






Strategic Risks Somerset Council – August 2024

Produced – 13/08/2024

JCAD ref & Review date	Risk Description	Cause	Consequence	Inherent score		Mitigation & Target Date (TD) for completion	Current score & DOT		Desired risk score		Risk Owner
				L	I		L	I	L	I	
ORG0057 Review: 20/6/2024	Strategic Risk 2023 - Sustainable MTFP: There is a significant risk that the forecast costs of council services exceed the resources available resulting in a section 114 notice.	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. Continued Financial pressures in 2024/2025 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,	If there was no corrective actions taken then it would result in the S151 officer issuing a S114 notice. Council becomes the council's expenditure would exceed the available resources. The issuing of a section 114 notice would likely trigger government intervention.	5	5	Existing controls 1. Updated MTFP 24/25 to 26/27 2. Review of High Needs Block 3. Bright Sparks for staff to identify areas for savings 4. Establishment of 3 boards to oversee spend – Establishment, Procurement, and Cost Control 5. Review of transformation programme to include what is included and what savings will be generated as a result 6. Regular budget monitoring to Executive supported by Budget Control Group 7. MTFP Board Controls Completed 1. Financial strategy 24/25 26/27 2. Deep dive into Children' and families using external experts Peopletoo 3. Rebase of the ASC budget 4. 017-Review of pressures identified in 24/25 – TD: 30/09/2024 In progress 1. 019-25/26-staffing reduction via the VR & CR process – TD: 31/03/2025 2. 020-25/26 – Updated MTFP report to September 2024 Executive – TD: 31/03/2025 3. 021-25/26 – 2023/24 outturn & Base Budget Review to be completed by end September 2024 – TD: 30/09/2024 4. 022- 25/26 – Fees & Charges – Review of fees & Charges for future years – TD: 31/03/2025 5. 023 – 25/26 – Review of 2025/26 budget pressure by end of October 2024 – TD: 30/10/2024	4	5	3	3	Nicola Hix
							20 VH  	9 M 		Corporate Priority A Fairer Ambitious Somerset	












- ORG0057 Risk Owners review summary: New interim risk owner assigned
- CLT structure is being finalised following consultation, and interviews taking place, but estimated savings are c£1m.
- DLUHC (although think they have a new name now) - the Council has been working with CIFPA who have been undertaking a review which is due to be completed the end of August.

Appendix One

<p>ORG0062 Review: 30/09/2024</p>	<p>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</p>	<p>Corporate service operating for a number of years without a strategic lead Inadequate staffing resource resulting in unsustainable demands Organisational LGR reprioritisation Uncertainty due to intended LGR service restructuring Insufficient resource to enable early identification of increasing risk and statutory breaches Reduced capacity to proactively and reactively engage with the workforce Emerging existence of multiple risk management systems across the organisation Limited H and S training to support</p>	<p>Death or serious harm (RIDDOR, excluding over 7-day incapacitation of a worker) to a service user, pupil, member of the public or member of staff Criminal prosecution and enforcement action under H&S/Fire/Corporate Manslaughter legislation Civil Claims and/or personal litigation claims for negligence Adverse publicity and damage to reputation for the council Increased audit inspection from enforcing bodies Increased costs and financial penalties Increased costs associated</p>	<p>5</p>	<p>5</p>	<p>Existing</p> <ol style="list-style-type: none"> 1. Permanent strategic lead appointed 2. Service development – work has begun to plan for permanent post LGR restructuring of the H&S service 3. Service built chatbot in place 4. Culture/competency development – developing core mandatory H&S training courses 5. Additional Elearning courses to be published reducing the need for in-person delivery 6. Robust Governance structure implemented 7. H&S awareness – internal communication strategy 8. Series of briefing to elected Members 9. Strategic planning – establish a baseline, inform future strategies and initiatives enable growth of H&S culture <p>Complete</p> <ol style="list-style-type: none"> 1. 006-Engage external providers to deliver fire risk assessment programme – TD: 08/04/2024 2. 004-Planning interim recruitment measures to address resignations – TD: 08/04/2024 <p>In progress</p> <ol style="list-style-type: none"> 3. 014-H&S to produce e-Learning courses on Blackboard – TD: 31/12/2024 4. 010-Work with ICT on a dedicated organisational wide H&S system – TD: 30/09/2025 5. 013-Review of the H&S service governance structure for educational establishments – TD: 31/07/2024 6. 001-SWAP audit into H&S culture – TD: 31/07/2024 	<p>4</p>	<p>5</p>	<p>3</p>	<p>4</p>	<p>Daniel Thomas</p>
<p>ORG0062 Risk Owners review summary: All reactive mitigations are up-to-date. A proposed H&S Service redesign has been approved (subject to consultation). The development and intended rollout of the new H&S management system is progressing well, mandatory H&S training has been released with completion rates being published on the H&S intranet site. Resourcing remains a significant concern for our Service, we are consulting HR on recruitment options which is complicated by the intended service restructure.</p> <p>The org-wide restructuring will be a destabilising time for the Council. The Council has four subordinate Health, Safety, Wellbeing Boards that feed into the Council's Health, Safety, Wellbeing Steering Group, two of which are chaired by Service Directors who do not have a position in the new structure. Consequently, there are immediate impacts to the governance structure which we will address. As the organisation progresses with transformation, it's foreseeable restructuring and staffing changes will further influence membership within the governance structure. There is also a need to redesign the Governance structure to ensure it reflects and aligns with the agreed org structure. The Council's H&S Service has worked hard over the past 12-months to establish an effective governance structure for the Council, much of this work places the organisation in a strong position to manage change through transformation. However, there will be disruption and navigating this period which will require strong leadership and a continued emphasis on effective governance.</p> <p>Additionally, from a service delivery perspective, while the H&S Service are reassured and optimistic that the agreed H&S structure will address our resourcing challenges, the required service restructuring will be delayed until org-wide consultation has concluded. We also acknowledge that there is inherent disruption that comes with replacing the Council's H&S management systems.</p> <p>The Council's Strategic Risk states 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.</p> <p>The organisation has made considerable progress since the forming of Somerset Council on 1st April 2023. However, with consideration to the issues outlined above and an informed understanding of the conflicting priorities/challenges facing our organisation, the Health and Safety Service do not anticipate a reduction in the Strategic Risk over the next 6-9 months.</p>											
<p>ORG0070</p>	<p>Budget overspend – significant budget</p>	<p>Drivers of potential overspend - Rising interest rates – impact costs</p>	<p>Services need to manage overspend</p>	<p>5</p>	<p>5</p>	<p>Existing</p> <ol style="list-style-type: none"> 1. Bright sparks for staff to identify saving areas 	<p>3</p>	<p>2</p>	<p>3</p>	<p>2</p>	<p>Nicola Hix</p>

VH-VERY HIGH / H-HIGH / M- MEDIUM / L- LOW/

Appendix One

<p>Review 12/02/2024</p>	<p>overspends in current financial year (23/24) that would have to be funded from council reserves reducing reserves to a dangerously low levels. The 23/24 budget set the minimum level of General Reserves to be in range of £30m to £50m reflecting the councils current risk environment</p>	<p>of borrowing for longer term investments by predecessor councils</p> <ul style="list-style-type: none"> - Labour market -increasing pay costs - Demand - increase in demand and complexity - Inflation – 40-year high inflation impacting costs and services - Economic environment – high energy costs, cost of living crisis 	<p>and take corrective action within the service</p>	<p>25 VH </p>	<ol style="list-style-type: none"> 2. Corporate and resources scrutiny 3. Establishment of 3 boards to oversee spend 4. Regular budget monitoring to Executive supported by budget control group 5. MTFP board 6. Deep dive into Children’s service 7. Service challenge sessions 8. Review format of budget monitoring report <p>In progress</p> <ol style="list-style-type: none"> 1. 005-Financial training – TD: 31/10/2023 2. 002-Performance, Risk and Budget review board – TD: 29/03/2024 	<p>6 L  </p>	<p>6 L </p>	<p>Corporate Priority A Fairer Ambitious Somerset</p>	
<p>ORG0070 Risk owners review summary: Current score was reduced 04/07/2024, draft outturn shows a minor underspend for 2023/2024.</p>									
<p>ORG0053 Review 18/11/2023</p>	<p>Resilience – organisational resilience – without the minimum level of capacity and resource, the resilience of the organisation is comprised</p>	<ol style="list-style-type: none"> 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. Continued 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, 	<p>Additional pressure on service delivery Fail to realise staff savings targets to consolidate legacy contracts</p>	<p>5 5 25 VH </p>	<p>Controls Completed</p> <ul style="list-style-type: none"> • BCP annual corporate guidance • BCP service level BC plans are updated annually • ICT Mobile telecoms review • CCU Delivery of annual training & exercise programme • CCU Maintenance of the Somerset Local Authorities Civil Contingencies Partnership • CCU Maintenance of community resilience capabilities • CCU Participation & coordination with local multi-agency structures • ICT increase awareness & understanding around suspicious & unsolicited email attachments • CCU assess Somerset civil contingencies risks <p>In progress</p> <ol style="list-style-type: none"> 1. 011-Information Governance asset register – TD: 31/08/2023 2. 009-H&S – create common processes for staff can be interchanged – TD: 31/12/2023 3. 014-Delivery of annual civil contingency work programme – TD: 31/03/2024 4. 015-Deliver annual training and exercise programme for civil contingencies and business continuity – TD: 31/03/2024 5. 016-Annual update of corporate business continuity plans and service level plans – TD: TBA 6. 012-In-house replacement solutions and wider skills training – TD: 30/11/2023 	<p>4 5 20 VH  </p>	<p>2 5 10 L </p>	<p>Alyn Jones</p> <p>Corporate Priority A Flourishing & Resilient Somerset</p>	
<p>ORG0053 Risk Owners review summary: Last reviewed 18/10/2023</p>									
<p>ORG0065 Review 23/03/2024</p>	<p>Workforce – inability to recruit and retain staff</p>	<p>Pay and grading structure Lack of competitiveness with private sector and other local authorities especially around IT, legal, social workers, planners and H&S experts</p>	<p>Vacant posts hard to fill, effecting the realisation of benefits from LGR Increased budget pressures from hiring</p>	<p>5 5 25 VH </p>	<p>In progress</p> <ol style="list-style-type: none"> 1. 001-Develop workforce strategy – TD: TBA 2. 002-Review job evaluation, pay and grading – TD: TBA 3. 003-Maximise the potential of the apprenticeship programme – TD: TBA 	<p>4 5 20 VH </p>	<p>3 4 12 M </p>	<p>Dawn Bettridge (Melissa Fairhurst)</p>	











VH-VERY HIGH / H-HIGH / M- MEDIUM / L- LOW/

Appendix One

			agency staff Staff wellbeing			<ul style="list-style-type: none"> 4. 004-Create Somerset Councils Employer Value proposition – TD: 31/3/2025 5. 005-Staff communications and engagement programme – TD: TBA 6. 006-Establish effective staff networks – TD: TBA 7. 007-Fast track LGR restructure activity – TD: 30/06/2024 	↔						
ORG0065 Risk Owners review summary: Review overdue													
ORG0061 Review 08/01/2024	Climate change – SC unable to take sufficient urgent action to mitigate and adapt to the current and future impacts of climate change		Reputational damage Potential financial loss through failing to deliver on one of the corporate priorities and take appropriate action to mitigate the threat of climate change and its associated impacts	5	5	Existing 1. 001-Deliver of climate change emergency strategy for transport In progress 1. 007-Delivery of climate change outcomes for farming and food workstream – TD: 29/04/2024 2. 006-Delivery of climate change outcomes for natural environment workstream – TD: 31/03/2023 3. 008-Delivery of climate change outcomes for water workstream – TD: 31/03/2023 4. 002-Delivery of climate change outcomes for transport – TD: 31/03/2023 5. 003-Delivery of climate emergency energy workstream outcomes – TD: 08/05/2024 6. 004-Delivery of climate change outcomes for built environment workstream – TD: 08/05/2024 7. 010-Delivery of climate change outcomes for communication workstream – TD: 28/06/2024 8. 005-Delivery of climate change outcomes for business and supply chain – TD: 31/03/2023	4	4	3	3	16 VH ↔	9 M □	Kirsty Larkins
ORG0061 Risk Owners review summary: 11/12/2023 – additional live actions													
ORG0063 Review 26/06/2024	Commercial investments – inability to achieve forecast income in the MTFP and a drop in the value of the investment. Market factors, valuation controls around properties, diversity of portfolio, geographical area of investments	Current economic climate with a downturn in economic conditions Rising interest rates which increase borrowing costs Previous approach of funding these investments from short term borrowing	Non-achievement of income budget Creation of financial pressures in the MTFP Loss in value of investment may make disposals difficult Potential negative media reporting, leading to reputational damage	4	5	In progress 1. 001-Regular review and asset management with external consultants appointed – TD: TBA	4	4	3	3	16 VH ↔	9 M □	Oliver Woodhams
ORG0063 Risk Owners review summary: 02/08/2024 – Work is progressing with active marketing being undertaken. External consultations are in place to continue to review and undertake work in relation to these assets													










VH-VERY HIGH / H-HIGH / M- MEDIUM / L- LOW/

Appendix One


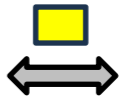




ORG0064 Risk Owners review summary: 06/08/2024 - We are seeing the impacts of this risk becoming reality and we have only limited ways to mitigate this, it is also anticipated that this will escalating over time unless changes at a government level are introduced. Whilst government are announcing greater house building volumes this will take time to translate into available stock. Potential changes on the PRS are of great concern, there have been no announcements made on this yet and we hope that current landlords remain, and new landlords (volumes) enter the sector to help bring stability to PRS pricing.											
ORG0064 Review 6/9/2024	General housing – failure to maintain delivery of affordable housing through third parties (registered providers) and direct council delivery	High demand for PRS and market homes due to HPC and market conditions Ecological challenges especially phosphates Impact of right to buy Impact of choices made by some PRS landlords to withdraw from the market Increased demand for affordable homes due to cost of living crisis Displaced people Homelessness	Reduction in homes available	4	5	In progress 1. Bio Diversity Net Gain – resolution to a s106 barrier for local authority development – TD: 31/5/2024 2. County wide RP partnership – TD: 29/8/2025 3. Housing options, children’s and Adults to fund opportunities to invest to save. – TD: 26/7/2024 4. Joint venture linked to use of corporate assets as a primer. TD: 26/7/2024 5. Restructure of housing options accommodation staff to secure accommodation from third parties or through HRA. TD: 26/11/2024	5	4	3	4	Chris Brown
							20 VH 			12 M 	
											Corporate Priority A Flourishing & Resilient Somerset 
ORG0068 Review due 15/04/2024	Increase in fraudulent activity including unauthorised release of, amendment of, use of, loss of and/or loss of access to, corporate/confidential information stored electronically	Transition and service alignment Housing - benefit and tenancy frauds, Council Tax fraudulent claims, financial transaction, Contract and procurement Recruitment and selection, Pension fraud Payroll/expenses, Business rates, Insurance costs, Grants, Blue badge		4	5	Existing 1. 002-SWAP baseline assessment In progress 1. 003-Additional resource needs to be identified and placed within financial structure – TD: 23/08/2024 2. 005-Succession planning from existing staff base and audit of qualification training requirements – TD: 08/04/2024 3. 004-Review of fraud policy and associated documents – TD: 30/04/2024 4. 001-Code of conduct training for all staff – TD: 31/03/2024	4	4	3	4	Nicola Hix
							20 VH 			12 M 	
											Corporate Priority A Fairer Ambitious Somerset 
ORG0068 Risk Owners review summary: Review overdue											
ORG0009 Review due 30/09/2024	Protecting children – we fail to deliver our statutory duties and legal obligations in relation to vulnerable children	Systematic 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	5	5	In progress 1. 057-Quality, review and performance (QRRM) meeting CSC – TD: TBA 2. 061-Quality, review and performance meeting – schools – TD: TBA 3. 060-Quality, review and performance meeting - commissioning – TD: TBA	3	5	3	5	Claire Winter
							25 VH 			15 H 	15 H 
											Corporate Priority A Healthy & Caring 

VH-VERY HIGH / H-HIGH / M- MEDIUM / L- LOW/

Appendix One

			claims Negative publicity for both the council and partners Possible financial penalty or service is removed from council control				Somerset					
ORG0009 Risk Owners review summary:												
ORG0079 Review 05/04/2024	Future policy changes that affect funding in social care	National Government policy change	Reduced funding impacting service delivery	4	5	Existing 1. 001-Ongoing review of Government policy announcements In Progress None identified	4	5	3	4	Mel Lock	
							20 VH 			20 H  ↑	12 M 	
							Corporate priority A Healthy & Caring Somerset					
ORG0080 Review 12/09/2024	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	4	5	Existing 1. 001-Monitoring of service performance to identify areas of concern 2. 002-Monitoring of budgets to identify issues and concerns In Progress None identified	3	5	3	4	Alyn Jones	
							20 VH 			15 H 	12 M 	
							Corporate Priority A Fairer Ambitious Somerset					
ORG0060 Review 02/05/2024	ASC fails to meet statutory obligations under the Care Act in relation to care providers market sufficiency and capacity	Insufficient/vulnerable adult social care market Supply/capacity to meet rising demand for care and support and population needs	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	5	4	Existing 1. 001 implement winter plan commissioning intentions – will include new provision/capacity within care market 2. 003 Continue to invest in Proud to Care Somerset as a means of promoting job opportunities across the care sector 3. 004 Explore and establish a funding solution to support care sector as a wider health and care system 4. 006 Undertake assurance activity in relation to	3	4	3	4	Niki Shaw	
							20 VH 			12 M  ↔	12 M 	

Appendix One

			<p>package of care hand backs</p> <p>Rising levels of care provider business failure or closure</p> <p>Risk to and needs of, individuals awaiting care in the community increase</p> <p>Failure to adequately safeguard adults at risk</p> <p>Increase in out of area/respite/permanent residential/nursing placements</p> <p>Failure to meet our strategic aims</p>		<p>Commissioning duties under The Care Act 2014 ahead of inspection</p> <p>5. 007 Establish a dedicated home closure / crisis response 'team' to help manage winter pressures</p> <p>6. 008 Refresh Somersets ASC Market Position Statement for launch in April 2023</p> <p>In progress</p> <p>1. 009-Undertake and maintain a detailed self-assessment in relation to how the LA provides support (CQC assurance) – TD: 06/05/2024</p>					
ORG0060 Risk Owners review summary:										
<p>ORG0066</p> <p>Review 15/04/2024</p>	<p>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>Removal of legacy grants from smaller VCFSE</p> <p>Expectation of VCFSE support as part of transformation</p>	<p>Impact on services</p> <p>Areas where VCFSE support the council may well not get delivered or customers supported</p> <p>Potential loss of some VCFSE groups</p>	<p>4</p> <p>4</p> <p>20 VH</p> 	<p>Existing</p> <p>02 Executive agreement to fund 2 strategic VCFSE partners (Spark & CA)</p> <p>In progress</p> <p>1. 001-VCFSE core group in place, monitoring spend, building business case for continued VCFSE funding and develop policy – TD: 31/10/2023</p> <p>2. 003-Work with strategic VCFSE partners to mitigate budget impacts on communities – TD: TBA</p>	<p>3</p> <p>4</p> <p>2</p> <p>3</p> <p>12 M</p> 	<p>6 L</p> 	<p>Alyn Jones</p>		<p>Corporate Priority A Fairer Ambitious Somerset</p>
ORG0066 Risk Owners review summary: 15/04/2024 – Owner re-assigned to Service Director										
<p>ORG0071</p> <p>Review 17/08/2024</p>	<p>The risk that the adults transformation programme (My Life, My Future) does not achieve its financial targets</p>	<p>Strategic partnership with Newton Europe to implement the next phase of Adult Social Care transformation ineffectively implemented, supported, or monitored</p>	<p>Failure to achieve MTFP savings – falls back to council to bridge the gap</p> <p>Failure to achieve key performance targets and strategic plan ambitions</p> <p>Negative impacts on external and internal assurance/CQC assessment</p> <p>Reputational damage</p>	<p>5</p> <p>5</p> <p>25 VH</p> 	<p>Existing</p> <p>1. 001-Projected savings to be guaranteed using 100% contingent commercial fee model</p> <p>In progress</p> <p>1. 002-Ensure rigorous approach in place to support tracking of benefits and financial impact – TD: 31/05/2024</p> <p>2. 003-Ensure programme sufficiently resourced to deliver the full target benefits value – 31/05/2024</p>	<p>3</p> <p>4</p> <p>3</p> <p>3</p> <p>12 M</p> 	<p>9 M</p> 	<p>Niki Shaw</p>		<p>Corporate Priority A Healthy & Caring Somerset</p>

VH-VERY HIGH / H-HIGH / M- MEDIUM / L- LOW/




Appendix One

ORG0071 Risk Owners review summary: Fortnightly My Life, My Future (MLMF) Finance and Performance meetings are in place, alongside a Steering Group meeting to support routine progress monitoring, risk and activity, and contract monitoring meeting. We have also introduced a new monthly Adults Finance Oversight Board, chaired by the Finance Director/s151 officer, to support governance arrangements corporately, with the first meeting held 31 May 2024. There is regular reporting up to Council's Transformation Board and Scrutiny Committee, as well as the Audit Committee.

The latest Transformation Board update has set out the following:

Executive Summary:

- £10m cumulative savings have been budgeted in the MTFP by end of FY24/25.
- The My Life, My Future Programme is not projected to meet the £10m FY24/25 figure (£8.3m vs £10m). We expect to hit £10m July 2025
- Overall, we are projecting the annualised benefit to significantly exceed target, reaching £14m by end of FY28/29. This includes an additional £3.7m benefit in FY25/26 beyond budget, with more in future years, which have not been budgeted in the MTFP.
- Further mitigations around opportunities to close the gap to the £10m in FY24/25 have been agreed with ASC Leaders.

ORG0075 Review 02/05/2024	LCN – failure to deliver the key commitment of the business case to deliver LCN's	Delays in recruiting 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	4	5	Existing 002 Identify potential areas for savings that allow LCN team recruitment to commence 003 Seek to make an application for additional funding to support LCN In progress 1. 001-Review of existing community development spend across the council, seeking realign and repurpose of existing budgets – TD: 31/03/2024	3	4	3	2	Sara Skirton
				20 VH 			12 M  ↔		6 L 		

ORG0075 Risk Owners review summary: 6/12/2023 – Actions updated and reviewed