project benefits are articulated and appear robust) sits on the group. Nevertheless, there are still mitigating actions to be completed (some are due for completion before the next Risk Register review in March 2015), so the inherent and residual risk scores remain identical, and significant.
- 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'*. The 21st Century Schools Programme is progressing, with contracts agreed (or about to be agreed) for three out of the five projects. However the scale of the project still warrants the risk level of B2 as the remaining value of

the two other projects is approximately £39m.

- xiii) Revision to 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 BCUHB and DCC'*. The residual risk's likelihood has been downgraded here, so the score is now C2. This is due to the fact that the new Chief Executive of BCUHB is now in post, and the Statutory Director of Social Services on the BCUH Board will be Nicola Stubbins, Denbighshire. We're awaiting official confirmation, but the appointment will better position Denbighshire to effectively partner the Health Board.
- xiv) New risk, DCC027: *'The risk that the decisions that are necessary to enable the delivery of a balanced budget are not taken or implemented quickly enough'*. As our settlement reduces, we need to develop and gain approval for plans as to where to stop spending in our budget. Any plans require the approval of Council, and must be implemented in a timely manner that complies with legislation. With a suggested inherent score of B1, mitigating factors in place include the Freedom & Flexibilities program, and Member involvement in its operation. It's suggested that the residual score is then a C1 (reduced likelihood). Is there any further action we need to take in order to ensure approved decisions are implemented in a timely and effective manner?
- xv) New risk, DCC028: *'The risk that the services that we scale back have a greater negative impact than we anticipated'*. When deciding where to make budget cuts, we endeavour to ensure the quality of key services. There is a risk that we haven't identified the correct services as being 'key', and/or that the changes we make are more disruptive than we anticipated. There's also the risk that we don't effectively anticipate and manage the reputational risks associated with service reductions. With a suggested inherent risk score of B2, mitigating factors in place include the fact that Impact Assessments are undertaken, and all reports ask for risks and benefits to be articulated. It's suggested that the residual score is C2 (reduced likelihood). Is there any further action we need to take to ensure we have fully considered the impact of our ideas and decisions?
- xvi) New risk, DCC029: *'Risk of successful challenge that we are illegally depriving people of their liberty'*. In March 2014 the Supreme Court ruled that all people who lack the capacity to make decisions about their care and residence and, under the responsibility of the state, are subject to continuous supervision and control and lack the option to leave their care setting are deprived of their liberty. This means that each client needs to be assessed as to whether their liberty's being jeopardised by

practises in their placement. We need to train our officers in how to assess whether liberty's being jeopardised, and the main challenge here is how to deliver that training within the given timescales.