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Portfolio	Cabinet Member for Resources
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## Risk Management Progress Report - Q3 2020/21

### Executive Summary

1. This report provides a summary of Risk Management and Insurance work during Quarter 3 of the 2020/21 year.

Reviews of the Corporate risk registers managed by both the Council and the Heywood Middleton and Rochdale Clinical Commissioning Group (CCG) have been completed. The safeguarding risk to vulnerable children managed by the Children's Services directorate has been assessed to have increased due to the Covid-19 restrictions currently in force. There has been no relaxation in expectations of close contact or the audit of case files during the pandemic as social care services continue to mitigate these barriers.

The Insurance team achieved a claims cost mitigation result of £397,198.74 for the claims closed in the quarter. Insurance cover for phase 1 of the restoration of Rochdale Town Hall was placed in a timely manner for the commencement of works in January 2021.

### Recommendation

2. This report is for the information of Members to confirm the level of assurance provided through the management of risk and insurance services.

### Reason for Recommendation

3. This report is to enable the Audit and Governance Committee, in accordance with their work programme and oversight of governance, to scrutinise Risk Management and Insurance Team coverage during the 2020/21 year for all Council Services.

## Key Points for Consideration

### 4. Corporate Risk Register

The Leadership Team proactively manage risks listed under the Corporate risk register. The Corporate risk register can be viewed under Appendix 1.

Risk owners have reviewed the scoring of all risks under the Corporate register. The risk score for risk CRR00001 (Failure to maintain Corporate governance) has been increased to from 6, Green to 9, Amber due to ongoing assurance work to identify and address possible vulnerabilities..

Also the score for risk CRR00008 (Safeguarding risk to children due to act or omission by the Council) has been increased from 15, Amber to 20, Red. The restrictions placed on the Directorate by the pandemic have been assessed to have increased the risk to vulnerable children, with the score anticipated to remain at this level until the service returns to some normality.

The risk scores for all other Corporate risks have been reviewed with no changes to scores considered necessary. Control actions are in place to mitigate each and so allow risk owners' to maintain their existing status.

### 5. Service Risk Management

#### 5.1 Integrated Health and Social Care Risk Management

The Bridging team of the Heywood Middleton and Rochdale Clinical Commissioning Group (CCG) provided a Corporate Risk Register and Assurance Framework Update report on 23 February 2021.

Following review of the CCG Corporate Risk Register 5 risks are reported to have residual scores of 16 or more.

Red Risks under the CCG Assurance Framework –

Service	Risk Details	Residual Score
Prevention & Self Care S02-003	<b>Risk:</b> Risk that outbreaks within the community are not managed early and well. <b>Controls:</b> Rochdale COVID 19 Outbreak Plan is being maintained to respond to emerging trends.	16
Prevention & Self Care S02-004	<b>Risk:</b> Covid-19 outbreak. <b>Controls:</b> A focused area of work has commenced examining the longer-term impact on health inequalities.	16
Hospital – Planned S04-007	<b>Risk:</b> Cancer waits constitutional performance. <b>Controls:</b> Rapid Diagnostic Centre model in place in Rochdale supporting early identification of cancer and other serious conditions	16

Hospital – Planned S04-008	<b>Risk:</b> Cancer impact of COVID-19 on waiting times and treatment. <b>Controls:</b> Rochdale Infirmary continues to be utilised as a Cancer hub in attempt to avoid increasing waiting times.	16
Hospital – Planned S04-011	<b>Risk:</b> 52 week waits – constitutional performance. <b>Controls:</b> Elective activity has been paused since week commencing 11 January 2021, this will be reviewed in line with national guidance.	16

During the Covid-19 pandemic in the first part of 2020/21 the NHS was instructed to meet the financial demands required for the virus response, leading to the risk that the CCG could be facing a significant deficit in future years. The risk score for financial risk S01-002 (Future years financial modelling and controls) has been reduced from 16 (Red) to 10 (Amber) due to confidence that the breakeven target set by GM for the October – March 2020/21 period will be met.

## 5.2 Risk Management Results

There are currently 2 Red risks within the risk registers of RBC Services' to report. One of the risks has been excluded from the table below and has been reported within a private item under this agenda.

Ref	Service	Risk Title	Residual Score
CSCR003	Children's Social Care	Performance/ practice is not of consistent quality which compromises the safety and outcomes for children which lead to death or serious injury of a child damaging the reputation of Rochdale Council.	20

The risk scores for Children's Services risks CSDR0006 (Failure to manage within budget) and CSCR0002 (Demand for Children's Social Care service increases leading to failure to manage within budget) have both been reduced from 16 (Red) to 12 (Amber) because the Children's 2020/21 strategy has been confirmed as fully funded with no overspend projected.

Please note that variations in RAG risk scores should not be viewed purely as a reflection of the effectiveness of risk control activity - risk scoring is also influenced by the severity of risks associated with the different Services and their capacity to mitigate. Further details regarding the factors considered when scoring the risks and the mitigation actions being implemented are provided under Appendix 2.

## 6 Insurance Team

### 6.1 Performance

A summary of the work completed by the Insurance Team from October 2020 to December 2020 is set out below.

The team received a total of 95 new claims notifications during quarter 3. This total can be divided between insurance classes – Highways (40), Motor (24), Other Public Liability (22), Employer’s Liability (3), Others (6). This figure is a reduction in comparison to the 108 claims received during Q3 2019/20.

A total of 88 claims were closed by the team during quarter 3. This figure can be divided between the insurance classes - Highways (61), Motor (11), Other Public Liability (13), Employer’s Liability (3). Please note Closed claims will largely not be the same incidents as the newly notified claims referred to above. The claims handling process can run over a period of months or years, and therefore the team are working on a combination of new and existing cases.

- 6.2 The claims cost mitigation figures displayed in the table below are calculated by subtracting the final settled amounts for closed claims against the highest reserve amounts for the same losses during the handling of the claims. These statistics are a useful measure of the level of challenge put forward by the Insurance Team during their investigations, liaison with Council Services, and joint work with solicitors to defend against legal proceedings.

#### **Claims Cost Mitigation Table for 2020/21 Q3**

<b>Month</b>	<b>Claims Closed</b>	<b>Cost Mitigation</b>
October	52	£218,858.74
November	20	£121,330.48
December	16	£57,009.52
Total	88	£397,198.74

The table shows that the Insurance Team achieved a total cost mitigation of £397,198.74 on settled claims costs during Q3.

- 6.3 The Insurance team successfully arranged cover for phase 1 of the restoration of Rochdale Town Hall prior to commencement of the works on 4 January 2021. Following liaison with Rochdale Development Agency (RDA), the appointed building contractor and the Council’s insurance brokers property damage cover is in place for the existing building structure and the contract works (works in progress, building materials on site). Further insurance cover will be required in time for the planned start of phase 2 in July 2021.

## 7 **Priorities for the Next Quarter**

- Liaison with CCG Bridging team to agree plans and timescales to align risk management processes, enabling reissue of RBC Risk Management Policy.
- Temporary Risk and Insurance officer to start 6 month secondment to the Risk and Insurance team on 22 March 2021 to support the risk management service provision.

<b>Costs and Budget Summary</b>
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8. Not applicable.

<b>Risk and Policy Implications</b>
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9. If Risk Management recommendations are not implemented, the Council will be exposed to the risks set out in the relevant Risk Management reports. These risks will be mitigated by completion of the actions agreed with management and summarised within this report.

<b>Consultation</b>
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10. The risk controls or development action points arising from this report are agreed in consultation with senior management and officers within each Service area.

<b>Background Papers</b>	<b>Place of Inspection</b>
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