

2021/22 Year-end review of assurance on Strategic Risks

The summary presented below should be read alongside the position reported to the Committee in January 2022.

RISK REF	RISK DESCRIPTION	2021/22 Q4 RISK SCORE	CHANGES IN THE LAST 6 MONTHS	ASSURANCE OVERVIEW
SR3_ CR3	Vulnerability to cyber attacks	16	Risk score was increased at the end of September 2021, due to increased national threat levels	Controls remain in place and actions taken have mitigated this risk, with lessons learnt from local and national activities. There are seven controls in place, which have remained in place throughout the year.
SR6_ CR19	Variable approaches across the Council in the management and delivery of major capital projects to agreed objectives and budget	12	Risk score remains unchanged from the mid-year position	A deep dive risk review was considered by the Corporate Risk Management Group in September 2021 who were assured of progress and controls. An update on Programme Management Office (PMO) activities and progress with the implementation of the roadmap was also assessed by the Audit and Governance Committee in October 2021. Capacity remains an on-going issue impacting the likelihood score of this risk given the volume of project activity currently underway, however it should be noted that work has continued to strengthen our current programme and project arrangements (i.e., Revised PMO Board Terms of Reference and supporting Assurance and Development Group scoped, Project Manager Network meeting regularly, Project Management Platform implementation, PMO attendance guidance and project training scheduled for April and May 2022). Four controls have been in place throughout the year, and the completion of two actions has resulted in these areas becoming controls at the end of quarter two. There are a further two actions in place, where activities remain on-going.
SR7_ CR6	Inconsistent and/or poor contract management arrangements that are not in line with good contract management practice	12	Risk score remains unchanged from the mid-year position	Contract reviews are on-going with a focus on achieving savings, with spend controlled through the Spending Review and Resourcing Panel. A contract management programme is in operation focusing on the delivery of budget savings, and regular reviews of the strategic and directorate contract registers are undertaken to highlight non-compliant contracts. Due to a shift of priority in the contract savings strategy a review of the Contract Procedure Rules has been delayed. However, contract management training is now available on the intranet and will be carried forward into 2022/23. Two controls have been in place throughout the year, and work remains on track for a further two actions alongside an additional mitigation added at the end of quarter four.

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SR8_ CR7	Poorly defined, inconsistent records management systems and processes	12	Risk score was increased at the end of September 2021, as capacity impacted on the timely completion of key activities	<p>A deep dive risk review was considered by the Corporate Risk Management Group in May 2022. The review recommended that from 2022/23 the risk should be re-defined into two risks to appropriately reflect the current areas of threat. Two risks relating to compliance with the freedom of information act and data protection legislation have been drafted and will replace this risk.</p> <p>Controls (seven) and mitigations (one) have been reviewed and updated, as required.</p> <p>A 2-year plan for implementing records management practice across areas of the Council's data estate, has been approved and is now being rolled out. However, because of competing pressures services have found it difficult to resource and carry out reviews in targeted areas.</p>
SR14_ CP1	Adverse outcome to estimated fair value (EFV) determination of Long-Term Waste Management Contract	16	Risk score remains unchanged from the mid-year position	<p>The team of advisers remain in place and continue to provide guidance and advice on all aspects of the EFV requirements and processes, working in line with Covid-19 guidance. There remains no changes in the risk mitigations.</p>
SR15_ CR16	Changes in Government Funding frameworks, alongside increasing local budget pressures impacting on the Medium-Term Financial Plan (MTFP)	16	Risk score remains unchanged from the mid-year position as future financial pressures are a risk for future financial planning	<p>The Medium-Term Financial Plan was agreed at Full Council in March 2022. The budget is a balanced position for 2022/23. There is a residual budget gap of approximately £14 million to 2024/25.</p> <p>Council reserves are monitored on an on-going basis and reported to Cabinet quarterly.</p> <p>Four controls are established and have been in place throughout 2021/22, alongside three actions, with a further two added at the end of March 2022.</p>
SR16_ CR17	Resources to meet our in-year planned expenditure; external impacts, which may impact on long-term financial resilience such as Covid-19	16	Risk score remains unchanged from the mid-year position. The risk was scored at the end of March 2022, and the budget position has since been finalised confirming that mitigations were effective in this area	<p>Budget monitoring takes place monthly. At the end of the year the assessment of the final outcome specified the below.</p> <p><i>"The general fund revenue outturn position is an underspend of £2.836 million when compared to the revenue budget for 2021/22. The balanced position is achieved after utilising the (£2.880m) Covid Reserve and (£0.759m) Business Rates Smoothing reserve to mitigate revenue and the funding pressures of £2.793m. There has been further funding received and applied of (£1.990m) from the NHS and the Contain Outbreak Management Fund – COMF".</i></p> <p>External audit will assess Derby's financial statements to ensure compliance with accounting standards, laws and regulations.</p> <p>Six established controls have been in place throughout the year, with two new controls introduced at the end of March 2022.</p>

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SR18_ PS13	Increase in number of individuals/ households 'in need' following Covid-19	8	The risk score has been reduced from '12' in quarter 3, to the current position of '8' reflecting that the number of Covid-19 infections has stabilised reducing the likelihood assessment	<p>There is targeted assessment of the rising costs of living crisis underway, which will include a review of associated risks to understand the impact on this risk.</p> <p>Analysis of changes in demand and forecasts of possible future demands / risks are considered regularly and the capacity of our colleagues continues to be reviewed weekly by Directors.</p>
SR19_ CP12	Business resilience in Derby is impacted by COVID-19	4	All legal Covid restrictions have been removed and additional grant support delivered over the final 6-months of the year	<p>During the final 6 months of 2021/22 the risk controls and mitigations were in place that ensured that the funding was distributed alongside working with partners to implement long-term activities to support business resilience. Monitoring of progress has been captured through the quarterly review of the Recovery Plan.</p> <p>Looking ahead to 2022/23, further commitments have been included in the Council Plan 2022-2025 to support business resilience and growth.</p>
SR21_ CR22	Levels of emotional health and wellbeing amongst council colleagues	6	Risk score remains unchanged from the mid-year position	<p>Stress/anxiety was the highest absence reason of 2021/22.</p> <p>Over the last year, the role of Mental Health First Aiders in the Council has been reviewed to reposition them to that of Mental Health Champions. This review has provided an opportunity to consider how best the role can be used to address expected future demands in the coming months.</p> <p>Signposting of well-being support and tools remain on-going, and the offer continues to be refreshed regularly.</p> <p>Over the last quarter, the Employee Assistance Programme offer has been extended to colleagues' families.</p> <p>A turning the curve will be completed by HR and performance colleagues to further assess the impact of mitigations, which will be aligned to a review of this risk.</p>
SR22_ CR24	Capacity within some teams to deliver core services, and in some instances meet statutory duties	9	Risk score was increased from '6' at the end of December 2021, due to national and local pressures for key specialist roles, increased demand and increased mobility of labour	<p>At the end of quarter four it was noted that there remains an on-going risk related to high demand for statutory support and workforce capacity. Targeted controls (four) and actions (four) are in place for this risk, which are reflected.</p> <p>This risk is now considered to be having a reduced impact on children and young people and adult social care services (with associated risks in place for these areas), however it continued to affect other areas of the Council during quarter 4. New controls and actions will be established, and an updated risk score reported in quarter 1 (2022/23).</p>

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SR23_ PS16	Outbreak of Covid-19 in Derby	9	Risk score was reduced at the end of December 2021, as prevalence levels declined, and national restrictions were lifted	<p>The Local Outbreak Plan is about to be reviewed and updated to reflect the move to 'Living with COVID'. The Outbreak Engagement Board does however remain in place.</p> <p>We continue to offer guidance and support as appropriate, particularly in relation to outbreak management. Capacity is maintained to support current requirements with capability to increase, as required.</p> <p>Local responses are being managed in line with national policy, Targeted risk assessments are carried out as necessary, and a response plan is in place to manage variants of concern.</p>
SR24_ CP13	Meeting statutory duties in key service areas due to COVID-19 priorities	Risk closed	The risk score was increased at the end of December 2021, from '6' to '12', however at the end of March 2022 the risk owners closed this risk, reflecting current threats are detailed within other risks	<p>Whilst there remains an on-going risk related to high demand for statutory support and workforce capacity. Targeted controls and actions are in place for associated risks (SR21 and SR22) .</p> <p>This risk is now considered to be having a limited impact on children and young people and adult social care services, however it continued to affect other areas of the Council during quarter 4. New controls and actions will be established, and an updated risk score reported in quarter 1 (2022/23).</p>
SR26_ CP15	Meeting statutory duty to provide accommodation support for domestic abuse	8	Risk score remains unchanged from the mid-year position	<p>A Domestic Abuse Accommodation Strategy has been published and further work is taking place to develop a webpage to host the Strategy, associated plans, resources and information.</p> <p>Refuge provision 2022/23 grant has been confirmed, and the procurement process is underway to extend provision to September 2022.</p> <p>The Domestic Abuse Partnership Board is overseeing the Council's delivery of statutory duties in this area and first met in January 2022.</p>
SR27_ PS20	Diminished outcomes for Derby's children and young people	9	Risk score remains unchanged from the mid-year position	<p>School support packages have been, and continue to be, provided to eligible children and families.</p> <p>The HAF (holiday, activity and food) programme continues to be supported.</p> <p>Early Help services continue to support families and children and young people, focusing on local assets.</p> <p>Online learning resources are available to schools, parents, and carers, with best practice examples shared through PACE updates.</p> <p>The risk score remains unchanged from that reported in quarter 3 and continues to be treated via the established controls (twelve) and actions (two).</p>

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SR28_ PS22	Increasing complexity of need for Derby's children and young people, with insufficient services available at the 'right time' to meet this, from 'early offers of support' to placement options available for our looked after children and young people	9	The risk score has been reduced from 16 to 9, based on a reduced likelihood as demand has stabilised, alongside a reduced impact score as the inspection has evidenced that our mitigations are effective in ensuring that the right services are provided at the right time for the city's children and young people. This risk is however monitored closely	While the total numbers of looked after children have stabilised it should be noted that levels remain higher than 2020. Robust senior management oversight has ensured that we have worked in a strength-based way to make sure that families are receiving the right level of support at the right time. The 'Staying Together' team continue to provide support packages to keep families together and prevent children entering care; and thresholds have been independently assessed by Ofsted to be consistently and appropriately applied. <i>"Decisions for children are supported by use of the strengths-based model of practice, so that children receive a quick and proportionate response to their needs"</i> (Ofsted, 2022)
SR29_ CR27	Industrial action regarding NJC/JNC pay claim	Risk closed	This risk was terminated following ballot outcomes. A national pay award was implemented.	
SR17	Sufficient progress being made against the Written Statement of Action before inspection	Risk closed	Following the Local Area SEND re-visit, this risk has been reviewed and re-defined as 'Inability of Local Authority and Local Area to implement the SEND reform'. This risk is currently being refined and is reflected within Directorate Risk Registers.	
SR5	Condition of Council properties (risk of properties not being compliant)	8	Risk score remains unchanged from the mid-year position	The risk was de-escalated from strategic to directorate level based on controls and mitigations in place. A multi-disciplinary team of property professionals continues to undertake compliance checks across the property portfolio, in line with statutory requirements. This risk has previously been subjected to a targeted risk review.