



Appendix 3

Corporate Risk Register - September 2023

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Corporate Risk Register (September 2023)

September 2023 Review changes are summarised under each risk title summary.

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

Lead Member(s): Councillor Elen Heaton, Councillor Gill German, and Councillor Julie Matthews

Risk Owner: Nicola Stubbins

September 2023 update:

Risk 01 has been reviewed and updated.

It continues to feel appropriate to keep the residual risk score at A1 – Critical Risk Almost Certain and Very High Impact.

Keeping the risk score at this level enables the risk to be further prioritised and escalated with significant scrutiny continuing at CET, Cabinet and Governance & Audit Committee (GAC).

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 recruitment and retention issues in social care is significantly impacting on the council's ability to deliver statutory social care functions. As at September 2023, we remain deeply concerned that a death could occur as a result of insufficient staffing resources.

There is a national recruitment and retention crisis in social care (see also [risk 48](#)). Social care frequently loses staff due to the superior pay and conditions offered by recruitment agencies, other local authorities and the health board, often for similar but less demanding roles. Our services are often only able to replace experienced staff with newly qualified or inexperienced workers that require significant support and are unable to independently work with the increasingly complex cases referred to the service. Many new starters are younger, newly qualified staff and rates of maternity leave in some teams are high.

There were already reported shortages in social care and health sector. However, an impact of Covid-19 is a significant movement of the workforce away from social care and health. As described above, fewer social workers are entering the profession than are leaving. The market is extremely competitive and there is no national pay structure in place in the sector (like there is for education). Other employers offer more competitive and attractive packages that the council cannot compete with.

At the same time, caseloads are becoming more complex and are increasing. There is a risk of people not being supported, or not being seen with the right intensity.

Recruitment and retention challenges, together with more demanding cases and workloads, are impacting social care services' ability to deliver its statutory responsibilities; are placing increased pressure on remaining staff in the teams, negatively impacting their well-being and increasing levels of unplanned absence.

Failure of social care services to deliver its statutory responsibilities could result in:

- Death, injury or neglect to vulnerable citizens and their carers
- Legal challenge
- Financial damage
- Reputational damage
- Sanction by Regulatory Body

Anticipated direction of travel:

The impact of Covid-19, the continued pressures with recruitment and retention, the deterioration in the economy and the pressures people are facing, all escalated this risk in terms of its inherent and residual risk scores, with the overall risk score being heightened to its maximum level in September 2022. Since the situation has not improved. We will ensure continued extremely close management at the most senior operational, corporate and political levels of the council, and we continue to raise this risk at a national level.

Impact / Consequences

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

- Poor staff well-being and sickness

Inherent Risk

A1 – Critical Risk: Almost certain / Very high impact

Controls to Manage Risk (in place)

In addition to the controls listed further below, CET and Cabinet have introduced monthly risk reviews. Every month, Lead Members, the Corporate Director and Heads of Service provide a verbal update on the level of risk and the actions being taken to manage and reduce it.

Cllr Julie Matthews has been identified as another Lead Member for this risk, because it links to recruitment.

Critical controls:

- The joint inspection of the multi-agency response to keeping children and young people safe in Denbighshire was published May 2023.
 - The report outlined findings about the effectiveness of partnership working and of the work of individual agencies in Denbighshire and found in common with many areas across Wales, challenges in recruitment and retention of staff across key agencies in Denbighshire is impacting on safeguarding children's arrangements. This is made more difficult by the high levels of demand and increasing complexity of children's needs.
 - Due to a lack of social workers, there is a growing reliance on newly qualified and agency social workers. In the local authority, the situation has been categorised as a corporate high risk.
 - They found there are systems and relationships in place to facilitate effective partnership working where a child is at risk of harm. Partners are working to a shared ethos of safeguarding children at different levels of vulnerability. Organisational leaders have a shared vision with a positive approach to regional safeguarding arrangements.
 - This clear strategic commitment has resulted in the commissioning of a sufficient range of effective local services to support children and families.
- This was a new multi-agency inspection by four regulators and was the first in Wales to be carried out.

- The first risk focus session for CET took place on October 17, 2022 following the escalation of this risk and discussion at CET on October 13, 2022. CET agreed to focus on progress in relation to key actions, which it now discusses every month. The actions under review bring together the critical operational, strategic and political actions the council is undertaking to manage this risk.
 - Cabinet now receives monthly verbal updates at Cabinet Briefing, from Lead Members, the risk owner and Heads of Service.
- [Performance Scrutiny Committee](#) and Governance and Audit Committee received reports on the February 2023 risk review. To follow up on previous lines of enquiry at Governance and Audit - and to support discussions related to the interconnected nature of this risk with other risks contained within this register - a report on recruitment and retention issues in Social Services was submitted as an information report.
- [Governance and Audit Committee received a report on October 4, 2022](#), about a Care Inspectorate Wales inspection. The report highlighted recruitment and retention challenges and the Committee was reassured that safeguarding was being managed as a critical risk on the council's corporate risk register and that steps were being taken to try to alleviate the situation.
 - Meetings with Welsh Government have taken place to discuss the extent of our concerns and how the risk has escalated. We are having internal meetings involving CET, and with the Leader and lead members. There is now a memorandum about children's agency workers, and is being led by All Wales Children's' Heads of Service, and is being adhered to.
 - We have set the care fees to ensure that providers can pay their social care staff the Real Living Wage. Although the Welsh Government settlement notification states that they have included funding to enable authorities to continue to meet the additional costs of introducing the Real Living Wage for care workers, the total Revenue Support Grant fell well short of funding all pressures within social services so the commitment remains a pressure for the Council.
 - Ongoing discussions with HR are taking place and we are taking action as part of our efforts to resolve recruitment and retention issues in social care and health and more widely across council service ([see also controls for the recruitment and retention risk 48](#)).
 - The Corporate Social Care Recruitment & Retention Board is chaired by the Corporate Director, supported by Human Resources, Communications, and

Working Denbighshire. An action plan has been developed and most actions have been implemented, including:

- Appointment of a dedicated HR Recruitment Specialist for Social Care
 - Extended advertisement for social care vacancies
 - Improved recruitment packs
 - Detailed analysis of joiners and leavers data
 - Liaising with Working Denbighshire to capture / follow up unsuccessful candidates
 - Dedicated Job Fairs and DCC attendance at various community events with a focus on social care recruitment
 - Specific advertising and social media campaign focussing on social care recruitment including delivery vehicles and DCC branding
 - Removal of Grade 7 for New Social Workers and Occupational Therapists
 - Grade 8 to Grade 9 Progression for Social Workers and Occupational Therapists
 - Re-Introduction of Practice Teacher Payments
 - Review of Adult Mental Health Social Workers
 - Claiming of Registration Fees – process reviewed and simplified
 - HR has conducted a comprehensive comparison of pay and conditions across the 6 North Wales Local Authorities and BCUHB
- The Corporate Director presented the situation to the WLGA in September 2022. WLGA is gaining momentum in its work to support local authorities on this.
 - 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:

- We have asked other councils in North Wales how they are evaluating and managing any safeguarding risks on their corporate risk registers.
- We have responded to a Welsh Government call for evidence regarding independent schools' legislation and guidance in Wales. Some of the proposed changes to safeguarding are a direct result of issues and concerns raised by Denbighshire County Council.

- The North Wales Safeguarding Children Board Local Delivery Group, developed by Denbighshire, has been recognised as good practice.
- The Corporate Parenting Forum continues to progress well and is well attended.
- Managers ensure the Communications Team is fully briefed, as early as possible, on any situation that may cause significant reputational loss. The Communications Team manage media and public relations and internal communications on the matter.
- Safeguarding policy and procedures are in place. The Corporate Safeguarding Policy has been reviewed and updated in line with 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. 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 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 and external body. All 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 for reporting any key messages from panel meetings to members of staff within their services.
- Adoption of Wales Safeguarding Procedures.

Relevant indicators of the effectiveness of controls:

- CSP102m: The percentage of eligible staff that have an up-to-date DBS (DCC)
- CSP103m: The percentage of eligible staff that have an up-to-date reference check or risk assessment (DCC)
- CSP104m: The percentage of eligible staff that have an up-to-date DBS (schools)
- CSP105m: The percentage of eligible staff that have an up-to-date reference check or risk assessment (schools)
- CPCSP47i Percentage of employees that have completed all 9 mandatory e-learning modules (including Safeguarding) by the end of the year (excluding schools)

Assurance:

- A joint inspection of the multi-agency response to keeping children and young people safe in Denbighshire was published May 2023.

- Corporate Support Services: People took a report on Workforce Planning, Recruitment & Retention to [Performance Scrutiny](#) in July 2023.
- Senior Leadership : All recruitment to the vacant Head of Service posts have now been completed with the following appointments and start dates:
Head of Adult Social Care & Homelessness Services – commenced post 1st July 2023
- In summary, the report confirmed that Human Resources (HR) have robust HR initiatives and strategies in place to support the Corporate Workforce Plan. The development of some policies and guidance has been delayed due to vacancies within the team and workload pressures, however these have now revised completion dates.
- A Corporate Recruitment and Retention paper was presented to January 2023 [Governance and Audit Committee](#), which included aspects of social care issues.
- This risk is a standing item on Cabinet Briefing and Corporate Executive Team monthly meetings.
- The North Wales Safeguarding Children Board Local Delivery Group and Adult Local Delivery Group continue to meet and influence policy and practice.

Residual Risk

A1 – Critical Risk Almost certain / Very 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 minor risk. The Risk Owner has confirmed that the scoring accurately reflects the current risk to the council.

Risk 11: The risk of an unexpected or unplanned serious event occurring

Lead Member(s): Councillor Julie Matthews (Lead Member for Emergency Planning)

Risk Owner: Graham Boase

September 2023 update:

Risk 11 : The risk title has been amended from `The risk of an ineffective response to a serious event, such as severe weather, contamination, public safety, cyber-attack, or a public health event (such as Covid-19) to **`The risk of an unexpected or unplanned serious event occurring`**

Examples have been removed from the title to cover any unexpected and unplanned serious event.

Councillor Barry Mellor and Councillor Win Mullen James have been removed as Lead Members for this risk and Councillor Julie Matthews Lead Member (Corporate Strategy, Policy & Equalities) remains as the Lead Member with overall strategic responsibility for Emergency Planning. Relevant Lead Members may have to lead on specific aspects of an emergency and its implications, but the overall strategic lead in relation to the Councils planning for an emergency and strategic response to an emergency should be Cllr Julie Matthews.

Critical controls have been updated.

The residual risk score remains unchanged as:

C3 – Moderate Risk: Possible / Medium Impact.

Description

Serious unexpected and unplanned events can occur at any time, and are planned for and responded to via our strategic corporate approach to emergencies.

Emergency Planning in North Wales is coordinated by the North Wales Councils Regional Emergency Planning Service, the host authority for which is Flintshire County Council.

The Region has an agreed Emergency Management Policy and the Council has its own Major Emergency Arrangements Procedure.

We have in place a Strategic Emergency Management Team (SEMT) structure which (i) plans and prepares the Council for an emergency and (ii) coordinates the Council's response to a significant emergency. SEMT is Chaired by the CEO and meets quarterly to review plans and preparations/responses to an emergency. There are 4 sub-groups under the SEMT, each one Chaired by a senior Officer; (i) Corporate Emergency Information Team (ii) Corporate Emergency Humanitarian Response Team (iii) Corporate Emergency Operational Team and (iv) Corporate Emergency Recovery Team.

In addition Corporate Executive Tema (CET) are on a 24/7 Gold Rota, so a Senior Officer is always available to lead on an emergency. In the event of an emergency the Senior Officer on call via the Gold Rota will initially coordinate the Council's response, including considering calling an SEMT meeting. Depending on the circumstances of the emergency the Chief Executive Officer (CEO) is likely to take overall strategic control.

All emergency arrangements are supported by the regional team, including working with partners, and any regional dimension to the emergency.

The Senior Lead Officer (i.e. Gold Rota lead) will need to consider the role of the Lead Member, Cllr Julie Matthews in any emergency, as well as how best to inform other relevant Lead Members, Cabinet as a whole and the wider Membership of the Council.

Heads of Service have responsibility to plan for Service response to emergencies e.g. seasonal variations in weather, other environmental related emergencies relating to food, water, air quality etc, cyber-attacks, terrorism, and of course viral pandemics and public health events such as Covid.

Major emergencies put terrific strain on organisations such as ours, impacting on service delivery, staff capacity, and of course finances. It also challenges the resource capacity of partners.

Our approach to this risk is to strategically plan to minimise the impact of an unplanned event should it occur.

Anticipated direction of travel:

We expect this to be a 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.

Impact / Consequences

- Serious injury or fatality
- Significant disruption to core services.
- Reputational risk to the council in the way it responds to any emergency
- Significant cost pressures to our budget.

Inherent Risk

A2 – Critical Risk: Almost Certain / High Impact

Controls to Manage Risk (in place)

Critical controls (strategic relevance):

- The North Wales Councils Regional Emergency Planning Service, provides a high level of support in terms of planning for and responding to an emergency
- The strategic approach via SEMT, the associated sub groups, the Gold Rota and individual Service planning (including Service Business Continuity Plans) ensures we are prepared for an unexpected or unplanned serious event.
- Close regional partnership working
- Emergency Planning training and mock events.

Ancillary controls:

- An annual Emergency Planning Response report is taken to SLT, the Lead Member and Partnerships Scrutiny, as requested, every year.
- We undertake regular reviews to ensure ICT systems are secure, including making updates to our Firewall.
- We have a vulnerable people mapping tool to help us identify those that require specific support in an emergency.
- Deputies for Chairs of SEMT and subgroups have been appointed.
- Seeking more volunteers to be loggist to support record taking during an emergency
- Guide for Members in terms of their role during an emergency

Relevant indicators of the effectiveness of controls:

- CSPHS1001i RIDDOR accident rate (National measure – No. of RIDDOR x 100,000 / No. of FTE employees)
- PDA904i Denbighshire County Council achieves Public Services Network (PSN) security Standard compliance (0 = pass; 1 = fail)

Qualitative indicators:

- Production, and where needed implementation of, Service business continuity plans
- Establishment, uptake and effectiveness of emergency rest centres.

(Please note: some of these indicators are only measured should a serious event occur)

Residual Risk

C3 – Moderate Risk: Possible / Medium Impact

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

Yes

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

Lead Member(s): Councillor Gwyneth Ellis and Councillor Jason McLellan

Risk Owner: Gary Williams

September 2023 update:

We expect this risk to always feature in our corporate risk register, but one that may increase or decrease in line with other factors, for example the financial environment.

The risk has been reviewed and the residual risk score remains as C3 – Moderate Risk:
Possible / Medium Impact

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.

Governance and Audit Committee received a report on October 4, 2022, about a Care Inspectorate Wales inspection. The report highlighted recruitment and retention challenges and the Committee was reassured that safeguarding was being managed as a critical risk on the council's corporate risk register and that steps were being taken to try to alleviate the situation.

A further piece of work, this time focussed on children's services highlighted some issues, such as - once again - recruitment. CIW is currently undertaking a national study of child placements in unregulated settings.

A paper about Audit Wales's report about commissioning older people's care homes has been presented to Governance and Audit Committee. This was a national study that included a review of regional arrangements, including in North Wales.

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 risk to always feature in

our corporate risk register, but one that may increase or decrease in line with other factors, for example the financial environment. This risk will continue to be reviewed regularly to ensure all necessary controls are effective and operating as they should be.

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) Public Services Ombudsman. Information, studies and other reports are also published by other commissioners such as the Welsh Language Commissioner for Wales or the Older People's Commissioner for Wales.

Critical controls:

- SLT, Estyn, CIW and Audit Wales hold an annual Audit Risk Assessment meeting to reach consensus on the regulatory inspections to take place throughout the year.
- SLT on 26th January 2023 received this year's Joint Audit Risk Assessment setting out the programme of assurance planned for the year ahead. The report included the priorities of the inspectorates, and their intentions at a national and local level to identify strengths and areas of concern. The issues identified within the report affect all local authorities across Wales and nothing was raised as a specific local concern regarding Denbighshire. Estyn highlighted some local concerns but these are issues we are already aware of and managing.
- A joint Inspectorate Review of Child Protection Arrangements (JICPA), involving Care Inspectorate Wales (CIW), Her Majesty's Inspectorate of Constabulary and

Fire and Rescue Services (HMICFRS), Healthcare Inspectorate Wales (HIW), and Estyn, was undertaken in Denbighshire during the week commencing 6th February 2023.

- We maintain positive and proactive relationship management and ongoing communication with external regulators. We have healthy and open relationships with our regulators.
- The corporate performance management framework (PMF) is the main control in this area.
- Head of Corporate Support Services: Performance, Digital & Assets, Strategic Planning Team Manager and Chief Internal Auditor 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:

- Managers ensure the Communications Team is fully briefed, as early as possible, on any situation that may cause significant reputational loss. The Communications Team manage media and public relations and internal communications on the matter.
- Annual Governance Statement and Performance Self-Assessment are aligned.

Relevant indicator of the effectiveness of controls:

- CH012i: The cumulative number of negative reports from external regulators, financial year to date

Assurance:

- The joint inspection of the multi-agency response to keeping children and young people safe in Denbighshire was published May 2023. ([Links to Risk 01](#))
- Internal Audit reviews forward work programme
- External regulatory bodies. For example, CIW monitor progress through routine performance review activities and through a CIW local authority risk based

approach to inspection planning. CIW is currently undertaking a national study of child placements in unregulated settings.

Residual Risk

C3 – Moderate Risk: Possible / Medium Impact

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

Yes

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 Julie Matthews

Risk Owner: Gary Williams

September 2023 update:

The Risk Owner has been amended from Steve Gadd to Gary Williams, Corporate Director: Governance and Business for the strategic leadership and delegated responsibility for Health and Safety.

This risk to now encompass any health and safety incident that represents a potential risk to like and subsequently the 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 has been removed and mitigated as part of the ongoing Ash Dieback Project and Action Plan management.

Critical controls have been updated and the Residual Risk score remains as E2 – Moderate Risk: Rare / High Impact

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 had previously been heightened as a consequence of risks associated with Covid-19. The risk has been reviewed and is considered to be static.

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.

Inherent Risk

C2 – Major Risk: Possible / High Impact

Controls to Manage Risk (in place)

Critical controls:

- In response to National concerns regarding Reinforced Autoclaved Aerated Concrete (RAAC) the Council has revisited surveys of schools and other buildings to identify the presence of RAAC and any measures required to mitigate any risk posed by it.
- Many staff continue to work from home some or most of the time. The New Ways of Working Project team, led by our Corporate Director: Governance and Business,

continues to monitor the situation. There may be risks associated with a potential lack of fire wardens and first aiders in the office buildings under these current working arrangements. This is being explored and any actions or solutions identified will be added to our controls.

- Strategic leadership is provided by the Corporate Director: Governance and Business, with delegated responsibility for Health and Safety.
- Competent H&S advisors are employed by the organisation to provide competent advice, guidance and training on H&S to all Council employees and services.
- H&S maintain Service Level Agreements with all Local Authority Schools.
- 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 programme 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 programme of targeted monitoring
- An online accident, incident reporting process is in place. There is an expectation that all accidents and incidents are reported.
- An online Staff Protection Register where staff can search for or request the addition of records in connection with their authorised activities. All access requests are monitored by the system and records of all access is recorded by the system for auditing purposes.
- Quarterly Health & Safety newsletter is published to keep staff up to date with health and safety management within the Council.

Ancillary controls:

- Managers ensure the Communications Team is fully briefed, as early as possible, on any situation that may cause significant reputational loss. The Communications Team manage media and public relations and internal communications on the matter.
- An established Corporate H&S Committee is in place as part of the Joint Consultative Committee for Health and Safety and Employee Relations 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.

Relevant indicators of the effectiveness of controls:

- CSPHS1001i RIDDOR accident rate (National measure – No. of RIDDOR x 100,000 / No. of FTE employees)
- FAH123m The percentage of properties with asbestos where a re-inspection has been carried out in line with the asbestos management plan
- FAH119m The percentage of properties with a valid Fire Risk Assessment (*please note asbestos, fire, water, gas, electricity etc. are building compliance risks rather than health and safety risks, although failure to manage will have a health and safety impact*)
- Gas servicing, fixed wire testing and water hygiene are relevant indicators that are also monitored regularly

Assurance:

- Annual Corporate Health & Safety Report reported to Governance & Audit Committee. The latest report presented in October 2022 for 2021 to 2022 defined Denbighshire County Council as continuing to be assessed by Corporate Health & Safety as being an organisation that sits in the “calculative and proactive” zone.
- Annual Fire Safety Programme and Performance is reported to Governance & Audit Committee

Residual Risk

E2 – Moderate Risk: Rare / High Impact

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

Yes. Risk Appetite suggests that this should be at most a cautious risk.

Risk 21: The risk that the integration of health and social care services between BCUHB and DCC does not develop further

Lead Member(s): Councillor Elen Heaton and Councillor Gill German

Risk Owner: Nicola Stubbins

September 2023 update:

Risk 21: The risk title has been amended from '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' to: **The risk that the integration of health and social care services between BCUHB and DCC does not develop further.**

CET have closely monitored developments at the Health Board having particular regard to their potential impact on this risk. Risk reviewed and updated.

The residual risk score remains as C2 – Major Risk: Possible / High Impact

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.

Betsi Cadwaladr University Health Board (BCUHB), which covers the whole of North Wales, was placed back in special measures on Monday 27, February 2023 having

previously been in the category between 2015 and 2020. 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.

Since going back into special measures the Health Board has put an interim Chair and interim Chief Executive in post, however, there are still a number of interim posts at various levels which affects decision making.

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 Covid-19), all create a potential for challenge in the system, and therefore the relationship, which 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, the reinstatement of special measures means there is a possibility that this risk could increase in terms of both likelihood and impact (and sit further beyond our risk appetite), until such time the Board is no longer in special measures, the Board's restructure settles or 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:

- Delivery of the North Wales Regional Partnership Board Annual Plan.
The 2022 to 2023 annual report was presented to [Partnerships Scrutiny Committee](#) on 14th September 2023.
- The BCUHB restructure has been implemented but posts have not been permanently appointed to (the post holders are interim). The new Integrated Health Community Director (Central) is now permanent and we consider our relationship with that post holder to be very positive.
- Three of the four Senior Mental Health Directorate posts remain interim.
- The Regional Partnership Board and the North Wales Social Care and Well-being Improvement Collaborative have reviewed needs in relation to social care and health services as part of our population needs assessment (Social Services and Well-being (Wales) Act 2014).
- Four Community Resource Teams have been established.
- The Regional Partnership Board is in place to progress cooperation and integration.
- BCUHB is a member of the Conwy/Denbighshire PSB, which has shared priorities and a shared governance vision.

Ancillary controls:

- We assume, as at last time the Board was put into special measures that an Assurance Board will be established. The Council to look to engage with that Board and receive regular updates.
- Managers ensure the Communications Team is fully briefed, as early as possible, on any situation that may cause significant reputational loss. The Communications Team manage media and public relations and internal communications on the matter.
- NWSIC has reviewed its governance arrangements in partnership with BCUHB.

Relevant indicators of the effectiveness of controls:

- Pathways of Care: There is a requirement for each health board to measure delayed pathways of care activity via a monthly validated census with local authority partners. This will enable monitoring of the number and length of delays, plus their reasons, assisting NHS and LA partners in prioritising actions to alleviate delays.

Qualitative indicators that describe what effective management/partnerships looks and feels like may be more appropriate in this instance. Such as, governance (e.g. Regional Partnership Board) and service level agreements, Memorandums of Understanding.

Assurance:

- Audit Wales has examined Regional Partnership Boards' commissioning of older people's care homes recently and a report was presented to Governance and Audit Committee in March 2022.

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.

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

Lead Member(s): Councillor Gwyneth Ellis

Risk Owner: Gary Williams

September 2023 update:

Risk reviewed and updated.

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.

Critical controls have been updated and the Residual Risk score remains unchanged as E2 – Moderate Risk: Rare / High impact

Description

Denbighshire County Council employs around 4,500 staff and spends in excess of £300 million per year. 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 has therefore put in place proportionate systems to minimise this risk and these are kept under constant review.

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.

Anticipated direction of travel:

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.
- Loss of reputation and confidence in the council and public bodies in general.
- Negative impact on service provision / delivery.
- Negative impact on the council's culture.
- 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:

- Internal Audit held Fraud Awareness Sessions for Schools in January 2023 to raise awareness and promote the Corporate Strategy for the Prevention and Detection of Fraud, Corruption and Bribery to schools.
- The fraud policy has been updated.
- The Council has appointed a Corporate Director: Governance and Business.
- The Governance & Audit Committee received in September 2023 the Annual Whistleblowing Report.
- Internal Audit has conducted a review of ethical culture. As a result, we introduced clearer guidance about our code of conduct (for officers) to strengthen

arrangements for declarations of conflicts and interests, including gifts and hospitality.

- Strategy for the Prevention and Detection of Fraud, Corruption and Bribery which includes fraud response plan, was updated and 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.
- 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:

- The Communications team has a close working relationship with Internal Audit and low assurance rated reports are flagged up at an early stage.
- Managers ensure the Communications Team is fully briefed, as early as possible, on any situation that may cause significant reputational loss. The Communications

Team manage media and public relations and internal communications on the matter.

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

Relevant indicators of the effectiveness of controls:

- CSP8i: The number of data protection breaches that were reported to the Information Commissioner's Office
- CPCH014i: Negative news stories as a percentage of all news stories about the council
- CH013i: The cumulative number of Internal Audit low assurance reports, financial year to date

Residual Risk

E2 – Moderate Risk: Rare / High impact

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

Yes

Risk 34: The risk that there is insufficient regulated care

Lead Member(s): Councillor Gill German and Councillor Elen Heaton

Risk Owner: Nicola Stubbins

September 2023 review:

Risk 34: The title of this risk has been amended from 'The risk that demand for specialist care cannot be met locally to **'The risk that there is insufficient regulated care'**.

The risk has been reviewed and critical controls updated.

There residual risk score remains the same: B2 – Critical Risk: Likely / High Impact.

Description

Availability of some regulatory adult and child service can be scarce, leading to the requirement to provide alternative and/or expensive services. A reduction in the availability of domiciliary care provision means we find it challenging to provide services needed (particularly in the south of the county).

This continues to be a significant risk. We are still in a position of having circa 1,000 hours of domiciliary care being handed back to the council due to staff shortages. This means people are waiting for domiciliary care agency allocation. However, there are signs that the number of hours being handed back is reducing, but this is still being managed extremely closely.

As previously highlighted, the reasons for this situation 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 sometimes a 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 long-term consequences of the pandemic are also making this issue more challenging. People are also making life changes with some leaving the sector altogether.

The risk is also heightened as a result of [risk 50](#). The Welsh Government's Programme for Government makes a commitment to 'eliminate private profit from the care of Children Looked After during the next Senedd term'. The objective of removing profit is a positive one and it has the region's resounding commitment. However, it is imperative that Welsh Government take steps in pursuit of not-for-profit arrangements that do not disrupt children and young people's lives in the short term. Our key concern is that providers become unsettled and the sufficiency and suitability of placements will be affected, affecting the lives of Children Looked After, and increases this risk that demand for specialist care cannot be met locally.

Anticipated direction of travel:

Currently, the risk associated with us being unable to meet the demand for regulated 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
- 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

- Reputational damage.

Inherent Risk

A2 – Critical Risk: Almost certain / High Impact

Controls to Manage Risk (in place)

Critical controls:

These critical controls relate to action being taken to deal with the current demand and challenges for domiciliary care provision in the county:

- Develop a new Children’s Assessment Centre (Bwthyn y Ddôl) jointly with Conwy CBC. This is an ongoing project.
- Micro-enterprises/micro providers has been brought back in-house, previously we paid a provider called Community Catalysts to run our Micro-Provider project. We now directly employ a full-time Deputy Team manager to run the service whose role includes: recruitment, training and monitoring of micro-providers. Maintenance of the Micro-Provider Directory. Promoting Micro-Providers as an effective alternative to traditional forms of care support, amongst health and social care staff designing packages of care for vulnerable citizens and their un-paid carers.
- Denbighshire now has a pool of 43 Micro-Providers able to deliver 900 hours of care and support per week, with an additional 20 recruits participating in the Micro-Provider development programme.
- Implementation of Welsh Government’s decision to fund the Real Living Wage (RLW) for registered social workers.
- A corporate Social Care Recruitment and Retention Group is in place (see [risk 01](#)).
- Managers ensure the Communications Team is fully briefed, as early as possible, on any situation that may cause significant reputational loss. The Communications Team manage media and public relations and internal communications on the matter.
- 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.
- Continue to explore alternative ways of meeting people's needs, within a strengths-based, enabling approach.
- 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 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 is 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 Adult Social Care are underway to discuss annual fee setting process.
- Review and re-assessment project to ensure individuals are still eligible under new criteria
- Further development of support budgets
- 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.

A number of posts remain un-recruited to Reablement and Health and Social Care in the south of Denbighshire. This does limit our ability to pick up care packages.

We have successfully recruited 4 staff members who will work across the whole of Denbighshire with the more complex cases, however this is funded with temporary funding. We continue to work on a rolling recruitment programme with the support from a dedicated HR officer.

Ancillary controls:

- 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.

Relevant indicators of the effectiveness of controls:

- Delivery of the Social Care Recruitment and Retention Group's action plan.
- Vacancies (internal and external) and recruitment activity
- Budget variance
- ASCHAD005: Of the number of new assessments completed for adults, the number where needs were only able to be met with a care and support plan

Assurance:

- CIW monitor progress through routine performance review activities and through a CIW local authority risk based approach to inspection planning.

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, together with the Head of Childrens 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.

Risk 37: The risk that partners don't have the resources, matching priorities or commitment to support delivery of shared plans and priorities

Lead Member(s): Councillor Jason McLellan

Risk Owner: Graham Boase

September 2023 update:

Risk 37: The title of this risk has been updated to reflect the risk as a more generic risk around partnership working from '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' to '**The risk that partners don't have the resources, matching priorities or commitment to support delivery of shared plans and priorities**'

The Risk Owner has changed from Tony Ward to Graham Boase.

The description and controls have been updated.

The residual risk score remains unchanged as : C2 – Major risk: Possible / High Impact

Description

With finite resources and competing priorities, there is a risk of a lack of commitment or capacity within strategic partner organisations to support shared plans, priorities and outcomes.

In delivering services to our communities the Council is reliant on a number of strategic partners including Health (inc Public Health Wales), North Wales Police, National Resources Wales, Denbighshire Voluntary Services Council, City/Town/Community Councils, neighbouring authorities, etc.

There is a complex structure of regional working, including Corporate Joint Committees (CJC), North Wales Economic Ambition Board (Ambition North Wales), Regional Partnership Board (RPB), Conwy & Denbighshire Public Service Board (PSB), Safer Communities Board etc. Much resource goes into attending and servicing these structures, but with budget pressures the risk is they become less effective, impacting on our ability to provide services to our communities. The biggest impact is likely to be on our more deprived communities.

Anticipated direction of travel:

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

Inherent Risk

B1 – Critical Risk: Very Likely / High Impact

Controls to Manage Risk (in place)

Critical controls (strategic relevance):

- Denbighshire is represented at collaborative boards by senior managers and/or political leadership, for example, at the Regional Partnership Board (Corporate Director Social Services & Education and Lead Member Health & Social Care), North Wales Economic Ambition Board (CEO and Leader), Conwy & Denbighshire Public Service Board (CEO and Leader) etc
- Collaborative plans and priorities have been developed by the regional boards for which there is commitment from partners.
- Our Corporate Plan 2022 to 2027 has been approved, with Pledges that specifically address the need for working with partners
- Partnership and [Alternative Service Delivery Model Toolkit](#) recommends an annual review of partnerships to ensure membership and shared commitment remains relevant.

Ancillary control:

- Corporate Director Economy & Environment has regular meetings with senior management in NRW.

Assurance:

- Feedback from the Welsh Government and the Well-being of Future Generations Commissioner on the Public Service Board's Well-being Assessment and Well-being Plan.

Impact / Consequences

- Objectives not delivered.
- 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/Members leading to reputational damage.
- Investment of council resources with minimal return.

Residual Risk

C2 – Major risk: Possible / High Impact

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

Yes. This risk fits within our open risk appetite in relation to operational and policy delivery.

Further actions:

To develop a clear escalation pathway to HoS, Directors, and/or Cabinet Leads as appropriate, where partnerships aren't delivering as hoped.

Action due date: 31 March 2024

Person Responsible: Helen Vaughan-Evans

Risk 45: The risk to the Council's reputation of not responding swiftly or sufficiently enough in making our contribution to tackle climate change and bring about natures recovery following the declaration of a Climate Change and Ecological Emergency in July 2019.

Lead Member(s): Councillor Barry Mellor

Risk Owner: Gary Williams

September 2023 update

This Risk has been completely reviewed and updated in light of the following title change:

Risk 45 title has been amended from: The risk that the council fails to become a net carbon zero and ecologically positive council by 2030 to: **The risk to the Council's reputation of not responding swiftly or sufficiently enough in making our contribution to tackle climate change and bring about nature's recovery following the declaration of a Climate Change and Ecological Emergency in July 2019.**

The residual risk score remains unchanged as C2 – Major: Possible / High Impact

Description

Since declaring a Climate Change and Ecological Emergency in July 2019, we have adopted the Climate and Ecological Change Strategy (2021-2030) and put in place the Climate and Ecological Change Programme to deliver on the strategy goals to become a net carbon zero and ecologically positive council by 2030. The delivery of Climate and Ecological Change Programme is a large part of the Council's A Greener Denbighshire theme within the Council's Corporate Plan 2022-2027. In addition to aspects around supporting communities to mitigate and cope with the impacts of climate change.

Anticipated direction of travel:

This risk is currently within our risk appetite. Following positive feedback from Audit Wales on our programme management and organisational ambition on this agenda we are reassured that we have a well-scoped action plan in place. However, a national report about the public sector's response more generally, to becoming carbon neutral by 2030, broadly says organisations need to be bold and take risks if they are to stand a chance of meeting this ambitious target. Analysis of 2022/23 data suggests we are not currently delivering at the pace required for us to feel assured we will achieve Net Carbon Zero Council by 2030 and interdependencies of elements outside our control is also a limiting factor. The assessment for Ecologically Positive Council by 2030 is more promising although recent challenges with extending wildflower meadow grassland management approaches are acknowledged as concerning to further progress on this goal. We will be

reviewing the Strategy, its scope, the targets within and our now 7-year Programme during 2023/24. Careful communication planning will be required as part of that process and through the decision making board process the revised strategy document will go through (performance scrutiny, cabinet and council). This risk will require regular management to ensure controls are working as intended. We expect the likelihood to reduce, although the impact is anticipated to remain high.

Impact / Consequences

- Damage to the organisations credibility and reputation.
- Public complaints and protest.
- Deteriorating staff morale.
- Inability to meet statutory obligations and avoid legislative offenses.
- Opportunity loss in coproduction approaches with communities and partners around climate change impact, climate risk resilience and nature recovery.
- Opportunity loss in securing external funding for work in this area.

Inherent Risk

A2 – Critical Risk: Almost Certain / High Impact

Controls to Manage Risk (in place)

Critical controls:

- 2023/24 Strategy Review and Refresh work has commenced and will require CET and SLT time and input, as well as Cabinet, Scrutiny and Council. It involves public involvement and engagement through surveys and a workshop.
- Analysis of net carbon zero performance to date and forecasted progress to 2030 following 2022/23 data return indicates there is a gap between what we forecast can be achieved and the carbon reduction/carbon sequestration increase targets.
- A national report about the public sector's response more generally, to becoming carbon neutral by 2030, broadly says organisations need to be bold and take risks now if they are to stand a chance of meeting this ambitious target.
- The Climate Change and Ecological Emergency cross party political working group has been re-established and has met for first time. Cross party consensus around

being upfront with our knowledge to date on progress and forecast within the updated strategy document.

- Communication representatives on the Greener Denbighshire Board and cross party political working group to enable the Communications Team to manage media and public relations and internal communications on the matter.
- Effective programme management is in place, including communications and risk management.
- Managers ensure the Communications Team is fully briefed, as early as possible, on any situation that may cause significant reputational loss.
- 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.
- We have secured budget to deliver the 2023/24 programme, including recruiting a procurement business partner to reduce emissions in our procurements. Other roles being explored will largely be expansions of existing roles and teams.
- The Climate and Ecological Change programme actively seek opportunities for external grant funding
- Introduction to Climate Change training is available to all staff. All but one 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.
- Active engagement with Environmental Representative groups active in Denbighshire. Public engagement within strategy review and refresh every 3 years.

Relevant indicators of the effectiveness of controls:

- NCZCORP: Net Carbon Zero - Total carbon tonnage emitted and absorbed by the council (excluding supply chains)
- CTOTALCORP: Total carbon tonnage emitted (Corporately) for the Net Carbon Zero goal
- STOTALCORP: Total carbon tonnage sequestered (Corporately) for the Net Carbon Zero goal

- SRHIGHCORP: Percentage of DCC owned and operated land in highest categories of species richness
- SRLowCORP: Percentage of DCC owned and operated land in lowest categories of species richness

Assurance:

- Internal Audit Review planning prompts for testing-related controls in all relevant projects
- Office Accommodation Internal Audit Review 2020
- Included in Internal Audit 2022/23 plan
- Audit Wales – Delivering Environmental Ambitions 2020-21
- Audit Wales – Public Sector Readiness for Net Zero Carbon by 2030
- Verto reporting capability to track projects that help, hinder or are neutral to carbon management and nature recovery

Residual Risk

C2 – Major: Possible / High Impact

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

Major risk. Risk Appetite suggests this risk should/could be tolerated as a major risk as long as appropriate steps have been taken to proactively manage community relations and media and coverage. Although, clearly, our ambition is to meet the 2030 goals, we hope to be able to reduce the likelihood 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: Rolling

Person Responsible: Liz Wilcox-Jones

2. New action: Roll out ecological literacy training

Action Due Date: 31/03/2024

Person Responsible: Liz Wilcox-Jones

3. Conduct a review of the Strategy, its scope, targets and the Programme pathway to 2030, include public engagement in the process and take refresh Strategy through decision making board

Action Due Date: 31/03/2024

Person Responsible: Helen Vaughan-Evans

4. Develop a defined communication plan and messaging for revised and refreshed Strategy adoption (internal and external communications) and implement

Action Due Date: 31/03/2024

Person Responsible: Adam Johnson

5. Complete more in depth stakeholder mapping exercise and include in Climate and Ecological Change Programme Communication Plan

Action Due Date: 31/03/2024

Person Responsible: Adam Johnson

Risk 48: The risk that recruitment and retention issues leads to a loss of expertise and capacity resulting in poor or inadequate performance

Lead Member(s): Councillor Julie Matthews, Councillor Gwyneth Ellis

Risk Owner: Gary Williams

September 2023 update:

Risk 48: The risk title has been amended from `The risk that recruitment and retention issues, leading to a loss of expertise and capacity, worsen resulting in poor or inadequate services` to `**The risk that recruitment and retention issues leads to a loss of expertise and capacity resulting in poor or inadequate performance**'.

Previous Risk 30 : `The risk that Senior Leadership capacity and skills to sustain service and corporate performance is not available` has now been incorporated within this risk.. Accordingly Councillor Gwyneth Ellis has been added as a Lead Member (Lead Member for Finance, Performance and Strategic Assets)

Risk Owner has transferred from CEO to Corporate Director Governance & Business. Critical controls have been updated.

While pressures in relation to recruitment and retention in social care and health, in particular, are acute, the risk level across the organisation and across all services remains the same as it was in February 2023.

The residual risk score remains unchanged as: B3 – Major Risk: Likely / Medium Impact

Description

The Council has a regular turnover off staff as individuals move on for a host of reasons. A number of service areas then face difficulties to recruit to those vacancies, particularly but not limited to critical front line social care and highways and environment roles. This is a national issue.

Anticipated direction of travel:

From a corporate perspective the risk is likely to reduce as we embark upon finding significant savings. Vacant posts may need to be deleted from the structure to contribute to savings or be left open to offer redeployment opportunities in connection with savings elsewhere. It is anticipated that certain Services will retain the risk in their Service Risk Registers.

Impact / Consequences

- Failure to recruit to and retain staff in key roles, including front line positions
- Difficulty in sustaining services
- Difficulty meeting statutory requirements
- Declining performance in critical areas, particularly Childrens' Services.
- Deteriorating staff morale/well-being
- Increased pressure on middle and senior managers
- Well-being of staff members expected to cover additional work due to the Council carrying a high number of vacant posts

Inherent Risk

B3 – Major Risk: Likely / Medium Impact

Controls to Manage Risk (in place)

Services are taking specific actions, to deliver targeted recruitment programmes. This risk though captures the 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.

Critical controls:

- The Council has completed the review of the Senior Leadership Team structure and has successfully recruited to all vacant SLT posts.
- Corporate Plan Theme 9 will be considering issues of retention and recruitment
- An Internal Audit has been completed of the workforce plan action plan, reported to [Governance and Audit Committee](#) in July 2023.

In summary, the report confirmed that Human Resources (HR) have robust HR initiatives and strategies in place to support the Corporate Workforce Plan. The development of some policies and guidance has been delayed due to vacancies within the team and workload pressures, however these have new revised completion dates.

- Workforce planning actions are underway to progress the findings of the corporate and service-level workforce planning reviews. There continues to be a significant focus on recruitment, especially in social care and health roles. A six monthly update report on delivery of the action plan was presented to the Corporate Executive and Senior Leadership Teams during the period. An annual update was presented in April 2023.
- A Group has been established looking a recruitment issue in social care, chaired by the Corporate Director for Social Services & Education. An action plan has been developed.
- Work is taking place regionally to tackle particular/acute recruitment issues (such as those in social care and health).

Ancillary controls:

- The Denbighshire County Council Pay Grading Structure will need reviewing
- 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.
- Work experience, career grade job roles, apprenticeships are available in the council.

Relevant indicators of the effectiveness of controls:

- LHRD10i: % of people who started in the last 12 months and who are still working for DCC

Qualitative indicators (delivery of activities):

- CPCSP6a: Undertake an annual review of the Corporate Workforce Plan 2022 to 2027
- CPASCH4001a: Deliver the action plan of the Social Care Recruitment and Retention Operational group

Assurance:

- An Internal Audit has been completed of the workforce plan action plan, reported to [Governance and Audit Committee](#) in July 2023 (see above under Critical Controls).

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.

Risk 50: The risk that Welsh Government's commitment to eliminate profit from the care of Children Looked After results in an unstable or unsuitable supply of placements

Lead Member(s): Councillor Gill German

Risk Owner: Nicola Stubbins

September 2023 review:

Risk 50: There has been no change to the risk title.

The risk has been agreed Regionally for inclusion in Corporate Risk Registers

The Risk Owner is to be a CET member and has been reverted back to Nicola Stubbins.

The risk has been reviewed and in some cases, where a placement is necessary but cannot be sourced due to national placement insufficiency a bespoke arrangement may have to be established. In this regard the residual risk score has been reviewed increasing from C3 – Moderate Risk: Possible and Medium Impact to B2 – Critical Risk: Highly Likely and High Impact.

Now a Critical risk. Risk Appetite suggests that this should be at most a moderate risk.

We continue to monitor the long-term implications of this commitment from Welsh Government on adult placements. For now, the risk owner remains as Councillor Gill German but should it become a risk for adult placements Councillor Elen Heaton will be added as a Lead Member.

Description

The Welsh Government's Programme for Government makes a commitment to 'eliminate private profit from the care of Children Looked After during the next Senedd term'.

The objective of removing profit is a positive one and it has the region's resounding commitment. However, it is imperative that Welsh Government take steps in pursuit of not-for-profit arrangements that do not disrupt children and young people's lives in the short term.

Our key concern is that providers become unsettled and the sufficiency and suitability of placements will be affected, affecting the lives of Children Looked After.

This risk is closely linked to [risk 34](#) (The risk that there is insufficient regulated care)

Anticipated direction of travel:

This risk has been regionally agreed. We will review the anticipated direction of travel as our management of this risk progresses over the next few months. We always felt this would take time to be resolved but there have been delays, but there is a real desire from Welsh Government to implement but it is a complex and challenging issue to resolve. It is

becoming more challenging to find placements. In some cases, where a placement is necessary but cannot be sourced due to national placement insufficiency a bespoke arrangement may have to be established. This is known by CIW as Operating Without Registration (OWR) and is an offence. Work is ongoing between CIW, ADSSC, AWHoCS and WLGA to agree a process for the monitoring of OWRs. It is accepted that national placement insufficiency is leading to an increased use of OWR arrangements.

Impact / Consequences

- Reduction in the number of placements for Children Looked After both generally and within the region or reasonable travel distance to the region.
- Current placements will be destabilised.
- Reduced investment in the area to develop local supply by private providers.
- Inability to source placements may result in the establishment of an emergency bespoke provision, contrary to regulations (OWR).

Inherent Risk

B2 – Critical Risk: Highly likely and High Impact

Controls to Manage Risk (in place)

Critical controls:

- Work with Welsh Government to ensure children are supported as close to home as possible.
- Raise the issues connected with this approach with Welsh Government and stress that a detailed and informed approach, attuned timing, and compatible messaging is essential to the competent management of the journey.
- Identify other alternative provision that is available
- Raise awareness within the Regional Partnership Board and partner organisations.
- The Regional Commissioning Board to consider other models such as In-house delivery

Ancillary controls:

- None.

Relevant indicators of the effectiveness of controls:

- Costs associated with care for CLA will be available.

Residual Risk

B2 – Critical Risk: Highly likely and 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.

Risk 51: The risk that the economic and financial environment worsens and results in the Council's inability to set a balanced budget.

Lead Member(s): Councillor Gwyneth Ellis

Risk Owner: Liz Thomas

September 2023 update:

Incorporates previous Risks :

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

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.

Risk 33 – The risk that the cost of care is outstripping the council's resource.

All sections have been reviewed to provide this new Risk 51: The risk that the economic and financial environment worsens and results in the Council's inability to set a balanced budget.

The Risk Owner for this new Risk being Liz Thomas and the Lead Member Councillor Gwyneth Ellis.

Residual risk is C1 – Critical Risk: Possible / Very High Impact

Description

The Local Government indicative settlement for 2024 to 2025 is 3%, this compares to a settlement of 8.2% in 2023 to 2024. There continues to be an ever growing list of significant economic and demand pressures related to inflation (e.g. pay, energy), social care, support for schools, benefits, the supply of goods and services in the supply chain (and the impact on our capital plan).

The economy has suffered several shocks in recent years. Leaving the European Union, Covid-19, war in Ukraine and increases in cost of living. Cost of fuel, goods and services have increased and led to concerns around the level of inflation in the UK, prompting The Bank of England to increase base rates.

Although the position is based on a number of assumptions that can change the current projections indicate that pressures of £26m for next year will require funding. Even after taking into account the middle of the range of the Council Tax increase at 7% (a planning figure that has not yet been agreed), and the indicative RSG settlement of 3%, a shortfall remains of between £15m. Similar pressures are being experienced by other Welsh local

authorities. The position for 2025 to 2026 remains even more uncertain as the current UK Government spending plans end in 2024 to 2025 and therefore WG cannot provide an indicative settlement for that year.

Any plans require the approval of Cabinet and in some instances Council, and must be implemented in a timely manner that complies with legislation. While the budget process has been successful historically the Council has never faced the scale of financial challenges that we are currently. Substantial savings need to be made by the local authority and the political environment remains sensitive.

As decisions are becoming harder lead in times are becoming longer. Decisions may become more challenging as the financial and economic environment becomes tighter.

The investments and supply structures held by the council and its commissioned services could be placed in an uncertain position depending on the value of the pound. This is particularly of issue in the viability of some residential care homes, and the subsequent risk to the council if any of those private providers were no longer sustainable.

The main areas of pressure relate to:

- Social Care (Adults) – this pressure relates to the ever increasing demand due to need and demographic pressure. It is also impacted by inflationary pressures especially the annual increase in the Real Living Wage and the impact this has on the care home fees that are agreed on an annual basis.
- Childrens Services – the main driver of pressures in this area is the increasing number and cost of external placements.
- Pay and grading – the pressure for increases in public sector pay is a major concern for the Council’s finances when the expected settlement falls well short of inflation. It is expected that due to the RLW increasing at an even higher rate over a number of years that the Council’s whole grading structure will need to be redesigned – a project team has been established to carry out this work.
- Other inflation – the main impact on the Council’s budget is the increase in energy costs. Finance are working closely with our energy experts in Property to assess both the in-year pressure and to project costs for 2024 to 2025.
- School Budgets – the Council provides schools with inflationary pressures each year and then decides whether or not a savings target is applied. All the inflationary pressures (e.g. pay and energy) also impact schools’ budgets.

Anticipated direction of travel:

This risk remains outside of our risk appetite, and has the potential to worsen, as the scale of financial challenge has become clearer. We do have control on the likelihood of not being able to deliver a balanced budget, based on the decision-making processes we put in place. The outlook has deteriorated significantly over the last twelve months. The outlook for public bodies has worsened and we are expecting a return to financial settlements well below the rate of inflation - at least in the near term. We continue to work closely with the WLGA and Welsh Government to ensure everyone is aware of the situation. Services have already made significant savings over the last 13 years and further savings will result in reductions in service which will be more difficult to prioritise and deliver.

The direction of travel on the particular pressures are summarised below:

- Social Care (Adults) – this year the pressure (excluding pay) was £8.2m, a further pressure of at least £4m is expected for 2024 to 2025.
- Childrens Services - this year the pressure (excluding pay) was £2.7m, a further pressure of around £2m is expected for 2024 to 2025.
- Pay and grading - this year the expected pay pressure is in excess of £4m (settlement agreed as this report is being written), a further pressure of around £5m is expected for 2024 to 2025. On top of this core pressure, the impact of the grading issue is currently included at a high level estimate of £6.5m
- Other Inflation (energy) – a pressure of £3m was included in the budget for 2023 to 2024 and a further £1m has been projected for 2024 to 2025. However these figures are currently under review.
- School Budgets – Inflationary and demographic pressures of £4.2m was included in the 2023 to 2024 budgets. No savings target was given and a commitment was made to review the energy costs position in year. For 2024 to 2025 it is currently that a pressure of £6.2m will be required – however a savings target will be required and schools have asked to plan for a 3% savings target.

Impact / Consequences

- The council experiences increased costs.

- The council's ambition and the scope of projects and programmes are curtailed due to increased costs.
- Stretched resources, affecting our ability to deliver on statutory functions.
- Low staff morale.
- Regulatory action, and poor reputation if unprepared.
- Reputational damage.
- Ultimately the risk is that the Council cannot set a balanced budget which may lead to the issuing of a Section 114 notice and external intervention.

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 and residual risk scores are likely to remain high.

Critical controls:

- A new Medium Term Financial Strategy (MTFS) was agreed in April 2023 and we are currently having two weekly CET and Cabinet meetings to agree actions. This forms the basis of how we identify the efficiencies, savings and cuts necessary in order to ensure the financial sustainability of the council.
- Our level of financial reserves are kept at a sensible level so that shocks to economy can be dealt with.
- The collaborative approach to partnership working and sharing lessons learned during the Covid-19 pandemic (with Welsh Government and the Welsh Local Government Association) has been mutually beneficial and we hope that this same approach could be established should we experience further economic shocks in the future. Working collaboratively, pan Wales, has been an effective way to develop solutions. However the financial capacity for Welsh Government to help is also very limited.
- The MTFS details the latest detailed Medium Term Financial Plan (MTFP) which contains different scenarios to try to ensure that it can deal with changes in the external environment.

- 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
- Regular (usually monthly) financial planning meetings between services and management accountants are in place.
- Services routinely monitor supply issues and cost increases.
- The Procurement Team supports services to ensure value for money and explore collaborative procurement where that may be a possibility.
- Service's budgets and budget proposals are scrutinised by the Lead Member for Finance and the Head of Service during budget-setting talks.
- 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.

Ancillary controls:

- A detailed Communications Strategy has been developed to ensure that all stakeholders are informed and can have input into the budget process. Monthly meetings are held to monitor the progress of the detailed Communications Action Plan. This aims to provide clear communications around financial challenges and the budget process to Members and we try to ensure our residents are informed about how the council is funded and spends its funds.

Relevant indicators of the effectiveness of controls: The Head of Finance and Audit's service plan includes key performance indicators that are associated with effective management of this risk and provides a monthly budget report to Cabinet.

- FINA101m The % of required efficiency savings identified for next year (Quarterly)
- FINA102m The % of required efficiency savings achieved for this year (Quarterly)
- Council reserves (£k)

Assurance:

- The Budget Strategy is being reviewed regularly by the Governance and Audit Committee

Residual Risk

C1 – Critical Risk: Possible / Very High Impact

Risk 52: The risk that insufficient funding leads to withdrawal or scaling back of services, even when a balanced budget is delivered

Lead Member(s): Councillor Gwyneth Ellis

Risk Owner: Graham Boase

September 2023 update:

This is a new risk in addition to new Risk 51 The risk that the economic and financial environment worsens and results in the Council's inability to set a balanced budget.

Residual Risk: B1 – Critical Risk: Likely / Very High Impact

Description**Description**

The Local Government indicative settlement for 2024 to 2025 is 3%, this compares to a settlement of 8.2% in 2023 to 2024. There continues to be an ever growing list of significant economic and demand pressures related to inflation (e.g. pay, energy), social care, support for schools, benefits, the supply of goods and services in the supply chain (and the impact on our capital plan).

The economy has suffered several shocks in recent years. Leaving the European Union, Covid-19, war in Ukraine and increases in cost of living. Cost of fuel, goods and services have increased and led to concerns around the level of inflation in the UK, prompting The Bank of England to increase base rates.

Although the position is based on a number of assumptions that can change the current projections indicate that pressures of £26m for next year will require funding. Even after taking into account the middle of the range of the Council Tax increase at 7% (a planning figure that has not yet been agreed), and the indicative RSG settlement of 3%, a shortfall remains of between £15m. Similar pressures are being experienced by other Welsh local authorities. The position for 2025 to 2026 remains even more uncertain as the current UK Government spending plans end in 2024 to 2025 and therefore WG cannot provide an indicative settlement for that year.

The main areas of pressure relate to:

- Social Care (Adults) – this pressure relates to the ever increasing demand due to need and demographic pressure. It is also impacted by inflationary pressures especially the annual increase in the Real Living Wage and the impact this has on the care home fees that are agreed on an annual basis.

- Childrens Services – the main driver of pressures in this area is the increasing number and cost of external placements.
- Pay and grading – the pressure for increases in public sector pay is a major concern for the Council’s finances when the expected settlement falls well short of inflation. It is expected that due to the RLW increasing at an even higher rate over a number of years that the Council’s whole grading structure will need to be redesigned – a project team has been established to carry out this work.
- Other inflation – the main impact on the Council’s budget is the increase in energy costs. Finance are working closely with our energy experts in Property to assess both the in-year pressure and to project costs for 2024 to 2025.
- School Budgets – the Council provides schools with inflationary pressures each year and then decides whether or not a savings target is applied. All the inflationary pressures (e.g. pay and energy) also impact schools’ budgets.

Anticipated direction of travel:

This risk remains outside of our risk appetite, and has the potential to worsen, as the scale of financial challenge has become clearer. We do have control on the likelihood of not being able to deliver a balanced budget, based on the decision-making processes we put in place. The outlook has deteriorated significantly over the last twelve months. The outlook for public bodies has worsened and we are expecting a return to financial settlements well below the rate of inflation - at least in the near term. We continue to work closely with the WLGA and Welsh Government to ensure everyone is aware of the situation. Services have already made significant savings over the last 13 years and further savings will result in reductions in service which will be more difficult to prioritise and deliver.

The direction of travel on the particular pressures are summarised below:

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Impact / Consequences

- Further savings will result in reductions in service which will be more difficult to prioritise and deliver
- Stretched resources, affecting our ability to deliver on statutory functions.
- Leading to an inability to deliver current levels of service provision.
- Overspends in Social Care place significant budget pressures on the council and could result in the scaling back or withdrawal of non-statutory services.
- Denbighshire overspends on its budget.
- Denbighshire cannot deliver savings.
- Low staff morale.
- Regulatory action, and poor reputation if unprepared.
- Reputational damage.

Inherent Risk

B1 – Critical Risk: Likely / Very High Impact

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The council has no control over the global economy or the WG settlement. Therefore, the inherent and residual risk scores are likely to remain high.

Critical controls:

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Ancillary controls:

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- Council reserves (£k)

Assurance:

- The Budget Strategy is being reviewed regularly by the Governance and Audit Committee

Residual Risk

B1 – Critical Risk: Likely / Very 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.

Further Actions

1. Implement the Budget Strategy agreed in April 2023

Action Due Date: January 2024

2. Take action in year to reduce the projected in year overspend in order to ensure reserves are still available to fund exit costs, delays to savings identification and implementation, and the future financial challenges.

Action Due Date: September 2023 to end March 2024

Person Responsible: Steve Gadd

