

**Report to the Chair and Members of the  
AUDIT COMMITTEE**

**REGENERATION AND ENVIRONMENT – STRATEGIC RISK MANAGEMENT**

**EXECUTIVE SUMMARY**

1. This report provides an in-depth analysis of how the 4 strategic risks aligned to the Regeneration & Environment (R&E) Directorate are managed, reviewed and reported, following consideration of the Strategic Risk Report Mapping report to the Audit Committee.

**EXEMPT REPORT**

2. This item is not exempt.

**RECOMMENDATIONS**

3. It is recommended that the Audit Committee note and comment on the content of this report including the risk mitigations that are currently in place within R&E.

**WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?**

4. The embedding of robust risk management arrangements within the Council incorporating the management of strategic risks creates an environment in which we can successfully meet our objectives to deliver Doncaster's corporate priorities, operationally the risks mitigations we have in place ensure individuals are protected and that the services we provide are modern and deliver value for money.

**BACKGROUND**

5. At the Audit Committee meeting on the 17<sup>th</sup> August 2016, Members considered a report that detailed the Council's strategic risks, and determined to undertake a 'deep dive' review to ensure the risks, and mitigations are appropriately managed within the service area, to date the Committee has considered reports from Adults & Health & Wellbeing, Learning and Opportunities and Strategic Budget Risk Management, this report details Regeneration & Environment's response to its 4 key strategic risks.

The four strategic risks for R&E in the 2016/17 risk register are:

- Engagement in the City Region to secure economic benefits for Doncaster
- Impact of Brexit on funding / projects (Joint risk with Finance & Corporate Services)

- Dealing with emergencies (emergency planning and resilience)
- Ensuring robust health & safety exists

### **Risk Management Arrangements:**

6. It is self-evident that the issues affecting our society today require a strong and swift approach to risk management, failure to do so places residents lives at risk, therefore it is right and appropriate that R&E have robust risk management framework in place; which is stringently managed and regularly reviewed, below highlights our approach to Risk management aligned to corporate policies and protocols, in addition to providing the Committee a position statement on the current risks contained within R&E .
7. Firstly, Strategic risks are embedded within the core management fabric of R&E; to substantiate this statement; R&E strategic risks are regularly reviewed and recorded on the Councils covalent performance management system including progress against all mitigating actions. They are then reported to R&E Directorate Leadership Team, Directors, Executive Board, Cabinet and Overview and Scrutiny as part of the Quarterly R&E performance improvement report, all these meetings are documented, and evidence can be provided of discussions and mitigations discussed.
8. Secondly, strategic risks are embedded within the performance management of both teams and individuals within R&E; for example risks are highlighted and discussed within individual service plans; performance development reviews (PDR's), one to ones and Team meetings; the very nature of R&E risks require mitigations to be in place wider than just Doncaster Council; the very nature and type of organisations involved are described within the consultation section below, and include a position statement on the current risk.
9. For the benefit of the Committee, Appendix A includes the latest strategic risk position that was reported as part of the quarterly Corporate reporting cycle; this includes a current position statement, mitigating actions and an analysis of the risk i.e. likelihood and impact this would have.
10. The appendix highlights how the 4 key strategic risks are operating generally in the Directorate; particularly, how service risks are: monitored, recorded, managed and reported, however it is also important to share with the Committee how these risks are identified and the evidence supporting this.
11. Given the diverse risks associated within R&E, the following identifies how these are identified:
12. **Engagement in the City Region to secure economic benefits for Doncaster**  
Doncaster Council is a founding member of the Sheffield City Region (SCR); a significant number of Senior Offices, CEO, Directors, AD's, Heads of Service, Mayor, Members and Cabinet Members from Doncaster Council have regular active engagement within SCR; this is through the governance frameworks that have been created which include a series of executive boards, Combined Authority, a series of task and finish groups and a SCR Scrutiny Panel, this governance structure provide assurances to the Local Authority that any risks are identified early and appropriate mitigations are acted upon.

**13. Impact of Brexit on funding / projects (Joint risk with Finance & Corporate Services)**

It has been widely reported that there still remains a degree of uncertainty regarding the impact of the UK exiting the European Union, with UK Government still unclear as to all the mitigations required to lessen the impact from our withdrawal, however, for the purpose of reassuring the Audit Committee Doncaster Council is part of an European Structural Investment Fund Committee, which has representatives from the European Commission, various Government Departments including DCLG; DEFRA; DWP; Universities; Third Sector, and the SCR Local Authorities, this group meets on a six weekly basis and determines the management of ERDF, Rural and ESF resource within Sheffield City Region, the Committee regularly review the status of EU resources and the impact this may have on Public Bodies, Private Sector and the Third Sector. Additional technical assistance resources are provided to finance officers within the SCR Local Authorities that actively engage with the European Commission and UK Government ensuring EU Policy, or regulations decisions are acted upon.

**14. Dealing with emergencies (emergency planning and resilience) Preparedness arrangements**

The Committee may be aware that Doncaster Council Leadership and Directors from the Children's Trust and St Leger Homes exercised strategic response arrangements in April 2017 for a terrorist related incident affecting Doncaster and resulting in an increase in the UK Threat Level to Critical.

15. Doncaster Council Corporate Emergency Response Team supported a live overnight exercise in Meadowhall shopping centre in March 2017 to rehearse the response and support arrangements to support those affected by a terrorist incident. Business Continuity Awareness week was promoted to all staff in May 2017 with a focus on increasing staffs awareness of their role in organisational cyber security arrangements.

**16. Response arrangements**

Doncaster Council has activated its Corporate Emergency Response arrangements to respond to the attacks in Manchester at Strategic and Tactical level and has worked closely with partners and emergency services in South Yorkshire to put arrangements in place to reflect the threat level increase and provide information and support to staff, members, event venues, schools and those affected by the attacks. Doncaster Police Commander has praised the arrangements put in place as "a really positive example of how Doncaster works together particularly in critical environments."

17. A Business Continuity response to the UK Cyber Security incident was activated in May 2017. This was minimised as DMBC IT Dept. had already taken proactive action to reduce vulnerabilities in March 2017 which minimised the impact.

**18. Ensuring robust health & safety exists**

Doncaster Council operates under a Health and Safety Management System that underpins how Health & Safety is managed through 4 core elements. This management system is based on the Health & Safety Executives 'Plan, Do, Check, Act' model. Ensuring that the Councils duties are discharged having suitable arrangements to manage Health and Safety as required by the Management of Health & Safety at Work Regulations 1999. These Core

Elements establish Leadership, Management, Risk Profiling, Legal Compliance, Competence and Worker Involvement.

#### 19. Core Health & Safety Arrangements

Doncaster Council undertakes a process of organisational risk profiling through five core health and safety arrangements, which also implements the 'plan, do, check, act model.

20. Risk Assessment and Safe Working Practices - Risk assessment is an important part of the risk management process and in many cases simple, straightforward measures can be effective in controlling risks. The Councils Risk management is about taking practical steps to protect people from real harm - based on practical measures and not paperwork alone.
21. Accident and Incident Reporting - Accidents and incidents to employees or non-employees occurring within the working environment have to be reported to the employer and depending on the nature and circumstances of the accident or incident, a report is then sent to the Health and Safety Executive. This arrangement clearly defines how accidents are reported, by who, the classification and the requirement for a robust investigation,
22. Health and Safety Audits - Auditing is one of the final steps in the Health and Safety Management control system. An audit embodies the 'feedback loop', which will enable Doncaster Council to reinforce, maintain and develop its ability to reduce risks to the fullest extent and to ensure the continued effectiveness of the Corporate Health and Safety Management System. The majority of the audits will be organised as outlined in the audit process in this arrangement, the exception would be when management (or the Corporate Health & Safety manager) requests a systematic sampling of particular dangerous activities, processes or areas. In these circumstances, Corporate Health & Safety may be required to make unannounced visits to observe and audit the work activities.
23. Health and Safety Training - Doncaster Council recognises that training is an essential part of providing safe systems of work to protect the Health, Safety and Welfare of its employees and others who may be affected by its activities. Through this arrangement Doncaster Council undertakes to provide suitable and sufficient information, instruction, training and supervision to its employees in the relevant work activities at all of its locations.
24. Control of Contractors - Doncaster Council frequently uses contractors/service providers to deliver services on its behalf, in doing so departments or employees assume the role of 'Contract Manager' or in some cases the 'Client' and will be responsible for ensuring work they commission is delivered safely. This arrangement clearly defines how contractors will be procured, identified as competent and effectively monitored.
25. This Health and Safety Management System is reviewed on an annual basis, and when legislation is amended, this is audited through the Councils Consultative Liaison process. All Health & Safety and CDM Advisors within the Corporate Health and Safety Team undertake a formal CPD process through the

Institute of Occupational Safety and Health (IOSH) and other relevant training to ensure ongoing high level of competence

26. In responding to the Audit Committees recommendations on the effectiveness of how Directorates are responding to strategic risks, it is also important to consider how we can collectively improve risk management within the Council, within R&E we have created the right culture amongst staff to administer risk; with clear responsibilities contained within our various plans and reports; we have aligned our risks to the work that is currently undertaken by our colleagues within Internal Audit and have robust management systems that demonstrate risk and mitigations taken, we continue to horizon scan and respond to best practice to improve our mitigation, whilst recognising that within the improvement cycle, through learning and administration of risk do we achieve improvement.

### OPTIONS CONSIDERED

27. Option 1: Do nothing – We simply maintain a position which does not manage risks, or at a reduced level. Given the high profile risks contained within R&E this is clearly not an option as this would place residents at risk.

28. Option 2: (Recommended Option) – We collectively respond to the risks associated with in R&E by ensuring the embedment of a robust risk management framework.

### REASONS FOR RECOMMENDED OPTION

29. It is self-evident that the issues affecting our society today require a strong and swift approach to risk management, failure to do so places residents lives at risk, therefore it is right and appropriate that R&E have robust risk management framework in place; which is stringently managed and regularly reviewed.

### IMPACT ON THE COUNCIL’S KEY OUTCOMES

30. The report has the following impacts:

<b>Priority</b>	<b>Implications</b>
<p>All people in Doncaster benefit from a thriving and resilient economy.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Creating Jobs and Housing</i></li> <li>• <i>Mayoral Priority: Be a strong voice for our veterans</i></li> <li>• <i>Mayoral Priority: Protecting Doncaster’s vital services</i></li> </ul>	<p>The very nature of activities contained within R&amp;E impacts on all Mayoral Priorities; the nature of this report is therefore to ensure risks are mitigated in delivering these.</p>
<p>People live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Safeguarding our Communities</i></li> <li>• <i>Mayoral Priority: Bringing down</i></li> </ul>	<p>The very nature of activities contained within R&amp;E impacts on all Mayoral Priorities; the nature of this report is therefore to ensure risks are mitigated in delivering these.</p>

the cost of living	
<p>People in Doncaster benefit from a high quality built and natural environment.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Creating Jobs and Housing</i></li> <li>• <i>Mayoral Priority: Safeguarding our Communities</i></li> <li>• <i>Mayoral Priority: Bringing down the cost of living</i></li> </ul>	<p>The very nature of activities contained within R&amp;E impacts on all Mayoral Priorities; the nature of this report is therefore to ensure risks are mitigated in delivering these.</p>
<p>All families thrive.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Protecting Doncaster's vital services</i></li> </ul>	<p>The very nature of activities contained within R&amp;E impacts on all Mayoral Priorities; the nature of this report is therefore to ensure risks are mitigated in delivering these.</p>
<p>Council services are modern and value for money.</p>	<p>The very nature of activities contained within R&amp;E impacts on all Mayoral Priorities; the nature of this report is therefore to ensure risks are mitigated in delivering these.</p>
<p>Working with our partners we will provide strong leadership and governance.</p>	<p>The very nature of activities contained within R&amp;E impacts on all Mayoral Priorities; the nature of this report is therefore to ensure risks are mitigated in delivering these.</p>

## **RISKS AND ASSUMPTIONS**

31. The Councils strategic risk register is reviewed and updated on a regular basis, with each service area formally documenting its key risks and actions taken to mitigate those risks within service plans.

## **LEGAL IMPLICATIONS**

32. There are no specific legal implications arising from the recommendations contained within this report.

## **FINANCIAL IMPLICATIONS**

33. There are no specific financial implications arising from the recommendations contained within this report.

## **HUMAN RESOURCE IMPLICATIONS**

34. There are no specific human resource implications arising from the recommendations contained within this report.

## **TECHNOLOGY IMPLICATIONS**

35. There are no specific technological implications arising from the recommendations contained within this report.

## **EQUALITY IMPLICATIONS**

36. There are no specific equality implications arising from the recommendations contained within this report. The Council considers and has due regard to the Public Sector equality duty (PSED) when developing and implementing risk mitigations.

## **CONSULTATION**

37. The very nature of the risks contained within R&E require a plethora of engagement with multiply individuals and partners; for example at a national level with Central Government, and the European Commission to regionally and locally including Sheffield City Region Team; South Yorkshire Police, SY Fire & Rescue; a collection of Local Authorities, communities, private sector, etc.

## **BACKGROUND PAPERS**

38. Strategic Risk report mapping – Audit Committee 17<sup>th</sup> August 2016  
Annex A – Quarter 4 2016/2017 Risk Performance Report

## **REPORT AUTHOR & CONTRIBUTORS**

Christian Foster Head of Strategy & Performance Team  
Tel: 01302 736614

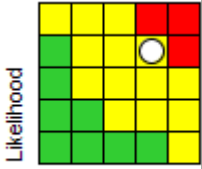
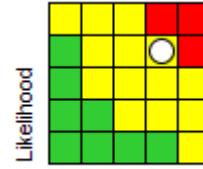
**Peter Dale**  
**Director of Regeneration & Environmental Services**

## Appendix A:

### Strategic Risks as at Quarter 4 2016/17

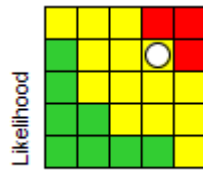
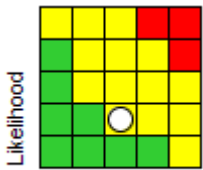
**Without effective influence and engagement with the Sheffield City Region, there is a threat that Doncaster does not achieve economic potential benefit from the devolution deal**

Peter Dale

Current Risk	Current Position:	Target Risk
<p><b>16</b></p> 	<p>there are a number of deliberations both nationally and regionally that include the emergence of the concept of a metro Mayor at a spacial level that includes the whole of Yorkshire , coupled with the outcome of the judicial review with Chesterfield; the importance of shaping devolution has never been more important for Doncaster. Officers and Members collectively are at the forefront of discussions ensuring any devolution deals represent the best interests of Doncaster. A SCR group of senior representatives has been established to pull together the outline of a proposed consultation on a CA mayoral model the first meeting of this is scheduled for the 19th April</p> <p><b>Mitigating Actions:</b> Officers, the Executive and Members from Doncaster Council are at the forefront of deliberations both at a national and regional level on issues relating to devolution, assurances are provided through our strategic and operational role with the SY Combined Authority, in addition to representations on the numerous executive boards supporting the City Region.</p>	<p><b>16</b></p> 

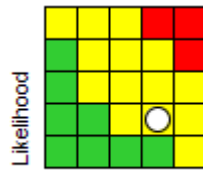
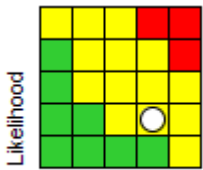
**As a result of the decision for the UK to leave the European Union there is increased uncertainty across a number of policy and funding areas that could lead to disruptions in funding and/or projects locally in Doncaster.**

Simon Wiles

Current Risk	Current situation:	Target Risk
<p><b>16</b></p> 	<p>Article 50 has been formally triggered which starts the process of UK exiting the European Union. Draft negotiating positions are emerging from both sides but no definitive points are available. A general election has been called by the UK government which will take place on 8th June. The various political parties will develop manifesto pledges that will have direct impact on our negotiating positions post election. It is likely that clarity on this will be unclear until summer/autumn 2017.</p> <p><b>Mitigating Actions:</b> Review manifesto pledges and work with regional and national government to ensure impacts of exiting the European Union are minimised as much as possible.</p>	<p><b>6</b></p> 

**Failure to respond adequately to borough emergencies or mitigate effectively against the effects of extreme weather conditions e.g. flooding**

Peter Dale

Current Risk	Current Position:	Target Risk
<p><b>8</b></p> 	<p>Resilience and Emergency Planning have supported the response to 64 incidents since April 2016.</p> <p>Doncaster Council supported a live all night terrorist incident exercise in Meadowhall shopping centre in March 2017. 25 DMBC response staff took part at a strategic and operational level in order to enhance our preparedness arrangements for a terrorist incident and rehearse our understanding of the post incident support required for those involved.</p> <p><b>Mitigating Actions:</b> Doncaster Council leadership team will be participating in terrorist incident exercise in April. The exercise will be delivered by Counter Terrorism Police and Emergency Planning. The exercise will provide leadership with the opportunity to consider the strategic consequences of an incident in Doncaster and the response and recovery arrangements that they put in place to support those affected.</p>	<p><b>8</b></p> 



**Failure to identify and manage Health and Safety risks**

Peter Dale

Current Risk	Mitigating Actions: The 'Business Partner' structure is now embedded within Corporate Health and Safety Service delivery. New interim Manager in place , making significant improvements to the service	Target Risk
<p style="text-align: center;"><b>6</b></p>  <p style="text-align: center;">Likelihood</p> <p style="text-align: center;">Impact</p>		<p style="text-align: center;"><b>8</b></p>  <p style="text-align: center;">Likelihood</p> <p style="text-align: center;">Impact</p>