

North East Derbyshire District Council

Audit Committee

3 July 2023

RISK MANAGEMENT

Report of the Managing Director

Classification: This report is public

Report By: Lee Hickin, Managing Director

Contact Officer: Lee Hickin Managing Director

PURPOSE / SUMMARY

- To update Members of the Audit Committee of the current position regarding Risk Management arrangements and the Strategic Risk Register as at June 2023.

RECOMMENDATIONS

1. That the Audit Committee notes the report and Strategic Risk Register as at June 2023 as set out in **Appendix 1**.

IMPLICATIONS

Finance and Risk: Yes No

Details:

There are no additional financial implications arising out of this report. Whilst, where appropriate, additional mitigation measures have been identified and implemented during the course of preparing the Strategic and Operational Risk Registers, the cost of implementing this mitigation will be met from within previously agreed budgets. Risk Management Issues are covered throughout the body of the main report.

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

There are no legal or data protection issues arising directly out of this report.

On Behalf of the Solicitor to the Council

Staffing: Yes No

Details:

There are no human resource issues arising directly out of this report.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Significantly Affected	None
Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet <input checked="" type="checkbox"/> SMT <input checked="" type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes

Links to Council Plan priorities, including Climate Change, Equalities, and Economics and Health implications.

None

REPORT DETAILS

1 **Background**

1.1 The former Audit and Corporate Governance Scrutiny Committee have previously endorsed the Council's Risk Management Strategy 2020 and more recently the updated Risk Management Strategy 2022 which was then approved by Cabinet in September 2022. The current Strategy includes but is not limited to the following;

- The nature of 'risk' both the 'threats' and the 'opportunities'
- The benefits of a robust risk management approach
- The Council's risk appetite
- Risk categorisation – *Operational, Governance, Strategic*
- Project and Partnership risk
- The Council's risk management approach and arrangements including a new 'Risk Management Group'
- Roles and responsibilities including *Senior Risk Officer* and *Senior Information Risk Officer* (SRO and SIRO)

1.2 The Strategy also details the work of a 'Risk Management Group'. This is elected Member led and includes the Councils Senior Risk Officer (SRO), Senior Information Risk Officer (SIRO), S151 Officer, representation from senior management, Internal Audit and Health and Safety. The group provides a comprehensive oversight of risk throughout the organisation and is the conduit to and from the whole organisation in terms of risk management.

1.3 The group 'regularly' and 'consistently' oversee, all of the risk registers ensuring they are up to date and accurate whilst offering challenge to the assessment process itself. It is responsible for risk management reporting to stakeholder groups across the Council, including this Committee and supports the production of the Annual Governance Statement. The group leads on the development and review of all risk related policies, plans and strategies across the Council and oversees and champions the implementation of the Risk Management Strategy and associated action plan including training 'relating to' and the 'embedding of' an effective risk management culture.

1.4 **Update of the Risk Management Group held on 11 May 2023**

Minutes of Last Meeting / Matters Arising

The minutes of the meeting held on 23 January 23 were agreed.

Matters Arising:

- Insurance/Legal Claims. Suggestion of photos being taken when inspections are carried out. Managing Director to discuss with Director of Finance and Resources.
- Archive Store. Facilities had now taken over the archive store and were arranging for the area to be cleared. Facilities to produce an inventory,

retention and disposal schedules and monitor the area. Facilities to be consulted prior to any documents/files being stored in the archive store.

1.5 Hikvision CCTV

The Information and Policy Officer briefed the RMG on the Hikvision CCTV report. In summary:

The Information, Engagement and Performance Manager had checked the government guidance and advice was that the restrictions only applied to national security and it was not expected that this would filter down to local government. The Surveillance Camera Commissioner was also not expecting any impact on local government. Since there is currently no financial or security risk of continuing to use Hikvision CCTV systems there is no reason to consider replacing CCTV systems. This would be reviewed as and when new contracts were considered.

1.6 Data Protection Annual Report 2022 – 23 and Compliance Programme 2023-24

The Information and Policy Officer provided an update.

In summary:

- 150 pieces of advice had been provided to colleagues and members.
- Supported 12 Data Protection Impact Assessments.
- Delivered refresher training and toolkit talks.
- Supported 26 data breaches and two near miss reports.
- Received a 'reasonable assurance' rating for the Data Protection Internal Audit.
- Reviewed, updated and reformatted the record retention schedule
- Completed Surveillance Camera desk-top audit.
- Devised an internal sharing agreement between Council Tax and Planning Enforcement to facilitate regular sharing.
- Administered 22 subject access requests – two exceeded the timescale due to the complexity of the requests. 1 had been referred to the ICO, no further action was required, but the ICO did provide some recommendations.
- Administered 45 third party personal data requests.
- Dealt with 5 complaints – 1 upheld, others partially upheld.
- Priority for 2024 was reviewing Record of Processing Activities (ROPA).

The Managing Director queried whether any impact had been noticed following the pandemic. The Information and Policy Officer confirmed that, since NEDDC do not have 'Home Workers' – only Agile Workers, no impact had been noticed.

No requests had been received relating to grants.

With regard to emails being sent to the wrong recipient, The Joint AD, Environmental Health queried whether there was a technical solution to resolve this issue. The AD, ICT confirmed that a technical solution was available and had been implemented for revenues and benefits officers due to the highly sensitive nature of their work. IT were considering a data loss protection policy, but this was expected to incur licencing costs.

1.7 **Insurance Claims / Legal Claims**

The Managing Director provided an update. In summary:

Total claims

Insurance claims in 2023 – 12

Total Claims outstanding 2023 – 12

Insurance claims in 2022 – 27

Total Claims outstanding from 2022 - 14

Employee Liability claims

0 claims received in 2023

0 Claims outstanding from 2023

2 claims outstanding from 2022 - 2 Mesothelioma

Vehicle Related

7 claims received in 2023 - 5 claims are for reversing incidents which are becoming more frequent & 2 claims for collisions with other vehicles

4 claims outstanding from 2023 - 3 claims are for reversing incidents which are becoming more frequent & 1 claims for collisions with other vehicles

6 claims outstanding from 2022 - 3 claims are for reversing incidents, 2 claims for collisions & 1 claim is refuse vehicle caught fire

Property

3 claims received in 2023 - 1 Break Ins, 1 Leasehold property flooded & 1 claims are where a third party vehicle drove into the front of the house.

1 claims outstanding for 2023 - 1 claims are where a third party vehicle drove into the front of the house.

3 claims outstanding from 2022 - 1 house fires, & 2 claims are where a third party vehicle drove into the front of the house.

Public Liability

2 claims received in 2023 - 1 Tree Root Damage & 1 Damage to property by staff

1 claims outstanding for 2023 - 1 Tree Root Damage

3 claims outstanding from 2022 - 1 Tree Root Damage & 2 Personal Injury

The AD, Street Scene, advised that the following mitigations had been put in place with regard to vehicle reversing:

- Introduced refresher training
- Two drivers to become 'train the trainers'.
- The manufacturer of two new vehicles had delivered training.

1.8 **Review of Strategic Risk Register**

The Managing Director provided an update.

- STR1 – *National Funding, Priorities, Policy or Regulatory changes which affects the Council area and impacts upon the business of the Council negatively.* Updated.
- STR2 – *Failure to deliver a balanced budget.* Updated.
- STR5 – *Difficulty in recruiting to key posts or in replacing key staff who leave.* Updated. A solution had been found to resolve the difficulties recruiting to an EHO post. L Hickin to raise with SOD the difficulties recruiting to an IT post.
- STR12 – *Failure to address the impact of Covid-19 upon the organisation, local economy and community.* The RMG agreed that STR12 should be archived.
- STR13 – *Cyber security attack which severely impacts ICT systems and data e.g. ransomware attack rendering access to ICT unavailable for some time.* AD, ICT, to update. Consultant employed who recommended patching of devices. This was a massive piece of work. £75 received for remedial work. This would be used to provide additional resources.

ICT were working urgently to upgrade Office 2013 to Office 365 and updates would be installed as soon as possible.

Out of Hours cyber-attack alert – cost being considered. This issue had been raised with DLUC.

- L Hickin elections: change in administration
- STR20 – *Northwood JV – Construction partner collapse.* The Director or Growth and Assets advised that it was expected that this risk would be closed shortly. A proposed solution had been found to mitigate the financial risk and the risk of the development not being delivered.

- STR21. *Implementation of the Elections Act 2022*. Risk to either be downgraded to Operational or archived. Managing Director to discuss with the AD, Governance.
- STR22. New risk added '*Threat to recruitment and retention of senior officers*'. The Managing Director advised that fewer applications had been received for SMT roles and that head hunting was becoming more frequent. The RMG agreed to the addition of this risk.

1.9 **Review of Operational Risk Register**

The item was deferred since Rykneld Homes had been unable to attend the meeting.

The Director of Finance and Resources advised that she had seen the Rykneld Homes Risk Register which had been presented to the Rykneld Homes Board and there were no issues.

1.10 **Monitor the Implementation of the Anti-Fraud and Corruption Strategy**

The Director of Finance and Resources advised that the Anti-Fraud and Corruption Strategy had been updated in 2022 and was previously a separate strategy. However it was felt that this strategy should be part of the risk management strategy.

The Anti-Fraud and Corruption Strategy had been included in the Risk Management Action Plan and would be circulated to the RMG for consideration prior to the next RMG meeting.

1.11 **Health and Safety Update**

The Health & Safety Manager provided an update:

- Lone working devices. Corporate solution procured across both authorities. Devices recently received and recipients to receive training. Service managers to be involved and requested to encourage engagement with the training. Feedback to be requested after 3 and 6 months. Current contract secured through Environmental Health. If trial successful permanent funding would be requested.
- Health and Safety session to be delivered as part of member induction programme on 16 May. Key points of lone working and Mill Lane housekeeping e.g. incident reporting to be included. Revised Health and Safety guidance to be issued to members.

J Redfern provided feedback on a medical questionnaire that had been circulated to street scene staff for completion, some officers had been reluctant to provide the information and queried the reason for the request. B McArthur-Williams to raise with J Stokes and also address as part of training sessions.

M Broughton requested that counter terrorism was also included within the Health and Safety induction programme to members. M Broughton and B McArthur-Williams to discuss further.

1.12 **Policies, Plans and Strategies Review – across the Council**

No policies, plans or strategies were raised.

1.13 **Emergency Planning / Business Continuity Planning**

The Director of Growth and Assets provided an update:

- The Director of Growth and AD, Street Scene, Deputy EP and BCP Officers had attended MAGIC training on preparation, response and recovery. Presentation had also been made to SMT. Two issues were highlighted:
 - The importance of accurate training records and updates across the organisation.
 - Prevent and Protect. Counter terrorism training session for SMT arranged with Derbyshire Police. The police had visited leisure centres to assess risks. Only immediate action suggested was at Killamarsh Sports Centre with regard to the front doors. Along with updates to some procedures re suspect packages and bomb threats.

Important to raise awareness since there had been instances within the district of people attempting to make bombs at home and a neighbouring authority had received a suspect package.

The AD, Leisure, advised that the police had commented that they were struggling to engage with some authorities and that NEDDC were ahead of other authorities with regard to preparations.

1.14 **Internal Audit**

The Internal Audit Manager advised the RMG that the 2022/23 internal audit programme had been completed and all conclusions were either 'substantial' or 'reasonable assurance'. This provides assurance on control and management of the authority. Internal Audit were now moving onto the 2023/24 work plan.

The Director of Finance and Resources advised that the Annual Governance Statement was being drafted.

1.15 **Safeguarding Update – This update is provided outside of the RMG**

All Local Authorities have a responsibility to safeguard and promote the welfare of children and adults and NEDDC has in place both an Adult Safeguarding Policy and a Child Safeguarding Policy which are reviewed and updated every 3 years. These policies are aligned with both the Derbyshire and Derby Adult

Safeguarding Policy and the Derby and Derbyshire Safeguarding Children's Board Policy.

Where an authority does not have a statutory lead for adult and children care services, they must work in partnership with their upper tier authority to ensure adults and children are safeguarded against abuse. Derbyshire County Council (DCC) is the statutory lead for Derbyshire as they have responsibility for adult and children care services.

NEDDC lead on the following two Groups:

- Adult and Children Safeguarding Meetings (attended by representatives from Bolsover District Council and Rykneld Homes).
- Derbyshire Districts Safeguarding Leads Sub-Group (attended by safeguarding lead officers from all Derbyshire District and Borough Councils along with representatives from DCC Safeguarding Adults Board and Derby and Derbyshire Safeguarding Children's Partnership)

Both meetings are held on a quarterly basis.

Summary of Adult and Children Safeguarding Meeting held on 18 April 2023:

- **Training**

Training is organised individually by each organisation (NEDDC/BDC/RH) and delivered by safeguarding lead officers. Training sessions are held on a regular basis and basic safeguarding training is mandatory for all officers, with front line officers receiving more in-depth training.

- **Referrals** (1 April 22 to 31 March 23)

<u>NEDDC</u> Adult – 23 Children – 31	<u>Rykneld Homes</u> Adults - 21 Children - 7
	VARM Rykneld Homes – 10 cases

- **Temporary Accommodation**

- Currently there were a lot of pregnant tenants in the temporary accommodation, including x16 children between the ages of two days old to 18 years old. There are quite a few tenants with mental health and some hoarders but support has been given at the accommodation from social care and other agencies. Out of x21 units only x2 were currently empty.

- It was reported that there were unprecedented levels of safeguarding at the moment and this was impacting on staff. Consideration to be given to the way staff are supervised. Counselling is available however there are other types of supervision and as an organisation it's about the safety of our teams as well as our customers. This would be discussed further outside of the meeting.
- The Temporary Accommodation Forum was well attended
- The Group were advised of a recent safeguarding case where the customer threatened suicide and there were difficulties getting the Police to engage. Mental Health first aid training was very helpful in dealing with these cases. Although all ended well with this case, discussions would be held to identify what else could have been done and any additional training that is required.

- **Policies**

The Derbyshire District Councils Safeguarding Leads Sub Group (DDSLSG) had produced a generic policy for use across the county. This should be available soon.

- **Local Case Reviews**

The Group were advised of a mother and son who had both been sectioned, although the son was not on the safeguarding referral. This case has been ongoing for four years.

- **Serious Incidents/Learning Reviews**

- The Child Safeguarding Board had reported that since 2020 there had been x3 baby deaths and x38 fatalities.
- The Group were advised of a case where a family moved around the country and everywhere they lived they had a child protection in place then moved on, the family were now in Doncaster but DCC continued to pursue the case.

- **District Councils Safeguarding Leads Sub-Group**

- The DCC Strategic Lead for Keeping Babies Safe and Designated Nurse Safeguarding Children had attended the last meeting. Posters, leaflets and a toolkit would be circulated.

Summary of Derbyshire Districts Safeguarding Leads Sub-Group held on 27 April 23:

- **Sub-Group Workplan**

- Training, Learning and Development: Task and Finish Group set up to review current safeguarding training being delivered by Districts and Boroughs with a view to providing an adult safeguarding framework document containing recommended information and adult safeguarding case studies for inclusion. This would also be mirrored for children. All districts and boroughs were requested to consider seeking feedback on their safeguarding training six months after delivery to assess how it has impacted on the role of those who received the training. Target date to be amended to March 24.
 - Communications: Head of DCC Community Safety to be requested to provide a six monthly update. This would be added to the Action Plan.
 - Policy and Procedures: final version awaiting specific content relating to children.
 - Covid19: Agreed to reword to 'General Resilience'.
 - S11 Audit. Awaiting feedback.
- **Service Pressures and Staff Resilience**
 - A discussion took place around the high levels of homelessness, ASB and neighbour nuisance and the impact on service and staff.
- **Update from Boards**
 - Action Plan presented to Board Meeting. Joint board meeting to be trialled this year with Derby City SAB and will be evaluated in December.
 - World Elder Abuse Awareness Day – 15.6.23 – Flyers to be circulated. A Webinar training session on predatory marriage to be arranged with x200 places.
 - Decision Making Guidance to be relaunched.
 - Recent audit on homelessness – details to be circulated.
 - Learning LOOP from DSAB homelessness audit – details to be circulated
 - Feedback from DSAB/DCC Safeguarding Adults Training Sessions. Three sessions had been held and positive feedback received. DCC to enquire whether further sessions/a webinar could be arranged.

2. Details of Proposal or Information

- 2.1 To update Members of the Audit Committee of the current position regarding Risk Management arrangements and the Strategic Risk Register as at June 2023.

3 Reasons for Recommendation

- 3.1 The Council have in place a robust Risk Management Strategy and action plan which enables the organisation to manage the many and varied risks

facing the Council. The approach to managing those risks is applied within decision making processes and is continuous with a structured review process overseen by the Risk Management Group.

- 3.2 The Risk Management Group is elected Member led and includes the Councils Senior Risk Officer (SRO), Senior Information Risk Officer (SIRO), S151 Officer, representation from senior management, Internal Audit and Health and Safety. The group provides a comprehensive oversight of risk throughout the organisation and is now becoming the conduit to and from the whole organisation in terms of risk management. The Risk Management Group is now able to provide risk management reporting to stakeholder groups across the Council and will support the production of the Annual Governance Statement.
- 3.3 The Risk Management Group have made significant progress in ensuring that risk is effectively managed within the organisation. By leading on the development and review of all risk related policies, plans and strategies across the Council, the Risk Management Group will provide consistency of approach and alignment of all service areas in relation to risk management. By overseeing and championing the implementation of the Risk Management Strategy and associated action plan including training 'relating to' and the 'embedding of' an effective risk management culture, the Risk Management Group will be pivotal in the organisations future success.

4 Alternative Options and Reasons for Rejection

- 4.1 Under relevant good practice and to facilitate the development of robust managerial arrangements the Council is required to prepare a Strategic Risk Register as part of its risk management framework. This report is intended for Members and Officers to consider both the Strategic Risk Register, together with the Council's wider framework for managing risk and partnerships. Given the importance of these arrangements for the overall governance of the Council it is necessary to subject them to regular review. The alternative of not providing this is therefore rejected.

DOCUMENT INFORMATION

Appendix No	Title
1	Strategic Risk Register as at June 2023
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet you must provide copies of the background papers)	
Service Area Operational Risk Registers	