



AUDIT COMMITTEE

Thursday, 25 January 2024

10.00 am

**John Meikle Room, The Deane House, Belvedere
Road, Taunton TA1 1HE**

SUPPLEMENT TO THE AGENDA

To: The members of the Audit Committee

We are now able to enclose the following information which was unavailable when the agenda was published:

Agenda Item 5 Strategic Risk Management Update as at January 2024 (Pages 3 - 32)

Replacement Appendix 1 version 2 – Strategic Risk Review & Control Measure Report

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Strategic Risk Review & Control Measure



Strategic Risks - SC(Executive Directors) – 10/01/2024

Appendix 1

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment									
ORG0057 Strategic Risk 2023 - Sustainable MTFP: There is a significant risk that the forecast costs of council services for 2024/25 and future years, exceed the resources available resulting in a significant budget gap.	* The councils funding not increasing at the same rate as the increase in costs. * The very high inflationary environment, increasing interest rates, tight labour market, fuel, energy, care provider & external placement costs are adversely impacting upon service costs * The Housing Revenue Account (HRA) and the capital programme. * The income to the council doesn't increase at the same causing a budget gap and potential overspends. * There is a deficit on the High Needs Block (HNB) of £30m as at 31 March 2022 and is projected to significantly increase by the time the DfE statutory override ends on 31 March 2026	If there was no corrective actions taken then it would result in the Section 151 Officer issuing a section 114 Notice.	Red - V. High Risk 25	Yellow - Medium Risk 9	<table border="1"> <thead> <tr> <th>Next Review Date</th> <th>Last Review Date</th> <th>Days Overdue</th> <th>Risk Owner</th> </tr> </thead> <tbody> <tr> <td>12/02/2024</td> <td>09/01/2024</td> <td>0</td> <td>Jason Vaughan</td> </tr> </tbody> </table>	Next Review Date	Last Review Date	Days Overdue	Risk Owner	12/02/2024	09/01/2024	0	Jason Vaughan
			Next Review Date	Last Review Date	Days Overdue	Risk Owner							
12/02/2024	09/01/2024	0	Jason Vaughan										
Impact 5	Impact 3	Likelihood 5	Likelihood 3										

Page 3

Risk Review Update

Review Summary: Report to 15 January 2024 Executive shows the reduced budget gap to £37.9m. To balance the budget DLUHC have been approached to increase council by an additional 5% which would generate additional income of £17.1m. In order to balance the budget, DLUHC would need to approve a Capitalisation Direction. This would be for £37.9m or reduced down to £20.8m if that if the additional 5% on council tax is approved.

Strategic Risk 2023 - Sustainable MTFP: There is a significant risk that the forecast costs of council services for 2024/25 and future years, exceed the resources available resulting in a significant budget gap. In February 2023, the budget gap was estimated to be £100m over the next 3 financial years from 2024/25 to 2026/27. It is estimated that the overall level of reserves held by the new Council is around £100m. Updated on 29/11/2023 11:15:52

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner

Agenda Item 5

Strategic Risks - SC(Executive Directors)

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0057/007 Medium Term Financial Plan (MTFP) - Updated the MTFP for 2024/25 to 2026/27		Existing (Proactive)			Nicola Hix
ORG0057/009 Review of the High Needs Block		Existing (Proactive)			Nicola Hix
ORG0057/018 Bright Sparks for staff to identify areas for savings.		Existing (Proactive)			Nicola Hix
ORG0057/014 Establishment of 3 boards to oversee spend - Establishment, Procurement and Cost control.		Existing (Proactive)			Jason Vaughan
ORG0057/015 Review of Transformation programme to include what is included and what savings will be generated as a result.		Existing (Proactive)			Jason Vaughan
ORG0057/016 Regular budget monitoring to Executive supported by Budget Control group.		Existing (Proactive)			Jason Vaughan
ORG0057/006 Financial Strategy	Review Summary: The Financial Strategy was approved by the Executive in July 2023 and updated.	In Progress (Reactive)	0	09/02/2024	Jason Vaughan
ORG0057/010 MTFP Board	Review Summary: The 3 spend & control boards on staffing, procurement and spending have been set.	In Progress (Reactive)	0	09/02/2024	Jason Vaughan
ORG0057/013 Deep dive into Children & families using external experts Peopletoo)	Review Summary: Peopletoo have been engaged to review Children's budget assumptions	In Progress (Reactive)	0	09/02/2024	Jason Vaughan
ORG0057/017 Review of pressures identified for 24/25	Review Summary: The budget pressures that were identified in October 2023 and have been subject to various reviews	In Progress (Reactive)	0	09/02/2024	Jason Vaughan

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment	Next Review Date	Last Review Date	Days Overdue	Risk Owner
<p>ORG0062</p> <p>Strategic Risk 2023 - Health and safety management, strategic planning and direction is not embedded across the Council, including Maintained Schools, resulting in a fragmented management system with increased risk to staff, contractors & members of the public</p>	<p>1. Corporate service operating for a number of years without a strategic lead</p> <p>2. Inadequate staffing resource resulting in unsustainable demands</p> <p>3. Organisational LGR reprioritisation</p> <p>4. Uncertainty due to intended LGR service restructuring</p> <p>5. Insufficient resource to enable early identification of increasing risk and statutory breaches</p> <p>6. Reduced capacity to proactively and reactively engage with the workforce</p> <p>7. Emerging existence of multiple risk management systems across the organisation</p> <p>8. Limited H&S training to support</p>	<p>1. Death or serious harm (RIDDOR Reportable Incidents and Dangerous Occurrence, excluding Over-seven-day incapacitation of a worker) to a service user, pupil, member of the public or a member of staff</p> <p>2. Criminal prosecution and enforcement action under H&S / Fire / Corporate Manslaughter legislation</p> <p>3. Civil Claims and/or personal litigation claims for negligence</p> <p>4. Adverse publicity and damage to reputation for the Council</p> <p>5. Increased audit inspection from enforcing bodies</p> <p>6. Increased costs and financial penalties</p> <p>7. Increased costs associated</p>	<p>Red - V. High Risk</p> <p>25</p>	<p>Yellow - Medium Risk</p> <p>12</p>	15/01/2024	15/12/2023	0	Daniel Thomas
			<p>Impact</p> <p>5</p> <p>Likelihood</p> <p>5</p>	<p>Impact</p> <p>4</p> <p>Likelihood</p> <p>3</p>				

Page 5

Risk Review Update
<p>Review Summary: During December CHSU has interviewed for x4 positions, x1 Safety Officer, x2 Senior Safety Officers, and X1 Principal Safety Officer. X3 appointments made, interviews for the Principal Officer role will take place 21/12/2023. The recruitment is the immediate action being taken to address resignations and stabilise the service. Conversations with our internal audit partners SWAP to discuss the audit findings will take place in January. The proposed service restructure is with Alyn Jones for review, further conversations will take place in the new year following the conclusion of the ongoing recruitment exercise.</p> <p>Strategic Risk 2023 - Health and safety management, strategic planning and direction is not embedded across the Council, including Maintained Schools, resulting in a fragmented management system with increased risk to staff, contractors, and members of the public. Updated on 17/11/2023 16:12:25</p>

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
<p>ORG0062/003</p> <p>Proactive – Service Development - Permanent Strategic Lead Appointed.</p>		<p>Existing (Proactive)</p>			Daniel Thomas

Strategic Risks - SC(Executive Directors)

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0062/005 Proactive – Service Development - Work has begun to plan for the permanent post LGR restructuring of the H&S service.		Existing (Proactive)			Daniel Thomas
ORG0062/007 Proactive – Service built chatbot in place.		Existing (Proactive)			Daniel Thomas
ORG0062/008 Culture/Competency Development - Developing 'core' mandatory H&S training courses.		Existing (Proactive)			Daniel Thomas
ORG0062/009 Increased efficiency - Additional e-learning courses are being published, reducing need for in-person delivery.		Existing (Proactive)			Daniel Thomas
ORG0062/011 Strategic Planning- The H&S Service has developed and implemented a robust Governance Structure for the corporate body.		Existing (Proactive)			Daniel Thomas
ORG0062/012 H&S awareness - Internal Communication Strategy,		Existing (Proactive)			Daniel Thomas
ORG0062/015 Embedding Culture - A series of H&S briefings have been delivered to Elected Members.		Existing (Proactive)			Daniel Thomas
ORG0062/016 Strategic Planning: To establish a baseline, inform future strategies & initiatives enable growth of H&S culture.		Existing (Proactive)			Daniel Thomas

Strategic Risks - SC(Executive Directors)

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0062/014 Culture/Competency Development: H&S Service to produce E-Learning courses on Blackboard (schools learning platform).	Review Summary: x13 courses now published on Blackboard, covering topics such as Legionella	In Progress (Reactive)	0	31/01/2025	Daniel Thomas
ORG0062/004 Reactive – Service Continuity - Planning interim recruitment measures to address resignations.	Review Summary: Recruitment exercise ongoing.	In Progress (Reactive)	0	15/01/2024	Daniel Thomas
ORG0062/006 Service Continuity: engage external providers to deliver fire risk assessment programme.	Review Summary: POs raised for the fire risk assessments due this financial year.	In Progress (Reactive)	0	15/01/2024	Daniel Thomas
ORG0062/010 Work with ICT on a dedicated organisational-wide H&S System	Review Summary: Workshops are taking place with ICT; anticipate confirmation on agreed solution January	In Progress (Reactive)	0	15/01/2024	Daniel Thomas
ORG0062/013 Education, Strategic Planning - Review of the H&S Service governance structure for educational establishments	Review Summary: No further progress owing to Managers absence. Proposed structure shared.	In Progress (Reactive)	0	15/01/2024	Daniel Thomas
ORG0062/001 SWAP internal audit into H & S culture	Review Summary: The SWAP audit report has been published by SWAP auditor	In Progress (Reactive)	5	06/01/2024	Daniel Thomas

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment												
<p>ORG0070</p> <p>Strategic Risk 2023 -Budget Overspend: - A significant budget overspend in current financial year (2023/24) that would be have to be funded from council reserves reducing them to dangerously low levels. The 2023/24 budget set the minimum level of General Reserves to be in the range of £30m to £50m reflecting the councils current risk environment.</p>	<p>The drivers of the potential overspend include: -</p> <ul style="list-style-type: none"> * Rising interest rates - impacts upon the cost of borrowing and the inherited short-term borrowing for longer term investments by predecessor councils * Labour Market - increasing in pay costs through national pay awards, national living wage and recruitment difficulties pushing up the costs of temporary staffing * Demand - Increase in demand and complexity particularly in social care * Inflation - 40-year high inflation costs impacting upon a whole range of services and costs * Economic environment - High energy costs, cost of living crises 	<p>Any potential overspend needs to managed by the responsible Service Director and will require them to take corrective actions to avoid a potential overspend. If a Service is not able to address this by itself then the Executive Director will take action to address that across their area of responsibility. Only if they are unable to address the situation will it require corporate action by ELT. Ultimately if the situation is not able to address then the overspend will need to be funded from Reserves. The level of Reserves held by the Council is finite and at the lower end of scale for a council of its size and risk profile.</p>	<p>Red - V. High Risk</p> <p>25</p> <p>Impact 5</p> <p>Likelihood 5</p>	<p>V. Low Risk</p> <p>6</p> <p>Impact 2</p> <p>Likelihood 3</p>	<table border="1"> <thead> <tr> <th data-bbox="1516 335 1675 443">Next Review Date</th> <th data-bbox="1680 335 1816 443">Last Review Date</th> <th data-bbox="1821 335 1921 443">Days Overdue</th> <th data-bbox="1926 335 2110 443">Risk Owner</th> </tr> </thead> <tbody> <tr> <td data-bbox="1516 446 1675 574">12/02/2024</td> <td data-bbox="1680 446 1816 574">09/01/2024</td> <td data-bbox="1821 446 1921 574">0</td> <td data-bbox="1926 446 2110 574">Jason Vaughan</td> </tr> </tbody> </table>				Next Review Date	Last Review Date	Days Overdue	Risk Owner	12/02/2024	09/01/2024	0	Jason Vaughan
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12/02/2024	09/01/2024	0	Jason Vaughan													

Page 8

Risk Review Update

Review Summary: Month 7 report has improved with the overall variance being reduced down to £18.3m overspend from £26.8m in Month 3. The various control board and panels are having a positive impact. The format for the monthly report has been revised and continues to be refined.

Strategic Risk 2023 -Budget Overspend: - A significant budget overspend in current financial year (2023/24) that would be have to be funded from council reserves reducing them to dangerously low levels. The 2023/24 budget set the minimum level of General Reserves to be in the range of £30m to £50m reflecting the councils current risk environment. Updated on 04/12/2023 14:51:14

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
<p>ORG0070/008</p> <p>Bright Sparks for staff to identify areas for savings</p>		Existing (Proactive)			Nicola Hix
<p>ORG0070/003</p> <p>Corporate & Resources Scrutiny Committee</p>		Existing (Proactive)			Jason Vaughan

Strategic Risks - SC(Executive Directors)

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0070/006 Establishment of 3 boards to oversee spend - Establishment, Procurement and Cost control		Existing (Proactive)			Jason Vaughan
ORG0070/007 Regular budget monitoring to Executive supported by Budget Control group.		Existing (Proactive)			Jason Vaughan
ORG0070/009 MTFP Board		Existing (Proactive)			Jason Vaughan
ORG0070/010 Deep dive into Children's and families		Existing (Proactive)			Jason Vaughan
ORG0070/011 Service challenge sessions		Existing (Proactive)			Jason Vaughan
ORG0070/005 Financial Training	Review Summary: Bite size lunch training sessions on various financial topics have taken place.	In Progress (Reactive)	0	13/03/2024	Nicola Hix
ORG0070/002 Performance, Risk & Budget Review Board	Review Summary: A wider piece of work is taking place on boards and governance arrangements.	In Progress (Reactive)	0	05/02/2024	Nicola Hix
ORG0070/004 Review format of Budget Monitoring Report	Review Summary: The budget monitoring report for Month 6 has been updated	In Progress (Reactive)	0	13/01/2024	Nicola Hix

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment	Next Review Date	Last Review Date	Days Overdue	Risk Owner
ORG0053 Strategic Risk 2020 - Resilience: Organisational Resilience: Without the minimum level of capacity and resource, the resilience of the organisation is compromised.	1. Recruitment & retention, competing with other local authorities and the private sector 2. Loss of staff specific to in-house system architecture (Revs & Bens, Housing, SAP etc) 3. Competing priorities including LGR transition, transformation projects and high service pressures etc 4. Emerging financial pressure in 2023-24 5. Assets & Infrastructure e.g. SAP, 6. Lack of Business Continuity Planning 7. Inability to recruit to backfill for large Projects which need operational staff resource (Dynamics HR and Payroll,	Additional pressure on service delivery, fail to realise the staff savings targets. Failure to consolidate legacy contracts.	Red - V. High Risk	V. Low Risk				
			Impact 20 5 Likelihood 4	Impact 10 5 Likelihood 2	18/11/2023	18/10/2023	54	Alyn Jones

Page 10

Risk Review Update
 Review Summary: New owner assigned Updated on 12/06/2023 15:57:47

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0053/011 Information Governance Asset register	Review Summary: Baseline work completed as part of the preparation for unitary but further work.	In Progress (Reactive)	0	03/07/2024	Rebecca Martin
ORG0053/009 H&S Create common processes so staff can be interchanged across County.	Review Summary: Need to align FM provision across former district areas before rolling out inspections	In Progress (Reactive)	0	04/04/2024	Heidi Boyle
ORG0053/014 Delivery annual civil contingencies work programme.	Review Summary: The CCU are delivering risk-based work programme	In Progress (Reactive)	0	03/04/2024	Nicola Dawson

Strategic Risks - SC(Executive Directors)

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0053/015 Delivery annual training and exercise programme for civil contingencies and business continuity	Review Summary: One exercise has been delivered since 1st April 2023 plus training in July 2023	In Progress (Reactive)	0	03/04/2024	Nicola Dawson
ORG0053/016 Annual update of corporate business continuity plan and service level plans	Review Summary: The New Somerset Council Corporate Business Continuity Plan was validated.	In Progress (Reactive)	0	03/04/2024	Nicola Dawson
ORG0053/012 New inhouse Replacement solutions and wider skills training	Review Summary: ICT are working to better understand existing skills in order to identify gaps	In Progress (Reactive)	0	12/01/2024	Toffer Beattie

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment	Next Review Date	Last Review Date	Days Overdue	Risk Owner
ORG0065 Strategic risk 2023 - Workforce: Inability to recruit and retain staff	Pay & grading structure lack competitiveness with the private sector and other Local Authorities especially around IT, legal, social workers, Planners and H&S experts.	Vacant hard to fill posts effecting the realization of benefits from LGR. Increased budget pressure from hiring agency staff Staff wellbeing	Red - V. High Risk 20 Impact 5 Likelihood 4	Yellow - Medium Risk 12 Impact 4 Likelihood 3	12/01/2024	12/12/2023	0	Dawn Bettridge

Risk Review Update

Review Summary: Risk high but being mitigated. HR has identified all hard to fill posts across 7 Directorates using local knowledge and agency/locum data. This data and analytics will inform the Workforce transformation programme commencing 15.1.24. Hard to fill posts include Planners, Lawyers and Social workers. A 6-week sprint project is underway to look to convert 25 planning consultant roles into permanent hires using a variety of resourcing solutions.

Strategic risk 2023 - Inability to recruit and retain staff Updated on 18/10/2023 15:59:02

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0065/001 Develop Workforce Strategy	Review Summary: A Workforce Transformation Business case is being developed	In Progress (Reactive)	0	12/01/2024	Dawn Bettridge
ORG0065/002 Review of job evaluation, pay and grading.	Review Summary: 6-week JE Sprint commenced late Nov 2023	In Progress (Reactive)	0	12/01/2024	Dawn Bettridge
ORG0065/003 Maximise the potential of the apprenticeship programme.	Review Summary: The HRA has begun an apprentice programme to increase capacity	In Progress (Reactive)	0	12/01/2024	Dawn Bettridge
ORG0065/004 Create Somerset Councils Employer Value Proposition (EVP)	Review Summary: Work delayed due to the Financial Emergency	In Progress (Reactive)	0	12/01/2024	Dawn Bettridge
ORG0065/005 Staff communications & engagement programme	Review Summary: To measure and increase employee engagement across the Council	In Progress (Reactive)	0	12/01/2024	Dawn Bettridge
ORG0065/006 Establish active staff networks	Review Summary: Staff Networks in place and supported by the OD team.	In Progress (Reactive)	0	12/01/2024	Dawn Bettridge

Strategic Risks - SC(Executive Directors)

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0065/007 Fast track LGR restructuring activity	Review Summary: LGR Restructuring paused in December 2023 with 2 exceptions (P&L and SAM)	In Progress (Reactive)	0	12/01/2024	Dawn Bettridge

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment	Next Review Date	Last Review Date	Days Overdue	Risk Owner
ORG0061 Strategic Risk 2022 - Climate Change: SC is unable to take sufficient urgent action to mitigate and adapt to the current and future impacts of climate change.		reputational damage, and potential financial loss, through failing to deliver on one of its corporate priorities and take appropriate action to mitigate the threat of climate change and its associated impacts.	Red - V. High Risk 16 Impact 4 Likelihood 4	Yellow - Medium Risk 9 Impact 3 Likelihood 3	08/01/2024	11/12/2023	3	Kirsty Larkins

Risk Review Update

Review Summary: additional live actions Updated on 18/01/2023 15:19:11

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0061/001 Delivery of the outcomes of Climate Emergency Strategy for Transport		Existing (Proactive)			David Carter
ORG0061/007 Delivery of Climate Change Strategy outcomes for Farming and Food workstream	Review Summary: The Farming and Food subgroup of the Local Nature Partnership has now been set up	In Progress (Reactive)	0	04/04/2024	Mark Fortune
ORG0061/006 Delivery of the Climate Emergency Strategy outcomes for the Natural Environment workstream	Review Summary: Statutory Local Nature Recover Strategy currently in development	In Progress (Reactive)	0	05/03/2024	Jonathan Doyle
ORG0061/008 Delivery of the Climate Emergency Strategy outcomes for the Water workstream	Review Summary: Post-unitary team restructure ongoing	In Progress (Reactive)	0	05/03/2024	Jonathan Doyle
ORG0061/002 Delivery the Climate Emergency Strategy outcomes for Transport	Review Summary: Funding for bus priority and mobility hubs in Taunton and Somerton	In Progress (Reactive)	66	06/11/2023	Sunita Mills
ORG0061/003 Delivery of Climate Emergency Strategy Energy Workstream outcomes	Review Summary: 05072023 - work continues on the strategy	In Progress (Reactive)	115	18/09/2023	Oliver Woodhams

Strategic Risks - SC(Executive Directors)

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0061/004 Delivery of Climate Emergency Strategy outcomes for the Build Environment Workstream	Review Summary: 05072023 - work continues.	In Progress (Reactive)	115	18/09/2023	Oliver Woodhams
ORG0061/010 Delivery of Climate Emergency Strategy outcomes for the Communications workstream	Review Summary: 09/03/2023 - Climate Change is identified as one of the corporate priorities	In Progress (Reactive)	213	12/06/2023	Peter Elliott
ORG0061/005 Delivery of Climate Emergency Strategy outcomes for the Business and Supply Chain Workstream	Review Summary: Green business support programme outlines finalised	In Progress (Reactive)	217	08/06/2023	Paul Hickson

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment	Next Review Date	Last Review Date	Days Overdue	Risk Owner
ORG0063 Strategic risk 2023 - Commercial Investments - Inability to achieve forecast income in the MTFP and a drop in the value of the investment. Market factors, valuations control around properties, diversity of portfolio, geographical area of investments	The current economic climate with a downturn in economic conditions, rising interests rates which increasing borrowing costs and previous approach of funding these investments from short term borrowing.	Non achievement of income budget and the creation of financial pressures in the MTFP. Loss in value of investment may make disposals difficult. Potential negative media reporting leading to reputational damage.	Red - V. High Risk 16 Impact 4 Likelihood 4	Yellow - Medium Risk 9 Impact 3 Likelihood 3	09/10/2023	02/08/2023	94	Oliver Woodhams

Risk Review Update
Review Summary: Strategic Asset Management are continuing to review the commercial investment portfolio. This is due to be completed by the end of July / early August Updated on 25/06/2023 10:20:56

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0063/001 Regular review and asset management	Review Summary: SAM have commissioned external consultants and legal work has commenced	In Progress (Reactive)	0	22/04/2024	Oliver Woodhams

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment												
<p>ORG0064</p> <p>Strategic Risk 2023 - General Housing: Failure to maintain delivery of affordable housing through third parties (RPs) and direct council delivery.</p>	<p>High demand for PRS and market homes due to HPC and market conditions, ecological challenges especially phosphates, pipeline of approved planning application, impact of RtB, impact of choices made by some PRS landlord to withdraw from the market, increased demand for affordable homes due to cost of living crisis, displaced persons, homelessness, HPC</p>	<p>Reduction of homes available</p>	<p>Red - V. High Risk</p> <p>16</p> <p>Impact 4</p> <p>Likelihood 4</p>	<p>Yellow - Medium Risk</p> <p>12</p> <p>Impact 4</p> <p>Likelihood 3</p>	<table border="1"> <thead> <tr> <th data-bbox="1514 344 1659 443">Next Review Date</th> <th data-bbox="1664 344 1809 443">Last Review Date</th> <th data-bbox="1814 344 1928 443">Days Overdue</th> <th data-bbox="1933 344 2114 443">Risk Owner</th> </tr> </thead> <tbody> <tr> <td data-bbox="1514 446 1659 576">30/12/2023</td> <td data-bbox="1664 446 1809 576">30/11/2023</td> <td data-bbox="1814 446 1928 576">12</td> <td data-bbox="1933 446 2114 576">Chris Brown</td> </tr> </tbody> </table>				Next Review Date	Last Review Date	Days Overdue	Risk Owner	30/12/2023	30/11/2023	12	Chris Brown
Next Review Date	Last Review Date	Days Overdue	Risk Owner													
30/12/2023	30/11/2023	12	Chris Brown													

Risk Review Update
 Review Summary: Risk remains as pipeline of affordable homes continues to be limited, local plan remains a number of years away, phosphate challenges remain high in the county, HPC continues impact availability/affordability of the private rented sector Updated on 18/08/2023 11:35:28

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment	Next Review Date	Last Review Date	Days Overdue	Risk Owner
ORG0068 Strategic risk 2023 - Increase in Fraudulent activity, including unauthorised release of, amendment to, use of, loss of, and/or loss of access to, corporate/confidential information stored electronically.	<ul style="list-style-type: none"> * Transition & service alignment * Access to data for fraudulent purposes * Housing - benefit fraud, tenancy fraud * Council Tax / fraudulent claims * Social Care * Finance transactions * Contract & procurement * Recruitment & selection * Pension fraud * Payroll / expenses * Business Rates * Insurance costs * Grants * Blue Badge 		Red - V. High Risk	Yellow - Medium Risk				
			16	12	Impact 4	Impact 4	06/01/2024	06/10/2023
			Likelihood 4	Likelihood 3				

Page 18

Risk Review Update
 Review Summary: Duplicate recovery systems being put in place for sundry debtors mid October Updated on 24/06/2023 14:02:32

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0068/002 SWAP compiled baseline assessment		Existing (Proactive)			Nicola Hix
ORG0068/003 Additional resource needs to be identified and placed within the Finance structure	Review Summary: temporary contractor support has been sourced.	In Progress (Reactive)	0	06/02/2024	Nicola Hix
ORG0068/005 Succession planning from existing staff base and audit of qualification training requirements.		In Progress (Reactive)	3	08/01/2024	Nicola Hix
ORG0068/004 Review of Fraud Policy and associated documents	Review Summary: Head of Procurement is undertaking this task	In Progress (Reactive)	3	08/01/2024	Claire Griffiths

Strategic Risks - SC(Executive Directors)

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0068/001 Code of Conduct Training for all staff	Review Summary: control owner changed to Democratic Services	In Progress (Reactive)	4	07/01/2024	Scott Wooldridge

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment				
ORG0009 Strategic Risk 2023 - Protecting Children: We fail to deliver our statutory duties and legal obligations in relation to vulnerable children.	Systemic failure of corporate leadership including effective engagement in strategic partnerships. Financial constraints. Inability to recruit and retain sufficiently suitably qualified and experienced staff	Possible abuse, injury, or loss of life to a vulnerable child through lack of service provision. Reduced public confidence; emergency measures; increased inspection; personal litigation claims; negative publicity for both the Council and partners; possible financial penalty or service is removed from Council control.	Amber - High Risk	Amber - High Risk	Next Review Date	Last Review Date	Days Overdue	Risk Owner
			15	15	31/03/2024	08/12/2023	0	Claire Winter
			Impact 5	Impact 5				
			Likelihood 3	Likelihood 3				

Risk Review Update

Review Summary: The Quality Performance and Review (QPRM) meetings have recently been reviewed by the management team and continue to meet regularly. An Education QPRM meeting has been established that addresses concerns about individual school performance and outcomes for children. The System Quality and Review Meetings (QSRM) with the CEO, DCS and Lead Member for Children’s Services continue to take place regularly and now involve the leader of the Council. The QPRM meetings continue to ensure that Directors and Managers review quality and performance in relation to the delivery of service and provide an opportunity to analyse themes and jointly resolve issues.

For Children’s Social Care and Education an annual conversation takes place with Ofsted to review performance data and practice activity.

The reputational issues arising from the Financial Emergency could impact Somerset Council's attractiveness as an employer affecting the recruitment and retention of Social Workers. If we fail to recruit and retain Social Workers, the service will struggle to meet it's statutory duties and legal obligations in relation to vulnerable children. Updated on 19/04/2023 15:44:51

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0009/058 System Quality and Assurance Review Meeting		In Progress (Reactive)	0	15/01/2024	Claire Winter
ORG0009/057 Quality, Review and Performance (QPRM) Meeting - CSC	Review Summary: Regular QPRM meetings continue. QSRM meetings take place with the CEO, DCS and Children’s Services quarterly	In Progress (Reactive)	0	15/01/2024	Jayne Shelbourn-Barro
ORG0009/059 Quality, Review and Performance (QPRM) Meeting - Inclusion		In Progress (Reactive)			Rob Hart
ORG0009/061 Quality, Review and Performance (QPRM) Meeting - Schools		In Progress (Reactive)			Amelia Walker

Strategic Risks - SC(Executive Directors)

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0009/060 Quality, Review and Performance (QPRM) Meeting - Commissioning		In Progress (Reactive)			Richard Selwyn

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment				
ORG0078 Strategic Risk 2023: Failure to deliver a business case for workforce transformation Strategic Risk 2023:	Direction the council want to go in being unclear Capacity	Not being able to determine the impact on budgets for 24/25 and beyond	Amber - High Risk	Yellow - Medium Risk	Next Review Date	Last Review Date	Days Overdue	Risk Owner
			15	12	31/01/2024		0	Dawn Bettridge
			Impact 5	Impact 4				
			Likelihood 3	Likelihood 3				

Risk Review Update

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0078/001 Development of business case for workforce transformation		Existing (Proactive)			Dawn Bettridge
ORG0078/002 Consultation being undertaken with Trade Unions and staff		Existing (Proactive)			Dawn Bettridge

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment				
ORG0079 Strategic Risk 2023: Future policy changes that affect funding in social care	National Government policy change	Reduced funding, impacting service delivery	Amber - High Risk	Yellow - Medium Risk	Next Review Date	Last Review Date	Days Overdue	Risk Owner
			15	12	31/01/2024		0	Mel Lock
			Impact 5	Impact 4				
			Likelihood 3	Likelihood 3				

Risk Review Update

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0079/001 Ongoing review of Government policy announcements		Existing (Proactive)			Mel Lock

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment				
ORG0080 Strategic Risk 2023: The risk of increasing demands on services and the impact that this could have in services and budgets	Continued cost of living crisis Continued high rents across the county	Longer to provide the services needed Increase in budgets for statutory services	Amber - High Risk 15	Yellow - Medium Risk 12	Next Review Date	Last Review Date	Days Overdue	Risk Owner
			Impact 5 Likelihood 3	Impact 4 Likelihood 3	31/01/2024		0	Alyn Jones

Risk Review Update

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0080/001 Monitoring of service performance to identify areas of concern		Existing (Proactive)			Alyn Jones
ORG0080/002 Monitoring of budgets to identify issues and concerns		Existing (Proactive)			Nicola Hix

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment				
ORG0081 Strategic Risk 2023: The risk that the Government will make further cuts to Local Government funding, impacting the sustainability of service levels at current levels	Government financial position	Reduced budgets, reducing services and staff levels	Amber - High Risk	Yellow - Medium Risk	Next Review Date	Last Review Date	Days Overdue	Risk Owner
			15	9	31/01/2024		0	Jason Vaughan
			Impact 5	Impact 3				
			Likelihood 3	Likelihood 3				

Risk Review Update

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner

Page 25

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment												
<p>ORG0060</p> <p>Strategic Risk 2022 - ASC: ASC fails to meet statutory obligations under the care act in relation to Care Provider market sufficiency and capacity</p>	<p>Insufficient / vulnerable independent adult social care market supply/capacity to meet rising demand for care and support and population needs.</p>	<ul style="list-style-type: none"> Needs and outcomes for individuals are not met in a timely, effective way; Hospital flow significantly affected due to insufficient intermediate care capacity High levels of unmet care need and package of care hand backs; rising levels of care provider business failure or closure; Risk to, and needs of, individuals awaiting care in the community increase; Failure to adequately safeguard adults at risk Increase in out of area/ respite / permanent residential/nursing placements (increased costs; poorer outcomes) Failure to meet our strategic 	<p>Yellow - Medium Risk</p> <p>12</p> <p>Impact 4</p> <p>Likelihood 3</p>	<p>Yellow - Medium Risk</p> <p>12</p> <p>Impact 4</p> <p>Likelihood 3</p>	<table border="1"> <thead> <tr> <th data-bbox="1516 335 1675 443">Next Review Date</th> <th data-bbox="1680 335 1816 443">Last Review Date</th> <th data-bbox="1821 335 1921 443">Days Overdue</th> <th data-bbox="1926 335 2114 443">Risk Owner</th> </tr> </thead> <tbody> <tr> <td data-bbox="1516 446 1675 574">03/02/2024</td> <td data-bbox="1680 446 1816 574">03/01/2024</td> <td data-bbox="1821 446 1921 574">0</td> <td data-bbox="1926 446 2114 574">Niki Shaw</td> </tr> </tbody> </table>				Next Review Date	Last Review Date	Days Overdue	Risk Owner	03/02/2024	03/01/2024	0	Niki Shaw
Next Review Date	Last Review Date	Days Overdue	Risk Owner													
03/02/2024	03/01/2024	0	Niki Shaw													

Strategic Risks - SC(Executive Directors)

Risk Review Update

Review Summary: People living in Somerset have told us that they want to remain living as independently as possible in their own homes, which has led us to develop the market to support this. We have worked closely with our vibrant volunteer and community sector, domiciliary care sector and our micro providers to help people live independently in their own homes for as long as possible and have been careful with our spending to ensure the best possible value for money. Despite this, numerous factors beyond our control have contributed to rising costs and a challenged care market:

- Care providers have had to raise their prices due to increased running costs, with rising costs for food, fuel, heating and electricity, and interest rates. Our residential care placement costs have risen from around £577 per week in 2022/23 to £850 per week. This is a huge increase of over 47%.
- Demand for care has increased, with the average person receiving care in their own home now needing 14 hours per week at the time of writing, compared to 12 hours per week in 2021/22. This is an increase of 16%.
- Planned reforms have been paused, meaning we have not received the full amount of money originally allocated to fund the fair cost of care exercise.

Levels of unmet home care need continue to be sustained at very low levels as of end of December 2023, despite demand for homecare remaining significant. We are currently in a position where provision outstrips demand, meaning we are not currently accepting any new home care providers onto our procurement framework. Care package contract hand backs from home care providers have also significantly reduced when compared with recent years suggesting a stabilisation in the market, and the quality of community-based provision (as judged by the Care Quality Commission as the independent regulator) continues to exceed that of residential-based provision and compares well to national averages. However, bedded (residential) placements are providing harder to source due to challenging market conditions.

The service is preparing for new CQC regulatory assessment, which encompasses duties in relation to market shaping, and has actively contributed to wider Council activity associated with the financial emergency, including MTFP challenge sessions and scrutiny of our activity and performance in this space, and the submission of savings proposals. We have commissioned an LGA Assurance peer challenge for early March 2024 which will further scrutinise our delivery of statutory duties in relation to commissioning and market shaping

Strategic Risk 2022 - ASC: ASC fails to meet statutory obligations under the care act in relation to Care Provider market sufficiency and capacity Updated on 29/11/2023 11:56:00

Page 27

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0060/009 Undertake and maintain a detailed self-assessment in relation to how the LA provides support (CQC Assurance)	Review Summary: Our Adult Social Care self-assessment originally featured in our Adult Social Care Annual Report 2022/23	In Progress (Reactive)	0	03/02/2024	Niki Shaw

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment	Next Review Date	Last Review Date	Days Overdue	Risk Owner
<p>ORG0066</p> <p>Strategic Risk 2023 - VCFSE - The continued risk of financial instability of the sector exacerbated by the financial pressure on Somerset Council and the requirements to make savings, lessening opportunity to make long term funding commitments</p>	<p>Although multiyear funding arrangements for Citizens Advice and Spark Somerset have now been agreed by Executive, legacy grant funding to smaller VCSFE organisations has been reviewed and is unlikely to continue.</p>	<p>1. Impact on services - potential for increase in Council Tax and Rent arrears if no funding available to support VCFSE sector who provide support and advice to customers 2. Areas where VCFSE support the Council may well not get delivered or customers supported 3. Potential loss of some VCFSE groups</p>	<p>Yellow - Medium Risk</p> <p>12</p> <p>Impact 4 Likelihood 3</p>	<p>V. Low Risk</p> <p>6</p> <p>Impact 3 Likelihood 2</p>	20/06/2023	05/06/2023	205	Alyn Jones

Risk Review Update

Review Summary: to be presented to CLT 20th June Updated on 23/03/2023 09:17:52

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
<p>ORG0066/001</p> <p>VCFSE Core group in place, monitoring spend, build business case for continued VCFSE funding and develop policy</p>	<p>Review Summary: VCFSE core group is in place and continues to meet regularly to ensure corporate overview.</p>	<p>In Progress (Reactive)</p>	3	08/01/2024	Sara Skirton
<p>ORG0066/003</p> <p>work with strategic VCFSE partners to mitigate budget impacts on communities</p>		<p>In Progress (Reactive)</p>	3	08/01/2024	Sara Skirton

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment				
ORG0071 Strategic risk 2023 - ASC: Risk that the Adults Social Care Transformation programme (My Life, My Future) does not achieve its financial targets	Strategic partnership with Newton Europe to implement the next phase of Adult Social Care transformation ineffectively implemented, supported or monitored	Failure to achieve MTFP savings - falls back on Council to bridge the gap. Failure to achieve key performance targets and strategic plan ambitions. Negatively impacts on external and internal assurance / CQC assessment. Reputational damage	Yellow - Medium Risk	Yellow - Medium Risk	Next Review Date	Last Review Date	Days Overdue	Risk Owner
			12	9	03/02/2024	03/01/2024	0	Niki Shaw
			Impact 4	Impact 3				
			Likelihood 3	Likelihood 3				

Risk Review Update

Review Summary: We are now four months into the design phase of the ASC 'My Life, My Future' transformation Programme. All five programme workstreams are now live, and some have established trials to test new ways of working across our services. Some encouraging early results are evident; we are seeing 10% more people finishing reablement per week across the county, enabling them to have lower long term care needs. This is a 20% improvement in our trial team in Taunton & West Somerset, achieved through supporting providers with processes for rigorous progression of cases. We have also seen a reduction in Older Adults residential starts across the county to a rate better than our target. We will continue to monitor this to ensure that this change sustains. Good financial tracking is in place across most areas of the programme and can effectively monitor trial and wider progress, allowing us to react quickly to emergent changes. There are some risks to maximising progress and meeting the projected benefit timelines, particularly around specific resource constraints in some service areas and in the Council's data engineering & business intelligence teams. In recognition of wider council challenges and pressures, we are continuing to challenge programme and workstream plans to bring as much as possible forward to support savings delivery. Fortnightly MLMF Finance and Performance meetings in place, alongside a Steering Group meeting to support routine progress monitoring, risk and activity, and contract monitoring meeting. Regular reporting up to Council's TTC Board and Scrutiny Committee - detailed update papers were presented to 7th December Adults & Health Scrutiny (in public domain).

Strategic risk 2023 - ASC: Risk that the Adults Social Care Transformation programme (My Life, My Future) does not achieve its financial targets Updated on 29/11/2023 11:25:36

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0071/001 Projected savings to be guaranteed using a 100% contingent commercial fee model.		Existing (Proactive)			Niki Shaw
ORG0071/002 Ensure rigorous approach in place to support tracking of benefits and financial impact.	Review Summary: A monthly Contract Monitoring forum is established where we formally report.	In Progress (Reactive)	0	03/02/2024	Niki Shaw

Strategic Risks - SC(Executive Directors)

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0071/003 Ensure programme sufficiently resourced to deliver the full target benefits value	Review Summary: A team structure is in place for the My Life My Future programme which includes a mix of ASC & Newton staff.	In Progress (Reactive)	0	20/01/2024	Niki Shaw

Strategic Risks - SC(Executive Directors)

Risk Description - uncertain event that has effect on objectives	Cause of the risk	Consequence of the risk - which would lead to	Current Risk Assessment	Controlled Risk Assessment				
ORG0075 Strategic Risk 2023 - LCN - Failure to deliver the key commitment of the business case to deliver LCN's	Delays in recruiting to permanent LCN team and reliance on interim resource	failure to deliver key commitment to our communities to ensure engagement with SC and local influence on services. damage to relationships with stakeholders'	Yellow - Medium Risk	V. Low Risk	Next Review Date	Last Review Date	Days Overdue	Risk Owner
			12	6	08/01/2024	08/12/2023	3	Sara Skirton
			Impact 4	Impact 2				
			Likelihood 3	Likelihood 3				

Risk Review Update
Review Summary: Actions updated and reviewed Updated on 22/08/2023 07:55:55

Control Measure	Control Review Update	Status	Days Overdue	Review Date	Control Owner
ORG0075/001 Review of existing community development spend across the council, seeking to realign and repurpose existing budgets	Review Summary: Reviewed	In Progress (Reactive)	3	08/01/2024	Sara Skirton

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