

### Corporate Risk Register (September 2021)

Additions, deletions and amendments are included in the text below. Changes are summarised under each Risk title summary.

#### **Risk 01: The risk of a serious safeguarding error where the council has responsibility, resulting in serious harm or death**

**Lead Member(s):** Cllr Bobby Feeley, Cllr Huw Hilditch-Roberts and Cllr Mark Young

**Risk Owner:** Nicola Stubbins

#### **September update:**

The description has been updated with the expected direction of travel for this risk. Controls have been reviewed and categorised as critical or ancillary controls, i.e. those that have a direct impact and those that have an indirect impact. An update on the further action has also been provided.

#### **Description**

This risk - concerning children and adults at risk - is increasing as the environment is changing, with growing expectations around our duties in relation to third party provision. The cumulative impact of reducing resources across the public sector may impact agencies' ability to appropriately recognise safeguarding risks which may also create extra pressures for the Local Authority.

#### **Anticipated direction of travel:**

We expect this to be a static risk that consistently features in our corporate risk register. This ensures continued close management at the most senior operational, corporate and political levels of the council. We do not anticipate changes to the risk score nor to our risk appetite.

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## Impact / Consequences

- Individual(s) experience significant harm or death.
- Significant reputational loss.
- Possible intervention by Welsh Government.
- Legal/compensation costs.

## Inherent Risk

B2 – Critical Risk: Likely / High Impact

## Controls to Manage Risk (in place)

Critical controls:

- We have a statutory responsibility for safeguarding and the operational delivery of our statutory functions, alongside our partners', are our critical controls to mitigate the risk. Other services, and our wider corporate response, is about understanding and awareness so that people know what to do if and when they have concerns about a person or family's welfare.

Ancillary controls:

- Safeguarding policy & procedures are in place. The Corporate Safeguarding Policy has been reviewed and updated in line with new legislation.
- Corporate Safeguarding Training Programme.
- Framework of self-assessment for schools in relation to safeguarding has been established.
- Section 28 audit tool in place for voluntary sector to ensure safeguarding practices are in place.
- Compliance with safeguarding practises is part of the annual HR audit of schools.
- Regional arrangements for safeguarding a) children and b) adults at risk are in place. The regional safeguarding boards set priorities and actions regionally, e.g.

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training and policies & procedures. This includes, for example, working in partnership with North Wales Police on such issues as County Lines.

- Risk assessments in place for recruiting staff who require a DBS check and/or references and this is monitored and scrutinised by the Corporate Safeguarding Panel.
- Safeguarding policy review has taken place with Schools and new guidance has been developed
- Key posts within the Council that could have an impact on safeguarding have been identified and Heads of Service are reviewing the posts to ensure that adequate checks are undertaken by the Council or an external body. All new employee contracts make reference to safeguarding.
- Corporate Safeguarding Panel has been reviewed including the terms of reference, roles and responsibilities.
- Heads of Service have been asked to ensure they consider safeguarding when reviewing their risk registers and that safeguarding be included in service challenge where appropriate.
- Briefing sessions on safeguarding and Child Sexual Exploitation have been delivered to County Council. Safeguarding features in three Cabinet Members' portfolios.
- Improvements have been made to safeguarding arrangements with contractors including (i) DBS contract checks, (ii) ensuring that Council staff responsible on site for the contractor and managing the tendering / contract process are clear of their responsibilities in respect of safeguarding, (iii) ensuring contracts terms and conditions (including JCT) in relation to DBS checks are appropriate, (iv) ensuring that self-assessment arrangements as part of contract management are appropriate.
- Safeguarding e-learning module in place and compliance is monitored and scrutinised by the Corporate Safeguarding Panel.
- Recording and sharing safeguarding incidents and near misses is a standing item of the Corporate Safeguarding Panel. It also shares case reviews where there is a corporate perspective for lessons learned. Service representatives are responsible

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for reporting any key messages from panel meetings to members of staff within their services.

- Adoption of new Wales Safeguarding Procedures.

### Residual Risk

D2 – Major Risk: Unlikely / High Impact

### Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Major risk. Risk Appetite suggests that this should be at most a minor risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

### Further Actions

#### 1. Monitor performance in relation to the percentage of eligible staff (corporate and schools) that have an up-to-date DBS and reference check or risk assessment

As a result of the service challenge that took place on 9 June 2021, the Head of Legal, HR and Democratic Services will be evaluating performance of these indicators.

**Action Due Date:** 31/03/2022

**Person Responsible:** Nicola Stubbins

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**Risk 06: The risk that the economic and financial environment worsens beyond current expectations, leading to additional demand on services and reduced income.**

**Lead Member(s):** Councillor Julian Thompson-Hill

**Risk Owner:** Steve Gadd

### **September update:**

Risk owner changed to Steve Gadd. The description has been updated. Controls have been reviewed and categorised as critical or ancillary controls. The further actions have been closed and replaced with a new action to ensure the new budget process is delivered.

### **Description**

Although the latest draft budget settlement (3.6% increase in Revenue Support Grant, 2021 to 2022) is welcome, it still falls short of the 9% that would have been required in order to fund all the pressures that the Council is facing. The levels of future settlements are unknown yet and we await the UK Comprehensive Spending Review in 2021 and then the Welsh Government settlement, which will follow in December 2021. We are hoping for more information on three-year settlements.

The potential consequences of Brexit could include an economic downturn in the short to medium term and reduced funding over the medium to long term, which could lead to increased demand for council services.

The Section 151 Officer is responsible for producing a balanced budget.

There are significant pressures associated with social care, waste budgets, benefits and inflationary increases in pay and pensions. These pressures are all monitored closely and regularly by senior managers, including the Section 151 Officer.

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The Council is facing a significant in-year financial pressure due to Covid-19, having incurred financial costs and lost income. Income lost is unlikely to be reimbursed and future financial settlements will also be affected. Our risk to income because of Covid-19 is an ongoing risk over the next year. We are anticipating reduced levels of income for the next 12 months and possibly beyond. This affects a number of income generation initiatives across the Council. The Council is likely to face income losses that could be in excess of £2million.

The Head of Finance and Property's service plan includes key performance indicators that are associated with effective management of this risk (for example, the percentage savings identified for 2022 to 2023, and the percentage of savings achieved).

### **Anticipated direction of travel:**

We have some control around the impact of this risk but not the likelihood of it occurring. This year's settlement is anticipated to be acceptable but this is not likely to be the case over the next three years. There is, therefore, a possibility that this risk become more severe or will become an issue. However, we will continue to assess our controls to ensure they are operating as they should be.

### **Impact / Consequences**

The council suffers from a significant reduction in income, leading to an inability to deliver current levels of service provision.

### **Inherent Risk**

B1 – Critical Risk: Likely / Very High Impact

### **Controls to Manage Risk (in place)**

- The council has no control over the global economy or the WG settlement. Therefore, the inherent risk score likely to remain high.

Critical controls (newest first):

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- A new three to five-year budget process has been agreed by Council. It aims to capture 'small' scale budget flaws (under £100k), identify key strategic budget pressures (over £100k) and aims to ensure a full picture of pressures can be considered in a timely manner and are managed more closely. It is hoped this new approach will identify pressures in services as well areas needing investment. It also aims to identify bigger projects that make savings over the period of three to five years, to minimise the savings target. The new process also sets a communication and engagement plan with a range of stakeholders, which as seen as critical to a successful budget setting process going forward.
- We try to reduce the likelihood of this risk occurring, where we can, for example through individual, regional, national lobbying and through other meetings/fora.
- Annual, detailed budget setting process that considers economic environment
- The Medium Term Financial Plan (MTFP) contains different scenarios to ensure it can deal with changes in the external environment, and is considered on a quarterly basis: it has revised its expectations further downwards.
- A robust budget-setting process raises awareness of implications of significantly reduced income due to the economic environment. It also identifies a range of proposals should cuts be incurred.
- Regular (usually monthly) financial planning meetings between services and management accountants are in place.
- Service's budgets and budget proposals are scrutinised by the Lead Member for Finance and the Head of Service during budget-setting talks.
- Establishment of the 'Reshaping the Council Budget (RTCB)' programme board.
- SLT will actively manage risks associated with Brexit on a monthly basis, until such time the risks can be managed corporately or at a service-level.

### Ancillary controls:

- RTCB has considered risks associated with population estimate inaccuracies and the potential impact on future funding. There is a Welsh Government funding floor which would help mitigate any impact, if this issue should transpire (in which case impact would be felt in 2022-23). RTCB will continue to monitor this risk.

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## Residual Risk

B2 – Critical Risk: Likely / High Impact

### **Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Critical risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

### **Further Actions**

- 1. Ensure the agreed “Budget Process: 2022/23 and beyond” strategy is delivered**

**Action Due Date:** 31/03/2022

**Person Responsible:** Steve Gadd



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**Risk 11: The risk of an ineffective response to a serious event, such as severe weather, contamination, public safety (including cyber-attack), or a public health event (such as Covid-19).**

**Lead Member(s):** Cllr Richard Mainon

**Risk Owner:** Graham Boase

### **September update:**

Controls have been reviewed and categorised as critical or ancillary controls.

### **Description**

Serious unexpected events can occur at any time. Services plan for the impact of expected seasonal variations in weather, but severe weather events, including wild fires as has recently been experienced, can impact on public safety and service delivery.

Similarly, we put plans in place to monitor food, water and air quality, but any contaminations can impact on service delivery, as would any viral pandemics.

Cyber-attacks can affect our ability to provide services electronically, putting our business continuity plans to the test, and the same applies to major IT service failures.

Public health events, such as Covid-19, puts terrific strain on organisations such as ours, impacting on service delivery, project timescales, staff capacity, and of course finances. It also challenges the resource capacity of partners and providers that we work with.

### **Anticipated direction of travel:**

We expect this to be a static risk that consistently features in our corporate risk register. This ensures continued close management at the most senior operational, corporate and political levels of the council. We do not anticipate changes to the risk score nor to our risk

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appetite. We will, however, review the risk once the new emergency planning response review is complete.

## Impact / Consequences

- Significant disruption to core services.
- Serious injury or fatality due to road network closure, poisoning or infection.
- Reputational risk to the council if unable to deal with issues.
- Inability to deliver front line services (as a result of staff shortages for example).
- Temporary loss of data.
- Significant cost pressures to our budget.

## Inherent Risk

A2 – Critical Risk: Almost Certain / High Impact

## Controls to Manage Risk (in place)

Critical controls (newest first):

- A report with a proposal to review our emergency planning response structure/processes will be considered by the Strategic Emergency Management Team and SLT in September 2021. Critical controls associated with this risk will be updated once the review is complete.
- Covid-19 Control: SEMT has been meeting on a regular basis and has responded to the initial Covid-19 emergency and has agreed a number of Covid-19 recovery themes, which sit within a single table with short term and long term updates, for which members of SLT are leading. These are monitored regularly at SLT and have political input by Lead Member and Cabinet.
- A report will be going to SLT in the Autumn 2021 to review lessons learned from our response to Covid-19, from an emergency planning perspective.
- The control environment in this area is the Regional Emergency Planning Service (Wrexham, Flintshire, Denbighshire, Conwy, Gwynedd and Anglesey), and local emergency management response groups have been established. There is

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significant partnership working with a regional emergency planning team coordinating plans and responses across North Wales.

- We also continually review our procedures for winter highways maintenance and flood response. Secondary rota established and operational.
- Service disruption is minimised through our arrangements for business continuity and emergency planning, with separate Directors responsible for Response and Recovery.
- There's an emergency on-call rota in place.
- Vulnerable people mapping tool is in operation.
- Planning and Public Protection has plans in place to manage responses to pandemics such as bird flu or foot and mouth for instance, with a focus on how we will work with partners in such times.
- The Corporate Director: Economy and Public Realm chairs quarterly meetings of all the chairs of various response groups in emergency planning and is also attended by regional emergency planning representatives. The purpose of this group includes to provide assurance that systems are in place and to test procedures.
- We have set up a WhatsApp Business Continuity communication network, which has been tested in an internal council Business Continuity exercise (April 2019).

### Ancillary controls:

- An annual Emergency Planning Response report is taken to SLT, the Lead Member and Partnerships Scrutiny, as requested, every year.
- New chairs for the Communications and Operational Response Groups have strengthened arrangements.
- Gold & Silver training in place for new representatives.
- Deputies for Chairs of response teams appointed.
- Trial business continuity exercise took place in the council in October 2017. Overall the exercise was successful.

### Residual Risk

C3 – Moderate Risk: Possible / Medium Impact

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**Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Yes

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## Risk 12: The risk of a significantly negative report(s) from external regulators.

**Lead Member(s):** Councillor Hugh Evans

**Risk Owner:** Nicola Stubbins

### **September update:**

Risk owner changed to Nicola Stubbins. The description has been expanded to include the importance of relationship management. Controls have been reviewed and categorised as critical or ancillary controls.

### **Description**

Negative reports from regulators could lead to a range of impacts that could be negative for Denbighshire County Council. The council is committed, however, to responding to reports and working with partners, including external regulators, to addressing any concerns that may arise.

Our relationships with external regulators are very important. We need mutual confidence in our relationships to ensure the best possible outcomes in terms of service improvement and shared learning. We ensure we alert external regulators to issues that may be becoming problematic early on, and we work closely with them on programmes of work to share learning more widely.

### **Anticipated direction of travel:**

The score has been considered in relation to current performance and is felt to be accurate. The current position is generally positive. We expect this to be a static risk, but one that will continue to be reviewed regularly to ensure all necessary controls are effective and operating as they should be.

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## Impact / Consequences

- A wider lack of confidence in council services.
- Reputational damage.
- Potential intervention by the WG.
- Significant resources may be required to be diverted to deliver immediate and substantial change.

## Inherent Risk

C2 – Major Risk: Possible / High Impact

## Controls to Manage Risk (in place)

Regulation we are subject to includes: CIW (Care Inspectorate Wales); WAO Office; Estyn; HSE (Health & Safety Executive); ICO (Information Commissioner's Office).

Critical controls:

- Relationship management and ongoing communication with external regulators.
- The corporate performance management framework (PMF) is the main control in this area.
- Head of Business Improvement & Modernisation, Strategic Planning Team Manager and Head of Audit meet monthly with Wales Audit Office to understand and respond to their concerns.
- Regulators sit on Service Performance Challenges.
- Protocol developed for addressing recommendations from WAO national studies: services' response will be the subject of performance scrutiny and service challenge.

Ancillary controls:

- Annual Governance Statement and Performance Self-Assessment are aligned.

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## Residual Risk

D3 – Moderate Risk: Unlikely / Medium Impact

**Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Yes

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## Risk 13: The risk of significant liabilities resulting from alternative models of service delivery

**Lead Member(s):** Councillor Julian Thompson-Hill

**Risk Owner:** Steve Gadd

### September update:

Risk owner changed to Steve Gadd. Controls have been reviewed and categorised as critical or ancillary controls.

### Description

We have a range of ASDMs in place currently, for example revenues and benefits and leisure.

Liabilities could arise due to financial, HR, safeguarding, or governance problems and could impact on the sustainability of service provision.

This risk has been impacted by Covid-19 but Welsh Government has covered the significant loss of income. In particular, our leisure ASDM (Alternative Service Delivery Model) will have to operate within continued restrictions.

Welsh Government has funded losses incurred during 2021 but we have not yet received confirmation for 2022. The income loss would have occurred regardless of the establishment of the ASDM.

### Anticipated direction of travel:

Up until now, any income losses have been covered by the Covid-19 grant from Welsh Government. The risk will continue to be monitored.

### Impact / Consequences

- Financial liabilities.



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- Property Liabilities.
- Reduction in levels / quality of service provided to the community, or increased revenue costs to continue delivery.
- Collapse of company
- Reputation damage to the council
- Safeguarding to include protection of all assets (physical & intellectual Information)

## Inherent Risk

B2 – Critical Risk: Likely / High Impact

## Controls to Manage Risk (in place)

Critical controls (newest first):

- Covid-19: Financial support and/or subsidies are being provided by Welsh Government.
- A rigorous process is in place to ensure appropriate governance arrangements are in place as ASDMs are established.
- Effective contract management arrangements are in place and appropriate monitoring is carried out throughout the life of the contract, including to ensure compliance with current legislation and approved accredited standards as appropriate.
- Council is entitled to representation on Boards, and Heads of Service providing strategic advice to facilities.
- Intervention measures are exercised by the council if relationships with arm's length organisations are difficult to manage.
- Resources have been committed to improve financial monitoring of facilities and services
- Register of all ASDMs
- Processes are in place to manage relationships between the council and Arm's Length organisations.

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Ancillary controls:

- Heads of Service advise the council on any emerging issues and risks.
- Ensure best practice / lessons learned is applied to our robust contract and relationship management of ADM models.

## Residual Risk

C2 – Major Risk: Possible / High Impact

### **Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Critical risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

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**Risk 14: The risk of a health & safety incident resulting in serious injury or the loss of life. (Where H&S is referred to, this incorporates fire safety)**

**Lead Member(s):** Councillor Julian Thompson-Hill

**Risk Owner:** Steve Gadd

### **September update:**

The description has been updated. Controls have been reviewed and categorised as critical or ancillary controls.

### **Description**

This could be as a result of unsafe acts, unsafe work places or ineffective H&S management.

### **Anticipated direction of travel:**

This impact of this risk has been heightened as a consequence of risks associated with Covid-19. In our February 2021 review, the Council upgraded the residual risk score from E2 – Moderate Risk: Rare / High impact to D2 - Major Risk: Unlikely / High Impact. The risk has been reviewed as is considered to be static. We have good controls in place to mitigate the risk and whilst at present, this risk is considered 'Major', and is beyond our risk appetite, it is anticipated that the score will reduce as community transmission of Covid-19 lessens.

### **Impact / Consequences**

- Serious injury or death of an employee and/or any other person.
- Significant reputational damage
- Substantial legal/litigation costs.
- Criminal prosecution of staff or the organisation.

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## Inherent Risk

C2 – Major Risk: Possible / High Impact

## Controls to Manage Risk (in place)

Critical controls (newest first):

- A Covid-19 buildings recovery theme (excluding schools and housing stock) has put measures in place to ensure workplaces are safe to work in. Covid-19 risk assessments and safe working practices have been developed for our workplaces. These apply to the three main offices and ancillary offices across Denbighshire. Wherever possible, staff are working from home and particular guidance is in place for staff who have been advised to “shield”. Guidance for staff or family members who are displaying Covid-19 symptoms is in accordance with the latest government advice. Where staff are required to attend the office workplace, social distancing of 2m (6ft) should be adhered to at all times, including breaks. Offices have one-way systems, signage on toilets to ensure one person can use facilities at any one time, sanitising stations and ‘high risk’ areas like clocking stations are out of use. Detailed guidance is available for all staff.
- All schools have carried out Covid-19 risk assessments and have operational plans in place which are regularly reviewed to remain in line with WG guidance.
- Strategic leadership is provided by the Head of Finance & Property, with delegated responsibility for Health and Safety.
- Competent H&S advisors are employed by the organisation to provide support, guidance and training on H&S.
- A Corporate Health and Safety Policy is in place, which defines the H&S organisation and arrangements in the council.
- There is an established H&S Management System in place.
- H&S training program focussed on council activities and the way we manage H&S.
- “Managing safely in Denbighshire” training is mandatory for all managers.
- The corporate H&S team carry out a program of targeted monitoring

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- An online accident, incident reporting process is in place. There is an expectation that all accidents and incidents are reported

### Ancillary controls:

- An established Corporate H&S Committee is in place which is a forum for the employer and employee representatives to discuss and consult on H&S.
- A number of service level H&S committees meet to provide a forum for service managers and employee representatives to discuss and consult on H&S.
- Significant H&S related accidents, incidents and near misses are investigated internally
- Schools have effective health and safety practices. However, schools are reliant on families to follow Welsh Government and school guidance. Schools have had to close as part of wider efforts to reduce community transmission and keep communities safe. There is a wealth of guidance held on a bespoke SharePoint. There are weekly meetings with Education managers. There are safeguarding processes to check the safety and well-being of pupils who are not engaging with school.

### Residual Risk

D2 - Major Risk: Unlikely / High Impact

### Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Major risk. Risk Appetite suggests that this should be at most a minor risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

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### **Risk 16: The risk that the impact of welfare reform (Universal Credit) is more significant than anticipated by the council.**

**Lead Member(s):** Councillor Bobby Feeley and Councillor Julian Thompson-Hill

**Risk Owner:** Steve Gadd

#### **September update:**

The description and impact have been updated. Controls have been reviewed and categorised as critical or ancillary controls.

#### **Description**

Welfare reform (Universal Credit) has had potentially significant implications for a large proportion of residents, and also on the council in terms of increased demand for services and reduced income.

Universal Credit (UC), and the systems around it, are operating well in Denbighshire. However, the number of people accessing UC since Covid-19 has increased significantly.

- UC was introduced in Denbighshire in 2018.
- By March 2020, 5,238 people were accessing UC
- By May 2020, 8,255 people were accessing UC (note the significant increase at the start of the first lockdown)
- By March 2021, 9,064 people were accessing UC (nearly twice as many people were accessing UC this March compared to March 2021)

Wider issues around poverty generally are concerning, but are as result of the pandemic than UC itself. Emergency financial support schemes will start to be phased out from September 2021, eg furlough, and it is possible there could be an increase in the number of people accessing UC and/or an increase in the amount of money people need to access.

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## Anticipated direction of travel:

The risk will diminish over time, and will eventually be removed as a corporate risk as all mitigation will have become business as usual.

## Impact / Consequences

- A consequence of the Covid-19 pandemic is that more people are accessing Universal Credit than ever before. It hasn't caused the council any issues; it has accelerated what was going to be a slow process. The consequences of increased uptake have resulted in more people accessing the Council Tax Reduction Scheme and increased access to free school meals. The losses in council tax income together with the increased free school meal provision have been funded by Welsh Government this financial year. We are uncertain whether this financial support will continue (we anticipate levels of access to Universal Credit staying the same or increasing). A report was taken to Scrutiny at the end of January 2021.
- Deepening poverty/inequality as a result of Covid-19.
- Potential increase in demand for services: e.g. homelessness and homelessness prevention services; housing (especially for stock which is currently scarce); benefits support / advice, etc.
- Reduced income from rents and council tax payments with reduced cash flow and an increase in bad debt for the authority.
- Potential rise of council tax reduction scheme claimants.
- This could also impact on our ability to deliver our Corporate Priorities.

## Inherent Risk

B2 – Critical Risk: Likely / High Impact

## Controls to Manage Risk (in place)

Critical controls (newest first):

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- Monthly monitoring of UC statistics to anticipate impact on and demand for council services
- Monitoring of actual impact on key risk areas such as numbers on free school meals and claiming council tax reduction
- We are working with DWP and are tracking furlough statistics and comparing these to UC statistics.
- The Tackling Poverty Group is meeting in September 2021 to discuss the picture for Denbighshire following the end of furlough support.
- A Cross-Authority / Multi Service Universal Credit Board has been established and is working to address, as far as possible, the risks and issues associated with the impact of Universal Credit.
- A proactive management of risk is involving identifying those likely to be affected to reduce the risk/mitigate any negative impacts.
- The Board has developed a Risk Register and Activity Plan to cover all strategic and operational risks as a result of Universal Credit, these include detailed Actions and Controls with owners assigned to each risk.
- This register is reviewed on a frequent basis and updates provided at each Board meeting.
- The roll out plan is risk averse and limits the risk that the impact will be more significant than expected, but the approach (determined by Westminster) could change. The intended approach though is that by the time all other benefits are phased out, existing claimants will have naturally become eligible for Universal Credit as a result of a change in their circumstances.
- Community Housing has implemented predictive analytics software to enable us to identify tenants at risk of falling into rent arrears. The software identifies risk cases at an early stage and allows us to focus resources on early intervention to prevent households from falling into arrears.

### Ancillary control:

- Demand for the Council Tax Reduction Scheme has increased for some years. We have a £350k budget contingency in place.



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## Residual Risk

D3 – Moderate Risk: Unlikely / Medium Impact

**Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Yes

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**Risk 21: 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**

**Lead Member(s):** Councillor Bobby Feeley

**Risk Owner:** Nicola Stubbins

### **September update:**

The description has been updated to reflect the importance of integrated services more generally and the longer term impact of Covid-19 and the tensions that could create. Controls have been reviewed and categorised as critical or ancillary controls.

### **Description**

Integrated social care and health services and delivering on the [Social Services and Well-being \(Wales\) Act 2014](#) is a fundamental part of our partnership with the health board and more widely, across North Wales, through the Regional Partnership Board and the North Wales Social Care and Well-being Improvement Collaborative.

Whilst BCUHB is no longer in special measures, health at a local level, and the effectiveness of health and social care working together, is subject to increased political and regulatory scrutiny. This requires a level of scrutiny and a strong commitment to partnership. There is a national agenda to drive effective partnership working.

Relationship management and communication is critical to successful mitigation.

### **Anticipated direction of travel:**

The longer term impact of Covid-19 is becoming apparent but is by no means fully understood. The catch up required in routine/planned treatment, exacerbated health inequalities and hidden harms (due to not having treatment, mental health impact of

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Covid-19), all create a potential for challenge in the system, and therefore the relationship, and could affect delivery of integrated social care and health services in Denbighshire. The funding arrangements with Welsh Government create an ongoing friction.

The partnership arrangements and relationships we have built means there is enough interface and opportunity to deal with issues before they become significant problems.

However, there is a possibility that this risk could increase in terms of both likelihood and impact (and sit further beyond our risk appetite), should our controls be ineffective.

### Impact / Consequences

- Inefficient services
- Gaps in service provision
- Delays/failure to deliver joint projects
- Reputational damage
- Ability to meet statutory duties - Well-being of Future Generations Bill, Social Services and Well-being Act

### Inherent Risk

A1 – Critical Risk: Almost certain / Very high impact

### Controls to Manage Risk (in place)

Critical controls:

- Regional Partnership Board and the North Wales Social Care and Well-being Improvement Collaborative are currently reviewing need for social care and health services as part of our population needs assessment (Social Services and Well-being (Wales) Act 2014).
- Central Area Integrated Services Board is in place.
- BCUHB Area Director in place.
- Two Community Resource Teams have been established.
- The Regional Partnership Board is in place to progress cooperation and integration.

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- BCUHB is a member of the Conwy/Denbighshire PSB, which has shared priorities and a shared governance vision.

Ancillary controls:

- NWWSiC has reviewed its governance arrangements in partnership with BCUHB.

### Residual Risk

C2 – Major Risk: Possible / High Impact

### **Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Major risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

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### **Risk 18: The risk that programme and project benefits are not fully realised.**

**Lead Member(s):** Cllr Julian Thompson-Hill

**Risk Owner:** Graham Boase

#### **September update:**

Risk owner changer to Graham Boase.

The description has been updated. Controls have been reviewed and categorised as critical or ancillary controls.

The risk has increased from D2 – Major Risk: Unlikely / High Impact to C2 - Major Risk: Possible / High Impact.

A new further action has been committed.

#### **Description**

This risk touches on elements of other risks in our corporate risk register. But specifically, in relation to benefits realisation, there is a real risk of lack of capacity or focus that could result in us not delivering our commitments, partly or wholly. There are reputational and financial consequences, especially where significant funding is coming from Welsh and UK governments, that could affect their confidence in us in the future.

The council currently does not consistently deliver all benefits from projects. Some of the issues include: inconsistent management; resistance to change; staff behaviour and processes not changing as planned. Programmes to be mindful of include: Corporate Plan Board, Corporate Support Services Review (CSSR), Reshaping the Council Budget, Climate and Ecological Change Programme, the regional Growth Deal.

There are a range of Welsh Government and UK Government funding streams for some of our programmes and projects (eg 21<sup>st</sup> Century Schools, UK Levelling Up Fund), and expectations around delivery are extremely high.

## Corporate Risk Register (September 2021)

This risk encompasses risks associated with the council making changes that result in a greater negative impact than we anticipated (formerly risk 00028). When deciding where to make changes, 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.

It is understood that a number of programmes and projects will be facing delays as a result of Covid-19.

### **Anticipated direction of travel:**

The risk has been heightened to reflect the range of new externally funded programmes we are delivering, or will soon be delivering. The risk is still within our (open) risk appetite and we do not expect it to decrease in the short term.

### **Impact / Consequences**

The forecast changes that were alluded to in business cases do not materialise and, hence, neither do their benefits.

In relation to programmes or projects having a greater positive or negative impact than anticipated could result in:

- Services that are important for our residents are no longer available
- Performance in important areas of our business (for our residents) deteriorates
- Reinstatement/correction in performance is difficult and slow to achieve
- Reputation can suffer if performance deteriorates
- Reputation can suffer if messages are not managed
- The impact of not fulfilling our programmes and realising benefits could result in poor social, cultural, economic and environmental outcomes.
- Financial liabilities
- Regulatory liabilities
- Deteriorating staff morale
- Inability to meet statutory obligations
- Disproportionate return on investment.

## Corporate Risk Register (September 2021)

- Failure to maximise opportunities for the benefit of communities and businesses in Denbighshire.
- Failure to agree a regional approach to funding projects.

Importantly, as resources have reduced, there is less capacity to additionally respond to new, emerging and unplanned issues of importance to residents, councillors or partners.

### Inherent Risk

B2 – Critical Risk: Likely / High Impact

### Controls to Manage Risk (in place)

Critical controls (newest first):

- Programmes and projects are developed within robust management and governance systems.
- We have a new capital strategy to help us plan over a longer term for capital projects and how we commit capital funding. The new process also sets a communication and engagement plan with a range of stakeholders, which as seen as critical to a successful budget setting process going forward.
- We ensure we have senior-level representation at board meetings. The North Wales Economic Ambition Board is attended by Denbighshire's Leader. Director-level representation is in place for the officer groups that support the Board and relevant key officers are represented on work stream meetings.
- Corporate Programme Office in place.
- Leadership Strategy in place.
- Strategic Planning team will support the Corporate Plan Board, and also support performance management in the organisation, therefore there's a strong alignment between 'change' and BAU.
- Impact assessments are undertaken and form part of the cover report for decisions.
- Risk are considered and form part of the cover report for decisions.
- Use of Verto to record benefit tracking and significant outcomes from projects will be picked up as part of Service Planning process.

## Corporate Risk Register (September 2021)

- Finance remove savings from budgets to ensure financial savings are delivered.
- Quarterly Performance Reports on the Corporate Plan are sent to SLT, Cabinet and Scrutiny.
- SLT reviews key projects every three months.
- Programme Board members have attended Programme Management training.
- Lead Member for Finance, Performance & Strategic Assets now chairs the Corporate Plan Board, also sitting on the Budget Board. Their involvement in both boards ensures a coherent approach to our programmes and financial planning.
- The Corporate Plan was reviewed during its second tranche review in July during which the impact of Covid-19 and current project progress was analysed. Senior managers and Cabinet confirmed their continued commitment to existing projects.
- The content of the Corporate Plan was developed and agreed with officers and Members at the start of the new council year. This document should capture the ambition of Elected Members for their term of office.
- The development of the new Corporate Plan will be an opportunity for residents, businesses, councillors and partners to consider what to prioritise for the next five years, and to put in place ambitious but deliverable plans.
- Heads of Service assume responsibility for the implementation of new legislation, supported by the Strategic Planning Team where appropriate.

Ancillary controls:

- The council partakes in government consultations on new legislation (either directly or through the WLGA).

### Residual Risk

C2 - Major Risk: Possible / High Impact

**Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Yes



# Corporate Risk Register (September 2021)

## Further Actions

1. **Ensure all of SLT have access to necessary training to support them in their roles as sponsors and to manage interdependencies**

**Action Due Date:** 31/03/2023

**Person Responsible:** Graham Boase

## Corporate Risk Register (September 2021)

**Risk 27: The risk that even if the settlement is as anticipated, decisions that are necessary to identify and deliver the savings programme and enable a balanced budget are not taken or implemented quickly enough**

**Lead Member(s):** Cllr Julian Thompson-Hill

**Risk Owner:** Steve Gadd

### **September update:**

Risk owner changed to Steve Gadd. The description has been updated. Controls have been reviewed and categorised as critical or ancillary controls. The further action has been extended from 30/04/2021 to 31/12/2021.

### **Description**

As our financial settlement reduces, we need to identify savings and gain approval for, and deliver, plans as to where to reduce or withdraw financial resources. Even if the budget we anticipate is the settlement we receive, there is still a risk for funding our services and savings identified may not be delivered as expected or in-year demand/pressures arise.

Any plans require the approval of Council, and must be implemented in a timely manner that complies with legislation. While the budget process has been successful to date there are still substantial future savings to be made by the local authority and the political environment remains sensitive.

As decisions are becoming harder lead in times are becoming longer.

The Head of Finance and Property's service plan includes key performance indicators that are associated with effective management of this risk (for example, the percentage of savings achieved and the percentage of savings that are needed for the following year that are identified).

### **Anticipated direction of travel:**

# Corporate Risk Register (September 2021)

Static risk. It will always be present on our corporate risk register because it requires close management at the most senior corporate and political levels of the council.

## Impact / Consequences

- Denbighshire overspends on its budget.
- Denbighshire cannot deliver savings.
- Denbighshire has insufficient time to ensure good financial monitoring and robust planning.

## Inherent Risk

B1 – Critical Risk: Likely / Very High Impact

## Controls to Manage Risk (in place)

Critical controls (newest first):

- A new three to five-year budget process has been agreed by Council. It aims to capture 'small' scale budget flaws (under £100k), identify key strategic budget pressures (over £100k) and aims to ensure a full picture of pressures can be considered in a timely manner and are managed more closely. It is hoped this new approach will identify pressures in services as well areas needing investment. It also aims to identify bigger projects that make savings over the period of three to five years, to minimise the savings target. The new process also sets a communication and engagement plan with a range of stakeholders, which as seen as critical to a successful budget setting process going forward.
- The budget process has been followed and discussed at a range of fora, and more meetings are planned for the autumn 2021.
- The budget setting process involves Members, so they understand that difficult decisions are necessary, and they are involved with developing the proposals. This should make them more likely to support the recommendations made.
- The better than expected settlement for 2020 to 2021 means that only savings with minimum impact on service delivery and staff have been accepted.

## Corporate Risk Register (September 2021)

- The Budget Board has been established, which is likely to make some controversial suggestions that will require political support. Therefore, there may be increased risk of not achieving approval for the service changes required to deliver a balanced budget.
- Early identification of the budget gap and potential actions to address it are managed through the Budget Board and SLT.
- All of these controls are in place to ensure good financial monitoring and robust financial planning.

Ancillary controls:

- None

### Residual Risk

C2 – Major Risk: Possible / High Impact

### Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Major risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

### Further Actions

#### 1. Review Strategic Investment Group (SIG) process.

**Action Due Date:** 31/12/2021

**Person Responsible:** Steve Gadd

## Corporate Risk Register (September 2021)

### **Risk 30: The risk that Senior Leadership capacity and skills to sustain service and corporate performance is not available**

**Lead Member(s):** Councillor Julian Thompson-Hill

**Risk Owner:** Graham Boase

#### **September update:**

Risk owner changed to Graham Boase.

The description has been updated with the latest position. Controls have been reviewed and categorised as critical or ancillary controls.

The risk score has increased from D3 Moderate Risk: Unlikely / Medium, to C3 – Moderate Risk: Possible / Medium, and is now the same as the residual risk score (the level of risk posed before controls). This escalation is expected to be temporary.

#### **Description**

The current structure of the Senior Leadership Team has been built on the strength and experience of current potholders. As the number of posts at SLT has reduced there is a concentration of key roles that are critical to the successful delivery of services, and the organisation's ability to respond to policy and legislation. There is a risk that individuals with particular skill sets would be difficult to replace, and there is also a risk that the organisation is not flexible enough to keep up with the pace of change required in light of new corporate priorities and future budget pressures. There is great pressure on the Senior Leadership Team, who have been managing services remotely through the pandemic, whilst trying to manage business as usual. Currently, two heads of service posts are filled on an interim basis (although recruitment is now active), and another post will become vacant from March 2022. A Corporate Director post will soon become vacant following the previous post holder's recruitment into the Chief Executive position.

#### **Anticipated direction of travel:**

## Corporate Risk Register (September 2021)

The risk has increased, but the increase is anticipated to be temporary. The risk remains within our risk appetite and is not expected to exceed it.

### Impact / Consequences

- Reputational damage.
- Declining performance.
- Poor performance against new priorities.
- Stress and poor health and well-being.

### Inherent Risk

C3 – Moderate Risk: Possible / Medium Impact

### Controls to Manage Risk (in place)

Critical controls (newest first):

- At the Spring Leadership Conference, it was agreed that a questionnaire would be published to identify the training and development requirements that managers have to be able to effectively manage and lead in the new ways of working. A questionnaire is now live and feedback from the survey will inform the training plan for management and leadership in the council going forward.
- Leadership Strategy is in place
- Heads of Service are tested on their succession plans through Service Challenge
- Quarterly Leadership Conferences held to develop middle managers.
- Heads of Service are encouraged to rethink their service plans against context of new corporate plan, budget decisions, and any new legislation, etc.
- The establishment of an alternative service delivery model for leisure includes within the project the need to reduce the risk of knowledge and skills loss. The senior leadership team restructure took place in September 2019.

Ancillary controls:

## **Corporate Risk Register (September 2021)**

- Greater opportunities for Middle Managers to 'act up' to key posts in order to gain experience at a more senior level
- Additional support has been put in place through occupational health.

### **Residual Risk**

C3 – Moderate Risk: Possible / Medium

**Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Yes

## Corporate Risk Register (September 2021)

**Risk 31: The risk of fraud and corruption resulting in financial and reputational loss and possibly impacting on service delivery.**

**Lead Member(s):** Cllr Julian Thompson-Hill

**Risk Owner:** Gary Williams

### **September update:**

Risk owner changed to Gary Williams.

Controls have been reviewed and categorised as critical or ancillary controls.

### **Description**

Denbighshire County Council employs in excess of 4,000, with a net revenue budget for 2020 to 2021 of £208.302m. It commissions and provides a wide range of services to individuals and households and works with a wide range of private, public and voluntary sector organisations. As with any other large organisation, the size and nature of the council's services mean that there is an ongoing risk of loss due to fraud and corruption from both internal and external sources. There is also an ongoing risk of bribery as the council provides and procures goods, works and services.

The council recognises that as well as causing financial loss, fraud is also detrimental to the provision of services, and damaging to the reputation of, and confidence in, the council and public bodies in general.

This risk is a static risk, and our aim is to maintain it as a moderate risk. We would not foresee a time when this risk would not be on the risk register. There are no performance measures currently available to quantify progress in reducing this risk.

### **Impact / Consequences**

- Financial loss.



## Corporate Risk Register (September 2021)

- Loss of reputation and confidence in the council and public bodies in general.
- Negative impact on service provision / delivery.
- Legal / compensation costs.
- Criminal prosecution.
- Negative audit / inspection reports.

### Inherent Risk

C2 – Major Risk: Possible / High Impact

### Controls to Manage Risk (in place)

In its policies and procedures, the council gives out the clear message that it will not tolerate any impropriety by employees, elected Members or third party organisations. It has put in place appropriate and proportionate systems to minimise this risk and these are kept under constant review, including the following:

Critical controls (newest first):

- Internal Audit has recently concluded a review of ethical culture. As a result, we are making improvements to our code of conduct and will strengthen arrangements for declarations of conflicts and interests, including gifts and hospitality.
- The strategy for the prevention and detection of fraud corruption and bribery, which includes fraud response plan, has been updated and will be ratified by Governance and Audit Committee in July 2021. The purpose of the Strategy and Fraud Response Plan is to provide management with a tool to ensure progress and transparency with regards to counter-fraud activities. It is designed to heighten the Council's fraud resilience and demonstrate its protection and stewardship of public funds.
- In developing this Strategy, the Council has adopted the guiding principles included in "Fighting Fraud and Corruption Locally 2020" (FFCL2020) which is the counter fraud and corruption strategy for local government. It provides a blueprint for a coordinated response to fraud and corruption perpetrated against local authorities with the support of those at the top.

## Corporate Risk Register (September 2021)

- IT systems have authorisation controls in place, which reduce the risk of fraud (remote working does not increase the risk)
- The Code of Corporate Governance
- The Code of Conduct for Elected Members
- The Employees' Code of Conduct
- Financial Regulations including Contract Procedure Rules
- The Whistleblowing Policy
- The Anti-Money Laundering Policy
- Recognition and monitoring of the risk of fraud in service risk registers
- Systems of internal control
- Recruitment processes
- Annual review by the council's Internal Audit team
- Regular internal and external review of our systems and procedures
- The risk of fraud and corruption is also managed at a service level

Ancillary controls:

- Engagement with the National Fraud Initiative (NFI)
- E-learning modules on Whistleblowing and Code of conduct

### Residual Risk

E2 – Moderate Risk: Rare / High impact

**Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Yes

# Corporate Risk Register (September 2021)

## Risk 33: The risk that the cost of care is outstripping the council's resource

**Lead Member(s):** Bobby Feeley & Huw Hilditch Roberts

**Risk Owner:** Nicola Stubbins

### September update:

Impact/consequences have been updated. Controls have been reviewed and categorised as critical or ancillary controls.

### Description

The continued inflationary pressure resulting from the cost of domiciliary and residential care means the cost of care could outstrip our budget.

### Anticipated direction of travel:

We expect this to be a static risk that consistently features in our corporate risk register. This ensures continued close management to ensure our controls are working as they should be and are having the desired effect. We do not anticipate changes to the risk score nor to our risk appetite.

### Impact / Consequences

Overspends in Social Care place significant budget pressures on the council and could result in the scaling back or withdrawal of non-statutory services.

The social care budget is consistently overspent by over £1million per year, which up until recently, has been mitigated somewhat by the use of reserves of £0.5million per annum towards the overspend. However, the reserves are now depleted. The annual budget process has taken into account the projected pressure in this area: £2.6million was included as a pressure for 2020 to 2021 and the Budget for 2021 to 2022 included a pressure of £2.4million. It is, however, recognised that growth in demand will also continue in future years.

# Corporate Risk Register (September 2021)

## Inherent Risk

B1 – Critical Risk: Likely / Very High Impact

### Controls to Manage Risk (in place)

Demand needs to be managed in order to maintain current levels of expenditure. The following controls are currently being embedded:

Critical controls:

- A focus on prevention and early intervention so people don't need to go into care.
- Third Sector grant programme.
- Talking Points.
- Community Navigators.
- Supporting Independence Strategy.
- Being innovative and maximising use of grant monies.
- New approach to supporting people to achieving outcomes.
- Improved partnership working with BCUHB and integrated assessment as well as managing continuing health care.
- Identification of the pressures as part of the medium term financial process.
- Our Corporate Director: Communities is a member of WG's Social Care Forum and is examining pay and conditions of social care workforce.

Ancillary controls:

- Opportunities arising from the Healthier Wales Transformation Programme.

## Residual Risk

C2 – Major Risk: Possible / High Impact

## **Corporate Risk Register (September 2021)**

### **Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Major risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

### **Further Actions**

#### **1. Development of additional extra care housing (corporate plan priority)**

This is being project managed by the Corporate Plan Board.

**Action Due Date:** 31/01/2022

**Person Responsible:** Phil Gilroy

# Corporate Risk Register (September 2021)

## Risk 34: The risk that demand for specialist care cannot be met locally

**Lead Member(s):** Cllr Bobby Feeley, Cllr Huw Hilditch-Roberts

**Risk Owner:** Nicola Stubbins

### September update:

This risk has recently increased; nationally, regionally and locally. It could become an issue. It is being actively managed.

The description has been reviewed. Controls have been reviewed and categorised as critical or ancillary controls. Impact/consequences reflect the impact on staff.

The risk score has increased from C2 – Major Risk: Possible / High Impact to A2 – Critical Risk: Almost certain / High Impact.

### Description

Availability of some specialist adult and child places can be scarce, leading to the requirement to provide expensive services that aren't available locally. A reduction in the availability of domiciliary care provision means we are unable to provide services needed (particularly in the south of the county).

As at August 2021, 900 hours of domiciliary care have been handed back to the Council due to staff shortages. This means people are waiting for domiciliary care agency allocation. The situation in the south of the county is a particular concern. Adding to the already existing shortage in the south, the main domiciliary care agency covering Llangollen recently pulled out of all of their Llangollen care packages due to lack of staff.

The reasons for this are summarised as follows:

- **Recruitment and retention** – This is a national issue for the care sector. At the root of this are many factors, including the relatively low wages, high demands, and

## Corporate Risk Register (September 2021)

a sometimes perceived lack of esteem/value in the care career path. Even internally in DCC, we struggle to recruit to care work positions.

- **Increase in scale and complexity of needs** – The ageing population brings obvious additional pressures in this area. We have seen an increase in need for double-handed packages. Some individuals currently awaiting domiciliary care have also had previous agencies withdraw, due to their being unable to manage the level/complexity of need.
- **Denbighshire's rural geography** – This presents a number of challenges, including because of costs, e.g. travel time can make a rural care package much less attractive to prospective providers, and recruitment, e.g. as usually care workers covering more rural areas must be able to drive.
- **Citizens' choice** – A number of individuals currently awaiting care have been made offers that they have declined, on the basis that they are unhappy with the specific hours being offered.
- **The prevention and reablement agenda** – Enabling people to remain independent and prevent the need for residential care, prolonged hospital stays etc. as far as possible - while of course significant wellbeing goals and priorities for the council - naturally creates additional pressures on domiciliary care/interim services.

The wider consequences of the pandemic are also making this issue more challenging. We are still facing high rates of community transmission, with staff having to self-isolate. People are also making life changes with some leaving the sector altogether.

### **Anticipated direction of travel:**

Currently, the risk associated with us being unable to meet the demand for specialist care locally is a critical risk, which is beyond our appetite. In the longer term, we hope to bring the risk under control and return to a 'business as usual' scenario. It is not clear how long this will take.

### **Impact / Consequences**

- High cost

## Corporate Risk Register (September 2021)

- Individuals with eligible needs unable to receive suitable domiciliary care due to lack of resources and service provision
- If far from home, there is a detrimental impact on a client's well-being (and that of their family)
- Unable to meet need in preferred language
- Staff become over-stretched

### Inherent Risk

B2 – Critical Risk: Likely / High Impact

### Controls to Manage Risk (in place)

Critical controls (newest first):

*These controls relate to action being taken to deal with the current demand and challenges for domiciliary care provision in the county, as at August 2021*

An emergency regional meeting took place on 2<sup>nd</sup> August to discuss options. Locally:

- We have agreed regionally to stand back up the silver health and social care Covid-19 group, under the remit of the Recovery Coordinating Group.
- We have put a rolling care recruitment programme in place, with three recruitment events in the last month alone, and monthly drives planned for the rest of the year. As a result of this programme we have been able to recruit five new care workers, with an additional eight recruited as supply staff. WG are aware of the situation and have put in train an additional recruitment campaign.
- Our in-house teams (Reablement, Interim and Health & Social Care Support Workers) are covering as many outstanding care packages as possible.
- We are currently looking at how we can safely (in compliance with CIW/SCW requirements) draw on more support from other internal social care staff who do not currently deliver personal care.
- Working closely with health colleagues to manage workload and explore the potential to tap into their care applicants.



## Corporate Risk Register (September 2021)

- Continue to exploring alternative ways of meeting people's needs, within a strengths-based, enabling approach.
- A Community Catalyst has recently been commissioned to get micro-enterprises/micro providers off the ground in Denbighshire
- We are working with Procurement to look at contractual arrangements to respond to the exceptional circumstances.
- We are returning to discussions with other local authorities to look at opportunities for joint commissioning.
- We will continue working to ensure that carers have the support they need.
- We will be exploring possibilities to create more flexibility for residential care staff to provide some domiciliary care hours; however, it is currently not possible to create such arrangements because of Covid-19 infection control measures in care homes.
- We are looking at ways that we can try to manage the expectations of citizens/families; to continue to honour preference as much as possible, while at the same time ensuring that we are realistic about what we can provide, and that we are ultimately led by need.

### *Critical controls under usual circumstances include:*

- Single Point of Access now fully established and proving successful in providing advice and information to individuals in order for them to access community services themselves.
- Community Led Conversations 'What Matters' project changing the way staff support individuals enabling them to take control of their own well-being and utilising other external resources where possible.
- Developing a range of staff skill mixes through workforce development in order to enable staff to work in new ways that complement the new government agenda.
- Series of meetings with providers across CSS underway to negotiate increasing fees.
- Review and re-assessment project to ensure individuals are still eligible under new criteria
- Further development of support budgets

## Corporate Risk Register (September 2021)

- Regional project considering issues.
- Recommissioning domiciliary care project in progress - this includes the implementation of the new regional domiciliary care framework in Denbighshire to include patch based commissioning for difficult rural areas.
- New care team in CSS South Locality (reablers providing longer term support whilst identifying appropriate agency)
- The North Wales Transformation Programme is in place and we are leading one of the four projects.

### Ancillary controls:

- Denbighshire County Council has written to the UK Government following a Notice of Motion that was put before a meeting of Full Council on 12 October 2021. The letter urges UK Government to designate, as a matter of urgency, social care workers as skilled workers, in order that they meet the entry requirements of the post-Brexit points-based immigration system introduced in January 2021.
- Recruitment fayres taken place in county to highlight the need for specific health and social care staff.
- Continue to look at the use of grant monies in creative and combined ways to deliver better solutions.
- CIW national review of domiciliary care - implementing recommendations.

## Residual Risk

A2 – Critical Risk: Almost certain / High Impact

### **Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Critical risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner, together with the Head of Community Support Services, are actively managing this risk to bring it back under control. This is a national issue though and one that is unlikely to be resolved quickly.

# Corporate Risk Register (September 2021)

## Further Actions

### 1. Develop a new Children's Assessment Centre jointly with Conwy CBC

The principal contractor WRW Construction has gone into administration. This has resulted in serious time and financial risks for the project, which is being led by Conwy County Borough Council. Conwy council has sought agreement to depart from usual contract management procedure rules and invite the three unsuccessful companies to tender again for the work. Welsh Government is aware of the current situation.

**Action Due Date:** 31/07/2022

**Person Responsible:** Rhian Morrle

## Corporate Risk Register (September 2021)

### **Risk 36: The risk that any negative impacts of leaving the European Union cannot be mitigated by the council**

**Lead Member(s):** Councillor Hugh Evans

**Risk Owner:** Graham Boase

#### **September update:**

Risk owner changed to Graham Boase.

Description updated to reflect current position, including anticipated direction of travel.

Residual Risk Score downgraded from B2 – Critical Risk: Likely / High Impact, to C2 – Major Risk: Possible / High Impact.

Controls have been reviewed and categorised as critical or ancillary controls.

#### **Description**

The UK has now left the EU and the transition period has come to an end. The implications of the 'light' trade deal that was reached with the EU are not yet fully understood and are being masked by the impact of Covid-19. As a minimum we anticipate, short-term disruption to the trade of certain goods to and from the EU as businesses adapt to new requirements. This could have repercussions on the council in terms of purchasing goods and supplies. Specific long-term implications on Denbighshire businesses, particularly agriculture and the food industry, also need to be better understood. The council must continue, therefore, to be braced for any implications of Brexit in terms of funding (e.g. State-Aid / Shared Prosperity Fund, and current WEFO funded projects), and the likely impact on demand for services. This is developing into an issue but there are risks associated with our exit. Whilst a deal with the European Union is now in place, it is too early to quantify impacts; positive or negative.

#### **Anticipated direction of travel:**

## Corporate Risk Register (September 2021)

We would hope and expect that small Denbighshire based businesses will need to respond / adapt to changing circumstances arising from Brexit in the immediate / short term (i.e. within the first year, covering 2021 to 2022). Likewise, any short-term disruption arising to the supply of goods to the council should be resolvable within that timescale. The impact on larger Denbighshire based businesses, such as forestry, food and agricultural industries, for example, may be felt more in the short to medium-term as they try to adapt their business models to remain sustainable, in 2022 to 23 and perhaps 2023 to 24. We will remain vigilant of the impact of new trading frameworks as they become live. We anticipate recruitment / retention issues to persist along a similar medium-term timetable.

Controls have established clear lines of communication and information sharing that has been critical during a long period of uncertainty. Strong mechanisms are in place to allow ongoing monitoring of the risk as a result. Our next review of this risk will hopefully see this risk reduce again to become a B3 Moderate Risk: Possible / Medium Impact.

### Impact / Consequences

- Lack of clarity on the status of EU citizens living in Denbighshire.
- EU funded projects (e.g. skills, poverty and regeneration projects; rural and business funding).
- Impact on supply chains and procurement of goods and services.
- Impact on farming and agriculture.
- Potentially negative impact on broader public sector provision.
- Foreign Direct Investments in Denbighshire could be affected.
- Legislative change could result in delays and uncertainty for legal proceedings.
- Impact on university education in the region and research.
- Impact on recruitment across public services.
- Denbighshire businesses that import / export to European Union areas. For example, Cefndy exports medical equipment products.

# Corporate Risk Register (September 2021)

## Inherent Risk

B1 – Critical Risk: Likely / Very High Impact

## Controls to Manage Risk (in place)

Critical controls:

- As requested by the Welsh Local Government Association, Denbighshire have two named Brexit lead contacts: Corporate Director: Economy and Public Realm and the Leader.
- Workforce planning is in place.
- Regular contact with Welsh Government and the Welsh Local Government Association.
- Teams within Planning, Public Protection and Countryside Services are available to advise businesses, including the agricultural sector,
- Citizen's Advice Denbighshire have been contracted to engage with EU Citizen's to apply for Settled Status.
- HR have identified and are supporting those within our own workforce who need to apply for Settled Status.
- Services have identified supply chains that could be at risk.
- SLT actively manages risks associated with Brexit, until such time the risks can be managed corporately or at a service-level.
- The council has a representative on the WLGA Brexit Working Group.
- The Statement of Accounts considers Brexit and the impacts of Brexit.

Ancillary controls:

- SLT and Cabinet are regularly briefed on emerging areas of concern.

## Residual Risk

C2 – Major Risk: Possible / High Impact.

## **Corporate Risk Register (September 2021)**

### **Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Major risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

## Corporate Risk Register (September 2021)

**Risk 37: The risk that partners don't have the resources, matching priorities or commitment to support delivery of shared plans and priorities, and in particular, fail to reduce inequalities and deprivation**

**Lead Member(s):** Councillor Hugh Evans

**Risk Owner:** Nicola Stubbins

### **September update:**

Risk owner changed to Nicola Stubbins.

The title of this risk has been refocussed to include explicit reference to the importance of wider efforts to reduce inequality and deprivation. Controls have been reviewed and categorised as critical or ancillary controls.

### **Description**

With finite resources and competing priorities, there is a risk of a lack of commitment or capacity available to support realisation of shared plans and priorities.

Denbighshire is not a homogenous community but is made up of a diverse range of different communities where income, education, employment opportunities and housing all vary substantially. Within this diverse mix are communities with high concentrations of multiple-deprivation including some parts of Rhyl and Upper Denbigh within Denbighshire. Despite our, and our communities', clear pride in our areas, deprivation and inequality remain intractable problems that require a 'one public sector focus'. Rhyl West 2 ranks as 'the most deprived ward' in the whole of Wales, and Rhyl West 2 the second according to the Wales Index of Multiple Deprivation.

Overall household income levels in Denbighshire are lower than the national average and a greater proportion of households are estimated to be in poverty, many of which are households with children. There is evidence of higher than average in-work poverty. Based on our analysis of claimant rates, the recent increase in the claimant count, and the



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time we expect it will take for the employment rate to recover, poverty and destitution, with food and fuel poverty, will be issues affecting adults and families with children over the next five to ten years at least.

There is health inequality within the area. People living in the areas in the most deprived fifth of Denbighshire not only have a shorter lifespan, but also spend less of it in good health compared to those living in the least deprived fifth. There is a difference of over 17 years of healthy life expectancy for females in Denbighshire's most deprived areas when compared to the least deprived. Despite overall increases in life expectancy, the gap between the proportion of life expected to be spent in good health in the most and least deprived areas has shown no clear sign of reducing in the last ten years.

Geographical access to key services forms part of the Welsh Index of Multiple Deprivation 2019 (WIMD 2019). This domain of the WIMD considers the average travelling time to access a range of services considered necessary for day-to-day living, including access to a pharmacy and GP surgery, food shop or primary school for example. As of 2019, the domain now includes a new digital indicator (percentage of unavailability of broadband at 30Mb/s). 14 lower super output areas (LSOAs) in Denbighshire feature in the 10% most deprived in Wales for access to services. These data tell us primarily about travel times to physically access services and indicate a significant population who are likely to suffer poor physical access to services or to be significantly reliant on private transport. That more LSOAs in feature in the 10% deprived in Wales in 2019 for access to services than five years ago, is probably likely to the additional indicator measuring broadband.

### **Anticipated direction of travel:**

Covid-19 has put external pressure on the council and its partners to deliver services; this is likely to be the case into the medium term.

The consequences of Covid-19 have resulted in significant impacts for people's economic and educational outcomes, their physical and mental health, and well-being more generally. As a result of Covid-19 we have already seen exacerbated inequalities (with people from non-white ethnicities being more likely to die from Covid-19) and these are likely to continue for the medium and long term. The prevalence of 'long Covid', the term

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used to describe continued symptoms of Covid-19, is likely to compound existing inequalities in the same way Covid-19 has.

We therefore do not expect the risk to diminish in likelihood or severity soon.

### Impact / Consequences

- Objectives not delivered.
- Issues/problems that provided justification for the priorities continue or deteriorate.
- Failure to maximise opportunities to collaborate to resolve issues no single organisation is responsible for or capable of resolving on its own.
- Ineffective management of expectations among partners/public leading to reputational damage.
- Investment of council resources with minimal return.
- There will be greater demands this year to manage recovery from Covid-19, with pressures on the front line.

### Inherent Risk

B1 – Critical Risk: Very Likely / High Impact

### Controls to Manage Risk (in place)

Critical controls (newest first):

- Denbighshire County Council's corporate plan is developed in the context of local need and regional priorities. A detailed engagement and well-being assessment is currently underway to assess need in the local area. These pieces of work will inform the development of the new Public Service Board's (PSB) Well-being Plan and the council's new corporate plan.
- Denbighshire is represented at collaborative boards by senior managers and / or political leadership, for example, at the Regional Partnership Board, Economic Ambition Board, and Regional Leadership Board.

## Corporate Risk Register (September 2021)

- Collaborative plans and priorities (for instance, the PSB's Well-being Plan) has been developed to reflect broader public sector priorities across the two counties.
- Regional working to manage the Covid-19 pandemic through the Strategic Coordination Group is working well with all partners present and working together.

<b>Collaborative partnership</b>	<b>Collaborative plan/strategy</b>
Conwy and Denbighshire PSB	Well-being Plan
North Wales Economic Ambition Board	Growth deal
Regional Partnership Board	Transformation Programme and Regional Priorities

Ancillary controls:

- None

### Residual Risk

C2 – Major risk: Possible / High Impact

### Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Major risk. Risk Appetite suggests that this should be at most a moderate risk. The Risk Owner has confirmed that they are comfortable that the scoring accurately reflects the current risk to the council.

## Corporate Risk Register (September 2021)

### **Risk 43: The risk that the council does not have the funds or resources to meet its statutory obligations under the Additional Learning Needs and Education Tribunal (Wales) Act 2018**

**Lead Member(s):** Cllr Huw Hilditch-Roberts and Cllr Bobby Feeley

**Risk Owner:** Geraint Davies

#### **September update:**

The description has been updated. Controls have been reviewed and categorised as critical or ancillary controls.

The risk has increased from D3 – Moderate risk: Unlikely / Medium Impact to D2 – Major risk: Unlikely / High Impact. On reflection, we felt we underestimated the impact of the risk in our last review. The risk is no longer within our risk appetite.

#### **Description**

The Additional Learning Needs and Education Tribunal (Wales) Act, 2018 will replace the current Special Educational Needs Code of Practice for Wales (2002). The new Act will be supported by regulations and an ALN Code. The Act replaces the terms 'special educational needs' (SEN) and 'learning difficulties and/or learning disabilities' (LDD) with the new term 'additional learning needs' (ALN). The Act creates a single system, with a single statutory plan, the Individual Development Plan (IDP). This plan will replace existing plans, such as Individual Education Plans (IEPs), Statements of SEN and Learning and Skills Plans.

The Act places a range of duties on local authorities in relation to additional learning needs (ALN), which can be grouped as follows:

Specific duties - in relation to individual learners (usually those in their area) such as duties to maintain individual development plans (IDPs) for some learners (including learners who

## **Corporate Risk Register (September 2021)**

are dual registered and those with more complex needs) and the duty to reconsider decisions made by school governing bodies.

General duties - to support the functioning and effectiveness of the ALN system – including the duty to provide information and advice and the duty to keep additional learning provision under review.

In addition, local authorities have general education functions - related to maintaining schools and the provision of education, including intervention powers where schools fail to perform their duties.

Local authorities will be directly responsible for meeting the needs of children and young people with the most complex and/or severe needs, those who do not attend a maintained school or FEI in Wales (including those below school age).

Delivery of the legislation and guidance around capacity, is not cost neutral.

This risk has been escalated from the Education and Children's Service Risk Register to reflect the wide-ranging implications for other areas of the council (adult's services, legal, procurement and so on).

### **Anticipated direction of travel:**

This risk is currently beyond our appetite. It is a new piece of legislation that is prompting significant change in working practices, and there are capacity/budgetary implications and constraints. However, once the new Act is embedded and this work becomes business as usual, the risk will decrease. There will always be a risk associated with not meeting individual learner's needs however, but we anticipate being in a position to manage that risk at a service level, in Education and Children's Services risk register.

### **Impact / Consequences**

To not meet the requirements of the Act could have an impact on learners with ALN and would have regulatory and reputational consequences for the authority, including potential legal and financial implications. There is also the potential for increased demand on services. There is a budget pressure and we are anticipating, across Wales, an increase in

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disputes, which could impact on other services (legal services), and increase the risk for reputational damage.

### Inherent Risk

B2 – Critical risk: Likely / High Impact

### Controls to Manage Risk (in place)

Critical controls (newest first):

*There is an ALN action plan with the following themes:*

- Regional - Denbighshire continues to work collaboratively with colleagues across the region and with support from the regional Transformation lead. We have in the past 6 months completed two update reports for the region which show how Denbighshire is working towards the implementation of the ALN reforms. There are various regional working groups ongoing, with action plans agreed by regional inclusion leads. Denbighshire is leading on the Educated Other Than At School (EOTAS) and Looked After Children (LAC) working groups
- Training – Staff across schools and Education Services have been given the opportunity to attend Person Centred Practice training to prepare them for the intended person centred approach of the ALN reforms. Furthermore, regional training continues to be provided by the North Wales Transformation Team.
- Budgets - School ALN funding is now fully delegated to schools as agreed in the school budget forum on a 3 year rolling average. The aim is to allow schools to plan more effectively in supporting learners who are deemed to have ALN and to be reactive to the needs of learners.
- IT System - Denbighshire, Flintshire, Conwy and Wrexham have jointly procured a new IT system to enable the management of the new ALN processes. Supplied by OLM, ECLIPSE is a cloud based workflow solution enabling users to work more efficiently and effectively whether logging on via a smart phone, tablet or computer. It will allow collaborative working when determining if a child has ALN, Efficient documentation management for those learners with ALN, Easy monitoring of time

## Corporate Risk Register (September 2021)

frames, deadlines and annual reviews with specific timed alerts to ensure statutory commitments are met.

- Learner Support - The Team Around the School has been established to continue to meet the current requirements of the Statutory Assessment process and the ALNET Act 2018 in relation to early intervention and prevention and accurate, timely identification of additional learning needs. It will ensure a flexible responsive and transparent process which will provide clear actions to support the progression of the learner's educational journey.
- Provision – We are currently working with schools to map out their provision, including interventions and strategies that they use to support learners with and without ALN. This will then allow us, along with schools to have a clear understanding and when a child is needing Additional Learning Provision (ALP), a key question in determining if a child has ALN.
- Individual Development Plan – As part of the transformation work and in readiness for the new legislation, we will be trialling the Individual Development Plan (IDP). This plan will replace existing plans, such as Individual Education Plans (IEPs), Statements of SEN and Learning and Skills Plans. This will ensure consistency and continuity, and that provision and rights are protected regardless of the severity or complexity of needs.
- Documentation – Other documents are being developed including a 'Learner Profile' (which will eventually be recorded on the Eclipse IT system), this will capture the support, progress and targets of learners in need of targeted support that may not be defined as ALN. Updated ALN policies, the LA will be working with schools to prepare an updated ALN/Inclusion policy for schools to adopt for September 2021.
- School readiness – Schools have been supporting in the new ALN Coordinator role, which is now compulsory as of January 4<sup>th</sup> 2021 and we have been supporting schools in providing the Welsh Government's non-statutory guidance alongside supplementary guidance from our own Education Services. Schools have also been completing the GwE milestones on the G6 online platform and we also offer support to schools where requested.

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- This risk is also managed closely at a service level by Education and Children's Services.
- There is budget allocation but it will be reviewed annually, although the pressure is expected to be less in subsequent years.

Ancillary controls:

- None

### Residual Risk

D2 – Major risk: Unlikely / High Impact

### **Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

No. Major risk. Risk Appetite suggests that this should be at most a minor risk. As our mitigating actions progress over the next year, we would expect to see the residual risk reducing and brought closer to our risk appetite. We expect the likelihood to reduce, although the impact is anticipated to remain medium or high.



## **Corporate Risk Register (September 2021)**

### **Risk 44: The risk of Ash Dieback Disease (ADB) in Denbighshire leading to significant health and safety issues that represent a potential risk to life**

**Lead Member(s):** Cllr Tony Thomas

**Risk Owner:** Tony Ward

#### **September update:**

The description has been updated with the expected direction of travel for this risk. The impact considers the impact on carbon absorption. Controls have been reviewed and categorised as critical or ancillary controls. Based on progress with our controls, the residual risk has reduced from A2 – Critical Risk: Almost Certain / High impact to B2 – Critical Risk: Likely / High impact.

The first further action to “Draft Corporate Ash Dieback Action Plan” has an extended completion date and the second further action has been changed to “Develop a business case for further funding to deliver the Ash Dieback Action Plan”, with an extended completion date.

#### **Description**

ADB is already present in Denbighshire. The range and frequency is unknown at this present time. The frequency is currently low but will inevitably increase over the next few years. Also, the number of ash trees in the county is similarly unknown. ADB will not be "business as usual" and the scale must be assessed. There will be a need for changes in management practice. As time is progressing, we are developing a better view of the scale of the issue (due to the inspections).

#### **Anticipated direction of travel:**

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We anticipate that once funding is in place to deliver the action plan, the residual risk will be further reduced and brought closer to, but perhaps not within, our risk appetite. We expect the likelihood to reduce, although the impact is anticipated to remain high. There are no performance measures currently available to quantify progress in reducing this risk, however this will be reviewed once the action plan is in place.

### **Impact / Consequences**

The impact is likely to be far reaching, across various council services and communities themselves.

- Considerable impact on landscape - dead and dying ash trees across the county.
- Increased liability.
- Impacts on statutory functions and service delivery.
- Public safety.
- Staff safety.
- Significant budgetary implications.
- Disruption to infrastructure and communities.
- Political and reputational impact.
- Reduced carbon absorption due to a loss of trees.

### **Inherent Risk**

A1 – Critical Risk: Almost certain / Very high impact

### **Controls to Manage Risk (in place)**

A proactive approach is necessary to understand how many ash trees are in the county and prepare an ADB action plan. Capacity and resources will need to be secured to achieve this.

Critical controls (current controls appear first):

## Corporate Risk Register (September 2021)

- It is growing season now (July 2021) and ash trees are in leaf. We have recruited two additional tree inspectors (bringing our total to four) to increase our capacity to undertake inspections/mapping. Our priority is to gain a good sample of the highways network (which pose the most serious risks), from which we can extrapolate to determine the overall scale of the problem. Over the course of this summer and autumn (2021), we will have gained a sufficient sample for us to base our assumptions to develop an action plan.
- The aim is to have a draft corporate ADB Plan in place by the end of March 2022 (and a business case for funding in place by June 2022), but the impact of ADB will need to be managed for the next 5-10 years.
- In the course of the inspections currently underway, which are being based along our critical routes, we are identifying instances that pose an imminent health and safety risk. Where these are found we are taking action to deal with the risk immediately. This is helping us to bring the risk under a little more control.
- A £250k one-off cash amount was allocated within the 2020 to 2021 budget to support initial development of Action Plan. The Head of Service has discussed the implications of ADB for the medium term financial plan. Welsh Government may fund interventions to tackle ADB, although this is conjecture at this stage.
- £250k base budget is included in the budget proposals for 2021 to 2022 to further develop and commence the project.
- A briefing paper on our approach went to Cabinet in December 2019.
- Project updates are reported on a regular basis.

### Ancillary controls:

- The issue is so significant we are focussed solely on critical controls at this stage.
- However, whilst no formal collaboration is in place, we will work with Conwy informally. We have agreed to meet regularly to discuss progress informally; to learn from one another's experiences, and to ensure we deal with the problem efficiently - doing things once.

# Corporate Risk Register (September 2021)

- Carbon absorption and biodiversity improvement, with favourable replanting/habitat/land management ratio, will be considered as part of the ADB action plan.

## Residual Risk

B2 – Critical Risk: Likely / High impact

### Is our risk exposure (based on the score) consistent with the council's Risk Appetite?

Critical risk. Risk Appetite suggests that this should be at most a moderate risk. Our management of this difficult risk is in its early stages but progress is being made. Our current score reflects this and the serious potential for death or injury. As our mitigating actions progress over the next 12-24 months plus (the action plan will be a 5-10-year effort), we would expect to see the residual risk reducing and brought closer to our risk appetite. We expect the likelihood to reduce, although the impact is anticipated to remain high.

## Further Actions

### 1. Draft Corporate Ash Dieback Action Plan

Action plan will be informed by detailed mapping of the council's ash tree population and condition information, identifying those trees that need to be made a priority based on the level of risk.

**Action Due Date:** 31/03/22

**Person Responsible:** Tony Ward

### 2. Develop a business case for further funding to deliver the ABD Action Plan

Ash Dieback is anticipated to have the greatest impact over the next ten years. Our action plan to tackle the issue will require resourcing.

# Corporate Risk Register (September 2021)

**Action Due Date:** 30/06/2022

**Person Responsible:** Tony Ward

## Corporate Risk Register (September 2021)

### **Risk 45: The risk that the council fails to become a net carbon zero and ecologically positive council by 2030.**

**Lead Member(s):** Cllr Brian Jones and Cllr Tony Thomas

**Risk Owner:** Alan Smith

#### **September update:**

Risk owner changed to Alan Smith.

This risk previously - “The risk that the council is unable to deliver the agenda of Council and external organisations within existing resources” - was felt to duplicate elements of risk 18 (programme and project benefits not being realised), risk 21 (our strategic relationship and plans with the health board), and risk 37 (partners’, their plans, resources and commitment to shared priorities). However, a risk linked to being unable to deliver the agenda of the Council is still present and following Council’s declaration of a Climate Change and Ecological Emergency in July 2019, this risk now focuses singularly on the Climate and Ecological Change Programme.

All elements have been updated.

#### **Description**

Since declaring a Climate Change and Ecological Emergency in July 2019, we have developed a Climate and Ecological Change Programme to become a net carbon zero and ecologically positive council by 2030.

#### **Anticipated direction of travel:**

This risk is currently beyond our risk appetite. Our management of this difficult risk is in its early stages but progress is being made, and we expect to receive positive feedback from Audit Wales on our programme management and organisational ambition on this agenda. This risk will require close and very regular management to ensure controls are working as intended. We expect the likelihood to reduce, although the impact is anticipated to remain high. The programme contains a range of indicators to track progress and performance.

# Corporate Risk Register (September 2021)

## Impact / Consequences

- The impact of not fulfilling our programmes and realising benefits could result in poor social, cultural, economic and environmental outcomes. This could result in us not meeting our carbon reduction and absorption targets and not maximising benefits such as flood alleviation, urban cooling, contributing to keeping to temperature rise to 1.5 degrees or lower.
- Damage to reputation
- Financial liabilities
- Regulatory liabilities
- Deteriorating Staff morale
- Inability to meet statutory obligations

## Inherent Risk

A1 – Critical Risk: Almost Certain / Very High Impact

## Controls to Manage Risk (in place)

Critical controls (newest first):

- Climate Change team has been established, with a programme board in place. Resource plans are in place for services for key areas of the Climate and Ecological Change Programme.
- The Climate and Ecological Change programme actively seek opportunities for external grant funding
- Introduction to Climate Change training is available to all staff. Most of the Senior Leadership Team have attended a one-day accredited Carbon Literacy course. Intranet pages launched to increase awareness of staff to the contribution they can make.
- Active participation in national, regional and local strategy and operational groups to leverage benefits from collaboration.

## Corporate Risk Register (September 2021)

- We are anticipating some feedback from Audit Wales regarding performance and judging success of the Climate and Ecological Change programme and how the Council will ensure resources are in place to deliver the programme.

Ancillary controls:

- None.

### Residual Risk

B2 – Critical Risk: Likely / High

#### **Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Critical risk. Risk Appetite suggests that this should be at most a minor risk. Our management of this difficult risk is in its early stages but progress is being made. We expect the likelihood to reduce, although the impact is anticipated to remain high. It is unlikely that this risk will be brought closer within our risk appetite for some time to come. Although, clearly, our ambition is to meet the target, we hope to be able to reduce the impact of the risk closer to 2030 once sufficient benefits and positive impacts have been achieved.

#### **Further actions:**

- 1. Ensure all of SLT, including any new members, attend one-day carbon literacy training**

**Action Due Date:** 31/03/2022

**Person Responsible:** Helen Vaughan-Evans

- 2. Develop the maturity of the benefit realisation approach for the Programme**

**Action Due Date:** 31/03/2022



# Corporate Risk Register (September 2021)

**Person Responsible:** Helen Vaughan-Evans

# Corporate Risk Register (September 2021)

## **Risk 47: The risk that the new North Wales Corporate Joint Committee (CJC) results in the council having less influence and control at a local level**

**Lead Member(s):** Cllr Hugh Evans

**Risk Owner:** Gary Williams

### **September update:**

This is a new risk.

### **Description**

The Local Government and Elections (Wales) Act 2021 has created provision for the establishment of Corporate Joint Committees. For North Wales, this means the creation of a single North Wales CJC with three key functions:

1. Strategic development planning
2. Regional transport planning
3. Regional economic development

The CJC has to set its budget by January 2022 and the functions of the CJC must be operational from June 2022.

The CJC offers opportunities to establish a strategic and regional approach to these functions to develop Denbighshire's economy and communities. However, there is a risk that there is insufficient clarity, time and engagement to capitalise on these opportunities. Conversely, there is a risk that the council puts in a lot of effort but doesn't receive a proportionate return on investment.

### **Anticipated direction of travel:**

We anticipate that this risk will reduce, and potentially disappear once the CJC is fully established and operational. However, the risk, once it is fully understood established, will

## Corporate Risk Register (September 2021)

need to be re-evaluated. For example, there may be a risk of reduced local oversight. There are no performance measures currently available to quantify progress in reducing this risk.

### Impact / Consequences

- Failure to agree a regional approach to the workings of the CJC.
- Failure to agree the budget.
- Risk of confusion between the CJC and the North Wales Economic Ambition Board.
- Failure to maximise opportunities for the benefit of communities and businesses in Denbighshire.
- Poor services.
- Disproportionate return on investment.

### Inherent Risk

C2 – Major Risk: Possible / High Impact

### Controls to Manage Risk (in place)

Critical controls:

- We will be holding a series of internal meetings in September 2021 to establish a corporate position on what we want the CJC to look like. Our aim is to have a single Denbighshire position to shape the discussion regionally.

Ancillary controls:

- None at present.

### Residual Risk

D3 - Moderate Risk: Unlikely / Medium

## **Corporate Risk Register (September 2021)**

**Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Yes

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### **Risk 48: The risk that recruitment and retention issues, leading to a loss of expertise and capacity, worsen resulting in poor or inadequate services**

**Lead Member(s):** Cllr Hugh Evans

**Risk Owner:** Graham Boase

#### **September update:**

This is a new risk. The controls set out the activity that is planned to help us properly assess this risk.

#### **Description**

Many services have been struggling to recruit and retain staff for some time, particularly – but not limited to - critical front line social care and health and highways and environment roles. This is a national issue for the care sector. At the root of this are many factors, including the relatively low wages, high demands, and sometimes a perceived lack of esteem/value in the care career path in particular. There are also some regional pressures associated with neighbouring employers offering higher salaries.

The behaviour changes resulting from social-distancing measures - with the pivot to home working now common in many workplaces – means people are now able to apply for jobs from across Wales, UK and beyond.

Furthermore, one emerging consequence of Covid-19 is that people are reassessing their situation and ambitions and are making different life choices, which sometimes involves leaving their roles.

With the resurgence of the hospitality and retail sectors following Covid-19, potential new employees and some existing employees (whether employed by the council or an agency), are taking positions in these sectors instead.

# Corporate Risk Register (September 2021)

These changes also present opportunities, with the council being able to position itself to attract a wider pool of talent from a much larger geographical area.

## **Anticipated direction of travel:**

The risk, in terms of its likelihood and impact, is not fully understood at present. What is more, the severity of the risk will not be the same for all services (for example, in relation to Risk 34: The risk that demand for specialist care cannot be met locally). There is most acute concern in adult and children's services, followed by concern in highways and environment roles, in environmental health and finance roles for example. However, at this stage we anticipate that this risk will reduce in the short to medium term, and will eventually be managed solely by Services themselves with support from Legal, HR and Democratic Services. There are no performance measures currently available to quantify progress in reducing this risk.

## **Impact / Consequences**

- Failure to recruit to and retain staff in key roles, including front line positions
- Difficulty in sustaining services
- Difficulty meeting statutory requirements
- Deteriorating staff morale/well-being
- Increased pressure on middle and senior managers
- Reputational damage, i.e. the council isn't perceived to be a desirable employer with favourable terms and conditions
- Failure to position Denbighshire as a great place to work

## **Inherent Risk**

B3 – Major Risk: Likely / Medium Impact

## **Controls to Manage Risk (in place)**

Some services are taking specific actions, such as Highways and Environment Service working with Working Denbighshire or Adult's Services working with Communities and Customers to deliver a targeted recruitment programme. This risk though captures the

## Corporate Risk Register (September 2021)

impact on the organisation corporately and the following controls reflect a corporate response. Whilst these controls are regarded as important to undertake, we are not currently certain that they will reduce the risk. There are regional and national pressures around recruitment and retention and some of these pressures may resolve themselves as we recover from Covid-19, for instance.

### Critical controls:

- HR will be facilitating workforce planning discussions with all services through November 2021. Those discussions will include recruitment and retention. HR will, alongside Services, explore a range of different strategies that could be put in place to support recruitment activities and help with retention, such as upskilling our own employees; working with partners, job redesign and market supplement payments.
- Following completion of workforce planning with all services HR will attend SLT (date TBC) to discuss the actions that might be needed to address issues/opportunities corporately. At that point the risk can be properly assessed. Until then this risk remains under development.
- Activities that are likely to be considered in relation to a taking a corporate approach to the issue could include a review of our marketing, recruitment process, and how managers and 121s support learning and development.
- Denbighshire County Council has written to the UK Government following a Notice of Motion that was put before a meeting of Full Council on 12 October 2021. The letter urges UK Government to designate, as a matter of urgency, social care workers as skilled workers, in order that they meet the entry requirements of the post-Brexit points-based immigration system introduced in January 2021.
- Work experience, career grade job roles, apprenticeships are available in the council.
- Work is taking place regionally to tackle particular/acute recruitment issues (such as those in social care and health).
- We are adopting a more commercial, marketed approach to recruitment.
- A real living wage workshop is taking place with Full Council on 14 September 2021.

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Ancillary control:

- Denbighshire County Council has written to the UK Government following a Notice of Motion that was put before a meeting of Full Council on 12 October 2021. The letter urges UK Government to designate, as a matter of urgency, social care workers as skilled workers, in order that they meet the entry requirements of the post-Brexit points-based immigration system introduced in January 2021.

## Residual Risk

B3 – Major Risk: Likely / Medium Impact

### **Is our risk exposure (based on the score) consistent with the council's Risk Appetite?**

Yes. If operational and policy delivery is regarded as the most significant impact, our risk appetite in this regard is open.

### **Further actions:**

- 1. Understand the implications of adopting a real living wage policy for DCC and explore whether Welsh Government will implement it nationally and fund it**

**Action Due Date:** 31 March 2022

**Person Responsible:** Louise Dougal

- 2. Explore the potential of market supplements for certain roles.**

**Action Due Date:** 31 January 2022

**Person Responsible:** Louise Dougal