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Audit and Governance Committee

Date:	Monday, 18 January 2021
Time:	10.00 am
Venue: Please note that, due to the current coronavirus pandemic the Council has reviewed its approach to holding committee meetings**.**	This meeting will be held remotely in a Microsoft Teams Live Event (see link below)

Membership: (Quorum 3)
Matthew Hall (Chairman), Richard Biggs (Vice-Chairman), Susan Cocking, Rod Adkins, Janet Dover, Barry Goringe, Mike Parkes, Bill Pipe, Clare Sutton and Bill Trite

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Chief Executive: Matt Prosser, South Walks House, South Walks Road, Dorchester, Dorset DT1 1UZ (Sat Nav DT1 1EE)

For more information about this agenda please contact Susan Dallison on 01305 252216 - susan.dallison@dorsetcouncil.gov.uk

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Due to the current coronavirus pandemic the Council has reviewed its approach to holding committee meetings. Members of the public are welcome to attend this meeting and listen to the debate online by using the following link:-
Audit & Governance Committee

Members of the public wishing to view the meeting from an iphone, ipad or android phone will need to download the free Microsoft Team App to sign in as a Guest, it is advised to do this at least 30 minutes prior to the start of the meeting.

Please note that public speaking has been suspended. However Public Participation will continue by written submission only. Please see detail set out below.

Dorset Council is committed to being open and transparent in the way it carries out its business whenever possible. A recording of the meeting will be available on the council's website after the event.

Using social media at virtual meetings
Anyone can use social media such as tweeting and blogging to report the meeting when it is open to the public.

A G E N D A

Page No.

1 APOLOGIES

To receive any apologies for absence.

2 MINUTES 5 - 12

To confirm the minutes of the meeting held on 16 November 2020.

3 DECLARATIONS OF INTEREST

To receive any declarations of interest.

4 PUBLIC PARTICIPATION

To receive questions or statements on the business of the committee from town and parish councils and members of the public.

Public speaking has been suspended for virtual committee meetings during the Covid-19 crisis and public participation will be dealt with through written submissions only.

Members of the public who live, work or represent an organisation within the Dorset Council area, may submit up to two questions or a statement of up to a maximum of 450 words. All submissions must be sent electronically to susan.dallison@dorsetcouncil.gov.uk by the deadline set out below.

When submitting a question please indicate who the question is for and include your name, address and contact details. Questions and statements received in line with the council's rules for public participation will be published as a supplement to the agenda.

Questions will be read out by an officer of the council and a response given by the appropriate Portfolio Holder or officer at the meeting. All questions, statements and responses will be published in full within the minutes of the meeting.

The deadline for submission of the full text of a question or statement is 8.30am on Wednesday 13 January 2021.

5 INTERNAL AUDIT 2020/21 PLAN PROGRESS REPORT 13 - 30

To consider the 2020/21 Plan Progress Report from SWAP.

6 RISK MANAGEMENT UPDATE 31 - 62

To consider a report from the Service Manager for Assurance.

7 EXTERNAL AUDIT UPDATE: UPDATE ON THE POINTS RAISED BY DELOITTE AT THE MEETING OF THE AUDIT & GOVERNANCE COMMITTEE ON 16 NOVEMBER 2020.

To receive a verbal update from the Executive Director for Corporate Development.

8 COUNCIL TAX BRIEFING

To receive a briefing from the Corporate Director, Finance & Commercial.

9 REDMOND REVIEW BRIEFING

To receive an update from the Service Manager for Finance Policy & Compliance.

10 CONSTITUTIONAL CHANGES

To report to the committee on any changes made to the Constitution under powers delegated to the Monitoring Officer.

11 FORWARD PLAN 63 - 68

To consider the work programme for the Committee.

12 URGENT ITEMS

To consider any items of business which the Chairman has had prior notification and considers to be urgent pursuant to section 100B (4) b) of the Local Government Act 1972. The reason for the urgency shall be recorded in the minutes.

13 EXEMPT BUSINESS

To move the exclusion of the press and the public for the following item in view of the likely disclosure of exempt information within the

meaning of paragraph 3 of schedule 12 A to the Local Government Act 1972 (as amended).

The public and the press will be asked to leave the meeting whilst the item of business is considered.

There is no exempt business.

Dorset Council

DORSET COUNCIL - AUDIT AND GOVERNANCE COMMITTEE

MINUTES OF MEETING HELD ON MONDAY 16 NOVEMBER 2020

Present: Cllrs Matthew Hall (Chairman), Richard Biggs (Vice-Chairman), Susan Cocking, Rod Adkins, Janet Dover, Barry Goringe, Mike Parkes, Bill Pipe, Clare Sutton and Bill Trite

Also present: Cllr Jon Andrews, Cllr Gary Suttle and Ian Howse (Deloitte)

Officers present (for all or part of the meeting):
Paul Ackrill (Service Manager (Finance)), Aidan Dunn (Executive Director - Corporate Development S151), Lee House (Service Manager for Finance), Richard Ironside (Service Manager for (Finance) Policy and Compliance), Heather Lappin (Head of Strategic Finance), Theresa Leavy (Executive Director of People - Children), Jonathan Mair (Corporate Director - Legal & Democratic Service Monitoring Officer), Jim McManus (Corporate Director - Finance and Commercial), Tony Meadows (Head of Commissioning), David Wilkes (Service Manager for Treasury and Investments), Sian White (Service Manager, Finance) and Fiona King (Democratic Services Officer)

29. **Apologies**

No apologies for absence were received at the meeting.

30. **Minutes**

The minutes of the meeting held on 12 October 2020 were confirmed and signed.

31. **Declarations of Interest**

No declarations of disclosable pecuniary interests were made at the meeting.

32. **Public Participation**

There were no representations from parish or town councils or from members of the public.

33. **Dorset Council Statement of Accounts**

The Committee considered a report and received a presentation on the outturn and the accounts.

Members were advised that despite an overspend during the year, the delivery of more than £10m of savings from the reorganisation had been

achieved. COVID-19 was also likely to have a long and sustained impact on the council's finances and officers were still unclear about the levels of funding the Council would receive from Government in the future.

Members received a presentation from the Corporate Director for Finance and Commercial explaining the background to the achievement of producing the first set of accounts for Dorset Council. This presentation is attached as an annexure to these minutes.

Following a question about earmarked reserves, the Corporate Director explained these included insurance reserves, PFI reserves and reserves to support particular risks and mitigation. Money in reserves included grant income that hasn't yet been spent.

In respect of continued assets, the Corporate Director confirmed that Section 106 monies was money that has not been received yet but if everything proceeded as expected it will.

The Service Manager for Finance, Policy and Compliance explained the 'reduction in current assets' mostly related to changes in how the Council has accounted for the collection funds, and the reduction of temporary investments in which all short- term investments were reduced except for those with UBS Global Asset Management and CCLA Diversified Income Fund which have both increased.

Following a question from the Chairman regarding whether all the LGR costs had now been paid out, the Corporate Director confirmed they had but some would continue as arrangements were in place between councils on how some things were done.

Members received a presentation from the external auditors, Deloitte, on their audit the year ending March 2020. The audit was on track to be signed by the end of November. The officer congratulated the finance team for preparing a complex set of accounts in difficult circumstances. He highlighted the key messages and significant risks within the report. Members were advised that when this audit is was completed Deloitte would produce a report to outline the final conclusions.

One member expressed concern about uncollected revenue and what percentage was owed by council tax-payers and what measures were being taken to recover these debts. The Executive Director for Corporate Development highlighted a general point about collecting council tax in that at present we were in exceptional times and officers were tracking but not actively pursuing collections given the economic frailty. The Council needed to wait until a more normal time to actively pursue. Officers were forecasting around £13m worth of council tax and business rates could be at risk but would continue to be monitored.

In response to a concern about the under estimated spend in Adults and Children, the Executive Director explained that demand forecasting was something the team were working on. There was a huge degree of volatility in

these areas and when setting up for Dorset Council there clearly wasn't enough put in for Adults and Children and officers were working on this.

The Executive Director for Children reminded colleagues the service just had a SEND visit which reflected very positively on a number of areas. She highlighted the need to really profile carefully in budget setting. The Acting Director for Commissioning added that projections were quite difficult at times especially with regard to self-funders. There had been a lot of work with Public Health around different sets of data which gave officers an insight into areas of future need.

One member felt that it seemed every year there were overspends in Children's and Adults Services and the external auditor's report highlighted Children's Services in their value for money section which she felt appeared more qualitive rather than quantative. The officer from Deloitte advised that the report was a backward looking report, looking at the arrangements and tracking the expenditure. Deloitte looked at the financial and non financial arrangements. This was not unusual or unique to Dorset, forecasting demand was a concern for a number of local authorities.

The Vice-Chairman highlighted that previously in the County Council estimating was very difficult and demand led and this still seemed to be an issue. He queried if demand led budgets needed to be separated somehow. The Executive Director advised that the budget in Adults was £114m although there was lots of detail that sat behind that. The volatility was around the commissioning and the level of detail was monitored by officers. The key point was the need to find a way of meeting the demand when it was there.

Following a question about whether there were any plans to increase borrowing in the future, the Service Manager for Treasury and Investments advised that long term borrowing was inherited from the predecessor councils. The council borrowed from a range of counter parties and if opportunities arose to refinance or repay officers would look at these. At times it was difficult to get out of some long-term liabilities as there could be penalties incurred. There were no immediate plans to take out any further long- term borrowing. Short term borrowing was an area of consideration. It was suggested that the Committee looked at borrowing at a future meeting.

The Chairman made reference quite a lot of money being saved by managing staff vacancies and asked for further details of savings in this regard. The Executive Director undertook to provide further information on this outside of the meeting. He added that the Cabinet in October made reference to the removal of a number of posts.

It was noted that in the Deloitte report there was mention about where the council could improve and the Chairman asked how this could be tracked or brought forward. The Executive Director advised there was a tracker set up for such action for Internal Audit and something similar could be set up for External Audit.

Following a question about a couple of high value exit packages that were not compulsory, the Executive Director advised that redundancies were made as a consequence of bringing the councils together, and these included the cost of the pension strain. The Corporate Director for Finance and Commercial undertook to check that the analysis was correct and update the Chairman further outside of the meeting.

The Chairman thanked all the Finance team and Deloitte for all their work in putting the accounts together.

Decision
That members noted:-
1. the outturn position for Dorset Council for its first year of operation;
2. the impact this had on the Council's general fund and other reserves;
3. the Auditor's qualified opinion on arrangements for securing economy, efficiency and effectiveness in Children's Services;
4. the content of the Auditor's ISA260 report (separate report);
5. to delegate authority to the Chairman of the Audit and Governance Committee and the Section 151 Officer to approve and sign the financial statements for the period ending 31 March 2020, once the external audit has been concluded. If the external audit identifies the requirement for any material amendments to the statements these should be reported to the Audit Committee prior to signature.

Reason for Decision
Under the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020, the statement of accounts and annual governance statement (AGS) must be approved by the Council, or a committee to which the Council has delegated authority by 30 November. It was also important for the Committee to understand any issues that need to continue to be monitored, challenged or scrutinised in future.

34. **Annual Audit Letters**

The Executive Director for Corporate Development explained that this item had been debated in the previous item as part of the Council's Statement of Accounts.

35. **Banking and Treasury Management Update**

Members considered a report from the Executive Director for Corporate Development which summarised the treasury management performance and position information for Dorset Council for the year to 30 September 2020. It also provided an update on the transition of banking services to one provider.

Following a question from the Chairman regarding LEP balances the Service Manager for Treasury and Investment advised that the LEP had its own bank accounts but as Dorset was the administering authority for this group they formed part of the interest group with Nat West. In response to a question regarding the levels of borrowing in Table 3 of the report, the Service

Manager advised that the interest rates were not known but could be presented at a later date.

In the light of recent events, the Vice-Chairman asked about insurance and queried where this sat and how it was reviewed. The Corporate Director Finance and Commercial, advised that insurance provision was reviewed independently by internal audit and also by the external auditors. He thought it might be helpful to add an item about insurance to a future agenda to aid members' understanding. The Chairman felt this would be helpful and asked that some form of the 'what's' and 'whys' to the self-insure system would also be helpful.

Noted

36. **EU Exit - Update**

Members considered a report from the Executive Director for Place which summarised the challenges and actions taken by the Council during this transition period, which was due to end on 31 December 2020.

Unfortunately, the Executive Director for Place was unable to attend due to a family bereavement and had asked that members forward ay questions direct to him for response.

Noted

37. **Constitutional Changes**

The Corporate Director for Legal and Democratic advised members of a change to the Constitution that he had made using his delegated authority. The Corporate Director advised that he could use this authority to make changes to the Constitution where necessary to provide alignment and changes to procedures.

This change related to the new Overview and Scrutiny Committees. Following discussion with the relevant Chairmen it was agreed that the monitoring of the performance of services should sit with the Scrutiny Committees rather than with the Overview Committees.

Noted

38. **Financial Report - Quarter 2 2020/21**

The committee reviewed the Quarter 2 Finance Report, which had been presented to Cabinet on3 November 2020.

The Cabinet paper reported an overspend of £27.6m for 2020/21; an improvement of £15.5m since quarter 1. The report itself summarised the main changes since the previous quarter and set out analysis by individual directorate for the Committee's review.

Despite the improvement in the period, only a small amount of this reduced financial pressure for 2021/22 – because for example, underspends on the contingency budget were already built into the budget process.

The Executive Director for Corporate Development explained that there were also additional items affecting the finance teams during the current pandemic including receiving significant funding from the Government to pass on to others.

Following a question regarding the forecasting of overspends, The Executive Director advised that in Adults and Children in particular there had been additional demand especially in relation to the process of securing places for people coming out of hospital. In Legal and Democratic, currently the costs of PPE and storage in respect of excess deaths had been charged to this service as their budget was quite small. In respect of the Place Directorate, there had been a loss of income in respect of car parking as a result of the current pandemic. Cllr Sutton thanked the Director for the explanation which she felt would be useful in trying to manage the public's expectations.

In response to a question from the Chairman regarding whether there was an early indication that the second lockdown will have an adverse effect of the figures, the Executive Director for Corporate Development highlighted the differences between Covid and non Covid spend. The majority of pressures the Council was experiencing were Covid related. In terms of the impact of the second lockdown the Government were providing additional funding, but the key variable was business rates and council tax and whether the lockdown carried on beyond early December. If not he felt there was enough cautionary measures in place to manage.

In respect of unachievable savings, the Acting Corporate Director of Commissioning advised that £2m of savings were significantly impacted due to Covid, efficiencies had been made in respect of utilisation and the changes to how services were delivered. The service had already gone through a significant amount of change and a number of areas were highlighted in respect of increased workflow. The CCG received additional funding for hospital discharges and plans were in place to recover this. It was important to ensure that the correct support and rehabilitation took place at the right time.

In terms of the cost of agency staff, the Executive Director for Corporate Development undertook to provide details outside of the meeting.

In response to a question regarding the amount of funding town and Parish Council were likely to receive, the Corporate Director for Finance and Commercial advised that officers were working with the DAPTC and had agreed that information would be shared with them by 3 December 2020. Returns would need to be back by 31 January 2021 to enable the Council to review in February 2021.

The Vice-Chairman asked about capital receipts and the potential for savings with home working. The Executive Director for Corporate Development

advised that the Cabinet had agreed in October the Asset Management Strategy. There was a surplus of properties as a result of the councils coming together. There were limited assumptions for this year but there would be a plan coming forward in respect of property rationalisation in the near future.

Noted

39. **Forward Plan**

The Committee's Forward Plan was reviewed and the following additions noted:-

Additions:

- Insurance strategy – an overview to be provided in January
- Item on borrowing, Cllr Parkes to email further information to the Chairman
- An update on points raised by Deloitte in their report

Noted

40. **Urgent items**

There were no urgent items of business.

Duration of meeting: 10.00 am - 12.30 pm

Chairman

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Dorset Council

SWAP INTERNAL AUDIT SERVICES
Assuring – Improving – Protecting

Dorset Council

Report of Internal Audit Activity

Progress Report 20/21 – December 2020

Internal Audit ▪ Risk ▪ Special Investigations ▪ Consultancy

Unrestricted

Executive Summary

As part of our update reports, we will provide an ongoing opinion to support the end of year annual opinion.

We will also provide details of any significant risks that we have identified in our work, along with the progress of mitigating previously identified significant risks by audit.

The contacts at SWAP in connection with this report are:

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Audit Opinion, Summary of Significant Risks and Follow up work

Introduction:

Since our last update, England has had a further four-week period of lockdown, followed by a return to a much stricter tier system of restrictions. Whilst this second lockdown and stricter tier system has not impacted on our audit work in the same way as the first national lockdown, the two audit staff that were redeployed to assist the Council with payment of business grants have been seconded to the Revenues and Benefits team again for the second round of business grant payments. This has impacted on the resources available to the team.

Audit Opinion:

This is our third quarterly update for 2020/21 and reviews completed have highlighted that whilst generally risks are well managed, we have identified some gaps, weaknesses and areas of non-compliance. However, we have reasonable levels of confidence that the agreed actions will be implemented and thus strengthen internal control.

Since our last report in September 2020, we have issued five Limited opinions on the areas and activities we have been auditing but none have been classified as a significant risk. Senior Management are now increasingly directing internal audit to areas of likely risk, or known issues, which is a positive. This will naturally result in an increased number of Limited assurance opinions. In Appendix A on pages 6-11, we provide a summary of the Limited opinion work, to provide the committee with further insight.

Significant Risks:

In our September update we highlighted the significant corporate risk around the reasons for a largely unpredicted budget overspend in 2019-20 for both SEN and Mainstream **Home to School Transport**. We are currently undertaking follow up work and will provide an update to the March committee around progress to mitigate this risk.

As part of our September update on the use of **Pupil Premium Plus (PPP) Grant by the Virtual School (VS) for Looked After Children (LAC)** we reported that it was not possible to assure members that the corporate risk had been effectively mitigated. We have further follow up work planned for the new year and hope to able to provide an update in our next report.

Executive Summary

Follow up

Following the report to the Committee by the Senior Manager for Assurance we are currently undertaking a further review of **Whistleblowing** along with an audit review of Fraud Reporting. We are working with the Service Manager in order to be able to report a satisfactory position. In respect of the follow up work with **Portesham School**, we are currently working with the school to obtain an updated position to ensure satisfactory progress. Additionally, we have also undertaken a further follow up of Financial Reconciliations and the details of this can be found on page 12.

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Internal Audit Plan Progress 2020/21

Our audit plan coverage assessment is designed to provide an indication of whether we have provided sufficient, independent assurance to monitor the organisation's risk profile effectively.

For those areas where no audit coverage is planned, assurance should be sought from other sources to provide a holistic picture of assurance against key risks.

SWAP audit plan coverage, changes to the plan, and performance measures

Work completed since our last report is now reflected in the chart below. The aim is that this diagrammatical representation indicates how our completed audits and work in progress provides assurance to the Committee over the Authority's key strategic risks. Where our audit work doesn't specifically link to the strategic risks, we have linked it to the Council's Corporate Plan or to Heathy Organisation Themes. There are clearly still some gaps in coverage, but assurance is gradually building to inform our annual internal audit opinion.

Corporate Risk	Coverage	Assurance assessment based on completed internal audit work
CRR 01 – Budget		Limited
CRR 02 – Cyber Attack		
CRR 03 – Recruit, Retain, Develop Workforce		
CRR 04 – GDPR		Limited
CRR 05 – Emergency Response		
CRR 06 – Brexit		
CRR 07 – Infrastructure		
CRR 08 – Education		
CRR 09 – Transformation		
CRR 10 – Corporate Knowledge		
CRR 11 – Climate Change		
CRR 12 – Breach of Statutory Duty		
CRR 13 – Health, Safety, Wellbeing		Limited
CRR 14 – Safeguarding		Limited
CRR 15 – Commissioning		Limited
CRR 16 – Officer/ Member Interface		
CRR 17 – School Transport		Limited
CRR 18 – Evidence Base		
CRR 19 – Partnerships		
CRR 20 – Election		
CRR 21 – Covid-19 Response		Advice & Guidance

Healthy Organisation	Coverage	Assurance
HO 2 – Financial Management		Substantial

TABLE KEY:

	Reasonable coverage
	Partial coverage
	Coverage planned but not started or completed
	No planned coverage
	Proposed coverage removed

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We will build our audit plan as the year progresses to ensure that we are auditing the right things at the right time

Changes to the Audit Plan

The live audit plan tracker including the live version of the table of coverage as detailed above, can be found by accessing this link. As you will see there are a number of tabs across the bottom of the spreadsheet that show the Coverage of Key Risks, Completed Audits, In Progress Audits, Waiting for Go Live, Deferred Audits, Removed Audits, Future Proposed Audits and finally a Risk Assessment. This record is a real-time view of the rolling audit plan and shows the status of current audits.

Performance Measures

Performance Measure	Performance
Quality of Audit Work	
Overall Client Satisfaction *(did our work meet or exceed expectations, when looking at our Communication, Auditor Professionalism and Competence, and Value to the Organisation)*	100%
Value to the Organisation *(client view of whether our audit work met or exceeded expectations, in terms of value to their area)*	100%
Outcomes from Follow Up Audit Work	
Percentage of Priority 1&2 recommendations for Limited assurance audits, that remain outstanding when the follow up audit is undertaken	74%

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Added Value

'Extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something more while adding little or nothing to its cost.'

Added Value

Alongside the introduction of *'Agile Auditing'*, where with increased collaboration and a joint commitment with the service under review, it is possible to complete audits faster and more efficiently; we have now rolled out a one-page report. This ensures that for busy managers the headline issues from the audit work are highlighted in a quick and easily understood format. We have had some very positive feedback from managers who have found this change to be a constructive, helpful change to our audit product.

We are continuing with our successful quarterly data analysis which enables us to identify potential duplicate payments that the authority has made. The latest exercise has enabled us to identify a further £34,450 of duplicate payments which brings the total value of duplicate payments identified by SWAP since we started the analysis in October 2018, to in excess of £103,000. The Council has employed a software product (AP Forensics) that will enable the identification of potential duplicates before payments are made. We have worked with the Accounts Payable team to provide a piece of advisory work around the implementation of this software and we intend to continue our analysis work, hoping to see a reduction in the duplicate payments as the implementation of the software is rolled out.

We have undertaken a number of benchmarking exercises since our last report. We use our own SWAP partners for benchmarking but also use a wider network of the County Chief Auditor's Network which has delivered some useful benchmarking data. The benchmarking exercises undertaken since our last report are:

- Corporate Criminal Offence – a review to identify other Councils approach and to obtain copies of policies and training materials.
- Protection of Property – to identify how other Council's manage large cash sums as part of protection cases.
- Coroner's Service – to identify which Councils operated a joint service with other councils and what procedures they have to manage these arrangements.
- Value for Money – a review of VFM strategies in other councils
- Unregistered Children's Services Placements – to identify the use of unregistered placements in other Councils

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Internal Audit Plan Progress 2020/21 – Limited Opinion Audits APPENDIX A

The role of SWAP as the internal auditors for Dorset Council is to provide independent assurance that the Council's risk management, governance and internal control processes are operating effectively. In order for senior management and members to be able to appreciate the implications of the assurance provided within an audit report, SWAP provide an assurance opinion. The four recently revised opinion ratings are defined as follows:

Assurance Definitions	
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

In addition to the assurance definitions above we also provide an 'assurance dial' which indicates on a range of high medium or low where within the range of that assurance a particular audit assurance sits.

As can be seen in this example the assurance provided is low limited as the dial is sitting on the lower end of the limited scale. It could equally have been a medium limited assurance where the dial sits midway or high limited when it is sitting at the upper end close to the reasonable assurance.

We provide the Committee with details of the overall assurance opinion for all completed audits and they can be seen in the plan progress table in Appendix B on page 13 below. The Committee have indicated that they would like additional insight into Limited assurance audits that have a high number of recommendations and/or could be a cause for concern. We have therefore introduced a section of our report which provides further information for members on the Limited assurance audits completed to date. We have also included the position on the dial, so members are also able to gauge where the audit sits within the Limited assurance range. As a further enhancement, we are now including more detail on follow up audits where we consider the pace of progress toward implementation of our recommendations, to be limited.

Protection of Property	To review how the Council complies with the responsibilities set out in Section 47 of the Care Act 2014 with regards to Protection of Property and to research how the Council can address recent issues that have arisen when handling all types of moveable property, in particular large quantities of cash, and to include how other councils comply with this duty.	High Limited	5	0	4	1

Summary of Findings

The Council has a duty under the Care Act to safeguard the property of certain service users whilst they are receiving care services away from their home. The audit found that there is no central inventory or record within the Adult Services directorate of all protection cases. Therefore, there is no oversight at a directorate or corporate level, of the value of monies, valuables and property that Dorset Council is currently safeguarding. There was no clear responsibility or oversight for the contents of safes within county hall, a number of which have been used to deposit cash from protection cases.

Historically, Social Workers have experienced difficulties in paying larger sums of cash into the bank, due to money laundering regulations. However, information gathered via benchmarking across other councils as part of this audit has confirmed a potential solution which is now being explored by the service.

A number of actions were agreed in order to strengthen the oversight of this area and to ensure that current safe guidance was updated and issued to all relevant staff. All actions are due to be implemented by 31st January 2021.

Unrestricted

Data Protection Training	To review the controls in place to ensure that all staff, including those employed on an agency, contractual and consultant basis complete the mandatory GDPR training and refresher training.	Mid Limited	5	0	4	1

Summary of Findings

It was not possible to confirm that effective control measures are in place to ensure that all staff, including those employed on an agency, contractual and consultancy basis, complete the mandatory General Data Protection Regulation (GDPR) training and refresher training made available by the Council. There was a lack of mature and accessible data, although it was clearly evident that some of the audit findings had already been identified by management and were currently being worked upon. Prior to the Covid-19 lockdown, GDPR training completions rates, including induction and refresher training, were at 3%. The increased communications to staff however, raised the rate to 26%, accurate at the end of June 2020.

It was found that although staff training may be discussed during the 1:1 and performance review process, there is currently no place where this is recorded, and is therefore not monitored as effectively as it could be. The Senior Learning & Development (L&D) Consultant suggested that a tick box and/or DES e-form would allow greater monitoring in this area.

Similarly, there is a management checklist which is designed to be used by all managers to ensure the new starter is appropriately set up and ready for their first day of work. The mandatory GDPR training features on this checklist, however, this form is not recorded within DES.

Council Data Protection and Data Breach Policies are accessible to all staff with a Dorset Council (DC) email address (council staff and agency workers) but are not easily accessible to staff without a DC email address (contractual and consultancy staff). The Council rely on corporate communications to remind staff to check whether they are up to date with their Data Protection training; the frequency of updates varies depending upon the current completion rate across the Council. Similarly, contractual and consultancy staff do not receive these corporate communications.

Actions have been agreed to improve the oversight of GDPR training completion going forward and are due to be implemented by 31st July 2021.

Unrestricted

Transport Operators Licence	To check that processes and reporting in place ensures compliance with the Transport Operator licence terms.	High Limited	16	0	5	11

Summary of Findings

Fleet Services is a relatively new team who are responsible for monitoring compliance of the Transport Operators Licence. Fleet Services provide management information about driver activities for services however our audit testing has identified inconsistent approaches across these end user services that operate these vehicles. The appointment of an additional compliance officer will help to ensure a Corporate overview is maintained.

Individual's driving performance is not being monitored consistently across or within the different services and there is no framework in place for supervisors to discuss a driver's performance to highlight good performance and identify areas for improvement. There is no corporate overview of mandatory training to ensure that all officers have completed the required training within the required timescales.

Analysis of all service inspection data for Highways and Dorset Travel indicated that these inspections are not being carried out within the set timeframe in over 30% of instances. It was not possible to obtain the same level data for Waste Services however a sample test indicated no issues.

A detailed action plan has been agreed with management and all actions are due to be implemented by 31st July 2021.

Unrestricted

Coroners Service	To provide assurance that the governance structures around the pan-Dorset Coroner's Service allow for a transparent decision-making process and provide appropriate financial and performance oversight and scrutiny.	High Limited	7	0	5	2

Summary of Findings

The Coroners Service is a pan-Dorset service provided by Bournemouth, Christchurch and Poole Council through a Service Level Agreement. Areas for improved control have been identified with regard to invoice processing within the Coroner's service, potentially impacting on the accuracy and transparency of budget monitoring and forecasting for both local authorities. Invoices from Pathologists and Doctors for post-mortem work are not being committed against the financial system at the point they are received meaning there is no accurate record of the total commitment for these services at any given time across the financial year. Further to this, contract provider invoices are not subject to sufficient scrutiny prior to payment.

It is positive that quarterly Coroner's and Mortuary Service meetings are held, where service level topics are discussed. There is currently no representation from the other key stakeholders of the service, such as police or coronial staff. To aid transparency, oversight, collaboration and communication, the presence of all key stakeholders would be expected at governance groups, to contribute to the review of the service and scrutiny of both budgetary and performance data.

The total cost of the Coronial Removal Contract was £240k in 2019/20, increasing to an estimated £280k by the end of 2020/21. Currently there is no performance monitoring of contract providers despite this being included within the framework contractual arrangements. Given the absence of invoice cross checking, it would be imperative for performance reviews to take place and be presented for scrutiny at established governance boards to ensure transparency.

A detailed action plan has been agreed with management and all actions are due to be implemented by 30th April 2021.

Unrestricted

High Cost Placements (Children's Service's)	To review the controls in place when placements are sourced and managed on an ongoing basis to ensure that the Council is obtaining value for money.	High Limited	8	0	3	5

Summary of Findings

The visibility of the decision making process when sourcing placements for looked after children could be improved to document why certain providers are chosen and other providers are dismissed. This should lead to increased transparency within the process and demonstrate where value for money considerations have been taken into account.

Contract management meetings undertaken by DC Officers with some of the larger providers should include greater emphasis of key outcomes required by the Council, including whether the service provided is in alignment with the Council's needs and providing value for money.

Instances of potentially invalid Individual Placement Agreements (IPAs) were found where the contractual terms referred to within the IPA were not correct for the type of placement. The IPA referred to being under the terms of a framework agreement, when in fact the placement was not part of the framework and should come under the national contract terms.

We have agreed an action plan with management which will be fully implemented by 31st March 2021.

Unrestricted

Follow up Audit	Scope and Objective	Progress assessment
Financial Reconciliations	To assess the progress made in implementation of the recommendations made following our original audit which was given a partial opinion.	

Progress Summary

	Completed	In progress	New Action	Total
Priority 1	-	-	-	-
Priority 2	1	1	0	**2**
Priority 3	1	0	1	**2**
Total	**2**	**1**	**1**	**4**

Summary of Findings

The original audit work was concluded in February 2020 with four recommendations being made; two of which were priority 2 and two priority 3. The follow up audit was concluded in August 2020 where progress in implementing the recommendations was found to be slower than anticipated with only one of the recommendations having been fully completed and three still in progress.

This further follow up work has confirmed that two of the three recommendations which were in progress have now been completed, with just one remaining in progress. The outstanding bank reconciliations have been completed and are up to date. Current processes ensure that items are not held in suspense accounts for a lengthy time and an exercise is underway to clear the historical balances. A new action has been raised for the predecessor district bank accounts to be included within the Control Spreadsheet where a corporate overview is maintained of all required reconciliations to ensure they are completed on a timely basis with a secondary authorisation.

The original plan to merge the Revenues and Benefits system in December has been postponed to June however, benefit and refund transactions will be paid from the new Dorset Council account for West Dorset District Council, Weymouth & Portland Borough Council and Purbeck District Council from January. The bank reconciliations for North Dorset District Council and East Dorset District Council will need to continue until the database is merged, but the only transactions will be for revenues and benefits so will be much easier to reconcile.

We are satisfied that appropriate progress has now been made and we do not intend to undertake any further follow work in this area.

Unrestricted

Internal Audit Work Programme – 2020-21 Appendix B

At the conclusion of audit assignment work each review is given an Audit Assurance; a summary of the assurance levels is as follows:

- Substantial – A sound system of governance, risk management and control in place
- Reasonable – A generally sound system of governance, risk management and control in place
- Limited – Significant gaps, weaknesses or non-compliance were identified
- No Assurance – Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified

Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major ↔ 3 = Medium Recommendation		
						1	2	3
Completed Work 2019/20								
Operational	Commercial Contract Management	4	Final	Partial	4		2	2
Completed Work 2020/21								
Redeployment	Revenues and Benefits Team – Small Business Grants	1	Completed	N/A				
Redeployment	Registration Service - Registration of Deaths	1	Completed	N/A				
Redeployment	Discretionary Grant Scheme Administration	1	Completed	N/A				
Investigation	Public Conveniences Investigation	1	Final	Advice and Guidance				
Operational	Financial Support to Leisure Centres during COVID Closure	1	Final	Advice and Guidance				
Operational	Operation of Business Grant Benchmarking Exercise	1	Final	Advice and Guidance				
Grant Certification	Troubled Families Certification first submission	1	Final	Advice and Guidance				
Operational	Audit Committee Skills Best Practice	2	Final	Advice and Guidance				
Operational	Distribution of redundant laptops within the Community	2	Final	Advice and Guidance				

Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major ↔ 3 = Medium Recommendation		
						1	2	3
Operational	School Transport	2	Final	Limited	12	4	6	2
Operational	One Time Vendors	2	Final	Advice and Guidance				
Grant Certification	LEP Grant Certification	2	Final	Advice and Guidance				
Operational	Generation and use of surplus car parking funds	2	Final	Advice and Guidance				
Follow up	Financial Reconciliations	2	Final	N/A	3	0	2	1
Follow up	Financial Reconciliations – further follow up	3	Final	N/A	2	0	1	1
Grant Certification	Troubled Families Certification second submission	2	Final	Advice and Guidance				
Operational	Duplicate Payments testing Quarter 1	3	Final	Advice and Guidance				
Operational	Protection of Property	3	Final	Limited	5	0	4	1
Follow up	Virtual School	3	Final	N/A	13	3	6	3
Operational	Duplicate Payments testing Quarter 1	3	Final	Advice and Guidance				
Operational	Data Protection training	3	Final	Limited	5	0	4	1
Grant Certification	Troubled Families Certification third submission	3	Final	Advice and Guidance				
Operational	Payroll	3	Final	Substantial				1
Operational	Value for Money	3	Final	Advice and Guidance				

Unrestricted

Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major ↔ 3 = Medium Recommendation		
						1	2	3
Operational	Accounts Payable Forensics Software	3	Final	Advice and Guidance				
Grant Certification	Troubled Families Certification fourth submission	3	Final	Advice and Guidance				
Follow up	Framework for Effective of social Care Practice	3	Final	N/A			1	
Operational	Whistleblowing Investigation	3	Final	Advice and Guidance				
Operational	High Cost Placements	3	Final	Limited	8		3	5
Operational	Corporate Criminal Offence	3	Final	Advice and Guidance				
Operational	Transport Operators Licence	3	Final	Limited	16		5	11
Follow up	Adult Care Services Debt Management	3	Final	N/A				
Operational	Coroners Service	3	Final	Limited	7		5	2
Investigation	Complaints Investigation	2	Final	Advice and Guidance				
Reporting								
Operational	Unregistered Placements	3	Draft					
Follow up	Fostering Service	3	Draft					
Operational	Claim for lost income due to Covid-19	3	Draft					
In Progress								
Redeployment	Revenues and Benefits Team – Small Business Grants	3	Currently Ongoing	N/A				

Unrestricted

Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major ↔ 3 = Medium Recommendation		
						1	2	3
Operational	Verification of Leisure Centre Claims	3	In progress					
Follow up	Compliance with IR35	3	In progress					
Follow up	Enterprise Zone	3	In progress					
Operational	Duplicate Payments checking – Quarter 2	3	In progress					
Operational	Fraud Reporting	3	In Progress					
Follow up	Whistleblowing Investigation 2	3	In progress					
Follow up	Policy Convergence	3	In progress					
Follow up	School Transport	3	In progress					
Follow up	Portesham School – further follow up	3	In progress					
Waiting to Go Live								
Operational	Contract Management in Dorset	4	Waiting to go live					
Operational	Early Years Funding	4	Waiting to go live					
Operational	Front Door Service	4	Waiting to go live					
Operational	Impact of Inflation on Adult Services	4	Waiting to go live					
Operational	Joint Working with Health	4	Waiting to go live					

Unrestricted

Audit Type	Audit Area	Quarter	Status	Opinion	No of Rec	1 = Major ↔ 3 = Medium Recommendation		
						1	2	3
Fraud Detection	CiFAS Data Matching	4	Waiting to go live					
Operational	Disclosure and Barring Service Checks	4	Waiting to go live					
Operational	Continuous Auditing - Accounts Payable and Payroll	4	Waiting to go live					
Grant Certification	Troubled Families – final submission	4	Waiting to go live					
Operational	Duplicate Payments – Quarter 3	4	Waiting to go live					
Operational	Dedicated Schools Grant	4	Deferred from Q2					

Unrestricted

Audit and Governance Committee

December 2020
Risk Management Update

For Decision

Portfolio Holder: Cllr S Flower, Leader of the Council

Executive Director: Jonathan Mair, Corporate Director, Legal & Democratic

Name: David Trotter, Risk and Resilience Officer - Assurance; Tel: 01305 228692
Email : david.trotter@dorsetcouncil.gov.uk

Name: Marc Eyre, Service Manager Assurance; Tel: 01305 224358
Email : marc.eyre@dorsetcouncil.gov.uk

Report Status: Public

Recommendation: That Audit and Governance Committee review the key risks identified in the corporate and service risk registers.

Reason for Recommendation: To ensure that the Council's risk management methodologies remain current, proportionate and effective in enabling risk informed decisions to be made.

1. Executive Summary

The continual development and promotion of risk management will ensure that Dorset Council remains well placed to demonstrate that objective and informed decisions are taken. To help ensure that the Council is ultimately in a strong position to successfully face and address the varied challenges ahead.

Strategic risk management is owned by the Senior Leadership Team, with an agreed risk management policy setting out the Councils commitment. Corporate Directors are accountable for the top-level strategic risks. These are informed by operational service level risks owned by Heads of Service and Service Managers.

Previously the committee instructed the Risk and Resilience Officer to look to develop a revised risk scoring matrix and works surrounding the request are ongoing with a draft proposal currently with lead officers for comment.

2. Financial Implications

No budget implications specifically, although unmanaged risks may pose a threat to the Council's financial stability. Identified risk improvement measures may also have direct budget implications, each of which need to be subject to a cost/benefit analysis prior to implementation.

3. Climate implications

"Failure to protect our environment and adapt services and communities to the impacts of a changing climate" is identified as one of the 20 corporate risk themes.

4. Other Implications

None

5. Risk Assessment

Having considered the risks associated with this decision using the Council's approved risk management methodology, the level of risk has been identified as:

Current Risk: HIGH

Residual Risk: HIGH

The risk level is identified as High as Appendix B provides an update on those High-level risks which are currently identified within the Corporate Risk Register

6. Equalities Impact Assessment

Considering equalities issues is a key aspect of good governance, but there are no equalities issues arising directly from this report.

7. Appendices

Appendix A – Summary of Dorset Council corporate and service risks, including the snapshot of risk status scoring matrices. High Risk exception reports are provided for Adults and Housing; Children's; Corporate and Place Services.

8. Background Papers

None

DECEMBER 2020 - Risk Management Update Report

1.0 Background

1.1 An extract from the corporate risk register was considered by the Audit and Governance Committee on 20 May 2020 at which councillors made helpful observations and judgements on the format of the risk reporting and layout. The committee considered a 3 by 3 matrix which focused on a Red, Amber or Green (RAG) Status. It was noted that the approach was also used by the Senior Leadership Team when dealing with risks associated with the COVID crisis. The report has been subsequently received by the Committee on a quarterly basis.

1.2 The 3 by 3 matrix which focused on a Red, Amber or Green (RAG) status was adopted and been used to score all risk reports for members to consider. The committee made suggestions that it would like to see the current scoring matrix further developed in order to provide a far more detailed analysis of risks. Draft papers and policy documents have been produced and have been circulated to lead officers for comment. A paper will be presented to the committee in the New Year on a suggested revised approach.

2.0 Risk Management

2.1 A revised Risk Management Strategy was produced that captured the Dorset Council approach to risk management. The document will need to be revised to reflect any future changes to any scoring matrix and will also be presented to committee in the New Year following staff consultation. Any development will further help in raising awareness of the principles of risk management and to assist colleagues, at all levels.

2.2 The Committee have received several updates on the Council's approach to tackling the fraud risk, including following up outcomes from a whistleblowing audit. SWAP have been commissioned to undertake a review, including benchmarking with other authorities, and the outcomes of this will be presented within the next risk management update.

3.0 Risk Register

3.1 The latest **Risk Management (APPENDIX B)** update provides a quarterly report that focuses on High risks identified across all services, with separate schedules for Adults and Housing, Children's Services, Corporate Services and Place Services.

3.2 Note that there is also a summary page that provides a snapshot focus on all the services covered in the report to help stakeholders. As mentioned in a previous meeting the reporting processes used within this report have also been adopted by the Council for its response to Covid-19.

3.3 The Assurance function continues to bring members an:

- independent assurance to the Council of the adequacy and effectiveness of the risk management arrangements and associated control environment; and
- regular update reports on all risk management activities.

The Risk and Resilience Officer will continue to:

- Lead on the development and manage the implementation of an integrated risk management framework.
- Undertake a review and development of the council's risk management approach and update, accordingly, presenting any revisions for approval.
- Spread the ethos and, promote the effectiveness of good risk management throughout the Council.
- Facilitate the review and update of all Risk Registers.
- Provide the council with guidance, toolkits, advice and support on the application of risk management principles and, support officers in delivering their role.
- Lead, co-ordinate and develop risk management activity across the council with the support of the Team Manager for Assurance.

3.4 Thinking about the bullet points above it is evident that the service risk registers are still maturing, and the Risk and Resilience Officer has been attending relevant directorate management meetings to present and discuss the current risk situation and hold open surgeries with the accountable officers to update their specific risks.

3.5 As the risk management process matures, owners of service risks are making judgements on the effectiveness of internal controls, with SWAP providing challenge and support to improving this control framework. Much progress has been made surrounding the audit plan that sits along the risk registers within the Assurance SharePoint site.

3.6 We are pleased to report that the internal audit recommendations and plans are being addressed by managers. At the time of writing this report we can report that 34 internal audits for 2020-21 are being managed, monitored and updated within the SharePoint platform.

4.0 Way Forward

4.1 The Risk and Resilience Officer will continue to drive forward a proactive risk management approach, in conjunction with Accountable Officers and Risk Owners. Clear identification and assessment of risks will ultimately lead to a more effective use of resources and result in direct improvements to the services we can provide to our customers and stakeholders.

4.2 Risk management is about taking informed decisions, achieving objectives and delivering results. As we know risk can impact in many ways, whether financially, politically, on our reputation, environmentally or to our service delivery. The team appreciate the work undertaken by all stakeholders in enabling the report to be considered today and are pleased to report that most risks across all directorates have been updated together with the internal audit management plans. **The Assurance team wish to thank all managers for their help and buy in**.

4.3 It is clear in recent months that the Council's overriding attitude to risk is to operate in a culture of creativity and innovation, in which risks are identified in all areas of the business, are understood and managed, rather than avoided. We acknowledge that Council managers and officers do not shy away from risk but instead seek to manage it.

4.4 There is a commitment to develop a revised training package for risk management and something that is currently being developed by the Risk and Resilience Officer.

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Overall Risk Management by Service – DECEMBER 2020

The following is provided to summarise the current position against each risk service area. This will help the council to identify and focus upon potential areas for further scrutiny.

Dorset Council

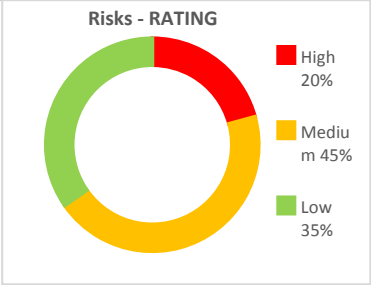
No. of Risks 231: 48 High Risks (20%)

We recognise that Risk Management is one of the key principles of effective Corporate Governance. It is also a key contributor to a sound internal control environment and the Annual Governance Statement. The Council seeks to identify, evaluate and control all risks and opportunities to ensure that they are managed at acceptable levels. Risk management within the council is about managing our threats and opportunities and striving to create an environment of 'no surprises'. **Risk is unavoidable**.

Successful risk management is about ensuring that we have the correct level of control in place to provide sufficient protection from harm, without stifling our development. As a Council, with a range of different stakeholders, each with differing needs and expectations, this can be a challenge. I am pleased to report that the majoirty of risks across all directorates have been updated together with the internal audit management plans. THANK YOU

The Council's overriding attitude to risk is to operate in a culture of creativity and innovation, in which risks are identified in all areas of the business, are understood and managed, rather than avoided. I am pleased to report that the managers / officers do not shy away from risk but instead seek to manage it. This will help the Council to meet the needs of the community today, but also be prepared to meet future challenges. The aim to ensure that risk management becomes an integral part of decision-making and dayto-day business.

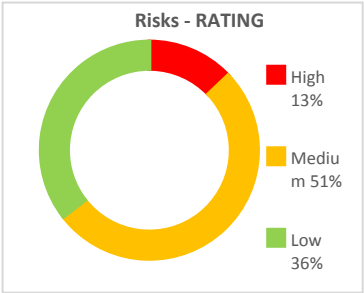
Impact	Likelihood: L	Likelihood: M	Likelihood: H
H	51	29	10
M	42	50	9
L	28	10	2



Adults and Housing Services

No. of Risks 31: **4 High Risks (13%)**

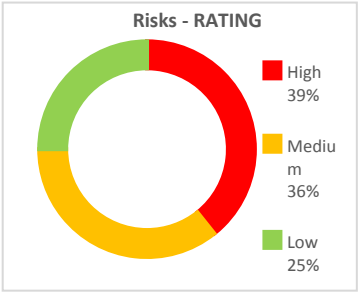
Impact	Likelihood: L	Likelihood: M	Likelihood: H
H	5	2	2
M	5	10	
L	4	2	1



Children's Services

No. of Risks 28: **11 High Risks (39%)**

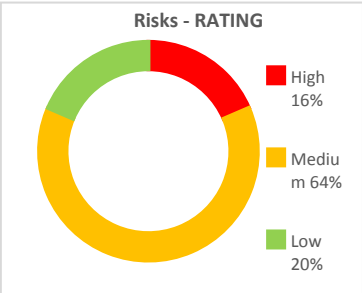
Impact	Likelihood: L	Likelihood: M	Likelihood: H
H	5	8	2
M	4	4	1
L	2	1	1



Corporate Services

No. of Risks 27: **5 High Risks (16%)**

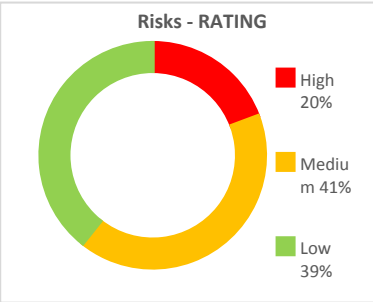
Impact	Likelihood: L	Likelihood: M	Likelihood: H
H	11	3	1
M	2	6	1
L	2	1	



Place Services

No. of Risks 145: **28 High Risks (20%)**

Impact	Likelihood: L	Likelihood: M	Likelihood: H
H	30	16	5
M	31	30	7
L	20	6	



Adults and Housing Services No. of Risks 31: **4 High Risks (13%)**	Children's Services No. of Risks 28: **11 High Risks (39%)**	Corporate Services No. of Risks 27: **5 High Risks (16%)**	Place Services No. of Risks 145: **28 High Risks (20%)**
Adult social care supports people to achieve the important things in ways that are right for them: the activities of daily living, maintaining independence, enjoying social interaction, and playing a part in society. We also act on concerns that an adult is being abused or neglected. We take a 'strengths-based approach' which is a collaborative approach between the individual and those working with them. The approach looks at an individual's situation holistically; considering what is most important to them, their strengths and capabilities and their support network, in order to find the best ways to work towards meeting the needs of the individual. Needs can be met in a range of ways, such as: information and guidance, technology, through existing relationships and support networks, community resources or social care services.	We work in partnership with families, other agencies and the voluntary and community sector to promote and safeguard the welfare of children and young people and improve their life chances. We provide child protection services for children at risk of harm. We provide support to families with complex difficulties. We are responsible for services for children in care who cannot live with their own families. We have a duty to provide care to children. We have a range of services to support children and young people in need.	We bring together a range of corporate functions which work collectively and consistently together to help the Council plan by offering clear intelligence, professional advice and effective internal controls. We play an important role in shaping and influencing our strategic priorities to ensure Dorset Council is and remains fit for purpose. To do so we work closely with the political and managerial leadership, commissioners and providers in service directorates, and external partners from across the public, private and voluntary and community sector.	We have a range of landscapes and assets provide services, such as, direct extraction, through pollination for agriculture and horticulture. The "Jurassic Coast" is England's first and only Natural World Heritage Site a 95-mile stretch of coast with about 71 miles in Dorset. The highways service addresses sustainable development and is responsible for planning, transport, and supporting the economy. The directorate is responsible for about 2,300 miles of road and hundreds of acres of countryside. Household waste and recycling collections are provided to every household in Dorset. Waste Services also provide street cleansing services, the household recycling centres, transfer and disposal of waste, providing waste education, policy and enforcement activities together with the management of closed landfill sites. Waste Services also provides a commercial waste service and charged garden waste service.

Directorate Update Reports contain the relevant detail on the current HIGH RISKS

PEOPLE Directorate - Adults and Housing (DECEMBER 2020) – RISK MANAGEMENT: The continual development and promotion of risk management will ensure that the Council is well placed to demonstrate that objective and informed decisions are taken and that the Council is ultimately in a strong position to successfully face and address the challenges ahead.

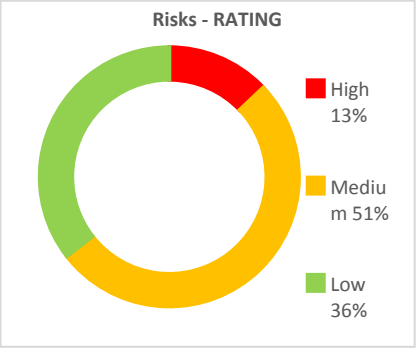
Score IMPACT	Financial	Legal / Compliance	Strategic	Safety, Wellbeing & Safeguarding	Reputation	Service Delivery
HIGH	Over £500k	Non-compliance with legislation or regulatory breach Significant regulatory impact	Complete failure of a strategic priority Major impact on a strategic priority	Fatality or life-changing injury / illness; Significant safeguarding breach Major injury / illness; moderate safeguarding breach	Complete failure in confidence (local or national) Long term media attention (local or national)	Complete failure to deliver critical services (safeguarding; urgent statutory responsibilities etc) Major impact on delivering critical services (safeguarding; urgent statutory responsibilities etc)
MEDIUM	£300k to £500k	Moderate regulatory impact	Moderate impact on a strategic priority	Moderate injury / illness	Medium term negative impact on public memory	Serious disruption to less critical services
LOW	£0k to £300k	Minimal regulatory impact No legal or regulatory impacts	Minor impact on a strategic priority Negligible impact on a strategic priority	Injury or illness requiring minimal intervention / treatment No health and safety impact	Short term negative impact on public memory Minor complaints or rumours	Minor disruption to services Negligible disruption to service delivery

Score LIKELIHOOD	LOW	MEDIUM	HIGH
Type	0 to 40%	40% to 60%	61% to 100%
Description	Unlikely	Possible	Likely

The full Risk Register for the People Directorate - **Adults and Housing** can be viewed from this link - HERE

Adults and Housing Service Risk Profile

		Likelihood			
		L	M	H	**High Risks 4 in total**
Impact	H	5	2	2	
	M	5	10		
	L	4	2	1	



Number of RISKS: 31

People Directorate - Adults and Housing - Overall

Impact	Likelihood: L	Likelihood: M	Likelihood: H
H	5	2	2
M	5	10	
L	4	2	1

Commentary: High Risks = 4

The new format for risk reporting was agreed by Audit and Governance Committee at its May meeting. It was requested that closer links are enabled between the risk and performance measures. Also, members wanted to be able to more clearly see what updates have been made to the risk since the last report. Relevant changes were incorporated into reports with links to the control environment.

Adult Care - Operations and Commissioning

Impact	Likelihood: L	Likelihood: M	Likelihood: H
H	3	2	1
M		4	
L		1	1

The People Directorate - Adults and Housing delivers adult social care, housing and community safety services to people living in Dorset within the context of the Council Plan. We invested over £1million through our Better Care funding to deliver increased capacity for Adult Care Operations and Commissioning.

Dorset Council is one of the 4 pioneer authorities for Sustainability and Transformation Planning delivering a joint vision for working across the NHS and Local Authorities in Dorset around acute care, an integrated care system, and prevention at scale across our adult social care and health and commissioning functions.

High Risk: 125) Gap exists between amount of available resource and post-COVID statutory demand

Response: COVID19 brings a legacy of increased risks of provider failure across all areas of Adult Social Care provision. Strategic planning with system partners is ongoing to support appropriate levels of intervention in order to deliver the councils statutory responsibility for market shaping under the Care Act 2014. The increased demand for care and support services is increasing the pressure upon provider workforce capacity. As part of the A Better Life Programme, there is a workforce stream which is developing a Dorset Social Care Academy to enable improved recruitment training and retention and a clear career pathway. One of the financial impacts of Covid-19 may be that our collect rate for service user contributions and third-party contribution drops. We will also at some point lose COVID funding support and that may be before we stop incurring all the COVID- related additional expenditure. We have looked at demand and activity data and from that prioritised the work which needs to be done now and that which needs to stop and slow down. Managers are focused on budget management and there is evidence from the staff survey that staff understand the importance of using resources efficiently to meet people's need. Savings and budget spend are closely managed. Review of high cost packages are being undertaken in locality teams. Transition tracker in place for future cost avoidance. Development of a learning disability Dorset care framework segment 3, so lead areas work across commissioning, operations and development.

High Risk: 165) Capacity, capability and focus within the Adult Social Care workforce is not appropriate to deliver statutory responsibilities and key priorities to an acceptable standard

Response: The significant additional demands resulting from COVID-19, in particular delivering the Phase 1 Home First Model, increased safeguarding, Approved Mental Health Professionals (known as AMHPs) and Deprivation of Liberty (known as DoLs) referrals have had significant impact on the capacity within Adult Social Care to deliver business as usual alongside the transformation required to deliver improved outcomes for vulnerable people and savings. Capacity is affected both by new COVID workload and by the impact of COVID on the availability of staff. For example, because they are themselves ill or because they have caring responsibilities. The hospital discharge COVID requirements have increased the number of people we are commissioning/contracting for across the system. This has impacted upon commissioning and brokerage functions, business intelligence and the finance teams who are required to record and track cases in order to claim COVID funding support. For finance, the increase in workload alongside workforce changes and subsequent gaps may be a significant risk to the Council. We have developed an action plan for operational activities focused on the highest risk and stopping some lower priority work. We have brought in interim resources to support some of the COVID work and we are also looking to bring in resources to support us to deliver the 'A Better Life' (ABL) Transformation programme.

Within the ABL programme we also have a workforce group looking to proactively address recruitment and retention and the issues of an ageing workforce.

Adult Care - Operations and Commissioning Cont'd

High Risk: 298) Failure to fully support providers to achieve infection control requirements

Response: The Adult Social Care Infection Control Fund was first introduced in May 2020 and was initially worth £600 million nationally. The purpose of this fund is to support adult social care providers, including those with whom a local authority does not have a contract, to reduce the rate of COVID-19 transmission within and between care settings, in particular by helping to reduce the need for staff movements between sites. Due to its success in limiting the transmission of COVID-19 within and between care settings, the Adult Social Care Infection Control Fund has been extended until March 2021, with an extra £546 million of national funding. This is a new grant, with revised conditions from the original Infection Control Fund. It brings the total ringfenced funding for infection prevention and control to £1.146 billion. This funding will be paid as a Section 31 grant ring-fenced exclusively for actions which support care homes and CQC-regulated community care providers mainly to tackle the risk of COVID-19 infections and is in addition to funding already received.

Day centre providers have produced risk assessments. The Council's actions may be challenged if we place people with COVID-19 into a care home and this results in an outbreak. Care Home testing process and delays in test results being turned around could result in placements where staff or residents are positive. An increase in COVID cases in Care Homes reduces the system's capacity to achieve hospital avoidance and safe discharges. The pan-Dorset policy is to suspend admissions for 14/28 days where there is an incident.

People Directorate - Adults and Housing - Brexit

		Likelihood		
		L	M	H
Impact	H	2		
	M	2	2	
	L	2	1	

Whilst we legally left the EU on 31 January 2020, we are unlikely to notice much difference until the end of the transition period which is currently 31 December 2020. If a trade deal is agreed by 31 December 2020, this deal would take effect immediately on 1 January 2021.

Please see our frequently asked questions for information on what will happen if no deal is agreed by 31 December 2020.

NO High Risks:

Community Safety Services

		Likelihood		
		L	M	H
Impact	H			
	M		3	
	L			

The Dorset Community Safety Partnership (CSP) aims to - reduce crime and the fear of crime - address risk, threat and harm to victims and local communities; and facilitate the strengthening of Dorset's communities in the delivery of local initiatives. Find out more about the Dorset Community Safety Partnership CSPs are required to have three-year Community Safety Plans that are refreshed annually. This latest refresh of the 2017-2020 Plan sets out partners' current priorities based on the most recent assessment of community safety issues.

NO High Risks:

Housing Services

		Likelihood		
		L	M	H
Impact	H			1
	M	3	1	
	L	2		

People may be finding it difficult to manage their own home. They may want to live somewhere smaller and easier to maintain or may want to live somewhere more suited to their physical needs, such as a bungalow. They may prefer to live nearer family or friends or have easier access to facilities such as transport and leisure. Or may want to live in a community where they retain independence. While buying or renting a different property or moving into a care home might be the first options that spring to mind, there are many others that could be considered, such as, exchanging a council or housing association property, sheltered housing, extra care housing, close care, retirement villages or home share schemes

High Risks: 247) Temporary Accommodation is insufficient to meet community need

Response: The Covid-19 pandemic has seen the Council's dependence on B&B accommodation for homeless households increase by over 50%. As of the 7th August 2020 the Council had 349 households in temporary accommodation of which 139 households are in B&B accommodation. The use of B&B has a direct revenue impact on the budget.

The Council has an Accommodation Finder who is an officer in the Housing team who sources new properties for leasing from the private sector and continues to be successful in sourcing new properties which will help reduce the number in Bed and Breakfast and has had her part-time hours increased to full –time, additional capacity is being sourced for the team. However, as soon as someone moves on from B&B another person needs Council support. On average 10 homeless households per week are seeking support from the Council and are being accommodated. Officers are preparing a bid to MHCLG to obtain capital grant funding to purchase additional accommodation. However, the Council will also need to contribute capital funding to the project and a report is being prepared for Cabinet. December 2020 update - DC successful in bid for Next Steps Accommodation Programme funding £600K and DC capital funding £1 million to support the purchase of new accommodation and support services related to cohort of homeless and rough sleepers accommodated during first Covid19 measures 'Everyone In'. Several properties are purchased or nearly completed, projects to refurbish newly leased properties are ongoing. The total number of households in temporary accommodation including bed and breakfast is 285. Of those, 87 are in bed and breakfast. Families with children or pregnant women in bed and breakfast are being moved to more suitable temporary accommodation as quickly as possible and currently there are 9 families with children in bed and breakfast.

There is a direct cost to the Council for every household placed in B&B accommodation in housing benefit top up. Additional temporary accommodation takes the pressure off B&B placements and results in a cost avoidance.

CHILDREN'S (DECEMBER 2020) – RISK MANAGEMENT: The continual development and promotion of risk management will ensure that the Council is well placed to demonstrate that objective and informed decisions are taken and that the Council is ultimately in a strong position to successfully face and address the challenges ahead.

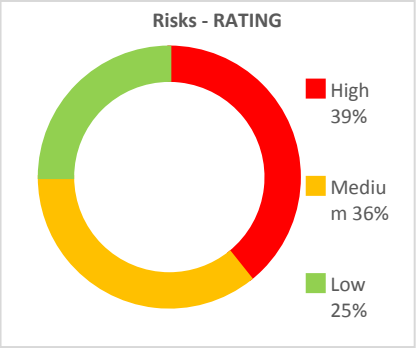
Score IMPACT	Financial	Legal / Compliance	Strategic	Safety, Wellbeing & Safeguarding	Reputation	Service Delivery
HIGH	Over £500k	Non-compliance with legislation or regulatory breach Significant regulatory impact	Complete failure of a strategic priority Major impact on a strategic priority	Fatality or life-changing injury / illness; Significant safeguarding breach Major injury / illness; moderate safeguarding breach	Complete failure in confidence (local or national) Long term media attention (local or national)	Complete failure to deliver critical services (safeguarding; urgent statutory responsibilities etc) Major impact on delivering critical services (safeguarding; urgent statutory responsibilities etc)
MEDIUM	£300k to £500k	Moderate regulatory impact	Moderate impact on a strategic priority	Moderate injury / illness	Medium term negative impact on public memory	Serious disruption to less critical services
LOW	£0k to £300k	Minimal regulatory impact No legal or regulatory impacts	Minor impact on a strategic priority Negligible impact on a strategic priority	Injury or illness requiring minimal intervention / treatment No health and safety impact	Short term negative impact on public memory Minor complaints or rumours	Minor disruption to services Negligible disruption to service delivery

Score LIKELIHOOD	LOW	MEDIUM	HIGH
Type	0 to 40%	40% to 60%	61% to 100%
Description	Unlikely	Possible	Likely

The full **Children's Services** Risk Register can be viewed from this link - HERE

Children's Service Risk Profile

		Likelihood			
		L	M	H	**High Risks 11 in total**
Impact	H	5	8	2	
	M	4	4	1	
	L	2	1	1	



Number of RISKS: 28

CHILDREN'S SERVICES - Overall

		Likelihood		
		L	M	H
Impact	H	5	8	2
	M	4	4	1
	L	2	1	1

Commentary: High Risks = 11

The new format for risk reporting was agreed by Audit and Governance Committee at its May meeting. It was requested that closer links are enabled between the risk and performance measures. Also, members wanted to be able to more clearly see what updates have been made to the risk since the last report. Changes have been incorporated into reports together with links with the control environment.

Children's Care and Protection

		Likelihood		
		L	M	H
Impact	H	1	4	1
	M		2	
	L		1	1

Child protection helps protect children and young people from bad things that are happening in their lives.

It helps everyone understand who is doing what to help keep children safe. It's a way to get help and make things better. It helps to make sure that children are eating healthy food, have clean clothes, are protected from abuse, have good physical and emotional health and have a good education.

High Risk: 104) A lack of sufficiency and resilience (placements/residential/foster care) impacts negatively on the demands led budget for children in care

Response: Ensuring enough local placements for our children in care, closer to their families and communities, is a priority within our Strengthening Services for Children and Families Plan. We undertook focused work during Spring and Summer 2020 to enhance our campaigns to promote Foster Care in Dorset, this has included social media and radio campaigns. We have an active group of Foster Carers who are continually helping us to shape our services and support. We are also continuing to deliver our Looked After Children Reduction Strategy agreed by Cabinet in July. This strategy explicitly states our commitment to reducing the number of children in our care. Current Controls: Early help strategy; commissioning strategy for placements; performance management; prevention is a priority within the Children & Young Peoples plan ensuring partner engagement; budgetary controls set within monthly tracking and performance meeting; FT for Children's Services includes a "Sufficiency (Care)" workstream.

High Risk: 105) Failure to keep children safe that are known to, or in the care of, Dorset Council

Response: We are undertaking work to further strengthen practice and services through our Strengthening Services for Children and Families Programme.

High Risk: 106) Failure to understand and respond to the changing nature of exploitation results in a safeguarding failure

Response: Our new Pan-Dorset Safeguarding Partnership arrangements are now in place including the appointment of a highly regarded and experienced national sector leader as Independent Scrutineer. We, along with partners across Dorset County have published our new Child Exploitation Strategy 2020-2022 setting out how together we will ensure an effective and coordinated response to children and young people at risk of, or linked to exploitation, identifying potential risk early to reduce risk and harm.

High Risk: 107) Inadequate evidence base (including Partnership data) to determine service need for children's care and protection

Response: We are undertaking significant work to further strengthen practice and services through our Strengthening Services for Children and Families Programme. The developments in Business Intelligence are supporting us to understand and model service need and we will continue to develop this approach.

Children's Care and Protection Cont'd

High Risk: 112) Inability to attract and retain suitably qualified specialist safeguarding staff within Children's Services

Response: We are progressing our recruitment and retention strategy and actively promoting Dorset Council Children's Services as an employer of choice. This has included: updating our recruitment webpages, increased promotion nationally through leading sector professional publication, writing to staff working with us through agencies to encourage their applications to permanent posts, pursuing overseas recruitment. Our Strengthening Services for Children and Families Programme includes significant work to expand our learning and development and support offer alongside manageable caseloads, regular and reflective supervision and integrated teams all of which are known to be important factors influencing social workers to apply for roles. We are beginning to see a sustained increase in the number and quality of permanent appointments that are being made to social work roles and expect to see a much improved position in 2021.

Children's Commissioning and Partnerships

		Likelihood		
		L	M	H
Impact	H	4	2	
	M	3		1
	L	1		

Early action, both early in life and early in a challenging episode for a child, young person or family is the most cost-effective way to address emerging issues. Services need to make sure they provide a targeted intervention according to need and that service users receive personalised packages of support. This will ensure that we efficiently provide the right amount of service to bring about change.
We need to commission the right services, delivered at the right time and in places where people can use them, and Family Partnership Zones are integral to making this happen.

High Risk: 284) Insufficient controls in place to ensure that operational employees use framework agreements effectively when sourcing education and support for children

Response: A brokerage team is now in place - with commissioning responsibility in place to ensure that all sourcing of education and support is undertaken by a single team and under a single management structure. This will ensure that operational colleagues use their skills to assess and identify need and provide direct support to children and families. Brokerage officers use a range of compliant procurement mechanisms (including framework agreements) to secure value for money for the council. The leadership team continue to review and monitor external spend to provide assurance of compliance. Processes are now in place and performance monitored at the CS Performance Board to ensure that this is well embedded.

High Risk: 281) Financial viability of nursery and after school provision unaffordable

Response: The position of schools and early years settings is such that full DFE grant income continues to be made available irrespective of opening status. There are some pressures on school budgets that are covered by exceptional DFE grants. Early years settings are commercial settings and have in some cases responded by closure and furlough. Other settings are working closely with the Council to ensure they remain viable. Children's Services Leadership are undertaking a review of nursery and afterschool provision in order to understand the financial viability of providing nursery and afterschool provision as a fully traded service. Managers of these services have undertaken a review of income and expenditure and have put an income recovery plan in place. This will be subject to scrutiny by the management team. The financial viability of settings has been further impacted by Covid and there is some uncertainty over demand as a result of furloughing. There is new support coming from the DfE on Holiday Provision and Wrap around support, so we are undertaking some further analysis of the requirements and impact of this. A review of nursery provision is on the Work Programme for the Commissioning service in 2021

High Risk: 277) Insufficient availability of local placements and supported accommodation to meet local needs.

Response: Ensuring enough local placements for our children in care closer to their families and communities and ensuring enough accommodation options for young people leaving care and other vulnerable young people is a priority within our Strengthening Services for Children and Families Plan. We have developed and published the Dorset Young People's Protocol between Housing and Children's Services, this is a joint protocol that describes how Housing and Children's Services will work together jointly to address the needs of 16- and 17-year olds. Planning permission has been secured to build additional local residential provision and our sufficiency strategy is being presented to Cabinet in January.

Children's Schools and Learning

		Likelihood		
		L	M	H
Impact	H		2	1
	M	1	2	
	L	1		

All children have a right to an education. Schools must provide each child with the help they need so that they can do well. This helps them to become confident adults. Schools can help all children by making sure that they provide high quality teaching, assess children's progress often and target areas of difficulty and adjust work for children who are struggling. Schools must also help children and young people with disabilities or medical conditions.

High Risks: 271) Failure to keep school finances in balance

Response: It remains the position that maintained schools that are put into a category by Ofsted must convert to sponsored academy, leaving any deficit behind with the LA. Since last updating the register, three schools have become sponsored academies, leaving behind a combined deficit of approximately £2.26M. As of 31 March 2020, there were 30 maintained schools with a combined deficit of £2.5M. The number of schools has increased from 28 schools as of 31 March 2019, but the combined deficit is less than last year, which was £3.1M. There are currently two sponsored academies in the process of conversion, which will leave a combined deficit of approximately £220k. Ofsted inspections have been suspended during Covid19 lockdown, but when they do resume, the schools with a high risk of receiving an inadequate judgement have a combined deficit of £0.5M. Schools at medium risk of inadequate have a combined deficit of £200k. It is also currently unknown what the effect of lockdown will be on school balances, which were already showing a downward trend. Due to legislation changes it is no longer possible for school deficits to be converted to loans, so the only available strategy is to try to keep deficits to a minimum. Notices of concern have been issued and financial delegation has been removed in the past, but this does require an appropriate resource allocation by the LA. Training on good financial management will continue to be offered to schools and all schools in deficit are monitored and visited termly (lockdown permitting).

How Do We Currently Manage this Risk/Issue? We check DES monthly to see if the remaining balance for the year looks reasonable. We monitor all school budgets based upon estimates from the schools 3 times per year. We visit schools where there appears to be a problem and ask them to put together a plan to manage the budget. We ask schools to explain how they are intending to repay any deficit by licensing a deficit against a deficit recovery plan. We have sent a notice of concern to several schools and have suspended delegation in the past. When schools send in their budgets to the LA at the beginning of each financial year, they are required to comment on the budget and to provide a 3 year forward plan. If a school is causing concern, we are involved in the Team Around the School meeting to balance educational and financial priorities.

High Risk: 272) Failure to stabilise the budget for the High Needs Block

Response: Failure to stabilise the pressures in the HNB budget will result in a further increase in the deficit in the DSG. Legally this deficit sits with the DSG and is not part of the LAs budget, however, this does not absolve the LA of working with all schools to support actions to create an inclusive culture of support for pupils with additional and special educational needs in all Dorset schools. Work is being undertaken to move to early intervention and support for families across Dorset; to identify pupil needs earlier so that remedial support can be put in place quickly and thus try to stop expensive support later; to create specialist support in all schools and highly specialist support in local schools to reduce the need for pupils to be placed in the independent sector.

High Risk: 275) Unable to provide enough school places (Basic Need)

Response: The sufficiency strategy remains under review as Basic Need pressures reduce in most areas. There are still significant short-term pressures in East Dorset and Wimborne. New housing that is being introduced across the Council area will need to be monitored should pupil numbers rise. Full engagement with the Local Plan development is essential to ensure ongoing successful delivery of the LA Sufficiency Duty in the medium to long term. The Sufficiency Duty is continually monitored using relevant demographic data (including from other local authorities, schools and GP/Health sources), engagement with Planning Colleagues and developers around need and optimum solutions to school place planning in specific planning area. There are identified short, medium- and long-term solutions for increased place provision in each planning area, including a register of available schools for expansion, available schools with additional capacity (Net Capacity Assessment Maintenance by the LA) and secured and proposed new school sites. Liaison with Pyramids and Schools to ensure Schools Forum can direct revenue funding in accordance with Pupil Growth Policy, to ensure quality provision in schools is maintained while expansions take place. There is need to reference that the LA has a duty, in areas where pupil numbers are falling, to ensure that schools/MATS and the LA work together to remove excess surplus from the system in a timely manner to ensure school viability and quality of provision is maintained.

CORPORATE SERVICES (DEC 2020) – RISK MANAGEMENT: The continual development and promotion of risk management will ensure that the Council is well placed to demonstrate that objective and informed decisions are taken and that the Council is ultimately in a strong position to successfully face and address the challenges ahead. Most services provided by Corporate Services are central support functions to the council's service areas.

Score IMPACT	Financial	Legal / Compliance	Strategic	Safety, Wellbeing & Safeguarding	Reputation	Service Delivery
HIGH	Over £500k	Non-compliance with legislation or regulatory breach Significant regulatory impact	Complete failure of a strategic priority Major impact on a strategic priority	Fatality or life-changing injury / illness; Significant safeguarding breach Major injury / illness; moderate safeguarding breach	Complete failure in confidence (local or national) Long term media attention (local or national)	Complete failure to deliver critical services (safeguarding; urgent statutory responsibilities etc) Major impact on delivering critical services (safeguarding; urgent statutory responsibilities etc)
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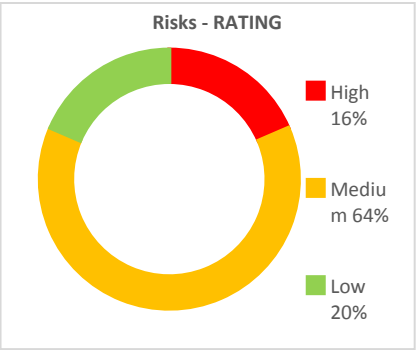
Score LIKELIHOOD	LOW	MEDIUM	HIGH
Type	0 to 40%	40% to 60%	61% to 100%
Description	Unlikely	Possible	Likely

The full **Corporate Services** Risk Register can be viewed from this link - HERE

Corporate Services Risk Profile

		Likelihood			
		L	M	H	**High Risks 5 in total**
Impact	H	**11**	**3**	**1**	
	M	**2**	**6**	**1**	
	L	**2**	**1**		



Number of RISKS: 27

Corporate Services - Overall

		Likelihood		
		L	M	H
Impact	H	11	3	1
	M	2	6	1
	L	2	1	

Commentary: High Risks = 5

The new format for risk reporting was agreed by Audit & Governance Committee at its May meeting. It was requested that closer links are enabled between the risk and performance measures. Also, members wanted to be able to more clearly see what updates have been made to the risk since the last report. Changes have been incorporated into reports with links with the control environment.

Business Insight and Corporate Communications

		Likelihood		
		L	M	H
Impact	H	1		
	M			
	L			

To enhance the understanding of the people that live and work in Dorset. The goal to have the right information to make intelligent choices about the design of services and the best use of resources. To work in partnership with others to transform the way information, analysis and insight is provided to the council to enable more effective decision-making, helping to achieve the ambitions set out in the Council Plan. Performance data is a vital part of running a high performing organisation and we strive for excellence in performance management and champion open data.

No High Risks:

ICT Operations

		Likelihood		
		L	M	H
Impact	H		1	1
	M		1	
	L			

ICT Operations looks to support and maintain the current network environment and continue to develop the use of new technologies to support the Council's drive to a 'digital by default' model wherever possible. Much work focuses around support calls that cover a wide range of disciplines, provide clear advice and support to customers from a non-technical background and carry out daily maintenance tasks as required. There is a drive for the configuration, monitoring, management and development of the various technologies employed by the Operations team to support the functionality of Dorset Council.

High Risk: 286) Loss of ICT service or data through a cyber-attack (Risk Owner: Head of ICT Operations)

Response: Countermeasures for this risk can be split into 2 categories, Likelihood reduction and Impact reduction. Likelihood reduction: The most likely risk trigger is a successful phishing attempt that yields user credentials or allows malware to be installed on a device. Current industry data suggests that successful phishing campaigns account for up to 80% of all cyber breaches. LGA grant funding has been secured to provide user awareness training and phishing simulation capabilities for one year, and this has been rolled out. Phishing simulation will allow the authority to assess the effectiveness of this training providing further assurance to the organisation. The ICT Operations team are working up proposals for how this can be sustained to ensure user awareness and phishing simulation capabilities are maintained. There has been a focus on identity management and protection, a new password policy has been agreed and is being implemented along with mandatory multifactor authentication and conditional access technologies. The Council's overall approach to cyber security management has been under review since the end of Corporate Development Tranche 2 restructuring which confirmed the Cyber Security & ICT Continuity Lead appointment. A new strategy and policy are being drafted. These documents will outline the approach for the Council over the next few years and lay the foundation for comprehensive, interlocking countermeasures for this risk. The planned changes will allow the organisation to reduce its attack surface (likelihood) and to react quickly to a breach which can drastically reduce the overall impact of the incident.

ICT Operations Cont'd

High Risk: 289) Failure to stop payment card details from being recorded. (Risk Owner: Service Manager for Assurance)

Response: The call management system primarily used by Dorset Direct was not stopping the recording of calls for the payment part of calls. This meant that payment card information was being stored within the call management system. This potentially creates a secondary risk that call recordings are no longer available to investigate disputes.

Digital & Change

		Likelihood		
		L	M	H
Impact	H			
	M			
	L			

No High Risks:

Human Resources and Organisational Development

		Likelihood		
		L	M	H
Impact	H			
	M			1
	L	1	1	

The Service has an important role to play in supporting and guiding the organisation on workforce planning and profiling. Aligned to our work being a co-ordinated approach to the development and implementation of policies/procedures instigated covering HR, Health and Safety and Learning and Development. In an increasingly competitive labour market with identified skills shortages it is crucial that the implementation and development of the recruitment strategy remains at the forefront of the work of HR and other Council Services. We are proud of our workforce agility and capacity for all opportunities ahead. There are in place employment practices to ensure that our workforce represents the community we serve and utilises our role as one of the county's biggest employers to address organisational priorities on equality and inclusion.

High Risks: 119) The period of uncertainty and transition results in difficulties retaining and motivating staff (Risk Owner: Corporate Director for HR and OD)

Response: Some employees may choose to leave during period of major change causing further demand on remaining employees. Uncertainty of the future may impact upon motivation and affect performance. Mitigation - Ongoing Communications and Engagement with all employees (Newsletters, Intranet, etc). Employee Forums established; Wellbeing and L&D support in place.
Transferred from programme risk register item 11

Strategic Finance

		Likelihood		
		L	M	H
Impact	H	4		
	M			
	L			

The service purpose is to maintain high standards of financial management and control, contribute to corporate management and leadership and support officers and members in an effective and responsive manner. This is achieved by providing strategic financial advice, accounting and budgeting services, treasury management.

No High Risks:

Legal & Democratic Services

		Likelihood		
		L	M	H
Impact	H	6	2	
	M	2	5	
	L	1		

Dorset Council's in-house legal team deals with a wide range of matters, both providing legal advice to departments within the council, and representing the Council in legal actions. Our Democratic Services Unit looks after all the procedures around ensuring the democratic process is administered correctly and within the law (Give advice to councillors and officers about the formal decision-making process and the Overview and Scrutiny function - Service council meetings, producing agendas, minutes and archive records - Maintain and update our Constitution, supporting the interface between the various parts of the political structure - Handle formal complaints). The key laws governing the work are (The Local Government Act 1972, as amended by Access to Information Legislation 1985 - The Local Government and Housing Act 1989 - The Local Government Act 2000 and ensuing regulations)

High Risks: 102) Failure to respond to a major event or civil emergency that impacts on the community, the environment and/or the Council (Risk Owner: Service Manager for Assurance)

Response: The Dorset Council Emergency Response Plan and supporting Command and Control structure was approved for Day One of Dorset Council. There is ongoing work by Local Resilience Forum (LRF) workstreams and task & finish group leads on specific multi agency projects.

There has been a thorough training programme for the Command and Control Structure, including running a number of pandemic flu and BREXIT focussed exercises during 2019. Further Gold and Silver familiarisation sessions are scheduled for 2021. The LRF has also run several multi-agency exercises, based around concurrent risks to the current Covid response. The full Command and Control structure at authority and LRF level has been in operation throughout the Covid-19 outbreak. There is confidence that the command and control structure is strong, however due to the threat of concurrent risks arising whilst the Council is in response to the current Covid-19 outbreak this risk remains identified as High.

High Risks: 212) Inadequate information governance culture and framework and culture (policy; training; monitoring etc) results in a significant data breach (Risk Owner: Service Manager for Assurance)

Response: The Shaping Dorset Council programme included a workstream on information governance to ensure that key policies and processes were harmonised, which has transformed into an Information Governance working group since 1 April, chaired by the Senior Information Risk Officer. The Information Compliance team are formulating an action plan, which will be owned by the board.

A new data protection training module is at the final stages of development and will be a mandatory requirement for all staff. The Council is currently recording “red” performance for meeting Subject Access Request timescales. Work is underway with Children’s Services to identify how this position can be improved.

PLACE (DECEMBER 2020) – RISK MANAGEMENT: The continual development and promotion of risk management will ensure that the Council is well placed to demonstrate that objective and informed decisions are taken and that the Council is ultimately in a strong position to successfully face and address the challenges ahead.

Score IMPACT	Financial	Legal / Compliance	Strategic	Safety, Wellbeing & Safeguarding	Reputation	Service Delivery
HIGH	Over £500k	Non-compliance with legislation or regulatory breach Significant regulatory impact	Complete failure of a strategic priority Major impact on a strategic priority	Fatality or life-changing injury / illness; Significant safeguarding breach Major injury / illness; moderate safeguarding breach	Complete failure in confidence (local or national) Long term media attention (local or national)	Complete failure to deliver critical services (safeguarding; urgent statutory responsibilities etc) Major impact on delivering critical services (safeguarding; urgent statutory responsibilities etc)
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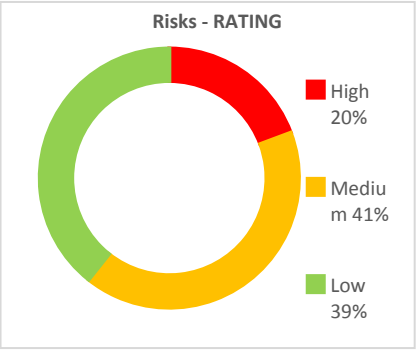
Score LIKELIHOOD	LOW	MEDIUM	HIGH
Type	0 to 40%	40% to 60%	61% to 100%
Description	Unlikely	Possible	Likely

The full Place Risk Register can be viewed from this link - HERE

PLACE Service Risk Profile

		Likelihood			
		L	M	H	**High Risks 28 in total**
Impact	H	30	16	5	
	M	31	30	7	
	L	20	6		



Number of RISKS: 145

PLACE - Overall

		Likelihood		
		L	M	H
Impact	H	30	**16**	**5**
	M	31	30	**7**
	L	20	6	

Commentary: **High Risks currently 28**

The new format for risk reporting was agreed by Audit & Governance Committee at its May meeting. It was requested that closer links are enabled between the risk and performance measures. Also, members wanted to be able to more clearly see what updates have been made to the risk since the last report. Both changes will be incorporated into future reports, as will links with the control environment.

Economy Infrastructure and Growth – PLANNING

		Likelihood		
		L	M	H
Impact	H	1	1	
	M	2	5	1
	L	4	1	

Outstanding Update:

141) Changes to national planning policy lead to delays to prep of the Local Plan Review.

High Risk: 141) Changes to national planning policy lead to delays to prep of the Local Plan Review.

Response: **No Management Update**

High Risk: 194) Lack of five-year housing land supply, or failure to meet Housing Delivery Test, means that policies are considered out of date and there is risk of having to allow more applications and of losing planning appeals.

Response: Ensure that new local plan allocates a good supply of sites against the targets, that there is a variety of sites and that they have a good chance of delivery. Ensure local plan is progressed at intended speed. Ensure that the issue is clearly explained to planning committee members and that we allow applications where appropriate, where we do not have the five-year supply.

Existing Controls: Adopted local plans across area, though not all up to date; Five year land supply carefully monitored across all plan areas; Proactive approach working with developers to try to bring sites forward (though needs significant resource); External funding e.g. for Gillingham site; Giving appropriate weight to housing land supply in decisions on applications, allowing more where it is appropriate; Ensuring that we make sufficient development land allocations in new local plan, and that they are deliverable and viable sites.

Economy Infrastructure and Growth – HIGHWAYS

		Likelihood		
		L	M	H
Impact	H	5	3	1
	M	11	9	
	L		1	

Outstanding Returns:

High Risk: 63) Inability to maintain the highways infrastructure to an acceptable standard in the face of changing circumstances (e.g. budget reductions; climate change)

Response: Service levels have reduced due to reductions in highways revenue funding which severely impacted on drainage maintenance and pothole repairs. We have assessed ourselves as Band 3 status for 2020/21, therefore secured the full allocation from the Department for Transport`s Incentive Fund (£2.2million). But under investment in revenue maintenance funding has contributed to a reduction in scores for some questions, to Band 2, specifically relating to drainage and pothole repairs. To have dropped into Band 2 overall, would have resulted in a loss of £1.5million. The Highways EAP have made recommendations to Cabinet to reinstate essential maintenance funding. Further submissions for central government funding will be made as and when the opportunities arise. Further actions:

- Highway maintenance revenue budget report
- Annual business cases for capital investment in highway maintenance;
- Develop a risk-based approach to cyclic drainage maintenance
- Further bids for extra funds from central government, and other sources, where appropriate;
- Deliver Action Plan to achieve full available funding from DfT incentivised funding

Cause: Adverse weather conditions;

- Under investment in highways infrastructure from central government and DC funding - now and in the future (future maintenance liabilities);
- Incentivised element of maintenance black funding from DfT is in its final year, uncertainty of funding mechanism from April 2021 onward;
- Lack of political support for local funding allocation;
- Lack of capacity to respond to necessary repair work at times of crisis/peak work periods;
- Reduction in funding without changes in ways of working;
- Increase in weight, size & volume of traffic;
- Lack of development of systems/evidence tools;
- Lack of staff motivation impacts adversely on the work undertaken;
- Lack of staff capacity to manage insurance claim administration within desired timescales;
- Unable to adapt to climate change;

Consequence:

- Negative impact on the council's reputation;
- Inability to rely on Section 58 defence;
- Potential increase in claims costs;
- Road network not fit for purpose;
- Negative economic impact on the area;
- Negative impact on self-insurance arrangements;
- Negative impact on staffing capacity to respond to complaints/FOI requests, etc (failure demand);
- Customer dissatisfaction;
- Higher cost of reactive maintenance, rather than long term repairs;
- Challenges under S56 of Highways Act (noticed served to maintain area of highway);
- Increasing needs-based budget; and potential increase to safety risk;

High Risk: 73) Failure to attract funding for assets that we cannot afford to maintain in future

Response: The HAMP will help us to understand whole life cost better; Inspection regimes for cycleway schemes are needed where we are legally responsible for their upkeep, and we are not going to be allowed to charge commuted sums for SUDs adoption; Further actions:

- Development of the HAMP;
- Changes to processes so future maintenance funding is considered when bidding for funds;
- Cycleway assets - digitised in a way that allows defects to be assigned in confirm;
- Avoid over specifying schemes;
- Develop inspection regime for cycleways;
- Design schemes in the most suitable/low maintenance way;
- More robust contractual agreements where we are funding assets/equipment used by 3rd parties (i.e. so they cannot be moved out of the county, etc);

Cause:

- Shortfalls exist in funding for future maintenance of current assets, with no commuted sums for newly constructed assets;
- Designing features which impact on future maintenance;
- Central Government focus on walking and cycling leading to construction of new infrastructure is increasing the need for DC to allocate maintenance funds to these assets;

Consequences:

- Increased future maintenance liability;
- Inability to maintain new assets;
- Adverse publicity and damage to service reputation;
- Negative impact on budgets;
- Increase pressure on staff;

High Risk: 84) Failure to deliver a safe and suitable alternative to the current arrangements for Wareham Level Crossing

Response: Dorset Council assumed responsibility from Dorset County Council to manage the pedestrian level crossing in Wareham. The lease agreement between Network Rail and Dorset Council for the level crossing runs until 2038; this crossing will close in 2038 as per the terms of the lease. If no suitable alternative is delivered before 2038 Dorset Council would be found to be breaching Equalities legislation. In 2008-9 The Office for Road and Rail (ORR) raised safety concerns with the pedestrian level crossing in Wareham. The ORR stated that mitigating measures had to be put in place, or they would force the closure of the crossing. As a result, Dorset County Council paid for the provision of security guards at the crossing to improve compliance and safety at the crossing. In more recent years, following an additional review by the ORR the crossing has been managed with electronic gates closed by security guards when a train is approaching. The crossing is currently managed between 6am and 1am (19hours) seven days a week. The provision of security staff is provided by third party contractors STM Security Ltd. The crossing is locked closed between 1am and 6am each day. Dorset Council has assumed responsibility previously held by Dorset County Council. Network Rail and the Council have tried twice before to resolve this by proposing ramped bridges adjacent to the existing footbridge but failed to obtain planning permission from the then Purbeck District Council owing to local objections. The crossing continues to be a continuing financial commitment with ongoing reputational concerns as there is no suitable alternative means for all to cross the rail lines if the crossing is closed – there is a stepped footbridge adjacent to the crossing. Footway/cycleway alternatives are being explored in the area, but these are not currently seen to closing the level crossing. There remains commitment from Dorset Council and Network Rail to finding a resolution. Commitment from central government appears secure too following a visit by the Minister for Rail to the site and meeting with key stakeholders on 23 January 2020. The Minister for Rail stated that he was committed to finding a solution and that safety and accessibility were of paramount importance which would likely mean that a degree of compromise is required when considering suitable alternatives. Network Rail have agreed to explore and exhaust all possible technological options for providing an automated level crossing, however, it is more likely that an alternative step free route over the rail lines will be the most viable solution.

No definitive plans are proposed for a suitable alternative at time of writing (February 2020).

Economy Infrastructure and Growth – HIGHWAYS (Cont'd)

- This has been an ongoing issue for 25 years. Network Rail have tried twice before to resolve this but failed due to planning issues;
- Currently costing the authority £120,000 per year for security guards (with costs rising);
- Introduce ramps, with crossing fenced off, and removal of security guards;
- Continued lobbying and negotiations with Network Rail;
- Implement main recommendation of ramped solution;
- Open public meeting held in the evening chaired by MP. Ramp proposal met with overwhelmingly hostile reaction;
- Pressing forward with planning application by end of October. Changes to listed structure could be sensitive heritage issue;
- Working to modify Network Rail asset, the existing bridge, has trigged more demanding NR assurance requirements;
- Introduction of ramps (main recommendation) failed to get planning permission;
- Access for all - funding bid by South West Railways and Network Rail for DfT funding to install lifts supported by a promise of a funding contribution by us (money originally identified for building the ramps);
- The crossing continues to be a high risk for safety, continuing financial commitment and reputational damage. Risk being realised with recent crossing incidents, lack of attendants and crossing closure;

Cause:

- Failure to get planning agreement;
- Failure to get agreement on funding;
- Lack of Member/Cabinet support;
- Opposition from Town Trust, etc.;

Consequence:

- Closure of crossing by Office of Road & Rail;
- Legal action against DCC;
- Death;
- Serious injury;
- Reputational damage;
- Financial impact - either due to incidents or ongoing maintenance/management;
- Legal action against DCC;
- Negative publicity;
- Customer dissatisfaction;
- Public liability claims;

High Risk: 292) Winter Service budget pressures

Response: The legal position relating to the Highway Authority's responsibility in respect of the winter service is set out in an amendment to Section 41(1) Highways Act 1980 (c.66) (duty of highway authority to maintain the highway). (1A) details that a highway authority is under a duty to ensure, so far as is reasonably practicable, the safe passage along a highway is not endangered by ice or snow. The current budget provision to the Highway Service is suitable to cover the cost of normal salting operations and up to 24 hours of snow clearance. There is no budget allocation to cover the cost of snow clearance beyond this point. Clarity has been requested from the Corporate Director for Economic Growth and Infrastructure that the required budget provision will be provided or that any operational costs will be met corporately should they be realised.

Economy Infrastructure and Growth – TRAVEL DORSET

		Likelihood		
		L	M	H
Impact	H	1	1	
	M			4
	L			

Outstanding Returns:

High Risks: 151) Major safeguarding incident (including death or serious injury) arises on adult transport due to lack of supervision

Response: Passenger Assistants (PAs) on all or selected adult social care transport. Address this matter in future commissioning strategy for adults – Control: Passenger Assistants (PAs) on all or selected adult social care transport

High Risk: 203) Loss/severe reduction of key public transport route(s) - e.g. no longer commercially viable, change to bus operator strategic direction

Response: Providing revenue support to a public route beyond our current position would have significant financial implications – not just for one route, but for others in the network. This would need careful consideration and support from Cabinet - List of controls: Seek out sources of additional developer funding that may support the route, Tender route through Dynamic Purchasing System (DPS) with financial subsidy from the Council, Explore options to increase operator re-imbursement rate for English National Concessionary Travel Scheme (ENCTS) and work closely with operator and other key stakeholders to assess possible options

High Risk: 204) Dorset Travel fails to procure and implement a suitable replacement for its core transport management system (Trapeze) by Nov 2020

Response: Procuring a more effective replacement for Trapeze is key to any service efficiencies, savings and improvements in future. We have no further options for extending the current contract with Trapeze (even if we wanted to) – List of controls:

- Create comprehensive user requirements list
- Create suitable business case for procurement
- Ensure enough funding is available
- Ensure enough technical support is available (within DC and from supplier(s))
- Effective training programme in systems use for all staff (including induction)
- That enough time and resource is available to cleanse current data before transferring to a new system

High Risk: 205) Unviability of school bus services caused by failure to cut back overhanging trees and vegetation along routes (e.g. those operated by First Wessex)

Response: Facilitate communication and cooperation between First and DC's Highways and Arboriculture teams - List of controls:

- stablish clear understanding amongst all parties of the problem tree locations and the scale of work and timeframes involved
- Get a detailed and practical back up plan from First Wessex on how they will deliver their routes using alternative vehicles at the start of the school term.
- Instigate emergency tree cutting where necessary
- Provide additional financial support for extra vehicles on routes affected

High Risk: 206) Changes to legislation around community transport groups operating under Section 19 and Section 22 licences could significantly affect the viability of community transport in future

Response: Difficult to define clearly now until the results and timeframes from the judicial review are made public

Place Based Services – ENVIRONMENT & WELLBEING

		Likelihood		
		L	M	H
Impact	H	4	1	
	M	2		
	L	1		

Outstanding Update:

High Risk: 140) Failure to adapt services and communities to the impacts of a changing climate

Response: The comprehensive climate change risk assessment has not been significantly responded to, other than within Dorset Highways and Public Health. The Dorset Low Carbon Economy Programme (DLCEP, worth £6.4m Jan 2018 - Dec 2020, funded from EU European Structural & Investment Funds) has begun. DCC had major role to play in developing LNP's Climate Change Position Statements on both Climate Change Adaptation and Mitigation in 2017. As a result of this DCC is now working closely with the Dorset LNP to develop and deliver a Climate Change Adaptation Seminar in early 2018 to get buy in from key partners to develop a Climate Change Adaptation Framework for the County (and B & P) which will look at the latest UKCP 18 scenarios for Dorset, the latest recognised national climate change risks as they apply to Dorset, other local risks and highlight the key adaptation actions required by different players across the Dorset sub region.

Place Based Services – COMMUNITY & PUBLIC PROTECTION

		Likelihood		
		L	M	H
Impact	H	6	2	
	M	7	8	
	L	11	1	

Outstanding Returns:

High Risk: 190) Significant Health and Safety incident / accident investigation and subsequent prosecution taking significant officer time away from normal duties resulting in lack of resource and risk to public health along with significant legal costs for the council.

Response: As required staff who are managing a significant case will have other statutory duties passed to team members who will prioritise work to concentrate on high risk premises. Further Action - Ensure that staffing numbers and capacity is enough to carry out significant investigation work without impacting on other statutory work. Working with Trading Standards on proceeds of crime action. Ensure enough resource for legal support as appropriate.

High Risk: 178) Failure to issue new Export Health Certificates for fish leading to business block/ failure and /or other service disruption

Response: DEFRA grant secured for £25k in the case of No Deal to back fill. Plans in place to contract out backfill work as required. Eight officers now authorised as Certifying Officers (CO) and access to the APHA system for the Export Certificates in place. Visits made to businesses intending to export fish to the EU by CO's.

Further Actions - No further actions currently – watching brief linking in with the Brexit Ops work in place at Dorset Council.

FSA grant provided of £25k for purpose to date. Tamsin Horsler working on this. Updated 29 July 2020

Place Based Services – WASTE & OPERATIONS

		Likelihood		
		L	M	H
Impact	H	3	1	1
	M	2		
	L			

Outstanding Returns:

High Risk: 62) Traffic Commissioner Revoking, Curtailing, Suspending or Restricting DCC's Operators Licence (Goods and/or Passenger Carrying Operators Licence)

Response: Whilst the Council's Risk Compliance Score remains Green, a targeted inspection from the Traffic Commissioners has highlighted several improvements required. This has prompted an audit of our fleet operations (undertaken by the Freight Transport Association) and a resulting action plan which has been submitted to the Traffic Commissioner. A failure to demonstrate improvement risks the O Licence being revoked, curtailed, suspend or restricted, which would impact significantly on our ability to deliver critical services as well as severe reputational damage. The Executive Director for Place is receiving monthly compliance reports. Further actions -Action plan has been submitted and accepted by the Office of the Traffic Commissioner for the Goods licence. The Office of the traffic Commissioner has granted a period of 3 months grace on the PSV licence for a named transport manager to be added to the licence.

Controls:

- Planned inspection & maintenance regime;
- Quality Assurance system for all statutory MOT tests;
- Drivers issued with DCC Drivers Code of Practice;
- Daily Defect Reporting System; Drivers issued with Drivers Hours Books and Tachograph cards;
- Training, guidance, tools to ensure compliance for drivers operating under EU Drivers Hours Regulations;
- Provide education & driver training where applicable;
- Evidence of non-compliance reported to Senior Managers;
- Monitoring driver hours and rest periods;
- Fleet Compliance Officers audits

High Risk: 83) PUWER Regulations - non-compliance of PUWER Regulations (H&S Provision and Use of Work Equipment Regulations 1998)

Response: There is a clear visual view to identify if individual plant items comply with the control measures. Each depot has a tagging colour scheme poster available to all operators. The system is simple and effective. Fleet will continue to monitor and audit the process to ensure compliance is consistent and maintained, with support from H&S; Countryside service is to start the first round of PUWER checks in February using the new process; Highways have completed the first round of 6 monthly checks in October and no items are outstanding; Highways compliance is excellent and is totally compliant. Countryside are struggling currently, but Fleet are aware of additional resources to catch up with the situation. Admin resources have been trained to implement the documents that are currently sat on desks. Fleet wave is showing 299 records from the Countryside service awaiting completed PUWER inspection sheets. Emails sent out explaining the current risk to the authority; Countryside and grounds are increasing the number of staff to carry out PUWER checks. Fleet Service to instruct on the practical checks and supply training on the Fleet Wave system to the nominated staff;

The risk has changed to red due to the current situation. Audit of the system has resulted in 381 items of Countryside plant waiting for a PUWER sheet and the Fleet wave system to be updated. 80 items for Highways also in the same situation. The system was 95% compliant, but due to the current situation this has greatly reduced to 55% compliant. Update - the outstanding PUWER inspections have been completed from the previous scheduled programme. The next programmed 6-monthly PUWER inspections is currently in operation and will report on outstanding items not actioned next month.

Cause: Failure to follow inspection schedule; Users using items out of schedule inspection date; No precise inventory of items available;

Consequence: Reputational damage; Financial penalties; Increased visits from H&S Executive; Serious injury; Legal actions taken against DCC; Negative publicity; Negative impact on staff morale;

Place Based Services – COMMERCIAL WASTE & STRATEGY

		Likelihood		
		L	M	H
Impact	H	2	4	2
	M	1	1	1
	L			

Outstanding Returns:

High Risk: 154) Failure to achieve capital and revenue budget / savings targets for the MTFP

Response: Continue to promote educational campaigns, such as, 'Right Stuff, Right Bin' to maintain and increase material capture rates for recycling and composting. Use the new in-cab BARTEC system to help further drive efficiencies from the existing Recycle for Dorset Service. Maintain project register and continue to work on savings projects, such as changing collection points, working patterns and infrastructure (invest to save). Move ahead with the development of a central strategic waste transfer station to avoid an uncompetitive situation for disposal/treatment prices in Dorset. This will also build in contingency for DWP as our landfill sites close and our disposal options become increasingly limited. Ensure greater transfer capacity is at the heart of infrastructure programme. Work to reduce waste arisings and residual waste through educational campaigns (Right Stuff, Right Bin). Work with contractors to ensure contingency plans in place for Brexit. Risk of second wave or local lockdown of Covid-19. Not being able to deliver campaigns.

High Risk: 208) Gaining sites and planning to provide infrastructure leads to failure to deliver service

Response: Further action - Strategic case business planning being developed for infrastructure. Working with waste planning authority to identify and safeguard sites to meet our needs through the Waste Local Plan. Working with neighbouring authorities for continued use of facilities. Robust business cases for any change in infrastructure.

High Risk: 209) Change of government policy through the new DEFRA national waste strategy could impact what, and how, waste is collected and increasing costs

Response: Need to respond to further consultations when they are published- next consultations have been delayed until early 2021. These documents will give more details of minimum collection standards which will be enforced nationally.

High Risk: 210) Commodity prices for recycle leads to increase in costs

Response: Ensure continued investment in communication and educational resources. Focus on reducing contamination to improve basket price. Limited control, as determined by global market prices. However, Dorset is recognised as a high-quality recycler, which is attractive to the market; employ contractors that are experts at marketing material.

High Risk: 211) Failure to maintain high recycling and waste therefore diverted to more expensive disposal

Response: Failure to maintain high recycling and therefore waste diverted to more expensive disposal. Extensive communication and education plan. Replacement vehicle programme to ensure waste is collected and public continue to support service.

High Risk: 293) Failure to secure capital to develop and maintain waste infrastructure

Response: Development of waste management centre (HRC and transfer facility) in Blandford and the need to address the lack of waste management infrastructure in the East. Improvement in depot infrastructure to enable further income generation activities and services.

High Risk: 294) Increase in cost of residual waste from HRC's

Response: Recent market testing indicates that there's a large gap in what we're currently paying in our contract and the market rate. ~£40-£50/tonne difference on 13,000 tonnes of waste. Short term risk in contract and long-term risk out of contract. Contract ends August 2024.

CUSTOMER SERVICES, LIBRARIES & ARCHIVES

		Likelihood		
		L	M	H
Impact	H	2		
	M	4	1	
	L	4	2	

Outstanding Returns:

High Risk: No High Risks

GROWTH & ECONOMIC REGENERATION

		Likelihood		
		L	M	H
Impact	H	6	1	
	M	1	4	1
	L			

Outstanding Returns:

High Risk: 228) Changing funding landscape and ability to secure investment funding for Dorset

Response: Further actions - Collation and evaluation of evidence and preparation of schemes and business cases. Control - stablish economic growth strategy and priorities for Dorset, aligned with Dorset LEP and BCP

High Risk: 231) Securing enough and appropriate skills and resources through restructuring of service to deliver DC economic growth strategy

Response: Further actions - Informed restructuring process. Control - Informed restructuring process

ASSETS & PROPERTY

		Likelihood		
		L	M	H
Impact	H		2	1
	M	1	2	
	L		1	

Outstanding Returns:

High Risks: 138) Breach of health and safety at an occupied premise (Directorate Duty Holder)

Response: Many sites now have a nominated Premises Responsible Person. However, restructuring of services and adoption of Corporate Landlord model has reduced local understanding of the Directorate Duty Holder Strategy. The strategy is ratified and DDH nominees have been identified. Grenfell Tower fire has implicated the need for a review of fire safety and specific review of individual property risks. Comply with DCLG/DFES requests for information/ complete our own fire risk reviews additionally and implement actions arising.

High Risk: 201) Climate change effects on sea level rise and uncertainty could lead to low lying areas such as Weymouth being uneconomic to defend

Response: Latest inter-governmental guidance is used when designing coast defences, design life of 50 years. Shoreline Management plan review – agree to use managed realignment of coastline in areas. May have to design coastal defences for 100 years life and accept increased costs of doing so. May have to relocate coastal communities. Work with, not against, nature. Further bids to Defra and others to increase funding above EA thresholds for erosion management and flood defence works. EA grant calculator update expected spring 2020, potential for increased funding to protect infrastructure and economic activity. Funding currently mainly based on numbers of homes protected. Controls - Use latest inter-governmental guidance when designing coast defences, design life of 50 years. Shoreline Management plan review

High Risk: 202) Loss of professional engineering staff who provide advice could lead to poor decision making and potentially leave the Council liable for insurance claims if assets are not maintained or the appropriate response to emergency situations given

Response: There are many long serving staff currently retained within DC who enjoy the work and are committed to providing a service. Recruitment methods ensure that appropriate candidates are recruited although there is a national shortage of qualified Chartered Engineers. Further actions - Increase resilience by formation of coastal partnership. DC recognise importance of professional qualifications and need for staff to be members of appropriate institutions – pay for relevant subscription fees, allow qualifications on email signatures - Controls – Long serving staff; Recruitment methods

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Audit and Governance Committee Forward Plan 2021

Date of Meeting	Item	Purpose / Key lines of Enquiry	Lead councillor / officer
18 January 2021			
	Internal Audit 2020/21 Plan Progress Report	To receive the report and note the internal audit progress for 2020/21	Portfolio Holder – Leader of the Council Officer contact – Corporate Director – Legal & Democratic Services & Monitoring Officer and Executive Director – Corporate Development & S151
	Risk Management Update	To review and challenge the council's corporate risk register including the effectiveness of the controls identified to bring down the level of risk to an acceptable level	Portfolio Holder – Leader of the Council Officer contact – Service Manager for Assurance
	Constitutional Changes (if required)	To report to the committee on any changes made to the Constitution under powers delegated to the Monitoring Officer, to seek the views of the committee on any proposed changes requiring full Council approval and to receive an update on the 12 month review of the Constitution.	Portfolio Holder - Leader of the Council Lead Officer - Corporate Director -Legal & Democratic Services Monitoring Officer
	Update on points raised by Deloitte at the meeting on 16 November 2020.	To update members of the committee	Portfolio Holder – Finance, Commercial and Capital Strategy Lead Officer – Executive Director Corporate Development

	Council Tax Briefing	To update members of the committee	Portfolio Holder – Finance, Commercial and Capital Strategy Lead officer – Corporate Director Finance & Commercial
	Redmond Review Briefing	To update members of the committee	Portfolio Holder - Leader of the Council Lead Officer – Service Manager for Finance Policy & Compliance
	Insurance Strategy (a presentation on the rising of the Committee meeting)	To review and monitor.	Portfolio Holder – Finance, Commercial and Capital Strategy Lead Officer – Executive Director Corporate Development

22 February 2021			
	Financial Report Quarter 3 2020/21 (Theresa Leavy & Vivienne Broadhurst to attend)	To review and scrutinise the Quarter 3 finance report as presented to Cabinet	Portfolio Holder – Finance, Commercial & Capital Strategy Officer contact - Executive Director – Corporate Development & S151
	Annual Governance Statement	To review and challenge the content of the statutory Annual Governance Statement ahead of its signing by the Leader of Council and Chief Executive	Portfolio Holder – Leader of the Council Officer contact - Corporate Director – Legal & Democratic Services & Monitoring Officer
	Constitutional Changes	To receive a report on the revised Code of Conduct for Councillors and to review the process for the assessment of Code of Conduct breaches. To report to the committee on any changes made to the Constitution under powers delegated to the Monitoring Officer, to seek the views of the committee on any proposed changes requiring full Council approval and to receive an update on the 12 month review of the Constitution.	Portfolio Holder – Leader of the Council Lead Officer – Corporate Director - Legal & Democratic Service Monitoring Officer
	Review of the Council's Policy on Borrowing	To review and monitor.	Portfolio Holder Finance, Commercial and Capital Strategy Officer contact – Service Manager for Treasury and Investments

19 April 2021			
	Value for Money Report	6 monthly update	Portfolio Holder – Corporate Development & Change Officer contact – Head of Business Intelligence and Corporate Communications
	Internal Audit Update Report, Audit Planning Process for 2020/21 and Audit Charter	To receive an updated position on work progress, along with a report on the proposed audit planning process for 2021/22 and to receive a copy of the Audit Charter.	Portfolio Holder – Leader of the Council Officer contact – Corporate Director – Legal & Democratic Services & Monitoring Officer and Executive Director – Corporate Development & S151
	Annual Audit Opinion Report 2020/21	To receive the annual opinion report for the 2020/21 year.	External Audit
	Risk Management Update	To review and challenge the council's corporate risk register including the effectiveness of the controls identified to bring down the level of risk to an acceptable level	Portfolio Holder – Leader of the Council Officer contact – Service Manager for Assurance

Other items raised by Audit and Governance Committee requiring further consideration

Issue	Notes	Date raised
Workforce stress / mental health issues	The committee have raised this as a potential area of work but note that it is linked to current transformation work	At committee on 7 November 2019
How Dorset Council holds and shares information	It is understood that some work is being undertaken in this area. A councillor workshop on the Dorset Council transformation programmes is being held on 10 January 2020. The suggestion is that councillors attend this session and following this, the committee give further consideration to whether any further work is required in this area	At committee on 7 November 2019

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