

## Appendix 2

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

- i. DCC001: *'The risk of a serious safeguarding error where the council has responsibility, resulting in serious injury or death'*. Most of the actions planned are complete and whilst timescales have slipped for the remaining action(s), most are near completion. It is proposed that the likelihood be reduced to 'possible' but that the impact should remain 'high'.
- ii. 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'*. This risk continues to be closely monitored and a robust budget process for 2017/18 is near completion; just awaiting final approval. Whilst the settlement was better than expected, flat in cash terms, this does not allow for inflation.
- iii. DCC007: *'The risk that critical or confidential information is lost or disclosed'*. Following the introduction of the new information security policy and recruitment of the ICT Security Officer, it is proposed that likelihood be reduced to 'rare' and that the impact should remain 'medium'.
- iv. No change to DCC011: *'The risk of an ineffective response to a severe weather, contamination, or public health event'*. Changes at 'response lead level are now embedded and once the major incident handbook is finalised (scheduled for end December 2016), it is hoped that the residual risk likelihood can be downgraded to 'rare', but should remain at 'possible' for now.
- v. No change DCC012: *'The risk of a significantly negative report(s) from external regulators'*. Audit reports received are generally positive, however concerns have been raised previously by CSSIW about safeguarding arrangements. The likelihood will remain 'possible' for now and once confirmation is received that the safeguarding arrangements have improved satisfactorily, the likelihood will be reduced to 'rare'.
- vi. No change DCC013: *'The risk of significant liabilities resulting from alternative models of service delivery'*. A corporate framework for proposed alternative service delivery models and an assessment tool have been developed. However, in recognition of the increasing need to identify and implement alternative service delivery models to sustain services and create efficiencies, the likelihood remains 'possible' with a 'high' impact.

- vii. No change to DCC014: *'The risk of a health & safety incident resulting in serious injury or the loss of life'*.
- viii. No change to DCC018: *'The risk that programme and project benefits are not fully realised'*.
- ix. 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 Regional Partnership Board has been implemented to progress co-operation and integration and the locality structure is bedded in. The likelihood has been reduced to 'probable'.
- x. DCC027: *'The risk that the decisions that are necessary to enable the delivery of a balanced budget are not taken or implemented quickly enough'*. A balanced budget for 2017/18 has been developed resulting in the likelihood being reduced to 'rare'. However, uncertainty due to future settlements (2018/19 and onward) mean that this risk continues to be a challenge and the likelihood may increase again in the future. In addition, much of the 'low hanging fruit' has been taken, leaving more complex and unpalatable decisions needing to be taken to deliver future efficiencies.
- xi. Delete DCC028: *'The risk that the services that we scale back have a greater positive or negative impact than we anticipated'*. The risk was originally identified when large cuts to front line services were required (2014/15) and the impacts of the changes have been assessed. The 'Cutting the Cloth' Task and Finish Group is to be wound up. Processes for monitoring efficiencies and alternative delivery models are in place and specific risks around them are monitored.
- xii. No change to DCC029: *'Risk of successful challenge that we are illegally depriving people of their liberty'*. A Senior Practitioner with lead responsibility for Deprivation of Liberty (DOLS) is now in post and will offer support and supervision for the process.
- xiii. No change to DCC030: *'The risk that appropriate capacity and skills to sustain service and corporate performance is not available'*.
- xiv. No change to DCC031: *'The risk of fraud and corruption resulting in financial and reputational loss and potentially impacting on service delivery'*.
- xv. Delete DCC032: *'The risk that the current uncertainty surrounding Local Government Reform (LGR) will lead to a greater focus on transition and therefore reduce the ambition of our plans'*. Shortly after this risk was added to the Corporate Risk Register (June 2016) it was announced that the plans for LGR were unlikely to be progressed

in their current form and that Public Sector Reform (PSR) was being considered.

- xvi. New Risk DCCXXX: *'There is a risk that the cost of care is outstripping the Council's resource'*. Since the implementation of the Whittleston Judgement and the increase in the national living wage, the cost of purchasing care has increased by 5% for 2016/17 and is projected to increase by 4% per year for the next four years; largely due to care home fees. The consequence would be overspends in Social Care which would place significant pressure on the Council and could lead to the need to scale back or withdraw non-statutory services. Given the control measures in place, the risk is assessed as 'probable' with a 'high' impact.

New risks are emerging on which the Council is keeping a watching brief, but insufficient facts exist to accurately describe the risks or assess likelihood and impact:

- Brexit
- Funding of Tackling Poverty Programmes, particularly Communities First, Flying Start and Families First.
- Public Sector Reform