Leicester
City Council

MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE

DATE: THURSDAY, 5 DECEMBER 2024
TIME: 5:30 pm
PLACE: Meeting Room G.01, Ground Floor, City Hall, 115 Charles Street, Leicester, LE1 1FZ

Members of the Committee
Councillor Kaur Saini (Chair)
Councillor Adam Clarke (Chair)

Councillors Cassidy, Chauhan, Joel, Kitterick and Rae Bhatia.

Independent member: Mr Bipon Bhakri
One unallocated Labour Group place.

Members of the Committee are invited to attend the above meeting to consider the items of business listed overleaf.

For Monitoring Officer

Information for members of the public

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Further information

If you have any queries about any of the above or the business to be discussed, please contact: Sharif Chowdhury **Senior Governance Services Officer.** Alternatively, email committees@leicester.gov.uk or call in at City Hall.

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PUBLIC SESSION

AGENDA

FIRE / EMERGENCY EVACUATION
If the emergency alarm sounds, you must evacuate the building immediately by the nearest available fire exit and proceed to the area outside the Ramada Encore Hotel on Charles Street as directed by Governance Services staff. Further instructions will then be given.

1. **APOLOGIES FOR ABSENCE**

2. **DECLARATIONS OF INTEREST**

   Members will be asked to declare any interests they have in the business to be discussed.

3. **MINUTES OF THE PREVIOUS MEETING**

   The minutes of the meeting held on 18th of September 2024 will come to the next meeting.

4. **RISK MANAGEMENT UPDATE**   **Item 4**
                                                   (Pages 1 - 46)

   The Director of Corporate Services submits a report to the Governance and Audit Committee which presents the Risk Management Update.

   The Committee is recommended to note the report.

5. **PROCUREMENT ANNUAL REPORT**   **Item 5**
                                                   (Pages 47 - 54)

   The Director of Finance submits a report to the Governance and Audit Committee which presents the Procurement Annual Report.

   The Committee is recommended to note the report.

6. **COUNTER FRAUD MID-YEAR UPDATE**   **Item 6**
                                                   (Pages 55 – 60)

   The Director of Finance submits a report to the Governance and Audit Committee with presents the Counter Fraud Mid-Year Update.

   The Committee is recommended to note the report.

7. **INTERNAL AUDIT UPDATE**   **Item 7**
                                                   (Pages 61 - 78)

   The Head of Internal Audit submits a report to the Governance and Audit Committee which presents the Internal Audit Update.

The Committee is recommended to note the report.

8.   **FINANCIAL SUSTAINABILITY**   **Item 8**
                                                              (Pages 79 - 85)

The Director of Finance submits a report to the Governance and Audit Committee which presents the Financial Sustainability Report.

The Committee is recommended to note the report.

9.   **ANY OTHER URGENT BUSINESS**

Strategic and Operational Risk Registers

Governance and Audit Committee

Date of meeting: 5th December 2024

Lead Director: Andrew Shilliam, Director of Corporate Services

1. Summary

The purpose of this report is to provide to the Governance and Audit Committee (G&AC) an update on the Strategic and Operational Risk Registers

- **Appendix 1a** the **Strategic Risk Register (SRR)** provides a summary of the strategic risks facing the council which may affect achievement of the strategic objectives of the council and **Appendix 1b** is an example of a completed risk control action plan – more **detail at section 4.1**;

- **Appendix 2**, the **Operational Risk Register (ORR)** exposure summary, provides a high-level summary of the operational risks, which may affect day-to-day divisional and operational service delivery. The operational risk register are those risks identified and assessed by Divisional Directors as having a high-risk score of 15 or above;

- **Appendix 3**, the **ORR**, supports **Appendix 2** (the summary of the ORR) which provides the detail in relation to the council's operational risks.

2. Recommended actions/decision

G&AC is asked to Note and make any comments on the SRR and ORR (as at 30th September 2024).

3. Background

3.1   The Council's 2024 Risk Management Strategy requires the development, maintenance and monitoring of both the SRR and ORR.

3.2   Both the SRR and ORR processes are owned and led by the Head of Paid Service. The Corporate Management Team collectively support the strategic risk register process documenting the key strategic risks facing the council and help to ensure these are managed and the SRR is then submitted to the Executive for their consideration.

3.3   It complements the operational risk register process which is supported and managed by the Divisional Directors in conjunction with their divisional management teams. Both registers are populated and maintained by the Manager, Risk Management for this group.

4. Detailed report

4.1   The **PESTLE** approach, a mnemonic which stands for '**Political, Economic, Social, Technological, Legal and Environmental',** has been implemented for the SRR as a framework for considering the wider context and environment, and the risks that this gives rise to.

Appendix 1a indicates which category of **PESTLE** the strategic risks relate to. A summary of the SRR in relation to each of these themes is set out at paragraph **4.2.**

Individual risk owners for the SRR are Strategic Directors and/or those with statutory roles such as the Monitoring Officer and Section 151 officer (specific actions relating to the risk may are likely to be owned and delivered by other Directors and Senior Officers). This ensures there is robust strategic ownership and oversight of the most significant risks facing the organisation.

The summary **(Appendix 1a)** indicates risk scores from the previous risk reporting period including the variance in scores between the current and previous cycle and the total number of **high** operational risks **(risk score between 15-25),** taken from the ORR, impacting the identified strategic risks.

The following amendments have been made to the SRR this reporting cycle and paragraph 4.2 provides a further narrative to explain these changes.   The following risk score has been amended since the last reporting, but still remains high:

- **SRR Risk 2.2 – Economic:** Lack of critical skills, resources, and capabilities across the workforce – risk score reduced from 20 to 16.

14 strategic risks have remained the same in terms of scoring. Note that changes to risk scores are minimal due to the recent review of this register.

Each risk in the summary is supported by a more detailed risk control action plan capturing existing risk controls and proposed further actions/controls (unless the risk strategy is to tolerate the risk without further controls). **See Appendix 1b for an example of a completed risk control action plan.**

Most operational risks should have an alignment back to one or more of the overarching strategic risks facing the council. However, there may be high risks at operational level that may not have a direct impact on any of the strategic risks.

4.2   Update on the Risk Themes (PESTLE)

No new strategic risks have been identified in the latest update and as the SRR had a recent update as at 31.08.24, there are minimal changes to note in respect to the risk scores.

4.2.1   Political

Two strategic risks are under this theme, one remains a low risk and the other remains a high risk.

The risk relating to the Changing Political and Policy Environment (SRR 1.1) is high and relates particularly to the certain changes in national policy direction now that a new Government has been formed. This is likely to impact on local government and resources may need to be shifted to meet the new and changed policy direction.

Ensuring that mechanisms for two-way engagement with central government are deployed along with lobbying as appropriate continue to be important to help in managing this risk, as will more effective workforce capacity and resource planning and the newly created 'policy scanning' resource. This role will help develop a better understanding of the national policy position and make the connection with existing divisional activity or resource involved in policy development.

The risk relating to Failures in the Integrity of Local Governance and Decision-Making (SRR 1.2) has not changed and remains low. It is further treated through the strengthening of our Internal Audit arrangements. We have new providers in place with a good track record of delivery and we have already seen an improved focus on targeted audited activity.

4.2.2 Economic

There are three strategic risks under this theme, two remain high risks and one is a medium.

The risk relating to Economic instability and weak economy (SRR 2.1) is medium at 12, which reflects the ongoing weakness of the national economy coupled with high levels of national debt and prices medium to high. What's more, the direct financial burden placed on us continues to be challenging because of persistent economic uncertainty, pressure from future pay awards, and pressure from increasing resident expectation and support.

These are mitigated by improved procurement activity and a more robust approach to managing capital projects. Further planned activity around financial strategy projections and budget setting that consider and build in appropriate measures about the ongoing impacts of a weak economy help maintain this at a medium level of risk.

The risk relating to the Lack of critical skills, resources, and capabilities across the workforce (SRR 2.2) remains high which reflects ongoing difficulties in attracting the workforce of the future at a time when there is wider financial uncertainty for Councils, and we know we have an aging workforce.

The condensing of our pay grades because of successive paw awards creates further challenges as it narrows the gap between the lower and upper grades, which in turn results in middle and senior management disruption. Our efforts so far mitigate this score downwards, but it remains high. More work is required to establish a strategic and rigorous approach to workforce planning, one that the organisation embraces.

The risk relating to Medium to Long Term financial sustainability (SRR 2.3) remains a high risk, which reflects the reducing capital and revenue funding position. Short term mitigations such as the use of non-earmarked reserves and our ongoing strategic budget review activity, together with the further management controls which also include changes to the way we provide Adults and Childrens Social Care (being two areas of significant and increasing spend).

4.2.3   Socio-cultural

There are five risks in this category, four high-rated risks and one medium risk.

The risk relating to the Growth in demand due to rising cost of living population growth and greater complexity of need (SRR 3.1) is high and currently scores the maximum rating of 25 without further treatment and controls. This is related to both increasing demand and the complexity of need individuals are presenting with, both which result in substantial budget pressures across areas such as housing, children's social care and special educational needs.

An increasing population, increased frailty in the older population, combined with pressures on households from increased cost of living leads to greater need and demand for Council services too. Current analysis suggests that introducing further controls will lower this score to 15, but it remains a high strategic risk.

The risk relating to our Less healthy and health resilient population (SRR 3.2) remains a high rated risk and current concerns regarding Tuberculosis (TB), measles cases, and more recently Mpox, are evidence of some of the local health challenges along with the challenge of ensuring the wider health system is sufficiently focused on preventative public health interventions versus reactive emergency and crisis healthcare.

The national risk level for any new outbreak of a notifiable exotic disease and disease in animals remains high. Given the surrounding rural and farm-based economy, if this risk turns into a reality there is a high likelihood that this will require a local Leicester response. The further controls proposed suggest that the risk can be mitigated to a medium score.

The risk relating to our Inability to respond to critical housing needs (SRR 3.3) remains high, especially because we are still unable to respond to the housing need of residents because of reductions in available housing in private and social rented sector including due to increased regulation and cost, and due to a slow-down in housing development due to costs and inflation, along with lack of availability of land within the city for new housing.

The housing demands and impacts are further exacerbated by high numbers of asylum seekers placed within the city needing support and where they are given leave to remain. The further risk control measures are plentiful and necessary, but do not change the risk score from high.

The risk relating to the Impacts arising from numbers and complexity of needs of asylum seekers and refugees (SRR 3.4) has the maximum rating of 25 at the last round of reporting and has not reduced.

This relates specifically to the impacts arising from the numbers and complexity of needs of asylum seekers and refugees which is placing major demands on the Council particularly in relation to housing and children's social care, and which has caused significant in-year pressures in relation to spend on temporary housing and homelessness services, and in terms of children's social care placements. The range of national support schemes in place further complicates our service delivery arrangements.

The risk relating to our Inability to respond effectively to tensions and issues arising from rapidly changing cultural and community dynamics (SRR 3.5) is considered to be a medium level risk, and relates specifically to our rapidly changing cultural and community dynamics in the city due to migration and population growth along with impacts arising from wider geopolitical politics and social media cause volatility in terms of community cohesion and tensions between communities in the city.

There is more to be done to develop a better understanding of the communities at large, the real or perceived challenges that they face, and to improve our understanding of and engagement with newer communities and community leaders/representatives.

4.2.4 Technological

There remain three strategic risks under this theme, with two being high and one being medium.

This risk relates to Disruption to technology infrastructure due to a cyber-attack (SRR 4.1). Technology and data remain fundamental to Council operations and the risk of disruption to the technology infrastructure remains a high rated risk, particularly given the first-hand experience of the disruptive impact of the cyber-attack earlier this year.

The risk score is high because of the impact, though lower in that range because the likelihood of an attack on us right now has reduced because of the improvements we have made this year in response to the cyber-attack.

The risk relating to our Inability to innovate and respond to new and emerging technological developments (SRR 4.2) remains high at 20, but we continue to work in developing our wider technology infrastructure and architecture against a backdrop of investment in new technologies being constrained by the council's wider financial position.

The risk relating to Data not appropriately managed or effectively used (SRR 4.3) remains medium, reflective of the organisation's continued growth in terms of its capability and maturity in using data.

4.2.5 Legal

There is one strategic risk under this theme, the Unmanageable national regulatory, legislative and policy requirements (SRR 5.1). This risk remains rated as high due to being unable to meet demands of new regulatory and inspection bodies and regimes such as the new inspection regime for Adult Social Care, more demanding inspection regimes in other areas such as SEND, and the new Housing Regulator requirements.

What's more, failings in other local authorities further increases the scrutiny of local government and increases the potential for greater accountability, reporting and ultimately intervention. It remains critical therefore that the Council continues to focus on delivering any improvements arising from external audit and inspection and reviews and learns any lessons arising from interventions in other authorities, as well as maintaining strong governance arrangements.

4.2.6 Environmental

There is one strategic risk under this theme - the impacts and requirements arising from climate change (SRR 6.1) - which remains high. The focus of this theme remains on climate change demanding an ability to respond to physical extreme weather impacts, and to meet challenging targets / requirements which seek to tackle the causes of climate change.

Whilst tackling the climate emergency and our commitment to Net Zero remains a council priority, many of the desirable interventions are constrained by the need for funding at a time when the Council is experiencing major financial challenges. The city has also experienced some further significant flooding recently which brings significant impacts on individuals, communities and the Council and reinforces the reality of what this risk means in practice.

4.3 The below matrix provides an indicator of the status of the council's strategic risks in terms of likelihood and impact. The risks in the darker grey area quadrant require regular reviewing and monitoring and consideration for further controls and should receive the most challenge and given priority. Risks in the medium grey area also require regular reviewing and monitoring to ensure they do not escalate to the dark grey quadrant.

		Insignificant/ Negligible 1	Minor 2	Moderate 3	Major 4	Critical / Catastrophic 5
LIKELIHOOD (A)	Almost Certain 5			1.1	3.3, 4.2 5.1, 6.1	2.3, 3.1 3.4
	Probable / Likely 4			2.1	2.2, 3.2	
	Possible 3			4.3	3.5	4.1
	Unlikely 2				1.2	
	Very unlikely/ Rare 1					

IMPACT (B)

4.4 Operational Risks Update

The risks in the ORR **(Appendix 2/3)** are presented by:

- Strategic Area (in alphabetical order);
- Then by Divisional Area (again in alphabetical order);
- Then by 'risk score' with the highest first.

The summary of operational risks attached at **Appendix 2** indicates the number of high risks for each department/strategic area. With regards to the **ORR**, there are **3** risks where **scores have changed**, **2 risks deleted** and **no new risks** were added to the ORR this reporting period, as highlighted below.

Appendix 2 provides a summary of operational risks facing the council. **Appendix 3 provides in-depth details on the risks summarised at Appendix 2. 21** risks had amendments to the controls. These are risks **1, 2, 3, 4, 5, 7, 9, 11, 12, 13, 14, 15, 20, 21, 22, 24, 27, 28, 29, 30 and 31.**

Changes were made to the risk scores on the following risk:

Division	Risk Description	Risk score now
Housing	Budget Pressures	Was 5(I) 4(L) - 20 Now 4(I) 4 (L) – 16
Childrens Social Care and Community Safety	Workforce availability	Was 5(I) 4 (L) - 20 Now 4(I) 4 (L) – 16
Childrens Social Care and Community Safety	Budget	Was 5(I) 4 (L) - 20 Now 4(I) 4 (L) – 16

The 2 deleted risks are:

Division	Risk Description	Reason for deletion
Housing	Refugees – increase in arrivals	**Score now 12** 3 (I) / 4 (L) **Was 25** (5x5)
Public Health	Budget – changes to service delivery	**Score now 12** 4 (I) / 3 (L) **Was 25** (5x5)

Both appendices have been compiled using divisional risk registers submitted by each Divisional Director. The most significant managed/mitigated risks (scoring 15 and above) identified within these individual registers have been transferred to the council's ORR.

As a reminder, where a risk is **'deleted'** it does not always allude to the risk being eliminated. It refers to the risk score no longer being 'high' and it may well remain within the individual divisional register with a score below 15.

4.5 Governance and Audit Risk Committee are reminded that the council's Risk Management Strategy refers to the process of embedding risk management within business areas. The risk registers allow this to be evidenced, but if this process is to be demonstrated as a method by which the council manages its risk profile, it has to be more than the regular submission of a register to REBR on a timely basis. The updates/changes to the risk registers are a positive indication of this and the process of risk management is a daily activity throughout the authority to indicating the council is managing its risks and its exposure.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

There are no direct financial implications arising from this report.

Kirsty Cowell, Head of Finance, Ext 37 2377

5.2 Legal implications

There are no direct legal implications arising from this report.

Kamal Adatia, City Barrister, Ext 37 1401

5.3 Equalities implications

Under the Equality Act 2010, public authorities have statutory duties, including the Public Sector Equality Duty (PSED) which means that, in carrying out their functions they have to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

The council also has an obligation to treat people in accordance with their Convention rights under The Human Rights Act, 1998.

The report provides an update on the Strategic and Operational Risk Registers and Health & Safety data. The ability of the council to meets its duties under the Equality Act 2010 is specifically accounted for in the strategic risk register. However, equalities and human rights considerations cut across all elements of risk management, including strategic and operational risk management.

Some of the risks identified in the Strategic Risk Register would have a disproportionate impact on protected groups should the council no longer be able to effectively manage them and, therefore, the mitigating actions identified in the strategic risk register support equalities outcomes. For example, should the council fail to safeguard effectively, this would have a disproportionate impact on the human right (prohibition of torture, inhuman or degrading treatment) of those from protected groups, such as age and disability. Likewise, a failure to engage stakeholders could lead to a failure to identify tensions arising in the city (particularly as the financial challenges impact on communities) leading to unrest in specific communities/areas of the city. This, in turn, would have an impact on the council's ability to meet the general aim of the PSED to

foster good relations between people who share a protected characteristic and those who don't.

Therefore, the on-going work to update and consider risk management implications in making decisions and assessment of the effectiveness of the controls/ mitigation actions for the risks identified in the report and appendices, will support a robust approach to reducing the likelihood of disproportionate equality and human rights related risks, provided the mitigations/ controls themselves are compliant with the relevant legislation. The maintaining and monitoring of the Strategic Risk Register will support the delivery of the Council's corporate goals in ensuring that the identified risks are appropriately managed.

Effective risk management plays a vital role in ensuring that the council can continue to meet the needs of people from across all protected characteristics and, in some circumstances, will be particularly relevant to those with a particular protected characteristic. For example, some risks included in the operational risk register (relate to people with specific protected characteristics such as disability (children with special educational needs, people with mental ill health).

Surinder Singh, Equalities Officer, Ext 37 4148

5.4 Climate Emergency implications

The risks associated with climate change such as increased flooding, heatwaves and droughts, their consequences and the council's management of these risks are the subject of risk 6.1 – Environmental within the SRR and are considered through the ORR process. This allows for monitoring of the risks and consequences and the actions that are in place to control them, as well as further actions required. Following Leicester City Council's declaration of a Climate Emergency in 2019, an ambition has been set to achieve net zero carbon emissions by 2030, with climate change identified as one of the key priorities for the council to tackle. Further detail on the risks and impacts of climate change for the UK can be found in the official Met Office UK Climate Projections (UKCP).

Aidan Davis, Sustainability Officer, Ext 37 2284

6. **Summary of appendices:**

Appendix 1a – Strategic Risk Register as at 30th September 2024

Appendix 1b – Example of completed Risk Control Action Plan

Appendix 2 – Operational Risk Register Summary as at 30th September 2024

Appendix 3 – Operational Risk Register in detail as at 30th September 2024

7. **Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

   No

8. **Is this a "key decision"? If so, why?**

   No

Appendix 1a - Strategic Risk Register summary
Date: 30.09.24

Risk Ref / No	Summarise risk theme and description/impact	Risk Score with existing controls	High / Medium / Low	Risk response strategy – 4T's	Target Score with further actions / controls	Risk Owner	Risk score at 31/08/24	Variance since last cycle	Total No. of high risks impacting Strategic risk	ORR risk reference No. from the ORR
SRR 1.1	**Political:** Volatile political and policy environment	15	High	Treat	8	AG KA LJ RS	15	↔	3	ORR 1, 2 and 30
SRR 1.2	**Political:** Failures in integrity of local governance and decision making	8	Low	Treat	6	AO KA	8	↔	3	ORR 5, 11 and 20
SRR 2.1	**Economic:** Economic instability and weak economy	12	Medium	Treat	9	RS	12	↔	4	ORR 1, 2, 9 and 23
SRR 2.2	**Economic:** Lack of critical skills, resources and capabilities across the workforce	16	High	Treat	9	AS	20	↓	8	ORR 1, 2, 8, 10, 13, 22, 28 and 31
SRR 2.3	**Economic:** Financial sustainability	25	High	Treat	25	AO	25	↔	12	ORR 1, 4, 5, 6, 7, 15, 16, 17, 21, 26, 27 and 29
SRR 3.1	**Socio-cultural:** Growth in demand due to rising cost of living, population growth and greater complexity of need	25	High	Treat	15	LJ RS	25	↔	2	ORR 2 and 21

Risk Ref / No	Summarise risk theme and description/impact	Risk Score with existing controls	High / Medium / Low	Risk response strategy – 4T's	Target Score with further actions / controls	Risk Owner	Risk score at 31/08/24	Variance since last cycle	Total No. of high risks impacting Strategic risk	ORR risk reference No. from the ORR
SRR 3.2	**Socio-cultural:** Less healthy and health-resilient populations. **Poor health outcomes for communities.**	16	High	Treat	12	LJ RH	16	↔	3	ORR 2, 21 and 33
SRR 3.3	**Socio-cultural:** Inability to respond to critical housing needs **Housing emergency focus.**	20	High	Treat	16	RS	20	↔	1	ORR 24
SRR 3.4	**Socio-cultural:** Impacts arising from numbers and complexity of needs of asylum seekers and refugees	25	High	Treat	16	LJ RS	25	↔	1	ORR 25
SRR 3.5	**Socio-cultural:** Inability to respond effectively to tensions and issues arising from rapidly changing cultural and community dynamics **Communications and misinformation etc. Build in.**	12	Medium	Treat	9	AG AS LJ RS	12	↔	2	ORR 5 and 11
SRR 4.1	**Technological:** Disruption to technology infrastructure	15	High	Treat	15	AS	15	↔	4	ORR 12, 14, 19 and 32
SRR 4.2	**Technological:**	20	High	Treat	9	AS	20	↔	0	0

Risk Ref / No	Summarise risk theme and description/impact	Risk Score with existing controls	High / Medium / Low	Risk response strategy – 4T's	Target Score with further actions / controls	Risk Owner	Risk score at 31/08/24	Variance since last cycle	Total No. of high risks impacting Strategic risk	ORR risk reference No. from the ORR
	Inability to innovate and respond to new and emerging technological developments									
SRR 4.3	**Technological:** Data not appropriately managed or effectively used	9	Medium	Treat	6	AS KA	9	↔	1	ORR 12
SRR 5.1	**Legal:** Unmanageable regulatory, legislative and national policy requirements	20	High	Treat	15	AG KA LJ RS	20	↔	6	ORR 1, 2, 3, 11, 18 and 21
SRR 6.1	**Environmental:** Impacts and requirements arising from climate change	20	High	Treat	16	RS	20	↔	1	ORR 4

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Risk scores:

LEVEL OF RISK	OVERALL RATING	HOW THE RISK SHOULD BE TACKLED/ MANAGED
High Risk	15-25	**IMMEDIATE MANAGEMENT ACTION**
Medium Risk	9-12	**Plan for CHANGE**
Low Risk	1-8	**Continue to MANAGE**

Risk owners:

AG	Alison Greenhill	LJ	Laurence Jones
AO	Amy Oliver	RH	Rob Howard
AS	Andrew Shilliam	RS	Richard Sword
KA	Kamal Adatia		

Appendix 1b - Example of a completed risk control action plan

IDENTIFIED RISK/RISK ACTION PLAN – SRR 1.2

SECTION A – Risk description and existing controls

Risk description	**Failures in integrity of local governance and decision-making**
Risk Theme	Political
Risk reference	SRR 1.2
Risk owner (name and role)	Kamal Adatia, City Barrister & Head of Standards Amy Oliver, Section 151 and Director of Finance
Current risk score	8
Response strategy/action	Treat
Target risk score	6
Risk review date	Ongoing with reviews at critical points for example on release of national reports.

Potential Impact/Likelihood

Provide a brief summary of the risk that you have identified in this section and the likely impact on the organisation's objectives if the risk occurs.

> Loss of integrity through lack of consistent and robust application of governance and decision-making procedures and powers.

Provide a brief explanation of impact of this risk and the why the likelihood is scored as it is (will help with root cause and possible controls).

> Failings in governance impact on the timely delivery of activities that address or political/corporate priorities.
>
> Inappropriate use of resources.
>
> Risk of legal challenge.
>
> Reputational damage and loss of public confidence.
>
> Potential for strained relationships between members, officers, and Unions.
>
> Potential for Government or other formal intervention if failings are severe.

Existing action/controls already in place

Describe the specific actions and controls that are already in place now to manage the risk.

> 1. Strong focus on governance, including learning from other authorities.
>
> 2. Governance training for officers and members.
>
> 3. Corporate Governance Board in place.

4.	Strengthening of Governance & Audit Committee, including appointment of independent member of the Committee, programme of training sessions before meetings and lead authority in the new regional forum.
5.	Open and honest relationship with External Audit – proactive and early engagement and input.
6.	Strengthened our Internal Audit arrangements, with new providers in place and an improved focus on targeted audited activity already being seen.

Current risk score with existing measures

Impact	Likelihood	Risk rating (I X L)
4	2	8

Response strategy: Treat

Further management action/controls:

List the further action(s) that will be taken in addition to existing controls to manage the risk. Complete the action plan in section B:

1. Ongoing review and learning from failings elsewhere

2. Ongoing and constantly evolving provision of appropriate support to all political groups, including early and ongoing engagement with political groups and provision of briefing and guidance to both officers and members.

3. Member training and information sharing to be enhanced using online, recorded or other digital methods that are available on-demand and not just periodically as part of an organised training programme.

Target risk score with further management actions/controls

Impact	Likelihood	Risk rating (I x L)
3	2	6

SECTION B – Risk action plan

Action No	Control / Action	Action owner	Target date for implementation	Resources/costs required to implement	Progress update - date action completed / pending (if so why)	Success criteria
1	Ongoing review and learning from failings elsewhere	Kamal Adatia	Ongoing assessment as other cases arise	Officer time	Interventions and issues now arising regularly across a range of authorities, so the approach is to continue to dynamically assess these as they arise against our own organisational position to identify any further learning.	Governance arrangements developed to incorporate learning from elsewhere.
2	Ongoing and constantly evolving provision of appropriate support to all political groups, including early and ongoing engagement with political groups and provision of briefing and guidance to both officers and members.	Kamal Adatia	Ongoing	Officer time	New action – no progress update yet.	Fewer complaints or concerns by opposition groups about access to information and lack of engagement. Potentially, fewer opposition call ins.
3	Member training and information sharing to be enhanced using online, recorded or other digital methods that are	Kamal Adatia	Ongoing	Officer and member time.	New action – no progress update yet.	Less challenges to decisions; more confident and aware members

	available on-demand and not just periodically as part of an organised training programme.				

Appendix 2

LCC Operational Risk Exposure Summary as of 30ᵗʰ September 2024

STRATEGIC AREA – CITY DEVELOPMENTS AND NEIGHBOURHOODS

Risk Ref (as per ORR)	Risk Theme / Category	Link to Strategic Risk	Risk	Risk Owner	I	L	Current Risk Score	I	L	Target Risk Score	Target Date	Risk score at 31/05/24	Variance
3.	**ECONOMIC ENVIRONMENTAL**	SRR 2.3 SRR 6.1	**Neighbourhood and Environmental Services** – Ash Dieback – Epidemic of Ash Trees.	SA	4	4	16	4	4	16	Ongoing, January 2025 review.	16	↔
1.	**POLITICAL ECONOMIC LEGAL**	SRR 1.1 SRR 2.1 SRR 2.2 SRR 2.3 SRR 5.1	**Housing –** Budget Pressures - Increase in inflationary pressures have led to increasing pressures on the HRA and the Housing GF.	CB	4	4	16	4	3	12	Ongoing, December 2024 review.	20	↓
2.	**POLITICAL ECONOMIC SOCIO-CULTURAL LEGAL**	SRR 1.1 SRR 2.1 SRR 2.2 SRR 3.1 SRR 3.2 SRR 5.1	**Housing** - Homelessness Ongoing pressure and risks associated to statutory homeless responsibilities, exaggerated by cost of living crisis, housing crisis, asylum pressures, budget pressures, state of PRS, low LCC stock and high waiting times.	CB	4	4	16	3	4	12	Ongoing, January 2025 review.	16	↔
4.	**POLITICAL ECONOMIC SOCIO-CULTURAL**	SRR 1.2 SRR 2.3 SRR 3.5	**Neighbourhood and Environmental Services** - Decreasing availability of burial space. Burial space is limited in supply and may run out if further provision is not provided before existing capacity is reached.	SA	4	4	16	4	3	12	Planning Permission 2026.	16	↔

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No.	Category	SRR	Risk	Owner	L	I	Score	L	I	Score	Review	Score	Trend
5.	**ECONOMIC**	**SRR 2.3**	**Neighbourhood and Environmental Services –** Age and Condition of Specific Leisure Centres Impact and Implications.	SA	4	4	16	4	3	12	Ongoing, January 2025 review.	16	↔
7.	**ECONOMIC**	**SRR 2.2**	**Planning, Development and Transport -** Failure or delayed delivery of development outcomes, including infrastructure – Ashton Green.	ALS	4	4	16	3	4	12	Ongoing, January 2025 review.	16	↔
8.	**ECONOMIC**	**SRR 2.1**	**Planning, Development and Transport -** Availability of supply chain - contractors, construction difficult to get in place and issues on materials being available since Covid-19.	ALS	4	4	16	3	4	12	Ongoing, January 2025 review.	16	↔
9.	**ECONOMIC**	**SRR 2.2**	**Planning, Development and Transport -** Recruitment and Retention of staff to deliver key projects, programmes and strategies.	ALS	4	4	16	3	4	12	Ongoing, January 2025 review.	16	↔
6.	**ECONOMIC**	**SRR 2.3**	**Neighbourhood and Environmental Services -** Budget Reductions - Reduction in service areas funding from grants, statutory partners and City Council and reduction in traditional income streams - insufficient funding for services to operate effectively.	SA	4	4	16	3	3	9	Ongoing, January 2025 review.	16	↔
10.	**POLTICAL SOCIO-CULTURAL LEGAL**	**SRR 1.2 SRR 3.5 SRR 5.1**	**Planning, Development and Transport -** Duty to Protect - Failure to ensure counter-terrorism measures are incorporated into the built environment where required in order to meet our new statutory duties under the Duty	ALS	5	3	15	5	2	10	Ongoing, January 2025 review.	15	↔

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| | | | to Protect legislation, e.g. new public realm schemes incorporating hostile vehicle mitigation measures. | | | | 🟥 | | | 🟨 | | 🟥 | |

STRATEGIC AREA – CORPORATE RESOURCES AND SUPPORT

#													
11.	TECHNOLOGICAL	SRR 4.1 SRR 4.3	**Corporate Services –** Loss of Key Divisional IT Systems / Data Compromised.	AS	4	5	20	4	4	16	Ongoing Proposals - End December 2024. End December 2024. First draft - October 2024.	20	↔
12.	ECONOMIC	SRR 2.2	**Corporate Services –** Shortages in terms of staff capacity/key skills.	AS	4	5	20	3	5	15	Ongoing, review and prioritisation of critical roles/areas. End December 2024 review.	20	↔
13.	TECHNOLOGICAL	SRR 4.1	**Corporate Services –** Cyber Security - Increasing profile and expertise of threat actors such that they are able to circumvent established defences and which therefore increases the	AS	4	5	20	3	4	12	Ongoing, January 2025 review.	20	↔

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No.	Category	SRR	Description	Owner							Review		Dir
			vulnerability of LCC systems and data.										
14.	ECONOMIC	SRR 2.3	**Corporate Services –** Loss of Income Opportunities.	AS	4	4	16	4	3	12	End December 2024 review.	16	↔
19.	POLITICAL	SRR 1.2	**Legal** – Workloads and Pressure – Client Care. Services within the Council are stretched with increased demands and pressures.	KA	4	4	16	4	3	12	Ongoing, December 2024 review.	16	↔
15.	ECONOMIC	SRR 2.3	**Corporate Services -** Ongoing Budget Pressures and Savings Impacting on Service Delivery.	AS	4	4	16	3	3	9	End December 2024 review.	16	↔
16.	ECONOMIC	SRR 2.3	**Corporate Services –** Technology Costs.	AS	5	3	15	4	3	12	Ongoing, January 2025 review.	15	↔
17.	LEGAL	SRR 5.1	**Corporate Services –** Impacts arising from Future Legislation 'Martyn's Law' - Council is unprepared to respond to the potential requirements of forthcoming legislation related to counter-terrorism and therefore fails in the duty to protect people.	AS	5	3	15	5	2	10	Ongoing work with internal working group, January 2025 review.	15	↔
18.	TECHNOLOGICAL	SRR 4.1	**Finance** - Lack of critical skills, resources & capabilities BCP not fit for purpose if total or partial loss of key IT systems occurs at the same time.	AO	5	3	15	5	2	10	End December 2024 review.	15	↔

STRATEGIC AREA – SOCIAL CARE AND EDUCATION

No.		SRR		Owner									
21.	ECONOMIC	SRR 2.2	**Children's Social Care, Community Safety and Prevention–** Workforce availability – Diminishing availability of experienced skilled social workers.	DE	4	4	16	4	3	12	Ongoing, December 2025 review.	20	↓
22.	ECONOMIC	SRR 2.1	**Children's Social Care, Community Safety and Prevention** - Budget Loss and / or reduction of services to achieve budget savings.	DE	4	4	16	4	3	12	Ongoing, April 2025 review.	20	↓
23.	SOCIO-CULTURAL	SRR 3.3	**Education, SEND and Early Help** - School collapses due to Reinforced Autoclaved Aerated Concrete failure.	SM	4	4	16	3	3	9	Spring 2025 review.	16	↔
24.	SOCIO-CULTURAL	SRR 3.4	**Education, SEND and Early Help** – External pressures from migration and Government policies for asylum seeker and refugee placements within the city has added significant in-year migration pressure on primary and secondary school places.	SM	4	4	16	3	3	9	Monthly monitoring of demand.	16	↔
20.	SOCIO-CULTURAL ECONOMIC LEGAL	SRR 2.3 SRR 3.1 SRR 3.2 SRR 5.1	**Adult, Social Care and Commissioning** - Unable to deliver savings.	KG	4	4	16	4	2	8	Ongoing, January 2025 review.	16	↔

STRATEGIC AREA – PUBLIC HEALTH

No.	Category	SRR	Risk	Owner							Review		
25.	ECONOMIC	SRR 2.3	**Wider Economy and Supply Chain -** Brexit / Covid related pressures increases prices or reduces availability of IT stock / services / logistics / medicines etc. within the supply chain.	RH	5	4	20	4	4	16	End May 2025 review.	20	↔
26.	ECONOMIC	SRR 2.2	**Staffing and recruitment - External.** A national skill shortage and recruitment crisis in conjunction with Leicester being a challenging area in comparison to neighbouring areas creates difficulties in securing appropriately trained professionals within commissioned services.	RH	5	4	20	5	3	15	End January 2025 review.	20	↔
27.	ECONOMIC	SRR 2.3	**Commissioning -** Reduced budget for services impacts on financial viability to suppliers at the tender stage who may deem package to be unviable leading to a lack of bids reducing competition or tender failing altogether.	RH	4	4	16	4	3	12	End January 2025 review.	16	↔
28.	POLITICAL	SRR 1.1	**Policy / Governance / Partnerships -** Population health and the wider determinants of health impact, and are impacted by, a broad range of activities LCC undertakes.	RH	4	4	16	3	4	12	End January 2025 review.	16	↔
29.	ECONOMIC	SRR 2.2	**Staffing and recruitment - Internal.** An emerging recruitment crisis across a variety of sectors creates difficulty, both within Public Health and our commissioned services or system	RH	4	4	16	4	3	12	End January 2025 review.	16	↔

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No.	Category	SRR	Description		I	L		I	L		Review		
			partners, in securing sufficient staff with the appropriate skills and experience.										
30.	TECHNOLOGICAL	SRR 4.1	**Data -** Complex data sharing agreements with external organisations not in place or understood by officers which restricts information flow into Public Heath required to deliver objectives.	RH	4	4	16	3	3	9	End January 2025 review.	16	↔
31.	SOCIO-CULTURAL	SRR 3.2	**Health Protection /Covid 19 –** Variant strains or other diseases emerge requiring a significant response, further local lockdowns, preventative measures, or a continuance of efforts that have been tapered off.	RH	5	3	15	4	3	12	End January 2025 review.	15	↔

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Key:

IMPACT (I)	SCORE	LIKELIHOOD (L)	SCORE
CRITICAL/ CATASTROPHIC	5	ALMOST CERTAIN	5
MAJOR	4	PROBABLE / LIKELY	4
MODERATE	3	POSSIBLE	3
MINOR	2	UNLIKELY	2
INSIGNIFICANT/ NEGLIGIBLE	1	VERY UNLIKELY / RARE	1

Risk scores:

LEVEL OF RISK	OVERALL RATING	HOW THE RISK SHOULD BE TACKLED/ MANAGED
High Risk	15-25	IMMEDIATE MANAGEMENT ACTION
Medium Risk	9-12	Plan for CHANGE
Low Risk	1-8	Continue to MANAGE

Risk Owners:

ALS	-	Andrew L Smith	KA	-	Kamal Adatia
AO	-	Amy Oliver	KG	-	Kate Galoppi
AS	-	Andrew Shilliam	RH	-	Rob Howard
CB	-	Chris Burgin	SA	-	Sean Atterbury
DE	-	Damian Elcock	SM	-	Sophie Maltby

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO

Risks as at: 30/09/2024

RISK REF	RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.* https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx	RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?*	EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?*	RISK SCORE Impact	Probability	Risk	RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE Impact	Probability	Risk	COST	RISK OWNER	TARGET DATE

STRATEGIC AREA - City Development and Neighbourhoods

| 1 | POLITICAL ECONOMIC LEGAL | SRR 1.1 SRR 2.1 SRR 2.2 SRR 2.3 SRR 5.1 | **Housing - Budget Pressures** - Increase in inflationary pressures have led to increasing pressures on the Housing Revenue Account and the Housing General Fund. 2023/24 budget has been set with significant savings required and more savings potentially still to be found over the course of the year. The rent increase is capped below inflation for 23/24 and at CPI + 1% for 24/25 , further limiting options to address this risk.

- **Homelessness Financial risks** amount primarily to increased demand on temporary accommodation forcing use of nightly paid and bed & breakfast in ever increasing numbers, as well as lack of move-on increasing length of stay and further impacting cost. However, additional pressure resulting from the need for an increased staffing base.

Heavy reliance on grant funding. Increased burden on the city from the impact of immigration and asylum (See "Refugees"). | Budget overspend. Insufficient budget to balance the budget without reducing service offer or capital investment Impact on the resilience of services and their ability to manage and adapt to further change. The erosion of service areas and what we can and can't do. Expectations will need to be managed in the face of potential impacts on services. Negative PR / reputational damage / potential increase in complaints / legal challenges and fines. - LCC Housing stock does not meet decent homes standard - Housing Regulator intervention | - Senior Management Team (SMT) where we monitor and address financial challenges Year-end forecasting process with Finance team. - Heat metering and billing project (direct consequence of budget pressures on HRA) Managing and supporting the health and well being of staff as part of having to work within a financially constrained environment with the associated service delivery consequences. Review of all existing HRA budget to identify potential savings to include in the 24/25 HRA budget 'Homelessness financial pressure and controls: - B&B elimination plan developed and lodged with DLUCH. - Additional 1yr GF budget funding for 23/24 of £1m + £10m in 24/25 towards additional TA costs - Homelessness Prevention Grant - £1.07mil initially for 24/25 with potential for more from national pot of £120m - Homelessness Strategy challenging supply and types of temporary accommodation - HRA Budget for 24/25 approved as a balance budget - Full Council approved an additional £45m to buy 225 units of accommodation, lease 125 units and add 25 staff - Ongoing continuous recruitment exercise in place alongside agreement to recruit over-establishment. - Maximising opportunities to bring in further funding - Exploring all avenues with different models of temporary accommodation, including in the interim moving to establish more block booking arrangements and contacts re nightly paid accommodation to drive down B&B costs. - Touchdown beds established to absorb some pressure from Singles. - Focus on spending where will make biggest impact - | 4 | 4 | 16 | Treat | - 5 and 30 year capital investment strategy being developed - Identification of savings in HRA to streamline service and deliver efficiencies - FBR savings proposed in Housing GF proposals of savings of over £900k - Bidding to secure additional external funding towards existing costs - Ongoing external bidding for funding

'Homelessness financial pressure and controls: - Delivery of the £45m 225 TA units / 125 leases and 25 staffing - ongoing | 4 | 3 | 12 | | Chris Burgin | Ongoing, Dec 2024 review |
| 2 | POLITICAL ECONOMIC SOCIO-CULTURAL LEGAL | SRR 1.1 SRR 2.1 SRR 2.2 SRR 3.1 SRR 3.2 SRR 5.1 | **Homelessness - summary** Ongoing pressure and risks associated to statutory homeless responsibilities, exaggerated by cost of living crisis, housing crisis, asylum pressures, budget pressures, state of PRS, low LCC stock and high waiting times. Compounded by a relatively inexperienced team members and staff retention. Further impact following the decision to release offenders earlier causing further pressures on homelessness services. Managing partner and stakeholder expectations. Uncertainty around external uncontrollable factors that impact on level of demand and financial pressure.

Risks:

- **Reputational** Suitability of Accommodation Orders are being contravened - leaving us open to legal challenge. - **Duty of Care** - safeguarding and provision of critical services - **Reputational, Governance & People** Understaffing issues and staff caseloads are excessive, creating a risk of error, maladministration, or unlawful practice - leaving us open to legal challenge. Additional risk of harm or death to those in Council's care. - **Impact on Strategic Objectives & Reputational** - Risk that performance shown on National Statutory Statistic Returns will worsen in excess of benchmarked changes elsewhere. **Funding** - No indication of spending review under new Govt. in relation to additional funding to support homelessness pressures and rough sleeping. | Coverage in Local press, or National press. Reputational damage with partners, leading to political lobbying.

Inability to meet demand for preventative homelessness services impacting on crisis management, lowered prevention outcome, subsequently leading to increased costs of temporary accommodation and additional pressures in move-on demand for a large cohort of those accommodated.

Failure to deliver statutory homelessness services under Part 7 of the Housing Act 1996. Risk of harm to clientele, in worst case - death or injury of customer.

Current burdens causing pressures on staff leading to retention issues, further compounding available resources and pressures.

'Significant increase in numbers in temporary accommodation compounding Financial Risk (see below). The lack of suitable accommodation for applicants with high risks and complex needs.

Lack of move-on impacting on other local authority strategic objectives e.g. Leaving Care Protocol. St Mungoes who provide EET have decided to withdraw services from Leicester from the beginning of the financial year 25/26 (gap in services) | - Staff training - Interim mandate set around priorities within priorities - safeguarding, compliance, protecting people, protecting the authority - Service recovery plan in place with long term objectives to build resilience and manage the increase in pressures as much as possible. - Continuous recruitment and finding ways to retain staff - Monitoring and audit processes - Intensive Caseload Reviews and case management meetings for officers with their manager - Interim escalation routes set up for senior management sight on legal matters, risks and issues. - Working in tandem with other stakeholders and parties on the Homelessness Charter is delivering and focussing services - Ensuring pressures are communicated internally and externally, as far as appropriate, and inviting feedback. - Contract to deliver MDC (Prevention Hub) by March 2025. Risk of Rough Sleeping assessment tool to be developed and piloted in Leicester - Homelessness Strategy developed with consultation and published. Year 1 actions to be delivered. Different accommodation options for move on through homeless pathways being reviewed. - Focus on improved prevention of homelessness to limit ingress to TA: - PRS Strategy developed to enable more housing options and help to prevent and sustain current PRS households. Household Support Fund extended until March 2025 supporting the prevention activities. - Call before you serve' for private landlords has commenced | 4 | 4 | 16 | Treat | - Roll out of homelessness strategy actions (preventative) to enhance and expand on existing control; (ongoing) - Delivery of a new Board with partners to oversee these actions (September 24) - Enhanced communications strategy; - Build new Social Housing & acquire houses to use as Social Housing (ongoing) - Review of the existing PRS strategy (Sept 24 to Dec 24). - Reviewing and improving the management of customer expectations and the documentation and PHPs provided. - Continue to bid for available external funding - Delivery of the approved business case to deliver new housing outside of the HRA for the Council - Business case to buy 225 units of TA in GF and 125 leased properties for this cohort (ongoing to March 2025) - Development of a second business case to deliver additional acquired affordable housing above what is currently being delivered to meet this need. (January 25 to March 25) - Work with Changing Futures to integrate & maximise their service offer for Homelessness clients - Ongoing review delivery of B&B Elimination Plan. - Creation of a Temporary Accommodation Policy that considers the balance of suitability of offer with financial cost, with a specific focus on out of area placements, and time-limited stays. - Organisational review - Following the service recovery plan, recommendations for reviewing | 3 | 4 | 12 | | Chris Burgin | Ongoing, Jan 2025 review |

Risk Register Owner: Alison Greenhill, COO						**Risks as at: 30/09/2024**								
RISK REF	**RISK THEME / CATEGORY** *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	**LINK TO STRATEGIC RISK** *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.*	**RISK** *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	**CONSEQUENCE/EFFECT:** *What would occur as a result, how much of a problem would it be, to whom and why?*	**EXISTING ACTIONS/CONTROLS** *What are you doing to manage this risk now?*	**RISK SCORE**			**RESPONSE STRATEGY / ACTION** *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	**FURTHER MANAGEMENT ACTIONS/CONTROLS**	**TARGET SCORE**			**COST**	**RISK OWNER**	**TARGET DATE**
		https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx				Impact	Probability	Risk			Impact	Probability	Risk			
3	ENVIRONMENTAL ECONOMIC	SRR 2.3 SRR 6.1	**Neighbourhood and Environmental Services Ash Dieback - Epidemic of Ash Trees** Caused by an introduced pathogen that most local ash trees are unlikely to have resistance to. It is anticipated that up to 95% of the tens of thousands of ash trees in the city will die. Perhaps 50% of the total will be the council's direct liability. Many trees are located on traffic routes or in areas of use and habitation. Dying and collapsing trees will present an injury and property damage risk, and present a hazard risk to staff during removal operations. Under normal conditions £135k per year is devoted to clearing similar problems across all species. It is anticipated this cost will multiply several times at the height of the epidemic.	- Injury to staff and residents, including highway users - Damage to property including animal injury, buildings, parked and moving vehicles, various infrastructure and parks and street furniture - Disruption to traffic routes and areas of high use during removal operations	- Established teams, structures and systems will address problems in the early stages. These can be built on further as the problem starts to strain existing resources. There is no way to limit or control the establishment and spread of the pathogen as it is a windborne micro-organism. In essence management is a reactive process. - Contingency sum of £100k included in Capital programme for 2021/22 - 2022/23 and a capital bid of £130k for a elevated platform to allow working at height is approved in the 2023/24 programme. Launch of the Ash Dieback Action Plan and on-line educational page on LCC website now live to make residents/public aware of Ash Dieback. 26 trees felled in 2021/22, 276 felled in 2022/23, 172 felled in 2023/24, 291 felled in 2024/25 (YTD)	4	4	16	Treat	Effective and timely reactive responses, utilising existing revenue budget and prioritising the T&W work programme. Continue to monitor spread of disease and record on a central register, removal of trees which reach category 3/4.	4	4	16	N/A	Sean Atterbury	Ongoing, Jan 2025 review
4	SOCIO-CULTURAL POLITICAL ECONOMIC	SRR 3.5 SRR 1.2 SRR 2.3	**Neighbourhood and Environmental Services - Decreasing availability of burial space** Burial space is limited in supply and may run out if further provision is not provided before existing capacity is reached. rates of death and grave sales have increased above average due to Coronavirus and continued death rate.	- Significant distress to families requiring a burial if no new burial plots are available. Some faith communities do not permit cremation as an alternative. - Damage to LCC reputation and significant negative press and community tensions arising from failure to meet needs. Reduction in service provision. - Financial losses from lack of new burial space reducing cemetery income (estimated £1m plus per annum),	- Burial Space Strategy 2014 identified the need for a new cemetery. consultation with planners regarding Local Plan provision in the city and outside the city undertaken. - EBS Capital Projects team commissioned to deliver a new cemetery by 2026/27. One site identified for feasibility to date, potential for others being investigated by EBS. £150k budget for feasibility studies agreed. - Mitigation action to reduce demand for graves without a burial proposed.	4	4	16	Treat	- Identify alternative site/s for new burial space. Secure capital funding (c£4m -£8m) and planning permission for new cemetery construction. - Public consultation on future needs.	4	3	12	£150k + £3.8-£8.6m	Sean Atterbury	Planning permission, 2026
5	ECONOMIC	SRR 2.3	**Neighbourhood and Environmental Services - Age and Condition of Specific Leisure Centres Impact and Implications** Council is unable to meet the maintenance requirements and needs of centres which as an adverse impact on service delivery and meeting customer expectations and achieving ambitious future income growth targets and FBR savings.	LCC unable to fund repairs as buildings fail which creates service disruption and detrimental impact on customers and income.	- Client account plan in place, close working with EBS, comprehensive leisure centre review undertaken and due to present initial findings and options before Christmas 2023. - Corporate Capital bid process for 25/26 working with EBS/Quarterly meetings in place with EBS on facility management and maintenance. - External Sport England capital funding received from Sport England £180k to improve energy efficiency at ELC	4	4	16	Treat	- Complete and report strategic review. - Submit Sport England Bid. - Prepare for potential capital works if capital bid approved.	4	3	12		Sean Atterbury	Ongoing, Jan 2025 review
6	ECONOMIC	SRR 2.3	**Neighbourhood and Environmental Services - Budget Reductions** Reduction in service areas funding from grants, statutory partners and City Council and reduction in traditional income streams - insufficient funding for services to operate effectively. Risk that loss of income generating activity will add further pressure to service budgets.	- Reduction of service level and performance - Viability of service to continue to operate	- Close management of current service spending - Fundamental Budget Reviews - Depot Board - Sports Strategy - Libraries and Community Needs Assessment (LCNA)	4	4	16	Treat	- Introducing new ways of working to encourage entrepreneurial opportunities - External funding opportunities further explored - Partnership working - Corporate tracking to identify impact on other services	3	3	9		Sean Atterbury	Ongoing, Jan 2025 review
7	ECONOMIC	SRR 2.2	**Planning, Development and Transport - Failure or delayed delivery of development outcomes**, including infrastructure - Ashton Green; new homes, employment land, community social infrastructure, open space, new jobs & skills training etc.	- Delayed or reduced capital receipt for the Council, delayed housing delivery no's inc. affordable, impact on jobs & training. - Impact on Local Plan housing no's. Homes England Clawback of HIF Funding	- Revised Project governance structure, programme board now includes all LP strategic sites, a project specific risk log, development manager lead, project director oversight, regular City Mayor reporting. - External high level review undertake, this has identified priorities and resource requirements. - Recent focus on potential to assist delivery of affordable homes to meet the CM Manifesto commitments. - Change in key personnel within Dev team has resulted in net loss of staff on AG delivery (and wider team). Recruitment has failed twice for senior post replacements and to growth post identified in the delivery review. Interim measures being put in place with consultant support 2 days a week but not a sustainable model for long term delivery, significant officer time spent clienting these resources due to scale of project. - Mid level resource lost, recruitment failed once, advert back out. - Bidding for capacity funding from HE however note resources at this level with experience are in demand across the discipline nationally. - Availability rather than funding is the limiting factor. - Change in delivery strategy to generate unconditional land receipts from Parcel D&E and all employment land at Ashton Green.	4	4	16	Tolerate / Treat	- Need to ensure cross divisional resources & support are available and well utilised. - Need to ensure coordination of highway, drainage and planning responses. - Need to ensure that adequate external consultancy support is available to deliver the project work streams. - Ongoing review of planning conditions requirements, submission of section 73 applications to unlock development parcels - Secured external funding to accelerate delivery of infrastructure. - New Asset Disposals Board set up to review and monitor progress towards target figure.	3	4	12		Andrew L Smith	Ongoing, Jan 2025 review
8	ECONOMIC	SRR 2.1	**Planning, Development and Transport - Availability of supply chain -** contractors, construction difficult to get in place and issues on materials being available since covid-19 Ongoing material shortages and costs are still being felt as a result of economic turmoil and increasing energy prices. This is being felt, nationally, across the construction industry e.g. BNG and Carbon offsetting	- Delay to projects and programmes; cost increases; funding slippage; potentially politically sensitive on high profile projects	- Increasing contingency for new projects; working closely with suppliers to identify risks early and mitigate where possible.	4	4	16	Tolerate / Treat - consider additional measures / actions	- Options are being considered to further mitigate risk: in accordance with elected member wishes quality of work is being maintained; against a backdrop of increasing costs, risks are being managed at previous levels through increased ECI to better inform initial designs & by deferring / delaying projects & programmes where necessary.	3	4	12		Andrew L Smith	Ongoing, Jan 2025 review
9	ECONOMIC	SRR 2.2	**Planning, Development and Transport - Recruitment and Retention of staff to deliver key projects, programmes and strategies.** Lack of qualified experienced staff in market. Pay levels not commensurate with other councils. Various external factors impacting e.g. Reed are not a built environment / transport specialist agency so interim staff difficult to source via this single supplier contract, external job market etc. Pressures within HR contribute further service delivery issues.	- Failure to deliver key project/programme - Financial implications. - Poor service level. - Additional pressures on overtime and agency use, increased complaints, reputation issues, stress levels and sickness.	- Service specific progress monitoring meetings with Director. - Prioritising recruitment and replacement of staff as soon as they leave. - Extend Graduate programme. - Comprehensive Planning Workforce Action Plan / Organisational Review consultation now concluded to address the recruitment and retention issues in the service- significant funding required. External consultants appointed where possible. - Organisational review of Transport Team being developed - Succession planning for Transport & Highways in development	4	4	16	Treat	- Escalation of risk reporting to higher management and political level. - Consultant and legal advice to minimise risk. Explore new options around capacity support other than via Reed - Expedite HR, Procurement, Legal and Financial processes.	3	4	12		Andrew L Smith	Ongoing, Jan 2025 review

RISK REF	RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.* https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx	RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?*	EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?*	RISK SCORE			RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE			COST	RISK OWNER	TARGET DATE
						Impact	Probability	Risk			Impact	Probability	Risk			
10	POLITICAL SOCIO-CULTURAL LEGAL	SRR 1.2 SRR 3.5 SRR 5.1	**Planning, Transport and Development - Duty to Protect -** Failure to ensure counter terrorism measures are incorporated into the built environment where required in order to meet our new statutory duties under the Duty to Protect legislation, e.g. new public realm schemes incorporating hostile vehicle mitigation measures.	- Council could be deemed at fault if a terrorist incident occurred that could have been prevented by appropriate CT measures/features in the built environment and day to day highway network management activities.	- Maintain regular catch up meetings with CT Police Team. - Establish single point of contact for schemes with CT implications within the public realm. - Project records to include reference to compliance / agreement of alternatives / non agreement and associated rationale with CT police requirements. - Training sessions being delivered - Need to ensure requirement for CT measures is considered and record all decisions. - City Centre PPZ Security measures being delivered in liaison with CT Police Team.	5	3	15	Treat	- Consider inclusion of reference to CT measures in the revised Street Deign Guide	5	2	10		Andrew L Smith	Ongoing, Jan 2025 review

STRATEGIC AREA - Corporate Resources & Support

RISK REF	RISK THEME / CATEGORY	LINK TO STRATEGIC RISK	RISK	CONSEQUENCE/EFFECT	EXISTING ACTIONS/CONTROLS	Impact	Probability	Risk	RESPONSE STRATEGY	FURTHER MANAGEMENT ACTIONS/CONTROLS	Impact	Probability	Risk	COST	RISK OWNER	TARGET DATE
11	TECHNOLOGICAL	SRR 4.1 SRR 4.3	**Corporate Services - Loss of Key Divisional IT Systems / Data Compromised** Failure of a critical IT system or cyber attack affecting the division, systems such as HR system, Xpress, Agresso systems - staff may be unable to deliver their roles, duties etc. If this was to exceed to more than 2 days, this would significantly impact on service delivery and financial targets. The data held within the current systems is not available, robust or accurate to allow adequate management reporting.	- Adverse effect on budget/finances. - Reputational damage. - Services cannot be delivered. - Current systems may not be able to support the required level of management information regarding performance, staff, electorate, media relationships etc. - Management decisions/process decisions/system improvements cannot be met.	- IT DRP is in place. Back-ups taken across systems in the division. - Business Continuity plans are in place and regularly reviewed to identify ways to continue service delivery should systems be unavailable. - Desktop exercises to test plans in relation to ICT loss have been undertaken for the division to ensure plans are robust and plans revised as appropriate in light of the learning from these - Ongoing awareness raising with staff about cyber security risks and lessons learned activity undertaken post cyber-incident.. - Continue to operate desk top training exercises. - Completed assessment of critical systems using the Cyber Assessment Framework (CAF) as part of the Future Councils engagement.	4	5	20	Treat	- Implementing Active-Active Data Centres which will improve resilience for critical systems. - Work with other LGAs and 3rd parties to improve staff awareness of Cyber Security responsibilities and to share best practice in respect of cyber preparedness. - Implement mandatory Cyber Security training with OD. - Develop a revised Digital Operating Model taking account of NSCS '10 steps to Cyber Security' framework and which will include measures to improve our organisational footing and resilience. - Reflect increased risk of Cyber Attack in Corporate Risk Register. - Post cyber incident debrief and lessons learned event –learning points to be discussed and so specific divisional learning can be identified.	4	4	16		Andrew Shilliam	Ongoing Proposals - End December 2024 End December 2024. First draft - October 2024
12	ECONOMIC	SRR 2.2	**Corporate Services - Shortages in terms of staff capacity/key skills** Skill shortages - Difficulties recruiting to specific posts and high demand for specific expertise such as business analysis and business change, and specific technical skills such as ICT development posts in a competitive marketplace for such skills. Key person dependency - Continuing reductions in staff may lead to increasing reliance on fewer people, some of whom may not have critical knowledge/skills, creating additional pressures at times e.g. unplanned absence; inability to transfer knowledge and skills before key staff leave. Ageing workforce also carries risk of loss of critical knowledge, experience and expertise. Increase in demand arising from level of organisational change and need to deliver efficiencies/savings. There maybe an increased demand for support of which available expertise is limited or competing requirements/expectations. Therefore, support services such as HR and Comms may not be able to meet expectations or deliver to the right level of quality	- Increase in key person dependency and increased dependency on line managers to deliver a number of technical capabilities. - Lean staffing structures put pressure on staff. - Existing staff health and wellbeing may deteriorate, including morale. - Service demand cannot be met and members demand/expectations cannot be met. - Tasks are not completed/delivered and/or critical projects may be halted. - Statutory/regulatory requirements may not be adhered to and deadlines breached. - Reputational damage. - Adverse effect on finances. - Specialist expertise and knowledge is not available to deliver the required duties. - Corporate memory diminishes when staff leave the Council. - Highly skilled technical roles cannot easily be filled - Perception of blame culture leads to senior and/or skilled staff leaving - Inadequate/inappropriate decisions are made by management, resulting on increased involvement by HR and/or other services in a reactive capacity. - Changes may not be made quickly and effectively and/or changes may be made prior to all parties consent. - Poor and risky management practices.	- Continued use of graduate and other entry level roles to bring in additional capacity and support 'grow our own' as well as maximising use of apprenticeship funding.	4	5	20	Treat	- Engage with OD to utilise corporate workforce planning framework to develop a divisional action plan to address the key risks in terms of critical posts and succession planning. - This has to include developing better visibility required over (1) POSTS, and (2) PEOPLE that we consider to be of a highly specialist skillset and that are considered to be both more difficult to recruit to (reasons required) and where the current postholders are flight risks. - It also has to include consideration of the workforce profile and where we have specific issues around age, knowledge retention etc. - Use of DMU internships and other placement opportunities to add short-term capacity and to link with grow our own approach.	3	5	15		Andrew Shilliam	Ongoing review and prioritisation of critical roles/areas. End Dec 2024 review
13	TECHNOLOGICAL	SRR 4.1	**Corporate Services - Cyber Security** Increasing profile and expertise of threat actors such that they are able to circumvent established defences and which therefore increases the vulnerability of LCC systems and data.	- Data hacked and released into public domain; - Reputational damage - seek alternative more expensive solutions; - Fines from ICO; - Staff stress increases; - Damage to identified individuals; - Denial of service / major service disruption	- Enhanced technology defences; - Awareness campaign; - Targeted follow up's; - Built into new system standards from 3rd party applications (secure passwords, TLS); - Daily back-up of systems - Maintain clear Major incident Management processes - Understand RPO and RTO capability for recovering critical systems - Appointed Security Operations Centre Lead to review and respond to threat intelligence - Undertaking Cyber Security Gap Analysis in light of increased flexible and mobile working - Implemented solutions to respond to the new threat from Ransomware which could attack / compromise backup data - Implemented new End Point security - Implemented 3rd party Security Operations Centre service providing 24x7 cyber security monitoring. - Completed NCSC Cyber Assessment Framework (CAF) as part of DLUHC Future Councils and develop a remediation plan. - Amended SOC Playbook so they may unilaterally shutdown	4	5	20	Treat	- Assess and implement new Technology solutions as appropriate to address any changing/new threats - Continued Staff awareness training etc.. - Review where we currently are against the NCSC Cyber Assessment Framework (CAF) as part of DLUHC Future Councils and develop a remediation plan. - Ensure Cyber Security evaluation of partners is undertaken during procurements as part of DDaT playbook. - Work with other LGAs and 3rd parties to improve staff awareness of Cyber Security responsibilities. - Undertake Cyber Essentials assessment. - Implement mandatory Cyber Security training with OD. - Review technical skills of DDaT Security Team	3	4	12		Andrew Shilliam	Ongoing, Jan 2025 review

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO — **Risks as at: 30/09/2024**

RISK REF	RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.* https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx	RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?*	EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?*	RISK SCORE Impact	Probability	Risk	RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE Impact	Probability	Risk	COST	RISK OWNER	TARGET DATE
14	ECONOMIC	SRR 2.3	**Corporate Services - Loss of Income Opportunities** Commercial arrangements such as trading with schools are lost due to heightened market competition, rising costs and therefore increased prices, and due to a lack of staff resources and expertise to undertake marketing and business development. The withdrawal of specific LCC traded services could create angst amongst 'customer base' and reduce appeal of other services. Our reduced shopping basket of services provided to schools puts the remaining services at greater risk when it comes to other providers who may be able to provide multiple services.	- Reduced income opportunities against increasing budget pressures. - Loss of available budget reallocations from the centre e.g. HRA. - Reputational damage. - Adverse effect on finances. - Loss of morale. - Requirement to reduce headcount if service discontinues or reduces and potential associated costs of redundancy etc. - Income levels and budgets are significantly impacted. - Reputational damage caused by ceasing the City Catering service to schools and requiring them to make an additional financial contribution this year. - Possible impact on the schools / Council relationship.	Communications and Marketing progressing work on income opportunities from advertising using council assets such as lamppost banners.	4	4	16	Treat	Competitive analysis required of our HR traded services around model, price point, feedback/satisfaction, opportunities for further trade etc. Explore joint trading/account management arrangements - ensure that relevant functions continue to focus sufficiently on income opportunities and business development. Assess the sensitivity of remaining traded services to schools because of the cessation of City Catering, and consider whether some account management activities need to be enhanced. Link in with Sophie Maltby re the likely decision around ceasing the City Catering provision in schools and to make sure that schools feel that they are supported from a financial wellbeing point of view because of the challenges created by the additional one off charge. Refocus our traded services into a key package/offer of 'support' that includes both services that we have to charge for and other services that they receive (at our cost) that are provided by LCC.	4	3	12		Andrew Shilliam	End Dec 2024 review
15	ECONOMIC	SRR 2.3	**Corporate Services - Ongoing Budget Pressures and Savings Impacting on Service Delivery** Division unable to meet future level of savings required and/or the level of future savings required leads to unsustainable services/loss of services and support to the organisation impacting on the ability of the Council to operate effectively, lawfully and deliver particularly on its statutory obligations. Financial position of the Council and local government more generally will add increased pressure on the need to make substantial savings and therefore consequent impacts of this along with the impacts of the wider cost of living crisis and a weak national economy	- Unable to generate additional income, e.g. via trading with schools to help sustain budgets. Potential for a significant budget income gap. - Savings are not delivered, division overspends and puts pressure on corporate budgets - Statutory requirements are not met resulting in risks to service users and legal/reputational issues - Impact on the quality and levels of services being provided. - Impact on staff health and wellbeing. - Vacant posts are not appointed, increasing pressure on the existing workforce	Divisional outturn was an underspend for 2023/24 for majority of the division with the exception of City Catering.	4	4	16	Treat	HR organisational review by calendar year end required so to realise first round of savings and to create a clearer and fit for purpose structure in HR, to remove numerous honoraria that are currently in place, and so we're ready to support the wider organisation as part of the likely need to restructure. 1:1 discussions around specific cost centres required, and opportunities to drive further reductions in mainly non-staffing expenditure as well as opportunities to increase income. Competitive analysis of HR traded services model and delivery. Clarity around model of delivery. Implement 'Corporate Services Financial Sustainability Board' so there are more controls around what we're doing to deliver savings.	3	3	9		Andrew Shilliam	End Dec 2024 review
16	ECONOMIC	SRR 2.3	**Corporate Services - Technology Costs:** Potential shortfall of IT OpEx Revenue fundings to cover increasing costs of IT licencing, support and services in light of WoW, a migration to consumption-based licencing and cloud platforms	- A need to review service provision and potentially reduce the functionality and scope of services e.g. laptops versus desktops, reduced cyber security capabilities.	- Reprofiling services funded from reserves into Revenues to provide forecasts. - Seeking approval for use of WOW capital provision to support replacement of desktops. - Working with Finance to profile Reserves against anticipated spend - Phase 4 device replacement analysis complete - Consideration of funding options as part of medium-longer term budget planning - Reviewed options to rationalise MS licence estate - Implement role-based profiling for devices - Implemented zero-usage mobile phone policy - Created Capital Bid forecasting plan	5	3	15	Treat	- Rationalise application estate on MS Dynamics 365 - Consider a shared costing model to recharge services for new platform-based services	4	3	12		Andrew Shilliam	Ongoing, Jan 2025 review
17	LEGAL	SRR 5.1	**Corporate Services - Impacts Arising from Future Legislation 'Martyn's Law'** - Council is unprepared to respond to the potential requirements of forthcoming legislation related to counter-terrorism and therefore fails in the duty to protect people	- LCC fails to respond effectively to a terrorist attack and places staff and public lives in danger - LCC services which fall under the scope of the requirements are unprepared and could be subject to enforcement - Additional cost implications and pressure on budgets - Reputational impacts	-Internal working group in place and has been meeting facilitated by the REBR Team Manager. Review of potential services/buildings in scope completed and a number of other services have been contacted to prompt consideration and preparations. A number of services have already embedded a range of actions including Planning in relation to relevant major development schemes and DMH in terms of staff preparedness and risk assessments. Ongoing monitoring of draft legislation as details are published and REBR Manager attending national network to keep updated. Ongoing communication of details as they emerge. Close working with counter-terrorism Police including training planned for staff and a range of frontline services, and ongoing liaison and support in relation to city events. Update delivered to CMB and also Directors/HofS with support from Counter-Terrorism	5	3	15	Treat	- Ongoing support and work with the internal working group and ensuring membership reflects all relevant services	5	2	10		Andrew Shilliam	Ongoing work with internal working group

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Risk Register Owner: Alison Greenhill, COO — **Risks as at: 30/09/2024**

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18	TECHNOLOGICAL	SRR 4.1	**Finance - Lack of critical skills, resources & capabilities** BCP not fit for purpose if total or partial loss of key IT systems occurs at the same time e.g.: 1. Loss of Unit 4 results in feeder system BCP's not working correctly 2. Feeder systems such as CONTRocc are reliant on Unit 4 functioning for BCP to be effective	- Loss/delay of all payments to individuals and suppliers - Loss/delay of income, e.g. from Direct Debit runs - Loss of lines of communication - Loss of ability to produce routine documents, e.g. letters	- All areas have individual BCP's and all are fit for purpose if single systems or teams fail. These are robust but each plan relies on alternative systems to still be working. The plans are ineffective if multiple losses occur at the same time.	5	3	15	Treat	Create BCP's for the Finance division as a whole in addition to individual plans within each service. These plans will recognise interdependencies within systems.	5	2	10	Fines and penalties could be many £0000's depending upon multiple factors. Plus untold reputational damage	Amy Oliver	End Dec 2024 review
19	POLITICAL	SRR 1.2	**Legal - Workloads & Pressure - Client Care** Services within the Council are stretched with increased demands and pressures. Unrealistic deadlines at times can be set for major projects, procurement and contracts. There is a concern that whilst corporate policy is correct and general awareness of correct procedures/rules exists, it may not be implemented effectively within services.	- Timely legal advice from clients not sought. - Failure to comply with laid down guidelines. - Breach of regulations or law e.g. data protection. - Council found to act unlawfully. - Challenges to procurement processes. - Cost implications from requirements not being followed/deadlines being missed/ not delivering value for money for Council. - Award made against council etc. - Staff demotivated - Negative Press/Reputation of Council	- Reviewing practices to be improve flexibility of approach. - Channel Shift. - Raising awareness - corporate messages. - Early engagement - feeding into deadlines. - Attending project boards. - Projects to look at new ways of working. - Improved use of technology e.g. Electronic Signatures/Virtual Hearings.	4	4	16	Treat	- Review of practices. - Increase comms program/training and awareness of current practices (deadlines with project plan).	4	3	12		Kamal Adatia	Ongoing, Dec 2024 review

STRATEGIC AREA - Social Care and Education

RISK REF	RISK THEME / CATEGORY	LINK TO STRATEGIC RISK	RISK	CONSEQUENCE/EFFECT	EXISTING ACTIONS/CONTROLS	Impact	Probability	Risk	RESPONSE STRATEGY	FURTHER MANAGEMENT ACTIONS/CONTROLS	Impact	Probability	Risk	COST	RISK OWNER	TARGET DATE
20	ECONOMIC SOCIO-CULTURAL LEGAL	SRR 2.3 SRR 3.1 SRR 3.2 SRR 5.1	**Adult, Social Care and Commissioning - Unable to Deliver savings**	- Impact on corporate budget	- Clear review with analysis to demonstrate rationale for change to support savings; brief Scrutiny and members - Programme Board governance and control.	4	4	16	Treat	- A coordinated programme of service improvement and efficiencies Project and programme management capacity in place; additional capacity funded through the hospital discharge fund	4	2	8		Kate Galoppi	Ongoing, Jan 2025 review
21	ECONOMIC	SRR 2.2	**Children's Social Care and Community Safety - Workforce - availability** Diminishing availability of experienced skilled social workers	- National shortage of qualified SW's impacting on local recruitment; recruitment challenges in other specialist roles e.g. psychiatrist, youth justice officers etc: - Increased reliance on agency staff to fill vacancies - Increased SW case loads - Increased budget pressures; - Lack of continuity of staff in roles	- Developing a workforce recruitment and retention strategy including international recruitment	4	3	12	Treat	ASYE Programme Apprenticeship Programme Grow our own Programme International Recruitment Phase 2; Frontline programme; Career progression scheme	4	3	12		Damian Elcock	Ongoing, Dec 2025 review
22	ECONOMIC	SRR 2.1	**Children's Social Care and Community Safety - Budget** Loss and / or reduction of services to achieve budget savings	- Reduction in preventative services impacting on ability to deliver Statutory services - Inability to deliver Placement Sufficiency; Cessation of government grant funding in critical areas - Decrease Capacity / Increase demand - Potential reduction of staffing levels - Limited ability to deliver some front line services - Potential for future claims against authority	• Strategic Oversight and clear governance arrangements in place; • Children's Services Savings Board oversees all budget reduction projects. Regular review of budget reporting in SMT, HoS supervision, DMT	4	4	16	Treat	SMT/DMT oversight regarding saving reductions and undeliverable savings. More frequent budget monitoring reports. Revised long term growth projections as new intelligence emerges.	4	3	12		Damian Elcock	Ongoing, Apr 2025 review
23	SOCIO-CULTURAL	SRR 3.3	**Education, SEND and Early Help** School collapses due to Reinforced Autoclaved Aerated Concrete failure. Surveys undertaken to determine the risk. These surveys are intrusive and so the schools are unable to remain open while investigations and remedial works are undertaken.	- Major incident and loss of life - Face to face education cannot be maintained for all or some children - Education is unable to continue on site and new school places will need to be identified and arranged. - Poor education outcomes and staff mental health due to poor and inconsistent accommodation whilst permanent solutions are found. - Impact on school places and school sufficiency - Financial impact on schools and the local authority - Capacity within the council to deliver an effective response	- Working with the Department for Education to identify and source the provision of temporary and permanent solutions. - These solutions will not be in place until 6 to 9 months from the school closure. - Current ad hoc arrangements are in place for 2 out 5 schools that may be affected. - For one school these ad hoc arrangements are unsustainable and new arrangements are being sought. - impact on other services who have been displaced due to using their buildings to provide temporary solutions	4	4	16	Treat	Work closely with DfE and colleagues in the council to expedite solution for both temporary and permanent solutions. Identify possible places for re-location of schools in this event. Ensure schools have BCP in place that include full closure and the actions required.	3	3	9		Sophie Maltby	Spring 2025 review
24	SOCIO-CULTURAL	SRR 3.4	**Education, SEND and Early Help** External pressures from migration and Government policies for asylum seeker and refugee placements within the city. This has added significant in year migration pressure on primary and secondary school places. Migration also increases the demand for support in school and from specialist services. The majority of the in-year pressure is from children moving into the city and pupil growth has nearly tripled expected forecasts in some year groups. This has put accelerated pressure on particular areas and year groups. Without taking further measures there is a significant risk of not having sufficient places.	Planned school place capacity, including historical migration factors are not keeping up with actual migration demand, leading to localised sufficiency issues and being unable to place pupils within a reasonable distance. Additional specialist support costs and travel, impacting on support budgets and capacity of support staff. Increased migration could lead to the LA running out of school places and being unable to provide education. This could also lead to increased challenges of attendance, SEND support, movement of pupils across the city and community cohesion. It would likely increase costs for transport and admissions appeals.	- Monitored at the strategic board for immigration and education sufficiency board to link in with wider council services. Distribution of government grant funding directly to schools to go towards full cost of provision required. Monitoring of admissions applications and type of migration. Updating forecast models to include current levels of migration, however, it is impossible to predict if the trends will continue and reduce.	4	4	16	Treat	- Develop data model with schools to understand demand and drive policy and support. Complex cases referred to fair access as required. Incorporate potential numbers in place planning monitoring. - Highlighting the issue with the DfE at regular meetings who are aware migration has impacted the midlands authorities significantly. - Discussions with schools and trusts about solutions to rapid increases in migration to increase surplus places to meet demand through creating additional capacity and using powers to offer above schools planned admission number - Approached schools and trusts for additional school places immediately and for 2025/26 and in future years. Action plan to create additional capacity as required.	3	3	9	Potential for £1m in growth funding for 2025/26 depending on solutions required.	Sophie Maltby	Monthly monitoring of demand.

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO

Risks as at: 30/09/2024

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						Impact	Probability	Risk			Impact	Probability	Risk			

STRATEGIC AREA - Public Health

25	ECONOMIC	SRR 2.3	**Wider Economy & Supply Chain** Brexit / covid related pressures increases prices or reduced availability of IT stock / services / logistics / medicines etc within the supply chain. Increased costs result in contracted services becoming economically unviable for providers. e.g. Emergency hormonal contraception contract with pharmacies previously held by Boots has not seen the incumbent bid on the tender citing it is not cost effective for them to continue without an uplift. Cost of living crisis exacerbates existing inequalities and food / fuel poverty for the poorest and most vulnerable in the city.	- Changes in financial call / contracts due to fluctuations in drug / treatment market prices making delivery otherwise unviable - Logistical and financial difficulties to delivery for services or programmes. - Prioritisation / decommissioning / reduction of existing service delivery model(s) - Negative impact on population health and reduction in health services pathways available to access - Call on public health reserves - Staff are unable to be supplied with appropriate IT equipment leading to reduced efficacy and wasted capacity - Suppliers are unable to deliver minimum viable output as per contracts, and either underperform or serve notice on contracts. - Financial impact to maintain existing contracts or retender at short notice - Increased capacity pressure impacts on staff and wider portfolios - Economic crisis within the city as households cannot meet rising costs leading to increased levels of food and fuel poverty. - Increase in health issues caused by poor nutrition or cold / damp environments and sustained stress and pressure. Overall reduction in population health. - Static or widening inequalities across the city	- Internal governance, decision making processes, and budgetary oversight leveraging expertise within team to assess choices and inform management briefings / options appraisal - Strong engagement with national partners to aid horizon scanning and early signposting of potential issues - Good relationships with peers in other organisations are maintained as a matter of course to aid communication and working efficiencies - Contract management team maintain strong relationship with services and stress importance of business continuity plans to ensure fallbacks and contingencies where possible - Fuel poverty programme launched to raise awareness and signpost support pathways to the most vulnerable. Project manager post recruited to manage and provider currently delivering. Extension option being exercised for an additional 12 months after a successful first year. - Cross organisation working groups set up to communicate, monitor, and manage response	5	4	20	Treat / Tolerate	- Continue with existing controls and close monitoring of national landscape - Maintain oversight of staffing levels and associated IT requirements and open communication with IT services to inform appropriate actions - Reserve could potentially be used to mitigate short term supply shock. - Alternate IT routes being explored for new starters / initiatives (IGEL / mobile working) - Analysis of need and potential response actions to potential poverty crisis ongoing	4	4	16		Rob Howard	End May 2025 review
26	ECONOMIC	SRR 2.2	**Staffing and Recruitment - External** A national skill shortage and recruitment crisis in conjunction with Leicester being a challenging area in comparison to neighbouring areas creates difficulties in securing appropriately trained professionals within commissioned services and / or partner organisations - in particular Public Health Nurses and Health Visitors. Disruption to workforce of NHS or other partners due to strikes or industrial action. Significant staff loss coupled with recruitment difficulties within commissioned services reduce capacity to the extent that statutory functions or contractual terms are not adequately maintained. Providers struggle to maintain staff levels due increasing payroll costs and budgetary pressures.	- Impact on front line service delivery of statutory functions - Knock-on impact on capacity and ability to deliver of non-participating staff impacted by strike action - Negative impact on service users - The ability of our commissioned services to provide adequate safeguarding is reduced, leading to an increased risk of support needs not being identified or met, or an increase in likelihood of serious incidents occurring. - This could also present a real of increase in the likelihood of serious incidents occurring leading to:: - Serious injury or loss of life - Legal challenge - Severe reputational damage - Increased strain on existing staff leading to increased turnover, loss of embedded knowledge and experience, and fatigue impacting quality of work. Risk of entering a negative feedback loop (pressure causes staff loss, staff loss causes further pressure etc) further increasing difficulties in securing trained professionals	- Close monitoring and communication with commissioned services by Lead Commissioners and Group Manager - Scrutiny and support from contract management team - Commissioned children's service has introduced a skill mix framework to alleviate Health Visitor pressures whilst maintaining adequate safeguarding. This involves splitting post duties and allocating less skilled work to appropriate staff to ease pressure on caseloads and health visitors. - Ongoing work to make Leicester a more attractive location for Health Visitors to attract and retain skilled workers. - Providers to be queried over planned response specifically around occurrence of strike action and widespread loss of staff and holding of adequate BCP's to manage incidents. How will delivery be maintained / how will affected service users be captured and engaged etc.	5	4	20	Treat / Tolerate	- Continual oversight of supplier business continuity plans and engagement on current pressures / concerns - Continual internal public health business continuity plans review ongoing with consideration given to response in the event of risks presenting - Ongoing close monitoring of suppliers and skill / workforce concerns - Supplier business continuity plans audit to be undertaken in rolling fashion	5	3	15		Rob Howard	End Jan 2025 review
27	ECONOMIC	SRR 2.3	**Commissioning** Reduced budget for services impacts on financial viability to suppliers at the tender stage who may deem package to be unviable leading to a lack of bids reducing competition or tender failing altogether. Suppliers may also not bid on tenders due to staff / skill shortages leaving them unable to meet requirements. This is exacerbated by tight financial envelopes and increased costs due to inflation. In the context of increasing costs and reduced or static budgets, providers become unsustainable without an uplift or adjustment to the funding received from public health. In conjunction with the below concerning partner organisations and Risk 8 this increases the likelihood that suppliers will serve notice on contracts or be unable to deliver. Services commissioned on activity based contracts are difficult to predict in times of uncertainty and risk under / over provision each of which come with financial and logistical challenges and risks. Partner organisations we joint commission with are restructured or undergo a change in policy resulting in changes which negatively impact our work / agreements or ability of supplier to deliver services. Partners opting to leave or disengage from working agreements adds additional pressures to teams and services.	- Providers could become unsustainable and serve notice on contracts without an uplift or adjustment to the funding received from public health. Loss of existing contractors due to inability to reconcile increased costs within static or reducing financial envelope. - Failed tenders. Capacity required to assess and alter the specification / tender go to re-spec and go to market again, Disruption to, or reduced / ceased delivery of statutory services. Potential legal and governance implications for LCC if delivery ceased. - Dependent on service, retendering may be extremely difficult given the increased complexity of the landscape as well as the budgetary and time constraints we would be under. Risk of being without a service which would come with legal / governance implications, or having to pay inflated costs for interim delivery. - Our offer may not be attractive to new providers during tenders; risk of failed procurement or lack of competition leading to sub-standard delivery - Loss or alteration of service provision and impact on community who require service leading to poorer outcomes, increased sickness rates and impact on NHS as demand increases for other services - Funding gap leads to other programmes needing to be terminated to balance the budget. Immediate reduced provision and range of services to city residents with unknown long term impacts. - Underspends result from reduced activity that do not reflect underlying / actual budget pressures that will resume when pre-existing baseline is re-established. Budget is reduced or removed based on lower activity costs creating business critical issues when this occurs - Increased costs due to reduction in economy of scale due to moving form a joint to solo re-procurement	- Strong forward planning, bespoke procurement methods, and robust internal governance - Clinical governance board in place for improved oversight and robust governance framework to ensure that commissioned services are robustly reviewed and monitored. - Performance review group provides oversight, early issue identification, and escalation process - *Both of the above boards are having ToR and framework re-assessed to ensure optimal oversight of services* - Lead Commissioners and contracts team within Public Health undertake regular performance and quality reviews with continual engagement and communication with providers and partners - Timely briefing of lead members to highlight potential risks and consequences - Expertise within team to assess choices, identify and profile future need in a proactive fashion, and inform management briefings / options appraisals - Advocacy by LCC Director of Public Health with national bodies - Provider negotiations - providers have continued to be paid regardless of performance due to the pandemic to ensure the suppliers (and the wider delivery chain) stay afloat - Based on joint analysis between the sexual health service provider (MPFT) and public health regarding financial pressures, continuity funding at 100% of the contract value will be issued and services amended to ensure viability and effective delivery, particularly to identified vulnerable populations. Additional monitoring and ongoing analysis will continue to be conducted. - Close working with internal departments (legal / procurement / contract management / finance)	4	4	16	Treat / Transfer	-Continue with existing controls; -Continue to joint commission where appropriate (internal with LCC, and external with county and regionally) - Continued exploration of new and novel approaches to commissioning including encouraging consortium applications and use of section 75 - Continued monitoring and increased engagement of suppliers to pre-emptively identify potential issues - Regularly review Business Continuity Plans to ensure minimal service disruption in the event of supplier failure.	4	3	12		Rob Howard	End Jan 2025 review

Risk Register Owner: Alison Greenhill, COO | **Risks as at: 30/09/2024**

RISK REF	RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.*	RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?*	EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?*	RISK SCORE			RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE			COST	RISK OWNER	TARGET DATE
		https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx				Impact	Probability	Risk			Impact	Probability	Risk			
28	POLITICAL	SRR 1.1	**Policy / Governance / Partnerships** Population health and the wider determinants of health impact, and are impacted by, a broad range of activities LCC undertakes. There is an opportunity to increase the focus on the public health aspects of service area activities and aid in corporate strategy / policy discussions. By engaging more strongly with service areas that impact wider determinants and creating a 'health in all policies' culture across the Council health outcomes across the city could be significantly improved by leveraging a multiplier effect that PH could not achieve alone. Risk is that this is not supported or implemented in a timely fashion and the opportunity is lost. Ongoing budgetary pressures and savings targets across LCC may lead to public health focus and engagement being deprioritised within service areas. Service areas with public health impacts (Housing / Transport / Sports etc) experience cuts to budgets and programmes leading to delivery challenges and knock on health impacts across the population that then require additional resource to manage and tackle in the longer term. External national imperatives are introduced without associated budget creating difficulties in local delivery, or national policy changes impact existing work or ability to respond in a place appropriate manner. Changes in structure / leadership to partner organisations i.e. PCC elections or changes to working agreements with city organisations impact project outcomes or hinder engagement / reach of community support work. Some aspects of the divisions work are undertaken in partnership with other service areas or organisations and are reliant on their capacity or capital to function effectively and achieve marketing or delivery goals. Risk of factors outside of our controls hampering programme success. Governance structures surrounding funding allocations and sharing between partner organisations are not formalised reducing ability to adequately oversee	- Reduced outcomes over time lead to long term budgetary and resource drain that could be reduced by small tweaks to wider LCC activities - Reduced influence on corporate policies and strategy, and significant potential for improvement to wider determinants not capitalised on - Reduction of, or failure to realise improvements to, health outcomes for city residents. - Call on finances from NHS pay award, reducing available budget for existing work - Logistical difficulties to delivery for services or programmes. - Prioritisation / decommissioning / reduction of existing service delivery model - Call on public health reserves - Change in leadership may result in changes to organisations agendas which may negatively impact our work, agreements, and ability to deliver. - Reduced efficacy as work is not tailored to the local area or possible efficiencies by operating collaboratively in cross geographical areas is not leveraged - Partners organisations operate outside of the spirit of agreements placing undue financial or capacity strain on LCC teams (e.g. County not paying rent to the SH service due to a loophole, OPCC being unresponsive in renewal of suicide bereavement service)	- Internal governance, decision making processes, and budgetary oversight leveraging expertise within team to assess choices and inform management briefings / options appraisal - Advocacy by the Director of Public Health with local and national bodies - Close relationships built and maintained with service areas around the organisation. Capacity has been added to the team to increase corporate engagement - Strong engagement with local and national partners to aid horizon scanning and early signposting of potential issues - Strong engagement, communication, and partnership working maintained with system partners and the Health & Wellbeing Board membership - Good relationships with peers in other organisations are maintained as a matter of course to aid communication and working efficiencies - Specific workstreams created within the division to engage partners and to embed Public Health considerations in day to day operations	4	4	16	Treat	- Continued: - Political escalation - Corporate responsibility - Service & budget planning - Utilisation of partnership approach - Continued exploration of alternative treatment / therapy options or approaches within services or by programmes - Safeguard public health reserves in order to preserve ability to provide adequate response without significant detriment to corporate purse - Continued monitoring of medical landscape, and updates to guidance and clinical standards - Continued presence within LCC and corporate engagement to provide visibility to public health concerns and considerations that work of discrete service areas may unknowingly be able to positively impact - Establishing a cross division working group on health in all policies to increase capacity to deliver on wider determinants of health	3	4	12		Rob Howard	End Jan 2025 review
29	ECONOMIC	SRR 2.2	**Staffing and recruitment - Internal** An emerging recruitment crisis across a variety of sectors creates difficulty, both within public health and our commissioned services or system partners, in securing sufficient staff with the appropriate skills and experience to meet the immediate public health challenges posed by covid response and recovery, and emerging issues. Unsuccessful recruitment (increased in likelihood due to the above point) or approval to recruit delays for existing and new posts cause capacity and timeframe pressures on ongoing delivery and rollout of new initiatives that would benefit from proceeding at pace. Key staff retiring, leaving the division or moving into new posts within the division creating disruption, risk increased if multiple departures simultaneously. Potential risks to wider public health aims or outcomes if significant losses in other LCC service areas. Capacity increase within the public health division is being outpaced by the broadening of scope and increased need that is resulting from current societal context - this is exacerbated by financial pressures and difficulties in recruitment. LCC Pay Scales pay less for professional posts than other LAs in their region	- This is currently presenting with a number of senior roles being vacated and needing to be filled creating capacity and continuity pressures. While our existing plans, investment into staff and wider training, and support networks have significantly lessened the impact gaps in post are creating additional pressures. - Increased demand on remaining capacity impacting on team morale. The health and wellbeing of existing staff is impacted resulting in individual burnout or increased staff turnover. - Loss of key specialist skills, knowledge and expertise, and working relationships that are very difficult to replace due to national shortage of skilled workers - Significant loss of capacity means programme targets are delayed or not achieved, or need to be revised downwards to match ability to deliver. - Cover for posts splits capacity between existing workstreams negatively impacting both. - If demand and workloads are consistently high for extended periods existing staff do not gain a breadth of public health experience. This could result in an under skilled workforce, or increased turnover as further development is sought after by individuals (with associated difficulty in sourcing adequate replacements for posts). - Negative impacts on delivery of work and an inability to meet emerging objectives of individual services as well as divisional strategic objectives. - Reduction in ability to front run issues and adequately assess complex situations before being required to act. - Loss of in-year funding available if staff / initiatives cannot be put in place in a timely fashion. - Delay in advertising / filling vacant posts exacerbating capacity issues	- Close management and oversight of individual workloads and projects - General training and development opportunities and organisational development utilised - Upskilling team - public health supporting staff to undertake a Masters in Public Health and for staff to follow work based public health training pathways - Specific courses identified and allocated to appropriate staff. Mandatory and suggested training framework created and rolled out across the team. Reviewed and managed across the division to ensure all staff are in compliance with minimum training requirements and are encouraged to develop skills and knowledge as required. - Early identification of potential staffing needs / vacancies with early engagement with HR to ensure timeframes to recruit are sensible –Capacity in across the team increased and analysis of need ongoing. - Team restructure undertaken to more efficiently redistribute capacity and portfolios - Increased team awareness at all levels of importance of self care, with support offered necessary. Ongoing team building events / exercises in place to aid wellbeing and an internal pastoral support scheme has been implemented to ensure support pathways are available to those who require it. - Recruitment concerns escalated	4	4	16	Treat	- Continual audit of needs and skills against public health key skills framework to identify and fill key knowledge and skills gaps across division - Produce a public health workforce strategy including succession planning. Task and Finish group working on this and we are linking in with regional and national Public Health workforce planning initiatives. - Business continuity plan review and update regularly scheduled to ensure succession planning and key staff availability plan is adequate. - Ongoing identification of single points of failure and planning / documentation to mitigate risk of project lead unavailability - Consideration within service plans for posts and building in long time scales for recruitment as standard practice to be considered in forward planning - Continued monitoring of capacity needs and fixed term recruitments to mitigate issues where appropriate - Continued focus on employee wellbeing and provision of adequate support where necessary - Centralising of important data and guides detailing workflow processes ids ongoing to minimise impacts of loss of key staff and knowledge and to increase pace of training new staff.	4	3	12		Rob Howard	End Jan 2025 review

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO

Risks as at: 30/09/2024

RISK REF	RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.*	RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?*	EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?*	RISK SCORE — Impact	Probability	Risk	RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE — Impact	Probability	Risk	COST	RISK OWNER	TARGET DATE
30	TECHNOLOGICAL	SRR 4.1	**Data** Complex data sharing agreements with external organisations not in place or understood by officers which restricts information flow into public heath required to deliver objectives. Increased data access implemented during covid is withdrawn once BAU returns, leading to reduced data provision and less timely / accurate reporting. National datasets are released sporadically creating variable capacity needs that are difficult to plan for. Self reported data that is difficult to verify for activity based contracts leads to uncertainty over financial position and potential over payments Increased appetite for data and ongoing reporting needs due to covid have hindered ability to deliver BAU reporting functions and caused a backlog of Health Needs Assessments awaiting completion / attention. Updated NHS Patient Safety Incident Reporting Framework is incompatible with LLR Serious Incident Reporting Protocol negatively impacting data availability and workflow surrounding reporting of incidents. Risk that we lose sight of incidents / cases and are unable to assess provider quality and contract performance adequately.	- Delay or complete stoppage in obtaining information required to make timely decisions for service users, may result in outdated data that is not useful for commissioning and partnership work. - Distress to service users - Reputational damage to LCC - Potential financial burden or incorrect overspend for activity - Potential litigation claims for failure to deliver - Increased stress on LCC staff - Difficulties in workload management and timely production of existing reports and statutory functions as well as making capacity management difficult. - Impact on service delivery and response agility - Reduced data provision and indicators potentially being missed or identified later than they may have been delaying (or preventing) mobilisation. - Negative impact on our ability to both proactively and reactively manage NHS providers that we commission to deliver services due to reduction of oversight and visibility of issues arising in NHS providers for all of PH / LCC. Analysis and ongoing management of service quality is severely hampered without insight or access to incident data. - Obfuscation and extension of timelines for responses and investigations into serious incidents increase the likelihood of unsatisfactory outcomes for users as well as increased waiting times	- Work-around arrangements in place with key organisations to share basic information - Working with wider network of organisations to establish data sharing protocols and file transfers - Engagement with information governance to ensure that any risks of data sharing are identified and managed. - Increased relationship building and engagement across system partners - Continued close communication and engagement with Integrated Care Board / Leicestershire Health Informatics Service (LHIS) regarding the issues surrounding data availability and access. - Data sharing agreement recently secured with LHIS that will allow for direct access to anonymised GP data in order to better track performance and volumes. This is currently embedding with positive results on the payments aspect in terms of accuracy and assurance. Data streams for performance analysis are still being assessed to ensure accuracy and are expected to be available for use in the near term. An independent audit is underway to assess these workflows and processes. - Close working relationship with IT, procurement, and information governance to establish and maintain data sharing agreements with services external to LCC - Additional resource added to data function - Close working relationship with LPT as 0-19 provider with the aim of maintaining adequate management oversight with visibility of reports and attendance of weekly oversight meetings. Additional agreements have been built into the new Section 75 agreement with LPT to ensure robust governance is in place around serious incidents. This has been signed off by the Public Health Clinical Governance Group.	4	4	16	Treat / Tolerate	- Ongoing engagement with information governance and partners to resolve existing and arising issues - Undertake an exercise to identify all organisations and data needs and perform gap analysis - Ongoing horizon scanning of other services where NHS Patient Safety framework changes could become an issue (potential to effect all NHS services and generate complications when commissioning procurement of new services). - Continue to work with providers to understand implications of NHS Patient Safety framework changes on services, and liaise with multi-agency partners to plan a way of managing this. Continued close contractual oversight with LPT to ensure current level of visibility for 0-19 contract is maintained - Agree a corporate LCC stance on NHS Patient Safety framework changes	3	3	9		Rob Howard	End Jan 2025 review
31	SOCIO-CULTURAL	SRR 3.2	**Health Protection / Covid 19** Variant strains or other diseases emerge requiring a significant response, further local lockdowns, preventative measures, or a continuance of efforts that have been tapered off. There is only a single Infection Prevention Control (IPC) Specialist within public health that works on a full time basis providing all IPC support to the city, with no budgetary scope to provide additional capacity. This is a significant bottleneck and single point of failure. A secondary impact of the pandemic may be other health aspects experiencing significant increases in occurrence as a knock on effect i.e. mental health, substance use, obesity, oral health that require increased resource to tackle Reduced access and low take-up of offered services during the pandemic impacts long term health outcomes, widens inequalities, and reduces opportunity to create income to reduce budget pressures. Further risk that low uptake / referrals that resulted from covid persist negatively impacting outcomes and inequalities.	- Negative impact on resident health and wider public health outcomes and improvements, leading to a less healthy and resilient population - Significant operational impact on division in the event of a scenario comparable to Covid 19 - Potential variant or other disease cause large increase in case numbers that are unreported lead to further pandemic duration / restrictions. Increased infection rates mean further local lockdowns or preventative measures are enacted. - Further lockdown or restrictive measures would decrease morale across the city, hinder general recovery efforts, and create difficulties for LCC operations - Inadequate capacity and single point of failure for IPC operations means - Service objectives not achieved/service not provided. Increased outbreaks in vulnerable settings increasing potential for individual harm. - Pressure on sole member of staff to provide an unreasonable level of cover for one person - Reputational damage to the authority if outbreaks poorly managed - Reduced ability to 'Live with Covid', recover, or respond quickly to contain future outbreaks - Potential serious impact on health and wellbeing of whole population, particularly those most vulnerable - Reputational damage to the authority if outbreaks poorly managed - If covid secondary impacts activities persist without associated funding from Treasury to support this will create significant budget pressures. - Static or widening health inequalities - Needs increase over the longer term as a result of secondary impacts requiring increased (and sustained) resource and budget to	- Continued monitoring of covid data and national landscape - Monitoring of at risk health areas to determine level of future need - Consultants appointed to lead on health inequalities and system wide engagement and health protection, and covid response / recovery - Health Protection team / function created within the division with a focus on supporting settings with infection prevention control processes and managing incidents as they occur nationally and across the city - Forward planning of recruitment and mitigation of impacts of gap in IPC provision - Service objectives set within context of limited capacity - Close relationship with social care teams to share capacity burden where appropriate - Training activities being built in to existing service to increase skills and knowledge of social care and care home staff - Sustained messaging reiterating the continued importance of following the national guidance to increase awareness - Horizon scanning and forward planning to intelligently balance potential resource pressures and safeguard agility in the event of a call to action against current needs and financial state - Ongoing monitoring particularly via governance mechanisms such as LLR Health & Wellbeing Partnership and City Health and Wellbeing Board.	5	3	15	Treat	- Continue with existing controls - Increase capacity of HP team to enable more robust resilient response to current and emerging issues - Ongoing assessment of priority areas to continually determine needs and enable a timely data driven response - Continued close monitoring of outbreak data - Continued engagement with settings in the city to maintain standards and encourage continual improvement. Communications to be undertaken with all settings to signpost gap in provision and advice and guidance on where to go to for support if required. - Community wellbeing and vaccine champion programmes created and currently embedding to promote education and awareness of both covid and general health information - Service evaluations over time to inform discussions with partner teams. - Assess options to increase capacity.	4	3	12		Rob Howard	End Jan 2025 review

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Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO					Risks as at: 30/09/2024			

| RISK REF | RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information* | LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.* | RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?* | CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?* | EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?* | RISK SCORE | | | RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate* | FURTHER MANAGEMENT ACTIONS/CONTROLS | TARGET SCORE | | | COST | RISK OWNER | TARGET DATE |

| | | [https://leicestercouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx](#) | | | | Impact | Probability | Risk | | | Impact | Probability | Risk | | | |

STRATEGIC AREA - City Development and Neighbourhoods

| 1 | POLITICAL ECONOMIC LEGAL | SRR 1.1 SRR 2.1 SRR 2.2 SRR 2.3 SRR 5.1 | **Housing - Budget Pressures** - Increase in inflationary pressures have led to increasing pressures on the Housing Revenue Account and the Housing General Fund. 2023/24 budget has been set with significant savings required and more savings potentially still to be found over the course of the year. The rent increase is capped below inflation for 23/24 and at CPI + 1% for 24/25 , further limiting options to address this risk.

- **Homelessness Financial risks** amount primarily to increased demand on temporary accommodation forcing use of nightly paid and bed & breakfast in ever increasing numbers, as well as lack of move-on increasing length of stay and further impacting cost. However, additional pressure resulting from the need for an increased staffing base.

Heavy reliance on grant funding. Increased burden on the city from the impact of immigration and asylum (See "Refugees"). | Budget overspend. Insufficient budget to balance the budget without reducing service offer or capital investment Impact on the resilience of services and their ability to manage and adapt to further change. The erosion of service areas and what we can and can't do. Expectations will need to be managed in the face of potential impacts on services. Negative PR / reputational damage / potential increase in complaints / legal challenges and fines. - LCC Housing stock does not meet decent homes standard - Housing Regulator intervention | - Senior Management Team (SMT) where we monitor and address financial challenges Year-end forecasting process with Finance team. - Heat metering and billing project (direct consequence of budget pressures on HRA) Managing and supporting the health and well being of staff as part of having to work within a financially constrained environment with the associated service delivery consequences. Review of all existing HRA budget to identify potential savings to include in the 24/25 HRA budget 'Homelessness financial pressure and controls: - B&B elimination plan developed and lodged with DLUCH. - Additional 1yr GF budget funding for 23/24 of £1m + £10m in 24/25 towards additional TA costs - Homelessness Prevention Grant - £1.07mil initially for 24/25 with potential for more from national pot of £120m - Homelessness Strategy challenging supply and types of temporary accommodation - HRA Budget for 24/25 approved as a balance budget - Full Council approved an additional £45m to buy 225 units of accommodation, lease 125 units and add 25 staff - Ongoing continuous recruitment exercise in place alongside agreement to recruit over-establishment. - Maximising opportunities to bring in further funding - Exploring all avenues with different models of temporary accommodation, including in the interim moving to establish more block booking arrangements and contacts re nightly paid accommodation to drive down B&B costs. - Touchdown beds established to absorb some pressure from Singles. - Focus on spending where will make biggest impact - | 5 4 | 4 | 20 16 | Treat | - 5 and 30 year capital investment strategy being developed - Identification of savings in HRA to streamline service and deliver efficiencies - FBR savings proposed in Housing GF proposals of savings of over £900k - Bidding to secure additional external funding towards existing costs - Ongoing external bidding for funding

'Homelessness financial pressure and controls: - Consideration around £5?mil additional budget to service to balance TA pressure overspend. - Case being developed for amendment to Enhanced Rough Sleeper Offer to alleviate some financial pressures created by spend that is voluntary (local policy) - Delivery of the £45m 225 TA units / 125 leases and 25 staffing ongoing - Delivery of the £45m 225 TA units / 125 leases and 25 staffing - ongoing | 4 | 3 | 12 | | Chris Burgin | Ongoing, December 2024 review |
| 2 | POLITICAL ECONOMIC SOCIO-CULTURAL LEGAL | SRR 1.1 SRR 2.1 SRR 2.2 SRR 3.1 SRR 3.2 SRR 5.1 | **Homelessness - summary** Ongoing pressure and risks associated to statutory homeless responsibilities, exaggerated by cost of living crisis, housing crisis, asylum pressures, budget pressures, state of PRS, low LCC stock and high waiting times. Compounded by a relatively inexperienced team members and staff retention. Further impact following the decision to release offenders earlier causing further pressures on homelessness services. Managing partner and stakeholder expectations. - Current Policy of accommodating all those rough sleeping or at risk of rough sleeping in excess of requirements on LAs and expensive. Housing Support Fund ceasing from September 2024 further limiting prevention activity. Uncertainty around external uncontrollable factors that impact on level of demand and financial pressure.

Risks:

- **Reputational** Suitability of Accommodation Orders are being contravened - leaving us open to legal challenge. - **Duty of Care** - safeguarding and provision of critical services - **Reputational, Governance & People** Understaffing issues and staff caseloads are excessive, creating a risk of error, maladministration, or unlawful practice - leaving us open to legal challenge. Additional risk of harm or death to those in Council's care. - **Impact on Strategic Objectives & Reputational** - Risk that performance shown on National Statutory Statistic Returns will worsen in excess of benchmarked changes elsewhere. **Funding -** No indication of spending review under new Govt. in relation to additional funding to support homelessness pressures and rough sleeping. | Coverage in Local press, or National press. Reputational damage with partners, leading to political lobbying.

Inability to meet demand for preventative homelessness services impacting on crisis management, lowered prevention outcome, subsequently leading to increased costs of temporary accommodation and additional pressures in move-on demand for a large cohort of those accommodated.

Failure to deliver statutory homelessness services under Part 7 of the Housing Act 1996. Risk of harm to clientele, in worst case - death or injury of customer.

Current burdens causing pressures on staff leading to retention issues, further compounding available resources and pressures.

'Significant increase in numbers in temporary accommodation compounding Financial Risk (see below). The lack of suitable accommodation for applicants with high risks and complex needs.

Lack of move-on impacting on other local authority strategic objectives e.g. Leaving Care Protocol. St Mungoes who provide EET have decided to withdraw services from Leicester from the beginning of the financial year 25/26 (gap in services) | - Staff training - Interim mandate set around priorities within priorities - safeguarding, compliance, protecting people, protecting the authority - Service recovery plan in place with long term objectives to build resilience and manage the increase in pressures as much as possible. - Continuous recruitment and finding ways to retain staff - Monitoring and audit processes - Intensive Caseload Reviews and case management meetings for officers with their manager - Interim escalation routes set up for senior management sight on legal matters, risks and issues. - Working in tandem with other stakeholders and parties on the Homelessness Charter is delivering and focussing services - Ensuring pressures are communicated internally and externally, as far as appropriate, and inviting feedback. - Ending Rough Sleeping Plan developed, RSI programme, Cold Weather Funding received annually. - Contract to deliver MDC (Prevention Hub) by March 2025. Risk of Rough Sleeping assessment tool to be developed and piloted in Leicester - Homelessness Strategy developed with consultation and published. Year 1 actions to be delivered. Different accommodation options for move on through homeless pathways being reviewed. - Focus on improved prevention of homelessness to limit ingress to TA: - PRS Strategy developed to enable more housing options and help to prevent and sustain current PRS households. Household Support Fund extended until March 2025 | 4 | 4 | 16 | Treat | - Roll out of homelessness strategy actions (preventative) to enhance and expand on existing control; - Enhanced communications strategy; - Ongoing development and embedding of the Homelessness Charter - Build new Social Housing & acquire houses to use as Social Housing - Delivery of the PRS Strategy to drive up standards in the PRS including develop relationships with private sector landlords, offer enhanced service to PRS landlords and tenants to prevent homelessness - as at Sept 2023 upper limit of bridging payments agreed to be increased from LHA+20% to LHA+35%. - Reviewing and improving the management of customer expectations and the documentation and PHPs provided. - Amending and rationalising the provision of the Enhanced Rough Sleeping offer, so that resources are better prioritised. - Continue to bid for available external funding - Development of a business case to deliver new housing outside of the HRA for the Council - Business case to buy 225 units of TA in GF and 125 leased properties for this cohort & review of the Enhanced Rough Sleeper offer - Work with Changing Futures to integrate & maximise their service offer for Homelessness clients - Utilisation of new large acquisitions (ZIP/Citygate towards move on accommodation for those in TA) | 3 | 4 | 12 | | Chris Burgin | Ongoing, Jan 2025 review |

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RISK REF	RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.* https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx	RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?*	EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?*	RISK SCORE Impact	Probability	Risk	RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE Impact	Probability	Risk	COST	RISK OWNER	TARGET DATE
3	ENVIRONMENTAL ECONOMIC	SRR 2.3 SRR 6.1	**Neighbourhood and Environmental Services** **Ash Dieback - Epidemic of Ash Trees** Caused by an introduced pathogen that most local ash trees are unlikely to have resistance to. It is anticipated that up to 95% of the tens of thousands of ash trees in the city will die. Perhaps 50% of the total will be the council's direct liability. Many trees are located on traffic routes or in areas of use and habitation. Dying and collapsing trees will present an injury and property damage risk, and present a hazard risk to staff during removal operations. Under normal conditions £135k per year is devoted to clearing similar problems across all species. It is anticipated this cost will multiply several times at the height of the epidemic.	- Injury to staff and residents, including highway users - Damage to property including animal injury, buildings, parked and moving vehicles, various infrastructure and parks and street furniture - Disruption to traffic routes and areas of high use during removal operations	- Established teams, structures and systems will address problems in the early stages. These can be built on further as the problem starts to strain existing resources. There is no way to limit or control the establishment and spread of the pathogen as it is a windborne micro-organism. In essence management is a reactive process. - Contingency sum of £100k included in Capital programme for 2021/22 - 2022/23 and a capital bid of £130k for a elevated platform to allow working at height is approved in the 2023/24 programme. Launch of the Ash Dieback Action Plan and on-line educational page on LCC website now live to make residents/public aware of Ash Dieback. *26 trees felled in 2021/22, 276 felled in 2022/23, 172 felled in 2023/24, 291 felled in 2024/25 (YTD)*	4	4	16	Treat	Effective and timely reactive responses, utilising existing revenue budget and prioritising the T&W work programme. Continue to monitor spread of disease and record on a central register, removal of trees which reach category 3/4.	4	4	16	£100k contingency £130k equipment N/A	Sean Atterbury	Ongoing, Jan 2025 review
4	SOCIO-CULTURAL POLITICAL ECONOMIC	SRR 3.5 SRR 1.2 SRR 2.3	**Neighbourhood and Environmental Services - Decreasing availability of burial space** Burial space is limited in supply and may run out if further provision is not provided before existing capacity is reached. rates of death and grave sales have increased above average due to Coronavirus and continued death rate.	- Significant distress to families requiring a burial if no new burial plots are available. Some faith communities do not permit cremation as an alternative. - Damage to LCC reputation and significant negative press and community tensions arising from failure to meet needs. Reduction in service provision. - Financial losses from lack of new burial space reducing cemetery income (estimated £1m plus per annum),	- Burial Space Strategy 2014 identified the need for a new cemetery. consultation with planners regarding Local Plan provision in the city and outside the city undertaken. - EBS Capital Projects team commissioned to deliver a new cemetery by 2025/26 2026/27. One site identified for feasibility to date, potential for others being investigated by EBS. £150k budget for feasibility studies agreed. - Mitigation action to reduce demand for graves without a burial proposed.	4	4	16	Treat	- Identify alternative site/s for new burial space. Secure capital funding (c£4m -£8m) and planning permission for new cemetery construction. - Public consultation on future needs.	4	3	12	£150k + £3.8-£8.6m	Sean Atterbury	Planning permission, 2025 2026
5	ECONOMIC	SRR 2.3	**Neighbourhood and Environmental Services - Age and Condition of Specific Leisure Centres Impact and Implications** Council is unable to meet the maintenance requirements and needs of centres which as an adverse impact on service delivery and meeting customer expectations and achieving ambitious future income growth targets and FBR savings.	LCC unable to fund repairs as buildings fail which creates service disruption and detrimental impact on customers and income.	- Client account plan in place, close working with EBS, comprehensive leisure centre review undertaken and due to present initial findings and options before Christmas 2023. - Corporate Capital bid process for 25/26 working with EBS/Quarterly meetings in place with EBS on facility management and maintenance. - External Sport England capital funding received from Sport England £180k to improve energy efficiency at ELC	4	4	16	Treat	- Complete and report strategic review. - Submit Sport England Bid. - Prepare for potential capital works if capital bid approved.	4	3	12		Sean Atterbury	Ongoing, Jan 2025 review
6	ECONOMIC	SRR 2.3	**Neighbourhood and Environmental Services - Budget Reductions** Reduction in service areas funding from grants, statutory partners and City Council and reduction in traditional income streams - insufficient funding for services to operate effectively. Risk that loss of income generating activity will add further pressure to service budgets.	- Reduction of service level and performance - Viability of service to continue to operate	- Close management of current service spending - Fundamental Budget Reviews - Depot Board - Sports Strategy - Libraries and Community Needs Assessment (LCNA)	4	4	16	Treat	- Introducing new ways of working to encourage entrepreneurial opportunities - External funding opportunities further explored - Partnership working - Corporate tracking to identify impact on other services	3	3	9		Sean Atterbury	Ongoing, Jan 2025 review
7	ECONOMIC	SRR 2.2	**Planning, Development and Transport - Failure or delayed delivery of development outcomes**, including infrastructure - Ashton Green; new homes, employment land, community social infrastructure, open space, new jobs & skills training etc.	- Delayed or reduced capital receipt for the Council, delayed housing delivery no's inc. affordable, impact on jobs & training. - Impact on Local Plan housing no's. Homes England Clawback of HIF Funding	- Revised Project governance structure, programme board now includes all LP strategic sites, a project specific risk log, development manager lead, project director oversight, regular City Mayor reporting. - External high level review undertake, this has identified priorities and resource requirements. - Recent focus on potential to assist delivery of affordable homes to meet the CM Manifesto commitments. - Change in key personnel within Dev team has resulted in net loss of staff on AG delivery (and wider team). Recruitment has failed twice for senior post replacements and to growth post identified in the delivery review. Interim measures being put in place with consultant support 2 days a week but not a sustainable model for long term delivery, significant officer time spent clienting these resources due to scale of project. - Mid level resource lost, recruitment failed once, advert back out. - Bidding for capacity funding from HE however note resources at this level with experience are in demand across the discipline nationally. - Availability rather than funding is the limiting factor. - Affordable Housing conversations internally delaying release of next 2 phases of land to market due to undetermined AH% requirement above planning. - Requirement and specification must form part of the procurement from the outset. - Change in delivery strategy to generate unconditional land receipts from Parcel D&E and all employment land at Ashton Green.	4	4	16	Tolerate / Treat	- Need to ensure cross divisional resources & support are available and well utilised. - Need to ensure coordination of highway, drainage and planning responses. - Need to ensure that adequate external consultancy support is available to deliver the project work streams. - Ongoing review of planning conditions requirements, submission of section 73 applications to unlock development parcels (expected by end of 2023). - Secured external funding to accelerate delivery of infrastructure. - In order to make a step change and accelerate delivery need to look at bringing in additional resource either through consultancy or additional post. - Need to ensure focus on delivering additional affordable homes does not impact of delivery programme. - New Asset Disposals Board set up to review and monitor progress towards target figure.	3	4	12		Andrew L Smith	Ongoing, Jan 2025 review
8	ECONOMIC	SRR 2.1	**Planning, Development and Transport - Availability of supply chain -** contractors, construction difficult to get in place and issues on materials being available since covid-19 Ongoing material shortages and costs are still being felt as a result of economic turmoil and increasing energy prices. This is being felt, nationally, across the construction industry e.g. BNG and Carbon offsetting	- Delay to projects and programmes; cost increases; funding slippage; potentially politically sensitive on high profile projects	- Increasing contingency for new projects; working closely with suppliers to identify risks early and mitigate where possible.	4	4	16	Tolerate / Treat - consider additional measures / actions	- Options are being considered to further mitigate risk: in accordance with elected member wishes quality of work is being maintained; against a backdrop of increasing costs, risks are being managed at previous levels through increased ECI to better inform initial designs & by deferring / delaying projects & programmes where necessary.	3	4	12		Andrew L Smith	Ongoing, Jan 2025 review

Risk Register Owner: Alison Greenhill, COO

Risks as at: 30/09/2024

RISK REF	RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.* https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx	RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?*	EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?*	RISK SCORE Impact	RISK SCORE Probability	RISK SCORE Risk	RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE Impact	TARGET SCORE Probability	TARGET SCORE Risk	COST	RISK OWNER	TARGET DATE
9	ECONOMIC	SRR 2.2	**Planning, Development and Transport - Recruitment and Retention of staff to deliver key projects, programmes and strategies.** Lack of qualified experienced staff in market. Pay levels not commensurate with other councils. Various external factors impacting e.g. Reed are not a built environment / transport specialist agency so interim staff difficult to source via this single supplier contract, external job market etc. Pressures within HR contribute further service delivery issues.	- Failure to deliver key project/programme - Financial implications. - Poor service level. - Additional pressures on overtime and agency use, increased complaints, reputation issues, stress levels and sickness.	- Service specific progress monitoring meetings with Director. - Prioritising recruitment and replacement of staff as soon as they leave. - Extend Graduate programme. - Comprehensive Planning Workforce Action Plan / Organisational Review consultation now concluded to address the recruitment and retention issues in the service- significant funding required. External consultants appointed where possible. - Organisational review of Transport Team being developed - Succession planning for Transport & Highways in development	4	4	16	Treat	- Escalation of risk reporting to higher management and political level. - Consultant and legal advice to minimise risk. Explore new options around capacity support other than via Reed - Expedite HR, Procurement, Legal and Financial processes.	3	4	12		Andrew L Smith	Ongoing, Jan 2025 review
10	POLITICAL SOCIO-CULTURAL LEGAL	SRR 1.2 SRR 3.5 SRR 5.1	**Planning, Transport and Development - Duty to Protect -** Failure to ensure counter terrorism measures are incorporated into the built environment where required in order to meet our new statutory duties under the Duty to Protect legislation, e.g. new public realm schemes incorporating hostile vehicle mitigation measures.	- Council could be deemed at fault if a terrorist incident occurred that could have been prevented by appropriate CT measures/features in the built environment and day to day highway network management activities.	- Maintain regular catch up meetings with CT Police Team. - Establish single point of contact for schemes with CT implications within the public realm. - Project records to include reference to compliance / agreement of alternatives / non agreement and associated rationale with CT police requirements. - Training sessions being delivered - Need to ensure requirement for CT measures is considered and record all decisions. - City Centre PPZ Security measures being delivered in liaison with CT Police Team.	5	3	15	Treat	- Consider inclusion of reference to CT measures in the revised Street Deign Guide	5	2	10		Andrew L Smith	Ongoing, Jan 2025 review

STRATEGIC AREA - Corporate Resources & Support

RISK REF	RISK THEME / CATEGORY	LINK TO STRATEGIC RISK	RISK	CONSEQUENCE/EFFECT:	EXISTING ACTIONS/CONTROLS	Impact	Probability	Risk	RESPONSE STRATEGY / ACTION	FURTHER MANAGEMENT ACTIONS/CONTROLS	Impact	Probability	Risk	COST	RISK OWNER	TARGET DATE
11	TECHNOLOGICAL	SRR 4.1 SRR 4.3	**Corporate Services - Loss of Key Divisional IT Systems / Data Compromised** Failure of a critical IT system or cyber attack affecting the division, systems such as HR system, Xpress, Agresso systems - staff may be unable to deliver their roles, duties etc. If this was to exceed to more than 2 days, this would significantly impact on service delivery and financial targets. The data held within the current systems is not available, robust or accurate to allow adequate management reporting.	- Adverse effect on budget/finances. - Reputational damage. - Services cannot be delivered. - Current systems may not be able to support the required level of management information regarding performance, staff, electorate, media relationships etc. - Management decisions/process decisions/system improvements cannot be met.	- IT DRP is in place. Back-ups taken across systems in the division. - Business Continuity plans are in place and regularly reviewed to identify ways to continue service delivery should systems be unavailable. - Desktop exercises to test plans in relation to ICT loss have been undertaken for the division to ensure plans are robust and plans revised as appropriate in light of the learning from these - Ongoing awareness raising with staff about cyber security risks and lessons learned activity undertaken post cyber-incident.. - Continue to operate desk top training exercises. - Completed assessment of critical systems using the Cyber Assessment Framework (CAF) as part of the Future Councils engagement.	4	5	20	Treat	- Implementing Active-Active Data Centres which will improve resilience for critical systems. - Work with other LGAs and 3rd parties to improve staff awareness of Cyber Security responsibilities and to share best practice in respect of cyber preparedness. - Implement mandatory Cyber Security training with OD. - Develop a revised Digital Operating Model taking account of NSCS '10 steps to Cyber Security' framework and which will include measures to improve our organisational footing and resilience. - Reflect increased risk of Cyber Attack in Corporate Risk Register. - Post cyber incident debrief and lessons learned event arranged learning points to be discussed and so specific divisional learning can be	4	4	16		Andrew Shilliam	End November 2024 Ongoing Proposals - End December 2024 End December 2024. First draft - October 2024
12	ECONOMIC	SRR 2.2	**Corporate Services - Shortages in terms of staff capacity/key skills** Skill shortages - Difficulties recruiting to specific posts and high demand for specific expertise such as business analysis and business change, and specific technical skills such as ICT development posts in a competitive marketplace for such skills. Key person dependency - Continuing reductions in staff may lead to increasing reliance on fewer people, some of whom may not have critical knowledge/skills, creating additional pressures at times e.g. unplanned absence; inability to transfer knowledge and skills before key staff leave. Ageing workforce also carries risk of loss of critical knowledge, experience and expertise. Increase in demand arising from level of organisational change and need to deliver efficiencies/savings. There maybe an increased demand for support of which available expertise is limited or competing requirements/expectations. Therefore, support services such as HR and Comms may not be able to meet expectations or deliver to the right level of quality	- Increase in key person dependency and increased dependency on line managers to deliver a number of technical capabilities. - Lean staffing structures put pressure on staff. - Existing staff health and wellbeing may deteriorate, including morale. - Service demand cannot be met and members demand/expectations cannot be met. - Members demand/expectations cannot be met. - Tasks are not completed/delivered and/or critical projects may be halted. - Statutory/regulatory requirements may not be adhered to and deadlines breached. - Reputational damage. - Adverse effect on finances. - Specialist expertise and knowledge is not available to deliver the required duties. - Corporate memory diminishes when staff leave the Council. - Highly skilled technical roles cannot easily be filled - Perception of blame culture leads to senior and/or skilled staff leaving - Inadequate/inappropriate decisions are made by management, resulting on increased involvement by HR and/or other services in a reactive capacity. - Changes may not be made quickly and effectively and/or changes may be made prior to all parties consent. - Poor and risky management practices.	- Continued use of graduate and other entry level roles to bring in additional capacity and support 'grow our own' as well as maximising use of apprenticeship funding.	4	5	20	Treat	- Engage with OD to utilise corporate workforce planning framework to develop a divisional action plan to address the key risks in terms of critical posts and succession planning. - This has to include developing better visibility required over (1) POSTS, and (2) PEOPLE that we consider to be of a highly specialist skillset and that are considered to be both more difficult to recruit to (reasons required) and where the current postholders are flight risks. - It also has to include consideration of the workforce profile and where we have specific issues around age, knowledge retention etc. - Use of DMU internships and other placement opportunities to add short-term capacity and to link with grow our own approach.	3	5	15		Andrew Shilliam	Ongoing review and prioritisation of critical roles/areas. End August 2024. End December 2024 review

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO

Risks as at: 30/09/2024

RISK REF	RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.* https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx	RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?*	EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?*	RISK SCORE Impact	Probability	Risk	RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE Impact	Probability	Risk	COST	RISK OWNER	TARGET DATE
13	TECHNOLOGICAL	SRR 4.1	**Corporate Services - Cyber Security** ~~Increasing profile and expertise to circumvent established defences increase vulnerability of LCC data.~~ Increasing profile and expertise of threat actors such that they are able to circumvent established defences and which therefore increases the vulnerability of LCC systems and data.	- Data hacked and released into public domain; - Reputational damage - seek alternative more expensive solutions; - Fines from ICO; - Staff stress increases; - Damage to identified individuals; - Denial of service / major service disruption	- Enhanced technology defences; - Awareness campaign; - Targeted follow up's; - Built into new system standards from 3rd party applications (secure passwords, TLS); - Daily back-up of systems - Maintain clear Major incident Management processes - Understand RPO and RTO capability for recovering critical systems - Appointed Security Operations Centre Lead to review and respond to threat intelligence - Undertaking Cyber Security Gap Analysis in light of increased flexible and mobile working - Implemented solutions to respond to the new threat from Ransomware which could attack / compromise backup data - Implemented new End Point security - Implemented 3rd party Security Operations Centre service providing 24x7 cyber security monitoring. - Completed NCSC Cyber Assessment Framework (CAF) as part of DLUHC Future Councils and develop a remediation plan. - Amended SOC Playbook so they may unilaterally shutdown systems if a potential cyber security incident is identified.	4	5	20	Treat	- Assess and implement new Technology solutions as appropriate to address any changing/new threats - Continued Staff awareness training etc.. - ~~Complete~~ Review where we currently are against the NCSC Cyber Assessment Framework (CAF) as part of DLUHC Future Councils and develop a remediation plan. - Ensure Cyber Security evaluation of partners is undertaken during procurements as part of DDaT playbook. - Work with other LGAs and 3rd parties to improve staff awareness of Cyber Security responsibilities. - Undertake Cyber Essentials assessment. - Implement mandatory Cyber Security training with OD. - Review technical skills of DDaT Security Team	3	4	12		Andrew Shilliam	~~30.09.2024~~ Ongoing, Jan 2025 review
14	ECONOMIC	SRR 2.3	**Corporate Services - Loss of Income Opportunities** Commercial arrangements such as trading with schools are lost due to heightened market competition, rising costs and therefore increased prices, and due to a lack of staff resources and expertise to undertake marketing and business development. The withdrawal of specific LCC traded services could create angst amongst 'customer base' and reduce appeal of other services. Our reduced shopping basket of services provided to schools puts the remaining services at greater risk when it comes to other providers who may be able to provide multiple services. ~~High fuel, food and supply costs mean prices for traded services need to rise but then cause a drop in demand.~~	- Reduced income opportunities against increasing budget pressures. - Loss of available budget reallocations from the centre e.g. HRA. - Reputational damage. - Adverse effect on finances. - Loss of morale. - Requirement to reduce headcount if service discontinues or reduces and potential associated costs of redundancy etc. - Income levels and budgets are significantly impacted. - Reputational damage caused by ceasing the City Catering service to schools and requiring them to make an additional financial contribution this year. - Possible impact on the schools / Council relationship.	~~Options paper being developed regarding the future of City Catering. July 2024.~~ Communications and Marketing progressing work on income opportunities from advertising using council assets such as lamppost banners.	4	4	16	Treat	Competitive analysis required of our HR traded services around model, price point, feedback/satisfaction, opportunities for further trade etc. Explore joint trading/account management arrangements - ensure that relevant functions continue to focus sufficiently on income opportunities and business development. ~~In light of the potential for ceasing the City Catering service, need to assess the sensitivity of remaining traded services to schools because of this, and consider whether some account management activities need to be enhanced.~~ Assess the sensitivity of remaining traded services to schools because of the cessation of City Catering, and consider whether some account management activities need to be enhanced. Link in with Sophie Maltby re the likely decision around ceasing the City Catering provision in schools and to make sure that schools feel that they are supported from a financial wellbeing point of view because of the challenges created by the additional one off charge. Refocus our traded services into a key package/offer of 'support' that includes both services that we have to charge for and other services that they receive (at our cost) that are	4	3	12		Andrew Shilliam	~~End August~~ December 2024.
15	ECONOMIC	SRR 2.3	**Corporate Services - Ongoing Budget Pressures and Savings Impacting on Service Delivery** Division unable to meet future level of savings required and/or the level of future savings required leads to unsustainable services/loss of services and support to the organisation impacting on the ability of the Council to operate effectively, lawfully and deliver particularly on its statutory obligations. Financial position of the Council and local government more generally will add increased pressure on the need to make substantial savings and therefore consequent impacts of this along with the impacts of the wider cost of living crisis and a weak national economy	- Unable to generate additional income, e.g. via trading with schools to help sustain budgets. Potential for a significant budget income gap. - Savings are not delivered, division overspends and puts pressure on corporate budgets - Statutory requirements are not met resulting in risks to service users and legal/reputational issues - Impact on the quality and levels of services being provided. - Impact on staff health and wellbeing. - Vacant posts are not appointed, increasing pressure on the existing workforce	Divisional outturn was an underspend for 2023/24 for majority of the division with the exception of City Catering.	4	4	16	Treat	HR organisational review by calendar year end required so to realise first round of savings and to create a clearer and fit for purpose structure in HR, to remove numerous honoraria that are currently in place, and so we're ready to support the wider organisation as part of the likely need to restructure. 1:1 discussions around specific cost centres required, and opportunities to drive further reductions in mainly non-staffing expenditure as well as opportunities to increase income. Competitive analysis of HR traded services model and delivery. Clarity around model of delivery. Implement 'Corporate Services Financial Sustainability Board' so there are more controls around what we're doing to deliver savings.	3	3	9		Andrew Shilliam	~~End August~~ December 2024.

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Risk Register Owner: Alison Greenhill, COO — **Risks as at: 30/09/2024**

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16	ECONOMIC	SRR 2.3	**Corporate Services - Technology Costs:** Potential shortfall of IT OpEx Revenue fundings to cover increasing costs of IT licencing, support and services in light of WoW, a migration to consumption-based licencing and cloud platforms	- A need to review service provision and potentially reduce the functionality and scope of services e.g. laptops versus desktops, reduced cyber security capabilities.	- Reprofiling services funded from reserves into Revenues to provide forecasts. – Seeking approval for use of WOW capital provision to support replacement of desktops. - Working with Finance to profile Reserves against anticipated spend - Phase 4 device replacement analysis complete - Consideration of funding options as part of medium-longer term budget planning - Reviewed options to rationalise MS licence estate - Implement role-based profiling for devices - Implemented zero-usage mobile phone policy - Created Capital Bid forecasting plan	5	3	15	Treat	- Rationalise application estate on MS Dynamics 365 - Consider a shared costing model to recharge services for new platform-based services	4	3	12		Andrew Shilliam	~~30.09.24~~ On-going, Jan 2025 review
17	LEGAL	SRR 5.1	**Corporate Services - Impacts Arising from Future Legislation 'Martyn's Law'** - Council is unprepared to respond to the potential requirements of forthcoming legislation related to counter-terrorism and therefore fails in the duty to protect people	- LCC fails to respond effectively to a terrorist attack and places staff and public lives in danger - LCC services which fall under the scope of the requirements are unprepared and could be subject to enforcement - Additional cost implications and pressure on budgets - Reputational impacts	-Internal working group in place and has been meeting facilitated by the REBR Team Manager. Review of potential services/buildings in scope completed and a number of other services have been contacted to prompt consideration and preparations. A number of services have already embedded a range of actions including Planning in relation to relevant major development schemes and DMH in terms of staff preparedness and risk assessments. Ongoing monitoring of draft legislation as details are published and REBR Manager attending national network to keep updated. Ongoing communication of details as they emerge. Close working with counter-terrorism Police including training planned for staff and a range of frontline services, and ongoing liaison and support in relation to city events. Update delivered to CMB and also Directors/HofS with support from Counter-Terrorism Policing.	5	3	15	Treat	- Ongoing support and work with the internal working group and ensuring membership reflects all relevant services	5	2	10		Andrew Shilliam	Ongoing work with internal working group
18	TECHNOLOGICAL	SRR 4.1	**Finance - Lack of critical skills, resources & capabilities** BCP not fit for purpose if total or partial loss of key IT systems occurs at the same time e.g.: 1. Loss of Unit 4 results in feeder system BCP's not working correctly 2. Feeder systems such as CONTRocc are reliant on Unit 4 functioning for BCP to be effective	- Loss/delay of all payments to individuals and suppliers - Loss/delay of income, e.g. from Direct Debit runs - Loss of lines of communication - Loss of ability to produce routine documents, e.g. letters	- All areas have individual BCP's and all are fit for purpose if single systems or teams fail. These are robust but each plan relies on alternative systems to still be working. The plans are ineffective if multiple losses occur at the same time.	5	3	15	Treat	Create BCP's for the Finance division as a whole in addition to individual plans within each service. These plans will recognise interdependencies within systems.	5	2	10	Fines and penalties could be many £0000's depending upon multiple factors. Plus untold reputational damage	Amy Oliver	31/12/24
19	POLITICAL	SRR 1.2	**Legal - Workloads & Pressure - Client Care** Services within the Council are stretched with increased demands and pressures. Unrealistic deadlines at times can be set for major projects, procurement and contracts. There is a concern that whilst corporate policy is correct and general awareness of correct procedures/rules exists, it may not be implemented effectively within services.	- Timely legal advice from clients not sought. - Failure to comply with laid down guidelines. - Breach of regulations or law e.g. data protection. - Council found to act unlawfully. - Challenges to procurement processes. - Cost implications from requirements not being followed/deadlines being missed/ not delivering value for money for Council. - Award made against council etc. - Staff demotivated - Negative Press/Reputation of Council	- Reviewing practices to be improve flexibility of approach. - Channel Shift. - Raising awareness - corporate messages. - Early engagement - feeding into deadlines. - Attending project boards. - Projects to look at new ways of working. - Improved use of technology e.g. Electronic Signatures/Virtual Hearings.	4	4	16	Treat	- Review of practices. - Increase comms program/training and awareness of current practices (deadlines with project plan).	4	3	12		Kamal Adatia	~~June 2024~~ ~~Ongoing~~ December 2024

STRATEGIC AREA - Social Care and Education

RISK REF	RISK THEME / CATEGORY	LINK TO STRATEGIC RISK	RISK	CONSEQUENCE/EFFECT	EXISTING ACTIONS/CONTROLS	Impact	Probability	Risk	RESPONSE	FURTHER MANAGEMENT ACTIONS/CONTROLS	Impact	Probability	Risk	COST	RISK OWNER	TARGET DATE
20	ECONOMIC SOCIO-CULTURAL LEGAL	SRR 2.3 SRR 3.1 SRR 3.2 SRR 5.1	**Adult, Social Care and Commissioning - Unable to Deliver savings**	- Impact on corporate budget	- Clear review with analysis to demonstrate rationale for change to support savings; brief Scrutiny and members - Programme Board governance and control. ~~- Necessary operational capacity to implement savings proposals not available~~	4	4	16	Treat	- A coordinated programme of service improvement and efficiencies Project and programme management capacity in place; additional capacity funded through the hospital discharge fund	4	2	8		Kate Galoppi	Ongoing, Jan 2025 review
21	ECONOMIC	SRR.2.2	**Children's Social Care and Community Safety - Workforce - availability** Diminishing availability of experienced skilled social workers	- National shortage of qualified SW's impacting on local recruitment; recruitment challenges in other specialist roles e.g. psychiatrist, youth justice officers etc: - Increased reliance on agency staff to fill vacancies - Increased SW case loads - Increased budget pressures; - Lack of continuity of staff in roles	- Developing a workforce recruitment and retention strategy including international recruitment	~~5~~ 4	4	~~20~~ 16	Treat	ASYE Programme Apprenticeship Programme Grow our own Programme International Recruitment Phase 2; Frontline programme; Career progression scheme	~~5~~ 4	3	~~15~~ 12		Damian Elcock	Dec-25
22	ECONOMIC	SRR.2.1	**Children's Social Care and Community Safety - Budget** Loss and / or reduction of services to achieve budget savings	- Reduction in preventative services impacting on ability to deliver Statutory services - Inability to deliver Placement Sufficiency; Cessation of government grant funding in critical areas - Decrease Capacity / Increase demand - Potential reduction of staffing levels - Limited ability to deliver some front line services - Potential for future claims against authority	• Strategic Oversight and clear governance arrangements in place; • Children's Services Savings Board oversees all budget reduction projects. Regular review of budget reporting in SMT, HoS supervision, DMT	~~5~~ 4	4	~~20~~ 16	Treat	~~- Star Chamber oversight regarding saving reductions and undeliverable savings.~~ ~~- More frequent budget monitoring reports~~ SMT/DMT oversight regarding saving reductions and undeliverable savings. More frequent budget monitoring reports. Revised long term growth projections as new intelligence emerges.	~~5~~ 4	3	~~15~~ 12		Damian Elcock	Apr-25
23	SOCIO-CULTURAL	SRR 3.3	**Education, SEND and Early Help** - School collapses due to Reinforced Autoclaved Aerated Concrete failure. Surveys undertaken to determine the risk. These surveys are intrusive and so the schools are unable to remain open while investigations and remedial works are undertaken.	- Major incident and loss of life - Face to face education cannot be maintained for all or some children - Education is unable to continue on site and new school places will need to be identified and arranged - Poor education outcomes and staff mental health due to poor and inconsistent accommodation whilst permanent solutions are found. - Impact on school places and school sufficiency - Financial impact on schools and the local authority - Capacity within the council to deliver an effective response	- Working with the Department for Education to identify and source the provision of temporary and permanent solutions. - These solutions will not be in place until 6 to 9 months from the school closure. - Current ad hoc arrangements are in place for 2 out 5 schools that may be affected. - For one school these ad hoc arrangements are unsustainable and new arrangements are being sought. - impact on other services who have been displaced due to using their buildings to provide temporary solutions	4	4	16	Treat	Work closely with DfE and colleagues in the council to expedite solution for both temporary and permanent solutions. Identify possible places for re-location of schools in this event. Ensure schools have BCP in place that include full closure and the actions required.	3	3	9		Sophie Maltby	Spring 2025

Risk Register Owner: Alison Greenhill, COO — **Risks as at: 30/09/2024**

RISK REF	RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.* https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx	RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?*	EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?*	RISK SCORE Impact	RISK SCORE Probability	RISK SCORE Risk	RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE Impact	TARGET SCORE Probability	TARGET SCORE Risk	COST	RISK OWNER	TARGET DATE
24	SOCIO-CULTURAL	SRR 3.4	**Education, SEND and Early Help** - ~~Government drive for asylum seeker and refugee placements within the city. This adds to pressures with school places in key areas and year groups and increases the demand for support in school and from specialist services.~~ ~~In addition, recently since September 2023 we have experienced continued increases in migration. Pupil growth has nearly tripled expected forecasts in some year groups. This has put accelerated pressure on particular areas and year groups. Without taking further measures there is a significant risk of not having sufficient places.~~ External pressures from migration and Government policies for asylum seeker and refugee placements within the city. This has added significant in year migration pressure on primary and secondary school places. Migration also increases the demand for support in school and from specialist services. The majority of the in-year pressure is from children moving into the city and pupil growth has nearly tripled expected forecasts in some year groups. This has put accelerated pressure on particular areas and year groups. Without taking further measures there is a significant risk of not having sufficient places.	~~Planned school place capacity not being sufficient and unable to place pupils within a reasonable distance.~~ Planned school place capacity, including historical migration factors are not keeping up with actual migration demand, leading to localised sufficiency issues and being unable to place pupils within a reasonable distance. Additional specialist support costs and travel, impacting on support budgets and capacity of support staff. Increased migration could lead to the LA running out of school places and being unable to provide education. This could also lead to increased challenges of attendance, SEND support, movement of pupils across the city and community cohesion. It would likely increase costs for transport and admissions appeals.	~~Monitored at the strategic board for immigration and links with wider council services.~~ Monitored at the strategic board for immigration and education sufficiency board to link in with wider council services. Distribution of government grant funding directly to schools to go towards full cost of provision required. Monitoring of admissions applications and type of migration. ~~Updating forecast models to include current levels of migration, however, it is impossible to predict if the trends will continue.~~ Updating forecast models to include current levels of migration, however, it is impossible to predict if the trends will continue and reduce.	4	4	16	Treat	- Develop data model with schools to understand demand and drive policy and support. Complex cases referred to fair access as required. Incorporate potential numbers in place planning monitoring. - Highlighting the issue with the DfE at regular meetings who are aware migration has impacted the midlands authorities significantly. - Discussions with schools and trusts about solutions to rapid increases in migration to increase surplus places to meet demand through creating additional capacity and using powers to offer above schools planned admission number - Approached schools and trusts for additional school places immediately and for 2025/26 and in future years. Action plan to create additional capacity as required.	3	3	9	Potential for £1m in growth funding for 2025/26 depending on solutions required.	Sophie Maltby	Monthly monitoring of demand.

STRATEGIC AREA - Public Health

RISK REF	RISK THEME / CATEGORY	LINK TO STRATEGIC RISK	RISK	CONSEQUENCE/EFFECT	EXISTING ACTIONS/CONTROLS	Impact	Probability	Risk	RESPONSE STRATEGY / ACTION	FURTHER MANAGEMENT ACTIONS/CONTROLS	Impact	Probability	Risk	COST	RISK OWNER	TARGET DATE
25	ECONOMIC SOCIO-CULTURAL	SRR 2.1 SRR 2.3 SRR 3.2	**Wider Economy & Supply Chain** Brexit / covid related pressures increases prices or reduce~~d~~ availability of IT stock / services / logistics / medicines etc within the supply chain. Increased costs result in contracted services becoming economically unviable for providers. This is already beginning to present in multiple contracts / services. e.g. Emergency hormonal contraception contract with pharmacies previously held by Boots has not seen the incumbent bid on the tender citing it is not cost effective for them to continue without an uplift. Cost of living crisis exacerbates existing inequalities and food / fuel poverty for the poorest and most vulnerable in the city.	- Changes in financial call / contracts due to fluctuations in drug / treatment market prices making delivery otherwise unviable - Logistical and financial difficulties to delivery for services or programmes. - Prioritisation / decommissioning / reduction of existing service delivery model(s) - Negative impact on population health and reduction in health services pathways available to access - Call on public health reserves - Staff are unable to be supplied with appropriate IT equipment leading to reduced efficacy and wasted capacity - Suppliers are unable to deliver minimum viable output as per contracts, and either underperform or serve notice on contracts. - Financial impact to maintain existing contracts or retender at short notice - Increased capacity pressure impacts on staff and wider portfolios - Economic crisis within the city as households cannot meet rising costs leading to increased levels of food and fuel poverty. - Increase in health issues caused by poor nutrition or cold / damp environments and sustained stress and pressure. Overall reduction in population health. - Static or widening inequalities across the city	- Internal governance, decision making processes, and budgetary oversight leveraging expertise within team to assess choices and inform management briefings / options appraisal - Strong engagement with national partners to aid horizon scanning and early signposting of potential issues - Good relationships with peers in other organisations are maintained as a matter of course to aid communication and working efficiencies - Contract management team maintain strong relationship with services and stress importance of business continuity plans to ensure fallbacks and contingencies where possible - Fuel poverty programme launched to raise awareness and signpost support pathways to the most vulnerable. Project manager post recruited to manage and provider currently delivering. Extension option being exercised for an additional 12 months after a successful first year. - Cross organisation working groups set up to communicate, monitor, and manage response	5	4	20	Treat / Tolerate	- Continue with existing controls and close monitoring of national landscape - Maintain oversight of staffing levels and associated IT requirements and open communication with IT services to inform appropriate actions - Reserve could potentially be used to mitigate short term supply shock. - Alternate IT routes being explored for new starters / initiatives (IGEL / mobile working) - Analysis of need and potential response actions to potential poverty crisis ongoing	4	4	16		Rob Howard	Review by ~~30/09/2024~~ 31/05/2025
26	ECONOMIC SOCIO-CULTURAL	SRR 2.2 SRR 3.2 SRR 3.3	**Staffing and Recruitment - External** A national skill shortage and recruitment crisis in conjunction with Leicester being a challenging area in comparison to neighbouring areas creates difficulties in securing appropriately trained professionals within commissioned services and / or partner organisations - in particular Public Health Nurses and Health Visitors. Disruption to workforce of NHS or other partners due to strikes or industrial action. Significant staff loss coupled with recruitment difficulties within commissioned services reduce capacity to the extent that statutory functions or contractual terms are not adequately maintained. Providers struggle to maintain staff levels due increasing payroll costs and budgetary pressures.	- Impact on front line service delivery of statutory functions - Knock-on impact on capacity and ability to deliver of non-participating staff impacted by strike action - Negative impact on service users - The ability of our commissioned services to provide adequate safeguarding is reduced, leading to an increased risk of support needs not being identified or met, or an increase in likelihood of serious incidents occurring. - This could also present a risk of increase to the likelihood of serious incidents occurring leading to:: - Serious injury or loss of life - Legal challenge - Severe reputational damage - Increased strain on existing staff leading to increased turnover, loss of embedded knowledge and experience, and fatigue impacting quality of work. Risk of entering a negative feedback loop (pressure causes staff loss, staff loss causes further pressure etc) further increasing difficulties in securing trained professionals	- Close monitoring and communication with commissioned services by Lead Commissioners and Group Manager - Scrutiny and support from contract management team - Commissioned children's service has introduced a skill mix framework to alleviate Health Visitor pressures whilst maintaining adequate safeguarding. This involves splitting post duties and allocating less skilled work to appropriate staff to ease pressure on caseloads and health visitors. - Ongoing work to make Leicester a more attractive location for Health Visitors to attract and retain skilled workers. - Providers to be queried over planned response specifically around occurrence of strike action and widespread loss of staff and holding of adequate BCP's to manage incidents. How will delivery be maintained / how will affected service users be captured and engaged etc.	5	4	20	Treat / Tolerate	- Continual oversight of supplier business continuity plans and engagement on current pressures / concerns - Continual internal public health business continuity plans review ongoing with consideration given to response in the event of risks presenting - Ongoing close monitoring of suppliers and skill / workforce concerns - Supplier business continuity plans audit to be undertaken in rolling fashion	5	3	15		Rob Howard	Review by ~~30/09/2024~~ 31/01/2025

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RISK REF	RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.*	RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?*	EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?*	RISK SCORE			RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE			COST	RISK OWNER	TARGET DATE
		https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx				Impact	Probability	Risk			Impact	Probability	Risk			
27	POLITICAL ECONOMIC	SRR 1.1 SRR 2.1 SRR 2.2 SRR 2.3	**Commissioning** Reduced budget for services impacts on financial viability to suppliers at the tender stage who may deem package to be unviable leading to a lack of bids reducing competition or tender failing altogether. Suppliers may also not bid on tenders due to staff / skill shortages leaving them unable to meet requirements. This is exacerbated by tight financial envelopes and increased costs due to inflation. In the context of increasing costs and reduced or static budgets, providers could become unsustainable and serve notice on contracts or be unable to deliver. In conjunction with the below concerning partner organisations and Risk 8 this increases the likelihood that suppliers will serve notice on contracts or be unable to deliver. Services commissioned on activity based contracts are difficult to predict in times of uncertainty and risk under / over provision each of which come with financial and logistical challenges and risks. Partner organisations we joint commission with are restructured or undergo a change in policy resulting in changes which negatively impact our work / agreements or ability of supplier to deliver services. Partners opting to leave or disengage from working agreements adds additional pressures to teams and services.	- Providers could become unsustainable and serve notice on contracts without an uplift or adjustment to the funding received from public health. Loss of existing contractors due to inability to reconcile increased costs within static or reducing financial envelope. - Failed tenders. Capacity required to assess and alter the specification / tender go to re-spec and go to market again, Disruption to, or reduced / ceased delivery of statutory services. Potential legal and governance implications for LCC if delivery ceased. - Dependent on service, retendering may be extremely difficult given the increased complexity of the landscape as well as the budgetary and time constraints we would be under. Risk of being without a service which would come with legal / governance implications, or having to pay inflated costs for interim delivery. - Reduced competition and sub-optimal suppliers awarded contracts to fulfil needs - Our offer may not be attractive to new providers during tenders; risk of failed procurement or lack of competition leading to sub-standard delivery - Loss or alteration of service provision and impact on community who require service leading to poorer outcomes, increased sickness rates and impact on NHS as demand increases for other services - Decreased morale and reputational damage to LCC - Funding gap leads to other programmes needing to be terminated to balance the budget. Immediate reduced provision and range of services to city residents with unknown long term impacts. - Underspends result from reduced activity that do not reflect underlying / actual budget pressures that will resume when pre-existing baseline is re-established. Budget is reduced or removed based on lower activity costs creating business critical issues when this occurs - Increased costs due to reduction in economy of scale due to	- Strong forward planning, bespoke procurement methods, and robust internal governance - Clinical governance board in place for improved oversight and robust governance framework to ensure that commissioned services are robustly reviewed and monitored. - Performance review group provides oversight, early issue identification, and escalation process - *Both of the above boards are having ToR and framework re-assessed to ensure optimal oversight of services* - Lead Commissioners and contracts team within Public Health undertake regular performance and quality reviews with continual engagement and communication with providers and partners - Expertise within team to assess choices, identify and profile future need in a proactive fashion, and inform management briefings / options appraisals - Advocacy by LCC Director of Public Health with national bodies - Provider negotiations - providers have continued to be paid regardless of performance due to the pandemic to ensure the suppliers (and the wider delivery chain) stay afloat - Based on joint analysis between the sexual health service provider (MPFT) and public health regarding financial pressures, continuity funding at 100% of the contract value will be issued and services amended to ensure viability and effective delivery, particularly to identified vulnerable populations. Additional monitoring and ongoing analysis will continue to be conducted. - Close working with internal departments (legal / procurement / contract management / finance)	4	4	16	Treat / Transfer	-Continue with existing controls; -Continue to joint commission where appropriate (internal with LCC, and external with county and regionally) - Continued exploration of new and novel approaches to commissioning including encouraging consortium applications and use of section 75 - Continued monitoring and increased engagement of suppliers to pre-emptively identify potential issues - Regularly review Business Continuity Plans to ensure minimal service disruption in the event of supplier failure.	4	3	12		Rob Howard	Review by 30/09/2024 31/01/2025
28	POLITICAL LEGAL	SRR 1.1 SRR 1.2 SRR 5.1	**Policy / Governance / Partnerships** Population health and the wider determinants of health impact, and are impacted by, a broad range of activities LCC undertakes. There is an opportunity to increase the focus on the public health aspects of service area activities and aid in corporate strategy / policy discussions. By engaging more strongly with service areas that impact wider determinants and creating a 'health in all policies' culture across the Council health outcomes across the city could be significantly improved by leveraging a multiplier effect that PH could not achieve alone. Risk is that this is not supported or implemented in a timely fashion and the opportunity is lost. Ongoing budgetary pressures and savings targets across LCC may lead to public health focus and engagement being deprioritised within service areas. Service areas with public health impacts (Housing / Transport / Sports etc) experience cuts to budgets and programmes leading to delivery challenges and knock on health impacts across the population that then require additional resource to manage and tackle in the longer term. External national imperatives are introduced without associated budget creating difficulties in local delivery, or national policy changes impact existing work or ability to respond in a place appropriate manner. Changes in structure / leadership to partner organisations i.e. PCC elections or changes to working agreements with city organisations impact project outcomes or hinder engagement / reach of community support work. Some aspects of the divisions work are undertaken in partnership with other service areas or organisations and are reliant on their capacity or capital to function effectively and achieve marketing or delivery goals. Risk of factors outside of our controls hampering programme success. Governance structures surrounding funding allocations and sharing between partner organisations are not formalised reducing ability to adequately oversee	- Reduced outcomes over time lead to long term budgetary and resource drain that could be reduced by small tweaks to wider LCC activities - Reduced influence on corporate policies and strategy, and significant potential for improvement to wider determinants not capitalised on - Reduction of, or failure to realise improvements to, health outcomes for city residents. - Call on finances from NHS pay award, reducing available budget for existing work - Logistical difficulties to delivery for services or programmes. - Prioritisation / decommissioning / reduction of existing service delivery model - Call on public health reserves - Change in leadership may result in changes to organisations agendas which may negatively impact our work, agreements, and ability to deliver. - Reduced efficacy as work is not tailored to the local area or possible efficiencies by operating collaboratively in cross geographical areas is not leveraged - Partners organisations operate outside of the spirit of agreements placing undue financial or capacity strain on LCC teams (e.g. County not paying rent to the SH service due to a loophole, OPCC being unresponsive in renewal of suicide bereavement service)	- Internal governance, decision making processes, and budgetary oversight leveraging expertise within team to assess choices and inform management briefings / options appraisal - Advocacy by the Director of Public Health with local and national bodies - Close relationships built and maintained with service areas around the organisation. Capacity has been added to the team to increase corporate engagement - Strong engagement with local and national partners to aid horizon scanning and early signposting of potential issues - Strong engagement, communication, and partnership working maintained with system partners and the Health & Wellbeing Board membership - Good relationships with peers in other organisations are maintained as a matter of course to aid communication and working efficiencies - Specific workstreams created within the division to engage partners and to embed Public Health considerations in day to day operations	4	4	16	Treat	- Continued: - Political escalation - Corporate responsibility - Service & budget planning - Utilisation of partnership approach - Continued exploration of alternative treatment / therapy options or approaches within services or by programmes - Safeguard public health reserves in order to preserve ability to provide adequate response without significant detriment to corporate purse - Continued monitoring of medical landscape, and updates to guidance and clinical standards - Continued presence within LCC and corporate engagement to provide visibility to public health concerns and considerations that work of discrete service areas may unknowingly be able to positively impact - Establishing a cross division working group on health in all policies to increase capacity to deliver on wider determinants of health	3	4	12		Rob Howard	Review by 30/09/2024 31/01/2025

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Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO				**Risks as at: 30/09/2024**	

RISK REF	RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.* https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx	RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?*	EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?*	RISK SCORE — Impact	RISK SCORE — Probability	RISK SCORE — Risk	RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE — Impact	TARGET SCORE — Probability	TARGET SCORE — Risk	COST	RISK OWNER	TARGET DATE
29	ECONOMIC SOCIO-CULTURAL	SRR 2.2 SRR 3.2 SRR 3.3	**Staffing and recruitment - Internal** An emerging recruitment crisis across a variety of sectors creates difficulty, both within public health and our commissioned services or system partners, in securing sufficient staff with the appropriate skills and experience to meet the immediate public health challenges posed by covid response and recovery, and emerging issues. Unsuccessful recruitment (increased in likelihood due to the above point) or approval to recruit delays for existing and new posts cause capacity and timeframe pressures on ongoing delivery and rollout of new initiatives that would benefit from proceeding at pace. Key staff retiring, leaving the division or moving into new posts within the division creating disruption, risk increased if multiple departures simultaneously. Potential risks to wider public health aims or outcomes if significant losses in other LCC service areas. Capacity increase within the public health division is being outpaced by the broadening of scope and increased need that is resulting from current societal context - this is exacerbated by financial pressures and difficulties in recruitment. LCC Pay Scales pay less for professional posts than other LAs in their region	- This is currently presenting with a number of senior roles being vacated and needing to be filled creating capacity and continuity pressures. While our existing plans, investment into staff and wider training, and support networks have significantly lessened the impact gaps in post are creating additional pressures. - Increased demand on remaining capacity impacting on team morale. The health and wellbeing of existing staff is impacted resulting in individual burnout or increased staff turnover. - Loss of key specialist skills, knowledge and expertise, and working relationships that are very difficult to replace due to national shortage of skilled workers - Significant loss of capacity means programme targets are delayed or not achieved, or need to be revised downwards to match ability to deliver. - Cover for posts splits capacity between existing workstreams negatively impacting both. - If demand and workloads are consistently high for extended periods existing staff do not gain a breadth of public health experience. This could result in an under skilled workforce, or increased turnover as further development is sought after by individuals (with associated difficulty in sourcing adequate replacements for posts). - Negative impacts on delivery of work and an inability to meet emerging objectives of individual services as well as divisional strategic objectives. - Reduction in ability to front run issues and adequately assess complex situations before being required to act. - Loss of in-year funding available if staff / initiatives cannot be put in place in a timely fashion. - Delay in advertising / filling vacant posts exacerbating capacity issues - Gap in leadership / delivery of public health functions	- Close management and oversight of individual workloads and projects - General training and development opportunities and organisational development utilised - Upskilling team - public health supporting staff to undertake a Masters in Public Health and for staff to follow work based public health training pathways - Specific courses identified and allocated to appropriate staff. Mandatory and suggested training framework created and rolled out across the team. Reviewed and managed across the division to ensure all staff are in compliance with minimum training requirements and are encouraged to develop skills and knowledge as required. - Early identification of potential staffing needs / vacancies with early engagement with HR to ensure timeframes to recruit are sensible –Capacity in across the team increased and analysis of need ongoing. - Team restructure undertaken to more efficiently redistribute capacity and portfolios - Increased team awareness at all levels of importance of self care, with support offered necessary. Ongoing team building events / exercises in place to aid wellbeing and an internal pastoral support scheme has been implemented to ensure support pathways are available to those who require it. - Recruitment concerns escalated	4	4	16	Treat	- Continual audit of needs and skills against public health key skills framework to identify and fill key knowledge and skills gaps across division - Produce a public health workforce strategy including succession planning. Task and Finish group working on this and we are linking in with regional and national Public Health workforce planning initiatives. - Business continuity plan review and update regularly scheduled to ensure succession planning and key staff availability plan is adequate. - Ongoing identification of single points of failure and planning / documentation to mitigate risk of project lead unavailability - Consideration within service plans for posts and building in long time scales for recruitment as standard practice to be considered in forward planning - Continued monitoring of capacity needs and fixed term recruitments to mitigate issues where appropriate - Continued focus on employee wellbeing and provision of adequate support where necessary - Centralising of important data and guides detailing workflow processes ids ongoing to minimise impacts of loss of key staff and knowledge and to increase pace of training new staff.	4	3	12		Rob Howard	Review by 30/09/2024 31/01/2025
30	TECHNOLOGICAL LEGAL	SRR 4.1 SRR 4.2 SRR 4.3 SRR 5.1	**Data** Complex data sharing agreements with external organisations not in place or understood by officers which restricts information flow into public heath required to deliver objectives. Increased data access implemented during covid is withdrawn once BAU returns, leading to reduced data provision and less timely / accurate reporting. National datasets are released sporadically creating variable capacity needs that are difficult to plan for. Self reported data that is difficult to verify for activity based contracts leads to uncertainty over financial position and potential over payments Increased appetite for data and ongoing reporting needs due to covid have hindered ability to deliver BAU reporting functions and caused a backlog of Health Needs Assessments awaiting completion / attention. Updated NHS Patient Safety Incident Reporting Framework is incompatible with LLR Serious Incident Reporting Protocol negatively impacting data availability and workflow surrounding reporting of incidents. Risk that we lose sight of incidents / cases and are unable to assess provider quality and contract performance adequately.	- Delay or complete stoppage in obtaining information required to make timely decisions for service users, may result in outdated data that is not useful for commissioning and partnership work. - Distress to service users - Reputational damage to LCC - Potential financial burden or incorrect overspend for activity - Potential litigation claims for failure to deliver - Increased stress on LCC staff - Difficulties in workload management and timely production of existing reports and statutory functions as well as making capacity management difficult. - Impact on service delivery and response agility - Reduced data provision and indicators potentially being missed or identified later than they may have been delaying (or preventing) mobilisation. - Negative impact on our ability to both proactively and reactively manage NHS providers that we commission to deliver services due to reduction of oversight and visibility of issues arising in NHS providers for all of PH / LCC. Analysis and ongoing management of service quality is severely hampered without insight or access to incident data. - Obfuscation and extension of timelines for responses and investigations into serious incidents increase the likelihood of unsatisfactory outcomes for users as well as increased waiting times	- Work-around arrangements in place with key organisations to share basic information - Working with wider network of organisations to establish data sharing protocols and file transfers - Engagement with information governance to ensure that any risks of data sharing are identified and managed. - Increased relationship building and engagement across system partners - Continued close communication and engagement with Integrated Care Board / Leicestershire Health Informatics Service (LHIS) regarding the issues surrounding data availability and access. - Data sharing agreement recently secured with LHIS that will allow for direct access to anonymised GP data in order to better track performance and volumes. This is currently embedding with positive results on the payments aspect in terms of accuracy and assurance. Data streams for performance analysis are still being assessed to ensure accuracy and are expected to be available for use in the near term. An independent audit is underway to assess these workflows and processes. - Close working relationship with IT, procurement, and information governance to establish and maintain data sharing agreements with services external to LCC - Additional resource added to data function - Close working relationship with LPT as 0-19 provider with the aim of maintaining adequate management oversight with visibility of reports and attendance of weekly oversight meetings. Additional agreements have been built into the new Section 75 agreement with LPT to ensure robust governance is in place around serious incidents. This has been signed off by the Public Health Clinical Governance Group.	4	4	16	Treat / Tolerate	- Ongoing engagement with information governance and partners to resolve existing and arising issues - Undertake an exercise to identify all organisations and data needs and perform gap analysis - Ongoing horizon scanning of other services where NHS Patient Safety framework changes could become an issue (potential to effect all NHS services and generate complications when commissioning procurement of new services). - Continue to work with providers to understand implications of NHS Patient Safety framework changes on services, and liaise with multi-agency partners to plan a way of managing this. Continued close contractual oversight with LPT to ensure current level of visibility for 0-19 contract is maintained - Agree a corporate LCC stance on NHS Patient Safety framework changes	3	3	9		Rob Howard	Review by 30/09/2024 31/01/2025

Risk Register Owner: Alison Greenhill, COO — **Risks as at: 30/09/2024**

RISK REF	RISK THEME / CATEGORY *Establish which category the risk falls into using PESTLE definition. See Process tab for more information*	LINK TO STRATEGIC RISK *Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.*	RISK *What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?*	CONSEQUENCE/EFFECT: *What would occur as a result, how much of a problem would it be, to whom and why?*	EXISTING ACTIONS/CONTROLS *What are you doing to manage this risk now?*	RISK SCORE			RESPONSE STRATEGY / ACTION *Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat, Transfer, Terminate*	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE			COST	RISK OWNER	TARGET DATE
		https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx				Impact	Probability	Risk			Impact	Probability	Risk			
31	**ECONOMIC SOCIO-CULTURAL**	**SRR 2.2** **SRR 3.1** (although growth in demand is also due to knock on impacts from the pandemic not just cost of living and population growth) **SRR 3.2** **SRR 3.3**	**Health Protection / Covid 19** Variant strains or other diseases emerge requiring a significant response, further local lockdowns, preventative measures, or a continuance of efforts that have been tapered off. There is only a single Infection Prevention Control (IPC) Specialist within public health that works on a full time basis providing all IPC support to the city, with no budgetary scope to provide additional capacity. This is a significant bottleneck and single point of failure. A secondary impact of the pandemic may be other health aspects experiencing significant increases in occurrence as a knock on effect i.e. mental health, substance use, obesity, oral health that require increased resource to tackle Reduced access and low take-up of offered services during the pandemic impacts long term health outcomes, widens inequalities, and reduces opportunity to create income to reduce budget pressures. Further risk that low uptake / referrals that resulted from covid persist negatively impacting outcomes and inequalities.	- Negative impact on resident health and wider public health outcomes and improvements, leading to a less healthy and resilient population - Significant operational impact on division in the event of a scenario comparable to Covid 19 - Potential variant or other disease cause large increase in case numbers that are unreported lead to further pandemic duration / restrictions. Increased infection rates mean further local lockdowns or preventative measures are enacted. - Further lockdown or restrictive measures would decrease morale across the city, hinder general recovery efforts, and create difficulties for LCC operations - Inadequate capacity and single point of failure for IPC operations means - Service objectives not achieved/service not provided. Increased outbreaks in vulnerable settings increasing potential for individual harm. - Pressure on sole member of staff to provide an unreasonable level of cover for one person - Reputational damage to the authority if outbreaks poorly managed - Reduced ability to 'Live with Covid', recover, or respond quickly to contain future outbreaks - Potential serious impact on health and wellbeing of whole population, particularly those most vulnerable - Reputational damage to the authority if outbreaks poorly managed - If covid secondary impacts activities persist without associated funding from Treasury to support this will create significant budget pressures. - Static or widening health inequalities - Needs increase over the longer term as a result of secondary impacts requiring increased (and sustained) resource and budget to	- Continued monitoring of covid data and national landscape - Monitoring of at risk health areas to determine level of future need - Consultants appointed to lead on health inequalities and system wide engagement and health protection, and covid response / recovery - Health Protection team / function created within the division with a focus on supporting settings with infection prevention control processes and managing incidents as they occur nationally and across the city - Forward planning of recruitment and mitigation of impacts of gap in IPC provision - Service objectives set within context of limited capacity - Close relationship with social care teams to share capacity burden where appropriate - Training activities being built in to existing service to increase skills and knowledge of social care and care home staff - Sustained messaging reiterating the continued importance of following the national guidance to increase awareness - Horizon scanning and forward planning to intelligently balance potential resource pressures and safeguard agility in the event of a call to action against current needs and financial state - Ongoing monitoring particularly via governance mechanisms such as LLR Health & Wellbeing Partnership and City Health and Wellbeing Board.	5	3	15	Treat	- Continue with existing controls - Increase capacity of HP team to enable more robust resilient response to current and emerging issues - Ongoing assessment of priority areas to continually determine needs and enable a timely data driven response - Continued close monitoring of outbreak data - Continued engagement with settings in the city to maintain standards and encourage continual improvement. Communications to be undertaken with all settings to signpost gap in provision and advice and guidance on where to go to for support if required. - Community wellbeing and vaccine champion programmes created and currently embedding to promote education and awareness of both covid and general health information - Service evaluations over time to inform discussions with partner teams. - Assess options to increase capacity.	4	3	12		Rob Howard	Review by 30/09/2024 31/01/2025

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DELETIONS

| 1 | **ECONOMIC SOCIO-CULTURAL LEGAL** SCORE NOW 12 - Impact 3 /Likelihood 4 | **SRR 2.3** **SRR 3.2** **SRR 3.3** **SRR 5.1** | Housing - Refugees - Increase in arrivals across all schemes, but in particular those seeking asylum creates risks around housing availability, safeguarding availability and community tensions. This is compounded by the Prime Ministers commitment to clear legacy claims by the end of 2023 (now dragging on in to 2024). This impacts on homelessness services/ availability of social housing/ Safeguarding concerns for adults and children. Over 1,000 cases expected to be determined through SAP | Significant budget pressures linked to temporary accommodation and availability of affordable housing for all groups. Significant pressures on staffing resources, with potential to interrupt/ services or create significant delays in assessments. Inability to deliver the safeguarding function (Adult Social Care/Children's Social Care risks) and community safety risk of unrest/action due to location/placement of hotels (east Leicester issues) and also perception that new groups access services delaying or preventing existing residents access. Also, increasing risk of demonstration/action by far right (taken place in other areas of the UK). SAP poses such significant risk to the Local Authority it has its own risk management scheme | - All housing services to be vigilant and report any serious issues to Prevent or Police as appropriate. Ongoing monitoring of community tensions and myth busting as refugees are accessing a range of housing options, including the Private Rented Sector. Strategic co-ordination of information sharing with key partners. - Separate risk assessment for the Homes for Ukraine project in place - Ongoing oversight of Asylum in the City with the Asylum Board made up of Senior officers, external partners and politicians - purchase of additional properties (Govt fund) for Ukraine/Afghan arrivals - allocation of income from these groups to support provision of temporary accommodation/homeless services - ongoing lobbying of Home Office regarding national, multi-scheme dispersal model and for the relaxation on right to buy receipts - Strategic Director of Social Care and Richard Sword co-chair of strategic group overseeing corporate risks. - SAP board set up to manage impact of this - Lobbying of government has led to a pause for 24/25 in Leicester of any further additional new NASS accommodation | 5 | 5 | 25 | Treat | - Case for additional staffing resource to be considered to manage unprecedented demand on service, and prevent service from being unable to meet statutory duties due to overwhelming demand - to be considered by Director and Strategic Director. - Considerations around potential provision of additional temporary accommodation that is not B&B. - Continue to monitor, reporting issues working closely with the Police. Link families up with services and support where necessary. - Increase engagement with 3rd sector to deliver re-settlement activity with the hotels - Stay abreast of changing arrangements for the schemes and work to minimise the risks to the local authority and to continue lobbying for appropriate funding, relaxation of regulation (RTB) and equitable distribution across the UK - Input and push for the National Asylum dispersal scheme to share the load across the Country, not just in Leicester. - Business case paper to increase Homelessness service offer, staffing, temporary accommodation to support the increased pressure this risk poses - SAP Board in place chaired by Richard Sword - Lobbying of Home Office via SMP on deployment of Discontinuations and data sharing | 4 | 5 | 20 | | Chris Burgin | Ongoing, July 24 review date |

Governance and Audit Committee Report

PROCUREMENT ANNUAL REPORT 2023/24

Lead director: **Amy Oliver**

Useful information

- Ward(s) affected: **All.**
- Report author: **Andrew Button**
- Author contact details: **Tel: 37 6184 Email: andrew.button@leicester.gov.uk**
- Report version number: **001**
- Date of report: **7 August 2024**

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1.   Summary

1.1   The Council's Contract Procedure Rules require an annual report after each financial year to the Governance and Audit & Committee with certain information on the procurement processes undertaken in that financial year.

1.2   The purpose of this report is to inform the Committee of the activity of the procurement function of the council (which comprises three specialist procurement teams: Procurement Services, DDaT and ASC Procurement) over the previous financial year and evidence compliance with the requirements of the Contract Procedure Rules.

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2.   Recommendations

2.1   The Committee is asked to note the contents of the report and make any comments to the Director of Finance.

Procurement Annual Report 2023-2024 (August 2024)

3. Supporting information

Contract Procedure Rules

3.1 The Council approved revised Contract Procedure Rules (CPR) on 19th March 2020.

3.2 January 1st, 2024, saw the introduction of new legislation for the procurement of contracts for Health Care Services Provider Selection Regime Regulations 2023(PSR). Under this new legislation there are further grounds for compliant direct award to health care suppliers under certain conditions. For example, Rehabilitation services, Geriatric services, Family planning services and other health care services. This will be captured through our exemptions and waivers process as an exemption.

3.3 For information, the Public Contracts Regulations (PCR) thresholds were updated in December 2023 by the Cabinet Office by the issuing of a Procurement Policy Notice, and to come into force on 1 January 2024 for the next two years:

- Social & Other Specific Services   £663,540
- All Other Goods & Services   £214,904
- Works and Concessions   £5,372,609

The thresholds are now shown including Vat and are used as thresholds for the regulations with the PCR and the CPR.

For information, the CPR thresholds are now:

	Goods & Services	Schedule 3*	Works & Concessions	PSR
Small Contract	£0-£29,999.99	£0-£29,999.99	£0-£29,999.99	N/A
Medium Contract	£30,000-£100,000	£30,000-£100,000	£30,000-£250,000	£0 - £100,000.00
Large Contract	£100,000.01-PCR Threshold	£100,000.01-PCR Threshold	£250,000.01-PCR Threshold	£100,000.01 – £499,999.99
PCR Contract	Over PCR Threshold	Over PCR Threshold	Over PCR Threshold	£500,000.00 and over

*Schedule 3 services are Social and other specific services as specified in schedule 3 of the PCR, and mainly relates to adults and children's services.

Procurement Act

3.4 The Public Contracts Regulations 2015 (PCR) remain in force and are the EU Rules that have been adopted into English law following Brexit. The PCR are the legislation for public bodies and sets the rules as to how procurements are to be

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conducted. Over the last two years the Cabinet Office has completely re-written the legislation, and was referred to as the Procurement Bill, as it passed through the scrutiny of the House of Lords and the House of Commons.

Further to reporting last year, the Procurement Bill has progressed through Parliament, and has been given Royal assent. It is now referred to as the Procurement Act 2023, and includes the secondary legislation referred to as the Procurement Regulations 2024.

The procurement Act puts a greater emphasis on transparency, Contract Management, meeting our procurement objectives, identifying, and mitigating the risk of conflicts of interest, and further guidance for below threshold procurements. Below threshold procurements are what we categorise as small, medium, and large.

3.5   The latest update from the cabinet office, states the legislation will start to go live on 24th February 2025. This is likely to be phased over the following nine months as various external e-platforms become fully available.

3.6   This will see the combining of the current regulations, comprising:
- the Public Contracts Regulations 2015
- the Utilities Contracts Regulations 2016
- the Concession Contracts Regulations 2016
- the Defence and Security Public Contracts Regulations 2011

and a total re-write, into one set of combined regulations.

3.7   There is greater emphasis being placed on transparency, with a proposed requirement to publish more information of the authority's contracts and contract management throughout the contract life, including spend and KPI's.

3.8   This will also require an extensive re-write of the Contract Procedure Rules, covering the Councils approach to procurement and contract modifications under the Procurement Act 2023, Provider Selection Regime 2023, and existing contractual arrangements under the Public Contracts Regulations 2015.

Procurement Processes Completed

3.9   During 2023/2024 the Council completed 154 procurements via procurement teams with a total value over the contract lifetimes of approximately £98 million. The table below shows these splits by the procurement teams and by the value banding as per the Contract Procedure Rules. The table includes contracts procured using any procurement process, including waivers/exemptions. Many additional small contracts will have been procured by departments and not recorded centrally.

	Small	Medium	Large	PCR	Total
Adult Social Care	4	3	3	2	12
DDaT	4	6	2	4	16
Corporate	10	39	18	21	88
Total	20	51	46	37	154

Procurement Plan for 2023/2024

3.10   As per the Council's Contract Procedure Rules, approved in 2020, the Procurement Plan is published on the Council's Open Data website for all to view and updated regularly. It must, including contracts from £5,000 upwards and looking two years ahead where possible.

When the Procurement Act 2023 takes effect, there will be a legal obligation to published annually a pipeline of all projects of £2m. The publication of our pipeline information on a central digital platform must be prior to being advertised on any other platform.

Waivers

3.11   The Contract Procedure Rules require the Head of Procurement to report a summary of waivers (not exemptions) of the Rules to Governance and Audit Committee. The tables below show an analysis of the Waivers approved during the current and last financial years. This is shown by both department and a broad categorisation of the reason for the Waiver.

The more robust challenge to all waivers and exemptions submitted has continued however there has been an increase in waivers in some areas, on the grounds of Urgency of the projects. As more robust financial scrutiny has been taken place as part of the broader spend controls, some instances of non-compliance have been uncovered and resulted in Retrospective waivers been submitted to capture and learn from the instances.

Reason for Waiver	2022/23		2023/24	
	Qty	Value	Qty	Value
Continuity of Provision	19	£2,730,801	14	£2,328,201.90
Urgency	17	£2,727,380	7	£9,312,491.10
Other	4	£730,179	9	£761,285.00
Retrospective	-	-	2	£216,744.00
	40	**£6,188,360**	**32**	**£12,618,722**

Department	2022/23		2023/24	
	Qty	Value	Qty	Value
City Development & Neighbourhoods	26	£5,072,770	21	£11,478,732.46
Social Care & Education	5	£643,600	5	£597,760.00
Public Health	1	£21,326	0	£0.00
Corporate Resources & Support	8	£450,664	6	£542,229.54
	40	**£6,188,360**	**32**	**£12,618,722**

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3.12 During 2023/2024 work has begun in the following areas to look for efficiencies:
- Introduction of the Strategic Procurement Board, to scrutinise procurement requests and approve business needs across the three teams.
- Introduction of spend controls with Finance to better examine spend requests over £5000, and ensure they are aligning with contractual arrangements.
- The Head of Procurement and corporate procurement team has transferred to the finance division, under the Chief Finance Officer to scrutinise spend.

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4.   Financial, legal, and other implications

Financial implications

4.1   There are no significant financial implications arising from this report.   Robust procurement procedures should however help to secure value for money, minimise fraud and reduce the likelihood of any successful challenges to awards.

Amy Oliver
Director of Finance

Legal implications

4.2   There are no legal implications arising directly from the report as it is just for noting. Legal Services will continue to work collaboratively alongside the procurement teams, including preparing for the changes being introduced by the Procurement Act 2023 and secondary legislation. Kevin Carter Head of Law (Commercial, Property & Planning)

Kevin Carter
Head of Law (Commercial, Property & Planning)

Climate Change and Carbon Reduction implications

4.3   Whilst figures are not available, it is highly likely that procurement is Leicester City Council's largest source of carbon emissions, due to the embodied and outsourced emissions of the wide range goods and services it procures. Following the council's declaration of a climate emergency in 2019 and ambition to achieve net zero carbon emissions by 2030 it is therefore vital that action is taken to reduce these emissions wherever possible.

The council's Sustainable Procurement Guidance provide information on limiting negative environmental impacts from procurement activity. This guidance should

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continue to be applied to procurement activities, by including sustainability requirements in specifications for goods, works and services and through specific sustainability-related questions within the quality/method statement evaluation process of procurement exercises wherever relevant.

This will help ensure that procurement decisions support the achievement of the council's climate change related targets. The council's Social Value Charter also provides guidance on securing environmental sustainability-related benefits from procurements, in areas including carbon emissions, air quality, green space, waste and use of natural resources.

As noted in the report, the implementation of the Procurement Act is expected to have various impacts on the council's procurements, including around the need for Local Authorities to consider tackling climate change and waste within procurements.

Aidan Davis, Sustainability Officer, Ext 37 2284

Equalities Implications

4.5   The Equality Act 2010 sets out anti-discrimination law and the requirements of the public sector equality duty (PSED). The PSED requires public authorities to have due regard to the need to: eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act. Advance equality of opportunity between people who share a protected characteristic and those who do not and foster good relations between people who share a protected characteristic and those who do not.

        To have 'due regard' means that when making decisions (and in its other day-to-day activities) the council must consciously consider the need to: eliminate discrimination, advance equality of opportunity, and foster good relations. This includes when it plans and makes decisions about its procurement. The purpose of this report is to inform the Committee of the activity of the procurement function of the council.

        Compliance with the PSED should help public authorities ensure that the goods and services they procure are fit for purpose thus ensuring they meet the needs of their users. As such it should also be seen as an effective tool for improving economy, efficiency, and effectiveness and therefore value for money. The purpose of the procedure rules is to ensure that any procurement process for services, works or goods achieves best value and is transparent, open, and fair making it possible for all decisions to be audited satisfactorily.

        Social Value is defined through the Public Services (Social Value) Act 2012 (Act) which came into force in January 2013 and requires all public sector organisations (and their suppliers) to look beyond the financial cost of a contract and consider how the services they commission and procure might improve the economic, social, and environmental well-being of an area. Benefits can include increases in

opportunities for disadvantaged people which can promote social mobility and help build stronger more resilient communities.

The Living Wage has an obvious benefit for workers in that they are in receipt of enhanced wages and potentially therefore have greater spending power and a better quality of life, with subsequent knock-on effects for their families.

Equalities Officer, Surinder Singh, Ext. 37 4148

5.   Background information and other papers:

5.1   None.

6.   Summary of appendices:

6.1   None.

7   Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

7.1   No.

8.   Is this a "key decision"?

8.1   No

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Counter Fraud Update

Governance and Audit Committee

Date of meeting: 5th December 2024

Lead director: Amy Oliver

1. Summary

1.1 The purpose of this report is to inform the Committee of the work carried out by the Corporate Investigations Team during 1st April 2024 to 30th September 2024.

2. Recommendations

The Governance and Audit Committee is recommended to:

a) Receive and comment on the report.

b) Make any recommendations it sees fit to the Executive and/or the Director of Finance.

3. Background

3.1 This report includes statistical information on fraud cases identified, referred and, where appropriate, investigated by the Corporate Investigations Team.

3.2 As part of its work, the Corporate Investigations Team investigates suspected financial irregularities and makes recommendations to reduce the risk of further losses and improve performance, efficiency, effectiveness, and economy in the use of resources by the Council.

4. Detailed report

4.1 The work of the Corporate Investigations Team includes proactive data matching and reactive referrals received relating to suspected financial irregularities. These two work types cover the majority of activity. Some examples of the work areas and savings are listed below. These are not exhaustive, and the total savings are detailed in the table at 4.8 of the report.

4.2 The team continue to undertake background checks on every Right to Buy application on council homes and this remains a key objective to ensure that all purchases are valid. This includes checks to ensure the tenant is still resident at the property and that the source of the funding to purchase the property is legitimate and evidenced. Where irregularities or concerns are raised, the issues are shared with Legal Services and the Right to Buy Team. This not only identifies irregularities that may prevent a sale, but also provides a higher level of assurance for those sales that do proceed. The assessed savings during the first 6 months of the financial year 2024/25 from the loss of rents had invalid sales proceeded was £138,000.

4.3 The Team undertakes an annual review of empty residential properties to ensure that the council tax discounts awarded are correct. Where a property is identified as being occupied the account is corrected and recovery of the council tax owing is pursued. Together with related checks such as single person discount, savings for the period covered by this report total £251,000 which related to 53 properties that were in fact occupied.

4.4 The Team also works in close partnership with the school admissions section to validate the details submitted in the applications for school places. The validation exercise checks that the data submitted is accurate and that the school places allocated are valid. This is to ensure that those children who are allocated a school place are based on their correct addresses. This has identified 25 secondary school where the applicant had applied from a false address in an effort to get a school place at their preferred school.

4.5 Since 2016 welfare benefit fraud has been investigated by the Department of Work and Pensions (DWP) and their Single Fraud Investigation Service. However, as part of the work carried out corporate investigations team, they do on occasions become aware of evidence that affects entitlement to Housing Benefit. The information is passed to the assessment teams within Revenues & Customer Support and the Housing Benefit entitlement is recalculated. This can result in the creation of an overpayment based on the previously undisclosed facts. This overpayment is calculated, and a referral is made to the DWP for them to consider a formal investigation. The overpayments created as a result of work by the Corporate Investigations Team during the period 1st April 2024 to 30th September 2024 total £48,000.

4.6 The Council continues to benefit from membership of the National Anti-Fraud Network (NAFN), which alerts member authorities to the latest phishing emails and frauds. These alerts are shared across the Council to ensure awareness is raised and efforts to prevent attempted fraud are enhanced. They are an excellent fraud prevention tool as they help to ensure new emerging risks nationally are highlighted. Where the risks relate to school frauds they are shared with schools across the city.

4.7 The Corporate Investigation Manager considers management requests for access to the records of employees' emails, internet access, computers, and the building access system (which gives staff access to Council buildings). Supported requests are then presented to the Director of Finance for authorisation. Many of the requests were for information from more than one system and some requests were for information relating to several users. During the first six months of 2024/2025, some 17 requests were received and processed in accordance with internal policy and national legislation.

4.8 During the remainder of the financial year the National Fraud Initiative (NFI) datasets will be uploaded to the Cabinet Office secure website by the end of October. The Cabinet Officer will then undertake the data matching exercises and the matches will then be made available in January 2025. These matches will then be available for checking by the relevant departments and any suspected frauds will be referred to the Corporate Investigations Team for investigation.

4.9 Statistical information on financial savings and notional savings for the first half year 2024/25 is detailed in the table below.

Case Category (Financial Savings)	Number of cases	Total amount
Concessionary Travel	1	£500.00
Council Tax Exemption	1	£1716.88
Council Tax Liability	1	£1,699.85
Council Tax Relief (CTDR)	2	£50.00
Council Tax SPD	11	£7,462.96
Council Tax Support	15	£46,828.22
Council Tax Support - Penalty	1	£121.09
Empty Homes Bonus	53	£251,750.00
Housing Benefit Overpayment	6	£48,032.56
Case Category (Notional Savings)	Number of cases	Total amount
Housing Application Cancellation	3	£93,075.00
Possession of LCC property	3	£123,720.00
Right To Buy application	3	£138,120.00
School Place - Secondary	25	£489,700.00
Totals	125	£1,202,776.56

5. Financial, legal, and other implications

5.1 Financial implications

Fraud can cause the Council significant loss; hence activity to prevent and detect fraud is a clear financial investment and a key component of good financial control and governance.

Stuart McAvoy, Head of Finance
14th November 2024

5.2 Legal implications

Fraud is a criminal offence and therefore represents breach of the law. Other forms of financial irregularity, though not criminal, may be in breach of regulation. The conduct of counter-fraud work of all kinds is bound by law and regulation and the Council is careful to ensure that its activities in this area are properly discharged.

Kamal Adatia, City Barrister & Head of Standards
11th November 2024

5.3 Equalities implications

The report provides an annual update to the Governance and Audit committee on the work carried out by the Corporate Investigations Team.

There are no significant equality and diversity implications arising from the report.

Surinder Singh, Equalities Officer
8th November 2024

5.4   Climate Emergency implications

This report does not contain any significant climate emergency implications.
Aidan Davis, Sustainability Officer
11th November 2024

5.5   Other implications

 None

6.   **Background information and other papers:**

- Local Government Act 1972
- Leicester City Council's Anti-Fraud, Bribery and Corruption Policy
- Leicester City Council's Finance Procedure Rules
- Leicester City Council's Constitution
- Leicester City Council's Code of Conduct for Behaviour at Work
- Leicester City Council's Information Security Policy Statement
- Leicester City Council's Prosecutions Policy
- Leicester City Council's Investigators Code of Conduct
- Public Bodies Corrupt Practices Act 1889
- Chartered Institute of Public Finance & Accountancy (CIPFA) publication *Managing The Risk of Fraud*
- The Prevention of Social Housing Fraud Act 2013

7.   **Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

No

8.   **Is this a "key decision"?**
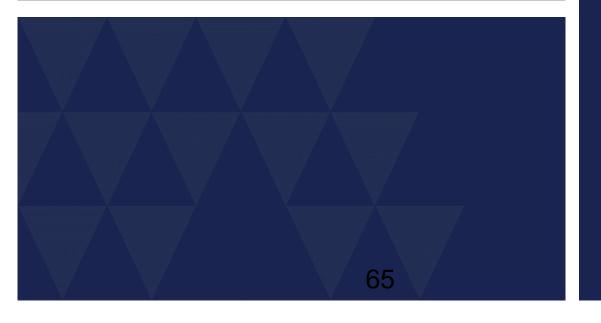
No

Internal audit work progress report 2024/25

Governance & Audit Committee

Decision to be taken by: N/A

Date of meeting: 5 December 2024

Lead director/officer: Amy Oliver, Director of Finance

1. Summary

1.1   This report provides an update on the delivery of the internal audit work programme for 2024/25, up to 22 November 2024.

2. Recommended actions/decision

2.1   The Governance & Audit Committee is recommended to:

2.1.1   Note the progress made in delivering the 2024/25 internal audit work programme, current delivery intentions over the remainder of the year, and developments in the internal audit profession.

3. Scrutiny / stakeholder engagement

3.1   In preparing the internal audit work programme, on which this progress report is based, consultation has taken place with members of the Governance & Audit Committee and key officers from across the council. All stakeholders continue to be engaged with to ensure the work programme adds the most value possible.

4. Background and options with supporting evidence

4.1   The internal audit work programme for the remainder of 2024/25 was approved by this committee at its meeting on 18 September 2024.

4.2   To conform with professional standards, and the council's audit charter, the Head of Internal Audit must report periodically to this committee on the progress made against the internal audit work programme, and on the results of audit activities undertaken.

4.3   Appendix 1 to this report provides an update on progress made in delivering the internal audit work programme. This includes a summary of completed work, work currently in progress, and work currently scheduled for the remainder of the year. It also reports on developments in the internal audit profession, and on the outcomes from the follow-up of recommendations made in previous audit reports.

4.4   There are no alternative options relating to this report. The Governance & Audit Committee is required to note the progress made in delivering internal audit work in order to fulfil its requirements under the committee's terms of reference and the internal audit charter, and to ultimately ensure that the council's internal audit service conforms to professional standards.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

There are no financial implications arising directly from this report.
Signed: Amy Oliver, Director of Finance
Dated: 25 November 2024

5.2 Legal implications

There are no adverse legal implications arising from this report, it is an update but as a reminder. The Accounts and Audit Regulation 2015 (Part 2, Section 5) states a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal audit standards or guidance. Completion of the annual internal audit ensures compliance with both the Public Sector Internal Audit Standards 2017 and the Accounts and Audit Regulations 2015 Furthermore, internal audit assists the Director of Finance in fulfilling their duties under Section 151 of the Local Government Act 1972 which requires each Local Authority to make arrangements for the proper administration of their financial affairs.
Signed: Mannah Begum, Principal Lawyer, Commercial Legal
Dated: 20 November 2024

5.3 Equalities implications

The Council has responsibility for establishing and maintaining appropriate risk management processes, control systems and governance arrangements. There are no equality implications arising directly from this report. People from across all protected characteristics should benefit from the work of the committee and the audits that are conducted and reported on by ensuring the effectiveness of the Council's internal control system.
Signed: Surinder Singh, Equalities Officer
Dated: 19 November 2024

5.4 Climate Emergency implications

There are no implications linked to the climate emergency arising directly from this report.
Signed: Aidan Davis, Sustainability Officer
Dated: 19 November 2024

5.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

None.

6. Background information and other papers:

None

7. Summary of appendices:

Appendix 1 – Internal audit progress report 2024/25

8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a "key decision"? If so, why?

No

Internal Audit Progress Report 2024/25

Date: 5 December 2024

APPENDIX 1

CONTENTS

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📝 BACKGROUND

1   Internal audit provides independent and objective assurance and advice about the council's operations. It helps the organisation to achieve its overall objectives by bringing a systematic, disciplined approach to the evaluation and improvement of the effectiveness of risk management, control, and governance processes.

2   The work of internal audit is governed by the Accounts and Audit Regulations 2015 and relevant professional standards. These include the Public Sector Internal Audit Standards (PSIAS), CIPFA guidance on the application of those standards in Local Government, and the CIPFA Statement on the role of the Head of Internal Audit.

3   In accordance with the PSIAS the Head of Internal Audit is required to report progress against the internal audit plan (the work programme) agreed by the Governance & Audit Committee, and to identify any emerging issues which need to be brought to the attention of the committee.

4   The internal audit work programme for the remainder of 2024/25 was agreed by this committee in September 2024.

5   Veritau has adopted a flexible approach to work programme development and delivery. Work to be undertaken during the year is kept under review to ensure that audit resources are deployed to the areas of greatest risk and importance to the council.

6   The purpose of this report is to update the committee on internal activity up to 22 November 2024.

⧗ INTERNAL AUDIT PROGRESS

7   A summary of internal audit work currently underway, as well as work finalised in the year to date, is included in annex A. Annex A also details other work completed by internal audit during the year.

8   Since our last report to this committee, the audit on information governance case management has been finalised. The central schools finance audit has also reached draft report stage.

9   A further 16 audits are underway at the time of reporting. All of these audits are in earlier stages as they represent audits which have started during the current quarter. We expect to report on the outcomes from these audits in the early part of 2025.

10   In addition to the audits mentioned in paragraphs 8 and 9, we have also continued to support the council by certifying a number of central government grants, and undertaking consultative engagements relating to Homes England funded schemes and leaseholder service recharges.

11   The work programme, showing current priorities for internal audit work, is included at annex B.

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12   A total of nine audits are shown in the 'do next' category where we expect work to begin during the final quarter of 2024/25.

13   The programme also includes six audits in the 'do later' category. The internal audit work programme is designed to include all potential areas that should be considered for audit in the short to medium term, recognising that not all of these will be carried out during the current year (work is deliberately over-programmed).

14   In determining which audits will be undertaken, the priority and relative risk of each area will continue to be considered throughout the remainder of the year, and as part of audit planning for 2025/26 (which will commence towards the end of the current quarter). Consideration will also be given to the opinion framework and, in particular, coverage of the 11 key assurance areas, when prioritising any remaining work during 2024/25.

15   Annex C provides the definitions for our audit opinions and finding ratings. This can be referred to, to help interpret information presented in annex A.

FOLLOW UP

16   At the time of reporting, no actions agreed with management in internal audits completed by Veritau have become due. However, Veritau has continued to follow up high priority recommendations from internal audits completed by the council's previous internal audit provider, Leicestershire County Council.

17   The purpose of follow up is to ensure that issues identified during internal audit work have been satisfactorily addressed through management action. As a result of this work, we are generally satisfied that sufficient progress is being made to address the control weaknesses identified in previous audits.

18   A summary of the status of follow up activity is included at annex D.

OTHER DEVELOPMENTS

19   The profession's local government standards setter, CIPFA, is currently consulting on a Public Sector Application Note for the new Global Internal Audit Standards (which were released in January 2024) and an accompanying Code of Practice for the Governance of Internal Audit in Local Government.

20   Once both the Global Internal Audit Standards (GIAS) and Application Note come into effect on 1 April 2025, these will replace the PSIAS. There will no longer be a requirement for the PSIAS as these are fully incorporated into the GIAS and the Application Note. Taken together, the GIAS and Application Note will be referred to as the Global Internal Audit Standards (UK public sector).

21   The primary audience for the Code of Practice, which will also come into effect from 1 April 2025, is those charged with governance of internal audit. It is intended to support local authorities in interpreting the essential conditions for governance of internal audit, as set out in the Global Internal Audit Standards, and with how to apply them in a public sector context.

22   We are not anticipating that these updates to public sector internal audit standards will require any significant changes to Veritau's working practices or to the governance of the service. Future reports to this committee will explain how Veritau has responded to the new regime and will present an updated internal audit charter.

ANNEX A: INTERNAL AUDIT WORK IN 2024/25

Audits in progress

Audit	Status
Central schools finance	Draft
Agency staff	In progress
Procurement compliance (inc. waivers)	In progress
Contract management: Social Care & Education	In progress
Sundry debtors	In progress
Ordering and creditor payments	In progress
Housing benefits	In progress
Council Tax and NNDR: arrears management	In progress
Housing rents	In progress
School themed audit: purchasing and best value	In progress
School traded services (educational psychology)	In progress
Element 3 (high needs) funding: Leicester College	In progress
Adults commissioning: NHS	In progress
Homelessness (high-cost accommodation)	In progress
Landlord regulatory standards	In progress
Highways maintenance scheme development	In progress
Gladstone membership management system	In progress

Final reports issued

Audit	Reported to committee	Opinion	Count of findings by priority			
			Critical	Significant	Moderate	Opportunity
Information governance: case management	December 2024	Reasonable Assurance	0	0	5	1

Other work in 2024/25

Internal audit work has been undertaken in a range of other areas during the year, including those listed below.

▲ Follow up of recommendations

▲ Grant certification work:

　▲ DLUHC / DfE Supporting Families
　▲ DfT Traffic Signal Obsolescence Grant and Green Light Fund
　▲ DfT Bus Subsidy (Revenue) Grant
　▲ DfT Local Transport Capital Funding Specific Grant
　▲ Historic England Heritage Action Zones

▲ Consultative engagements:

　▲ Homes England compliance audit
　▲ Leaseholder statement of accounts

▲Veritau

ANNEX B: CURRENT AUDIT PRIORITIES

Audit / Engagement	Rationale
Strategic / corporate & cross cutting	
Do now	
Agency staff	Linked to strategic risk. Provides coverage of key assurance area.
Procurement compliance (inc. waivers)	Identified as an area for improvement and targeted assurance coverage.
Contract management: Social Care & Education	Identified in consultation with the Corporate Governance Panel.
Do next	
Risk management	Key area of corporate governance. Provides broader assurance.
Strategic Procurement Panel and business cases	Risks / controls are changing.
Do later	
Organisational development / workforce planning	
Contract management: City Development & Neighbourhoods	
Financial systems	
Do now	
Sundry debtors	No recent coverage. Provides coverage of a key assurance area.
Ordering and creditor payments	Key material system, with risk of error and fraud.

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Housing benefits	Key material system, with risk of error and fraud.
Council Tax and NNDR: arrears management	No recent coverage. Provides coverage of a key assurance area.
Housing rents	No recent coverage. Provides coverage of a key assurance area.
Do next	
Financial controls and governance	Identified in consultation with the Corporate Governance Panel.
Do later	
-	-

Service areas

Do now

Central schools finance	Inherited as ongoing audit from previous provider. Emerging risk area.
School themed audit: purchasing and best value	Emerging risk area. Provides broader coverage.
School traded services (educational psychology)	Identified in consultation with senior management.
Element 3 (high needs) funding: Leicester College	Emerging risk area. Linked to strategic risk and council priorities.
Adults commissioning: NHS	Identified in consultation with senior management.
Homelessness (high-cost accommodation)	Emerging risk area. Key challenge facing the city of Leicester.
Landlord regulatory standards	Emerging risk area. New consumer standards published by RoSH.
Highways maintenance scheme development	Provides coverage of more than one key assurance area and council priority.
Gladstone membership management system	Newly implemented system. Risks / controls are changing.

Do next

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Direct payments / short breaks (adults and children)	Identified as an area for improvement and targeted assurance coverage.
Adult social care audit 3: TBC	Specific focus area(s) to be determined but important to council priorities.
Asylum seekers	Emerging risk area.
Concerto: post-implementation review	Newly implemented system. Risks / controls are changing.

Do later

School themed audit (area TBC)	
Children leaving care	
Levelling Up projects	
Acquisitions and disposals	

Technical / projects

Do now

| - | - |

Do next

| ICT: network security | Key attack vector for threat actors. Provides assurance on security controls. |
| ICT: access control | Provides broader assurance. |

Do later

| - | - |

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ANNEX C: ASSURANCE AUDIT OPINIONS AND FINDING PRIORITIES

Audit opinions

Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit. Our overall audit opinion is based on four grades of opinion, as set out below.

Opinion	Assessment of internal control
Substantial assurance	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Reasonable assurance	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited assurance	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

Finding ratings

Finding ratings	
Critical	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Significant	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Moderate	The system objectives are not exposed to significant risk, but the issue merits attention by management.
Opportunity	There is an opportunity for improvement in efficiency or outcomes but the system objectives are not exposed to risk.

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ANNEX D: FOLLOW UP OF AGREED AUDIT ACTIONS

As of 1 August 2024, Veritau inherited a total of six high priority recommendations made in audits completed by the council's previous internal audit provider, Leicestershire County Council. High priority recommendations are defined as:

"Recommendations requiring essential action by management in order to address a fundamental threat to the achievement of objectives."

At the time of reporting, the implementation timescales for five of these high priority recommendations have passed. Follow up work has therefore been undertaken with relevant officers. The results of this follow up work are shown in the table below.

Audit	Recommendation	Implementation timescale	Status
Key ICT controls	Resiliency testing of the network and key applications should be planned and undertaken as soon as possible.	August 2024	Revised date agreed: 1 March 2025
Direct payments	Annual reviews of support plans should be undertaken to establish whether the needs of the person on direct payments have changed, and the direct payments remain appropriate.	September 2024	Overdue: no response received
Fleet services invoice payments	Corporate procedures should be tightened to ensure existing controls cannot be circumvented and invoice payments are made accurately, timely and only once.	September 2024	Implemented
Contract management (Housing)	There should be a review of contracts where there are repeated extensions and waivers, to identify the root cause and, where appropriate, provide training and support to operational managers.	October 2024	Revised date agreed: 1 December 2024

| Herrick Primary School | The governing body should work closely with the school and the Local Authority Schools Finance team to ensure the deficit position is closely monitored and improvements are made in line with the deficit budget plan (when in place). | June 2025 | Not yet due for follow up |
| | The school, along with the Local Authority, should take immediate action to investigate the cause of the large overdraft position on the bank balance. Once resolved, the school should ensure a positive bank balance is maintained. | | |

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Financial Sustainability Update

Governance & Audit Committee

Decision to be taken by: N/A

Date of meeting: 5th December 2024

Lead director/officer: Amy Oliver

1. Summary

1.1 This paper sets out the ways by which financial assurance is provided to the Committee, and actions being taken to ensure financial sustainability in the longer term.

2. Recommended actions/decision

2.1 That the Committee notes the arrangements to ensure financial sustainability.

3. Scrutiny / stakeholder engagement

N/A

4. Background and options with supporting evidence

4.1 Background

4.1.1   As members are aware, the financial outlook for the council is extremely difficult. The 2024/25 budget, approved in February this year, required the use of some £61m of one-off reserves to balance the budget, and the underlying gap was forecast to increase in future:

	2024/25 £m	2025/26 £m	2026/27 £m
Expenditure total	429.0	462.3	490.6
Income Total	368.0	371.9	378.7
Indicative Budget gap	**61.0**	**90.4**	**111.9**

4.1.2   The background to these budget gaps includes:

(a) a "decade of austerity" between 2010 and 2020 in which services other than social care had to be reduced by 53% in real terms. This has substantially reduced the scope to make further cuts;

(b) the covid-19 pandemic where we set "stop gap" budgets whilst we dealt with the immediate emergency. Budgets in 2021/22 to 2022/23 were supported by reserves;

(c) recent cost pressures, shared by authorities across the country. These include pressures on the costs of children looked after and support for homeless households, as well as the long-standing pressures in adult social care and the hike in inflation after the invasion of Ukraine.

(d) uncertainty about the future levels of funding available to local authorities. We do not yet have funding allocations for next year, which are expected in December (and likely to be for only one year). However, indications are clear that funding settlements will remain tight for the foreseeable future, and the new government will not be able to provide additional money to meet the funding gaps.

4.1.3   These issues are not specific to Leicester, and an increasing number of other authorities have already reached crisis point and issued a section 114 notice, which indicates that the authority cannot balance its budget. These include major authorities such as Nottingham and Birmingham.

4.1.4   We are not yet in the same position as these authorities, as we have built up reserves (the "Managed Reserves Strategy") over several years that are now being used to balance budgets. However, these resources will inevitably run out, and further action is required for longer-term financial sustainability.

4.2   Actions to date

4.2.1   Work to reduce the projected budget gap and ensure continued financial sustainability is ongoing.

Savings programme

4.2.2   Our policy is to implement savings as soon as possible, in a continuous process throughout the year. Since the 2024/25 budget was set, this has reduced the budget (and hence the call on reserves) by £23.7m.

4.2.3   Consideration is currently underway for a further substantial savings package. It is anticipated budgets will be adjusted for the 2025/26 budget.

Focussed work on areas of demand pressure

4.2.4   One of the chief reasons for our budget gap is growth in the costs of statutory services, particularly social care, which have outstripped growth in our income.

4.2.5   Growth in the cost of adult social care arises from growth in the numbers of people needing support (who can be older or working age people), together with cost increases where people are already receiving care. This includes the substantial increases in the National Living Wage (NLW), which has increased by 40% in the last five years and service providers inevitable pass on the costs to funding bodies. Pressures will continue into the future with a further increase in the NLW and

changes to employers' National Insurance from April 2025. The adult social care department is undertaking a comprehensive review of operational areas and control mechanisms.

4.2.6   These measures have resulted in savings estimated at £48m per year, which exceeded the original target for the programme. This is a significant contribution to the reduced call on managed reserves in the current year's budget.

4.2.7   A parallel programme has been targeting pressures in children's social care. It has been identified that the main growth is in the number of extremely high-cost residential placements with private sector providers.

4.2.8   Additional demand within temporary accommodation is forecasting to be £7.3m above budget in 2024/25. Actions are being taken to mitigate these pressures, for example through the purchase of temporary accommodation. Without these actions it is estimated that overspend would have been around £13m.

Financial Controls

4.2.8   Additional controls have been put in place to ensure that all spending is essential, and represents value for money. These include:
- Strategic Procurement Panel scrutinising proposed new contractual arrangements before the tender process begins;
- A new requirement for business cases to be approved by the before entering into new spending commitments of over £5,000, but where the full procurement panel is not required;
- Controls on recruitment of staff which apply to all proposed recruitments, including those directly replacing a leaver. Additional controls have been placed on overtime above grade 7 and honoraria.

One-off resources

4.2.9   While one-off resources cannot provide a long-term solution to the underlying budget gap, work has been ongoing to identify additional funds which can "buy time" while other savings are implemented. This includes a thorough review of amounts held in reserves and a programme of property sales focussing on those with a ready market and low public impact of the sale.

LGA Peer Review

4.2.10 A financial "peer review" has been undertaken through the LGA. This involves officers and members from other local authorities and provides an overall assessment of the strategic financial position and decision making. The aim is to provide external assurance on our arrangements and identify any suggested best practice or improvements that can be identified from other authorities.

4.2.11 The peer review team members met with a range of Members and Council officers in late October, and findings are expected to be published in the coming weeks.

4.3   Financial assurance

4.3.1   There are established arrangements for providing regular financial assurance to Members. Some of the most important are set out below.

4.3.2   Revenue and capital budget monitoring is reported to Overview Select Committee on a quarterly basis. This provides members with updated forecasts on the financial position and actions being taken to manage areas of overspend. Capital monitoring also reports on the physical progress of schemes against planned delivery dates. Income collection is also reported twice per year, providing assurance on how services ensure key income streams are collected in full and on time.

4.3.3   Internal audit is a mandatory function that provides independent, objective assurance on operations, and is governed by national standards (the Public Sector Internal Audit Standards, PSAIS). Since August 2024, this has been provided by Veritau (before this date, it was provided by Leicestershire County Council). The internal audit charter and plan for the remainder of the current financial year were agreed by this committee in September 2024.

4.3.4   External audit is provided under contract – the Council's current external auditors, for the period 2023-2028, are Grant Thornton. External auditors
   • provide an audit opinion on the annual financial statements, assessing whether they present a "true and fair view" of the financial position;
   • consider whether there are sufficient arrangements to ensure value for money;
   • present an Auditor's Annual Report to this committee summarising the findings of their audit work.

4.3.5   The most recent Auditor's Report was published in April 2024, and specifically discussed ongoing measures to ensure financial sustainability. This acknowledged that the use of reserves to balance the budget is unsustainable in the medium term, and that difficult decisions will be required in future budgets.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

This report is solely concerned with financial issues.
Signed: Kirsty Cowell, Head of Finance
Dated: 14 November 2024

5.2 Legal implications

The report is an update and for note are general comments below.

Under section 25 of the Local Government Act 2003, the Director of Finance (s.151 Officer) of the Authority is required to report on the following matters:
 	
    a) robustness of the estimates made for the purposes of determining its budget requirement for the forthcoming year; and
    b) the adequacy of the proposed financial reserves.
 	
There is also a requirement for the Authority to have regard to the report of the Director of Finance when making decisions on its budget requirement and level of financial reserves.
 	
The Council has a statutory obligation to set a balanced budget for the forthcoming financial year, whilst also presenting a sustainable financial plan over the medium term. This can take into account deliverable cost savings and/or local income growth strategies as well as useable reserves.
 	
However, a budget will not be balanced where it reduces reserves to unacceptably low levels and regard must be had to any report of the Director of Finance on the required level of reserves under section 25 of the Local Government Act 2003, which sets obligations of adequacy on controlled reserves.
 	
Should the Council not be able to do this the Director of Finance (S151 Officer) has the powers to issue a Section 114 Notice under the Local Government Finance Act 1988.

Signed: Mannah Begum, Principal Lawyer, Commercial Legal, Ext 1423
Dated: 13 November 2024

5.3 Equalities implications

There are no direct equality implications arising from this report.
Signed: Sukhi Biring, Equalities Officer
Dated: 13 November 2024

<u>5.4 Climate Emergency implications</u>

There are no significant climate emergency implications directly associated directly with this report.
Signed: Aidan Davis, Sustainability Officer
Dated: 13 November 2024

<u>5.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)</u>

None

6. Background information and other papers:

Legal note on financial sustainability and budget oversight; presented to this committee on 18th September 2024

7. Summary of appendices: N/A

8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)? No

9. Is this a "key decision"? If so, why? No