








## Appendix 1 - Current Strategic Risk Report – October 2024

Produced – 31/10/2024









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 due 14/01/2025	Strategic Risk 2023 - Sustainable MTFP: There is a significant risk that the forecast costs of Council services exceed resources available, and identified savings are not delivered, resulting in the Council not being financially sustainable and a section 114 notice issued.	Insufficient Government funding  Inability to increase income  Increased costs <ul style="list-style-type: none"> <li>Inflation, including pay</li> <li>Interest Rates</li> <li>Continued increased demand, unit cost and lack of placements for people-based services exceeding the budgeted forecast in 2024/25.</li> </ul> DSG override not extended by Government  DSG Deficit continues to increase  Reserves decrease further	If there was no corrective actions taken then it would result in the Section 151 Officer issuing a section 114 Notice because the councils expenditure would exceed the available resources. The issuing of a section 114 notice would likely trigger government intervention.	5	5	<b>Existing controls</b> <ol style="list-style-type: none"> <li>Updated MTFP 24/25 to 26/27</li> <li>Establishment of 3 boards to oversee spend – Establishment, Procurement, and Cost Control</li> <li>Review of transformation programme to include what is included and what savings will be generated as a result</li> <li>Monthly revenue budget monitoring to Executive</li> <li>Regular updates to ELT and CLT</li> </ol> <b>Controls Completed</b> <ol style="list-style-type: none"> <li>Updated MTFP 2025/26 to 2029/30 to Executive</li> <li>Deep dive into Children' and families using external experts Peopletoo</li> <li>Rebase of the ASC budget</li> <li>Review of pressures identified in 24/25</li> <li>MTFS approach to savings agreed at April 2024 Executive</li> </ol> <b>In progress</b> <ol style="list-style-type: none"> <li>Exceptional Financial support (Capitalisation Directive) 2024/25 allocation agreed by Government</li> <li>MTFS saving proposals being progressed to balance the budget for 2025/26</li> <li>In year mitigations being progressed to prevent in -year forecast overspends rolling forward into pressures for 2025/26</li> <li>Undertake a review high needs expenditure</li> <li>Produce a DSG Recovery Plan/Deficit Management Plan</li> <li>Consideration as to whether exceptional financial support (Capitalisation Directive) will be required for 2025/26</li> </ol>	5	5	2	2	Maria G Christofi
							<b>25 VH</b> 		<b>4 L</b> 	<b>Corporate Priority</b> A Fairer Ambitious Somerset	
Risk Owners Commentary: 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. Covers the budget years 2025/26 to 2029/30. Strategic Risk 2023 - There is a significant risk that the forecast costs of Council services exceed resources available, and identified savings are not delivered, resulting in a section 114 notice.											

<b>ORG0062</b>  Review: 30/09/2024	Health and Safety: insufficient systems for fulfilling the requirements of council policy and/or legislative requirements, coupled with a lack of consistency in applying Council policies, influenced by limitations pertaining to the understanding of policy requirements across the Council, dated procedures which require modernising and standardising, organisational transformation, and restricted resources. Consequently, there is a disjointed method of managing, tracking, and complying with council policy and legal obligations. This leads to heightened risks for employees, volunteers, contractors, and the public.	Inadequate staffing resource resulting in unsustainable demands which affects the management and implementation of H&S strategies. 2. Insufficient resource within the Health and Safety Service to enable early identification of increasing risk and statutory breaches 3. Capacity limitations to proactively and reactively engage with the workforce 4. Absence of structured framework for corporate audits. 5. Organisational-wide transformation leading to prolonged period of uncertainty within the council structure of responsibility. 6. Limited resource to manage the existing lone working contract and implement a replacement contract for July2025. 7. Absence of a GDPR compliant cautionary contact register. 8. Health & safety governance is not fully embedded. 9. Insufficient understanding of H&S responsibilities toward building compliance. 1. RCSAM0021- Risk of failing to meet statutory building compliance obligations. Resulting from a lack of adequate legacy building information from former 5-authorities as a result of either poor record keeping/ loss of knowledge through staff who have left the authority. Impacting the Council's ability to implements statutory inspections and programmes, such as Fire Risk Assessments, Asbestos Surveys, Radon monitoring, Legionella assessments, etc. 10. Inadequate provision of Health Surveillance pertaining to the management of vibration exposure. 11. Inconsistent approach to contractor assessment.	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 2. Criminal prosecution and enforcement action under H&S / Fire / Corporate Manslaughter legislation 3. Civil Claims and/or personal litigation claims for negligence 4. Adverse publicity and damage to reputation for the Council 5. Increased audit inspection from enforcing bodies 6. Increased costs and financial penalties 7. Increased costs associated with engagement of external specialists 8. Increased risk to staff wellbeing resulting in higher staff turnover and work-related absence	5	5	Existing 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  Complete 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  In progress 3. 014-Culture/Competency Development: 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-Education, Strategic Planning - 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	4	5	3	4	Daniel Thomas
				25 VH 	20 H  		12 M 	<b>Corporate Priority</b> A Flourishing and Resilient Somerset			









**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. 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. 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. 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.

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

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. 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.




JCAD ref & review date	Risk Description	Cause	Consequence	Inherent Score LxI	Mitigation & Target Date (TD) for completion	Current score LxI	Desired score LxI	Risk Owner
ORG0053  Review 14/01/2025	Resilience – organisational resilience – without the minimum level of capacity and resource, the resilience of the organisation is comprised	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,	Additional pressure on service delivery Fail to realise staff savings targets to consolidate legacy contracts	5   5  25 VH 	Controls Completed <ul style="list-style-type: none"> <li>BCP annual corporate guidance</li> <li>BCP service level BC plans are updated annually</li> <li>ICT Mobile telecoms review</li> <li>CCU Delivery of annual training &amp; exercise programme</li> <li>CCU Maintenance of the Somerset Local Authorities Civil Contingencies Partnership</li> <li>CCU Maintenance of community resilience capabilities</li> <li>CCU Participation &amp; coordination with local multi-agency structures</li> <li>ICT increase awareness &amp; understanding around suspicious &amp; unsolicited email attachments</li> <li>CCU assess Somerset civil contingencies risks</li> <li>009-H&amp;S – create common processes for staff can be interchanged</li> <li>015-Deliver annual training and exercise programme for civil contingencies and business continuity</li> </ul> In progress <ul style="list-style-type: none"> <li>011-Information Governance asset register – TD: 31/08/2023</li> <li>014-Delivery of annual civil contingency work programme – TD: 31/03/2024</li> <li>016-Annual update of corporate business continuity plans and service level plans – TD: TBA</li> <li>012-In-house replacement solutions and wider skills training – TD: 30/11/2023</li> </ul>	4   5  20 H  	2   5  10 L 	Alyn Jones
<b>Corporate Priority</b> A Flourishing & Resilient Somerset								
ORG0065  Review 30/10/2024	Workforce – inability to recruit and retain staff	Pay and grading structure Lack of competitiveness with private sector and other local authorities especially around IT, legal, social workers, planners and housing experts	Vacant posts hard to fill, effecting the realisation of benefits from LGR Increased budget pressures from hiring agency staff Staff wellbeing	5   5  25 VH 	In progress <ol style="list-style-type: none"> <li>001-Develop workforce strategy – TD: TBA</li> <li>002-Review job evaluation, pay and grading – TD: TBA</li> <li>003-Maximise the potential of the apprenticeship programme – TD: TBA</li> <li>004-Create Somerset Councils Employer Value proposition – TD: 31/3/2025</li> </ol>	4   4  16 H  	3   4  12 M 	Dawn Bettridge

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




						5. 005-Staff communications and engagement programme – TD: TBA 6. 007-Fast track LGR restructure activity – TD: 30/06/2024	<b>Corporate Priority</b> A Flourishing & Resilient Somerset				
ORG0065 Risk Owners review summary: New hard to fill report produced and now being shared with HR colleagues for use and future reporting. Pilot for recruitment and retention allowances in place to the end of March 25 and will then be reviewed alongside new Market Supplements policy at that time Strategic risk 2023 - Workforce: Inability to recruit and retain staff											
<b>ORG0061</b>  Review 13/12/2024	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  Completed 1. 008-Delivery of climate change outcomes for water workstream 2. 005-Delivery of climate change outcomes for business and supply chain 3. 007-Delivery of climate change outcomes for farming and food workstream – TD: 29/04/2024 4. 006-Delivery of climate change outcomes for natural environment workstream – TD: 31/03/2025 5. 002-Delivery of climate change outcomes for transport – TD: 31/03/2023 6. 003-Delivery of climate emergency energy workstream outcomes – TD: 08/05/2024 7. 004-Delivery of climate change outcomes for built environment workstream – TD: 08/05/2024 8. 010-Delivery of climate change outcomes for communication workstream – TD: 28/06/2024	4	4	3	3	Kirsty Larkins
				<b>25</b> <b>VH</b> 		<b>16</b> <b>H</b>  		<b>9</b> <b>M</b> 		<b>Corporate Priority</b> A Greener More Sustainable Somerset	
ORG0061 Risk Owners review summary: 11/12/2023 – additional live actions											
<b>ORG0063</b>  Review due 14/01/2025	Commercial Investments - Inability to achieve Capital and Revenue as forecast in the MTFP or a drop in the revenue 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 interest rates which increase borrowing costs; the previous approach of funding these investments from short term borrowing.	Non achievement of budget and the creation of financial pressures in the MTFP. Weakness in the investment market 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	Alyn Jones
				<b>20</b> <b>H</b> 		<b>16</b> <b>H</b>  		<b>9</b> <b>M</b> 		<b>Corporate Priority</b> A Fairer Ambitious Somerset	

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

ORG0063 Risk Owners review summary: Inability to achieve Capital and Revenue as forecast in the MTFP or a drop in the revenue value of the investment. Market factors, valuations control around properties, diversity of portfolio, geographical area of investments










<b>ORG0064</b>  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. Biodiversity 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 Hall
				<b>20</b> <b>H</b> 	<b>20</b> <b>H</b> 		<b>12</b> <b>M</b> 	<b>Corporate Priority</b> A Flourishing & Resilient Somerset			

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 be 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.

JCAD Ref	Description	Cause	Consequence	Inherent score	Mitigations	Current score	Desired score	Risk Owner			
<b>ORG0068</b>  Review due 14/01/2025	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 17. 002-SWAP baseline assessment  Completed 18. Additional resource needs to be identified and placed within financial structure – TD: 23/08/2024 19. New Counter Fraud Officer role recruited to 20. Review of fraud policy and associated documents taken to Audit Committee March 2024 21. Fraud prevention action plan for 2024/25 approved at Audit Committee March 2024  In progress 22. Code of conduct training for all staff 23. Anti-fraud and corruption training for all staff 24. Anti-fraud and corruption training for all members	4	4	3	4	Nicola Hix
				<b>20</b> <b>H</b> 	<b>16</b> <b>H</b> 		<b>12</b> <b>M</b> 	<b>Corporate Priority</b> A Fairer Ambitious Somerset			




ORG0068 Risk Owners review summary: New action assigned

JCAD Ref	Description	cause	Consequence	Inherent score	Mitigation	Current score	Desired score	Risk Owner			
<b>ORG0009</b>	Protecting children – we fail to deliver our statutory	Systematic failure of corporate leadership including effective	Possible abuse, injury or loss of life to a	5	5	In progress	4	5	3	5	Claire Winter




Review due 30/12/2024	duties and legal obligations in relation to vulnerable children	engagement in strategic partnerships Financial constraints Inability to recruit and retain sufficiently suitably qualified and experienced staff	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	<b>25</b> <b>VH</b> 	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	<b>20</b> <b>H</b>  ↑	<b>15</b> <b>M</b> 	<b>Corporate Priority</b> A Healthy & Caring Somerset			
ORG0009 Risk Owners review summary: Likelihood has increased from 3 to 4 with impact still at 5, due to Increasing difficulty in recruiting and retaining social workers, which is leading to very high caseloads in some teams and consequent increased sickness levels. It is not possible for social workers to see and assess risk for the number of children ( in excess of 40 in some teams) which means that some children are not currently effectively safeguarded. There are currently very few locum social workers available to work in Somerset, leading to gaps in teams which cannot be filled.											
JCAD Ref	Description	Cause	Consequence	Inherent Score		Mitigation	Current Score		Desired score	Risk Owner	
ORG0079 Review 09/11/2024	Failure to implement national 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
				<b>20</b> <b>H</b> 			<b>20</b> <b>H</b>  ↔		<b>12</b> <b>M</b> 		<b>Corporate priority</b> A Healthy & Caring Somerset
ORG0079 risk owners review: Continue to monitor new Government Policy announcements and ensure an effective response through our Policy Team to mitigate any risks in terms of reduced funding.											
ORG0060 Review 30/12/2024	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	3	4	3	4	Vicky Chipchase
				<b>20</b> <b>H</b> 			<b>12</b> <b>M</b>  ↔		<b>12</b> <b>M</b> 		

			<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>4. 006 Undertake assurance activity in relation to 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>		
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ORG0060 Risk Owners review summary: The ASC Self-Assessment was signed off as a draft in July 2024 and widely promoted to staff teams. Strategic Risk 2022 - ASC: ASC fails to meet statutory obligations under the care act in relation to Care Provider market sufficiency and capacity





JCAD Ref	Description	Cause	Consequence	Inherent risk		Mitigation	Current score		Desired score		Risk Owner
ORG0066  Review 04/01/2025	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	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 and ongoing uncertain around other service funding arrangements with the sector	1. Impact on services - 2. Areas where VCFSE support the Council may well not get delivered or customers supported 3. Potential loss of some VCFSE groups	4	4	Existing 02 Executive agreement to fund 2 strategic VCFSE partners (Spark & CA)	3	4	2	3	Alyn Jones
				<b>16</b> <b>H</b> 			<b>12</b> <b>M</b>  ↔		<b>6</b> <b>L</b> 		
						In progress					
						1. 001-VCFSE core group in place, monitoring spend, building business case for continued VCFSE funding and develop policy – TD: 31/10/2023					
						2. 003-Work with strategic VCFSE partners to mitigate budget impacts on communities – TD: TBA					
							<b>Corporate Priority</b>				
							A Fairer Ambitious Somerset				

ORG0066 Risk Owners review summary: We are working with services to understand any budget pressures / commissioning decisions which may impact on the VCFSE sector as part of 2024/25 MTFP. 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

ORG0071  Review 17/08/2024	The risk that the adult's 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 to council to bridge the gap Failure to achieve key performance targets and strategic plan ambitions Negative impacts on external and internal assurance/CQC assessment Reputational damage	5	5	Existing 1. 001-Projected savings to be guaranteed using 100% contingent commercial fee model	3	4	3	3	Vicky Chipchase
				<b>25</b> <b>VH</b> 			<b>12</b> <b>M</b>  ↔		<b>9</b> <b>M</b> 		
						In progress					
						1. 002-Ensure rigorous approach in place to support tracking of benefits and financial impact – TD: 31/05/2024					
						2. 003-Ensure programme sufficiently resourced to deliver the full target benefits value – 31/05/2024					
							<b>Corporate Priority</b>				
							A Healthy & Caring Somerset				




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.

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

JCAD Ref	Description	Cause	Consequence	Inherent score		mitigation	Control score		Desired score		Risk Owner
				4	5		3	4	3	2	
ORG0075  Review 04/11/2024	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 and Council capacity to engage and support LCNs	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
				<b>20</b> <b>H</b> 			<b>12</b> <b>M</b> 		<b>6</b> <b>L</b> 		
							<b>Corporate Priority</b> A Flourishing & Resilient Somerset				

ORG0075 Risk Owners review summary: We have now recruited LCN Link Officers to support the delivery of LCNs across Somerset and are working with HR and recruitment to fill the remaining vacancies and following up with finance regarding budget reprofiling Strategic Risk 2023 - LCN - Failure to deliver the key commitment of the business case to deliver LCN's



JCAD Ref	Description	Cause	Consequence	Inherent Score		Mitigation	Current score		Desired risk score		Risk Owner
ORG0083  Review due 14/01/2025	Revenue Budget overspend for 2024/25 – A significant budget overspend in current financial year (2024/25) that would be have to be funded from council reserves reducing them to dangerously low levels affecting the Council's Financial Resilience an potential S114 notice.	<p>Drivers of potential overspend</p> <ul style="list-style-type: none"> <li>- Non-delivery of all agreed savings to time, value and profile</li> <li>- Increases in placement in demand led services</li> <li>- Increases of unit cost of placements in demand led services</li> <li>- Increases in escalation of care need/complexity of need</li> <li>- Rising interest rates – impact costs of borrowing for longer term investments by predecessor councils</li> <li>- Labour market -increasing pay costs</li> <li>- Continued high inflation</li> <li>- Economic environment – high energy costs, cost of living crisis</li> <li>- Continued cost of living crisis</li> <li>- Continued high rents across the county</li> </ul> <p>Loss of key staff and inability to recruit and retain</p>	Any potential overspend needs to be 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.	5	5	<p>Existing controls</p> <ol style="list-style-type: none"> <li>1. Establishment of 3 boards to oversee spend – Establishment, Procurement, and Cost Control</li> <li>2. Monthly revenue budget monitoring to Executive</li> <li>3. Regular updates to ELT and CLT</li> </ol> <p>In progress</p> <ol style="list-style-type: none"> <li>1. Exceptional Financial support (Capitalisation Directive) 2024/25 allocation agreed by Government</li> <li>2. Deliver all agreed savings to time, value and profile</li> <li>3. Identify in -year mitigations to resolve forecast overspend in 2024/25 and prevent pressure rolling forward into 2025/26</li> <li>4. Re-constituting a Children's Recovery Board</li> <li>5. Split forecast overspends into one-off and ongoing pressures</li> <li>6. Review of transformation programme to include what is included and what savings will be generated as a result</li> <li>7. Monthly placement data to be produced and reviewed regarding demand led service (Adult Social Care and Children's Social Care)</li> <li>8. Review income budgets to ensure action is being taken to achieve them</li> <li>9. Undertake a review high needs expenditure</li> <li>10. Produce a DSG Recovery Plan/Deficit Management Plan</li> </ol>	3	4	2	2	Maria G Christofi
				<b>25</b> <b>VH</b> 	<b>12</b> <b>M</b> 		<b>4</b> <b>L</b> 	<b>Corporate Priority</b> A Fairer Ambitious Somerset			