

Rother District Council

Report to:	Audit and Standards
Date:	28 September 2020
Title:	Risk Management Update
Report of:	Executive Director
Purpose of Report:	To update Members on the issues in Risk Management affecting the Council during 2020/21.
Officer Recommendation(s):	It be RESOLVED : That the report be noted.

Introduction

1. This update report for Members covers issues in Risk Management affecting the Council during 2020/21. Risk refers to the uncertainty that surrounds future events and outcomes. It is essential that the Council has a strong approach to Risk Management, particularly with the current environment of a global pandemic and ongoing substantial financial pressures.

COVID–19 Pandemic

2. This year has been dominated by dealing with the impact of the COVID-19 pandemic both in terms of the Council's operations and the support given to the community. This report does not review the Council's response as this was detailed in a report to Cabinet on the 8 June 2020 (Minute CB20/14 refers). There are, however, a number of risk management related lessons learned that will help the Council in responding going forward.
 - a. **Sustainably meeting a long-term crisis** – the ongoing nature of the pandemic has highlighted that the Council's business continuity plans, along with policies, need to be expanded and reviewed to reflect the changes in how the Council is now working. The current plans are normally focused around short-term interruptions to business and how services are brought back into operation.
 - b. **Diversion of staff resources/expansion of role through government expectation/direction** – the pandemic has shown that in times of national crisis the role of the Council is likely to expand. In a number of service areas the Council's role has substantially increased. This included ensuring all rough sleepers and homeless households were in self-contained accommodation. The role of environment health has increased substantially covering a number of areas including supporting the high street to reopen. The Council also had to establish and operate a community hub to support the vulnerable households in the district. The Council has been the conduit for providing grants to local businesses funded by the Government. This required whole new systems to be established and has a high degree of

legacy work in post payment assurance. Whilst the Government has increased funding for these additional responsibilities, expanding the workforce with suitably experienced staff is not a quick solution. The reality is that existing staff resources are redirected into these new areas of responsibility and normal work is suspended.

- c. **Supply chains** – it became apparent early on that demand for certain products was outstripping supply. Specifically, the Council struggled to secure early delivery of ICT equipment to enable home working and, as Members will be very aware, supplies of the right quality of PPE were very difficult to secure. Both these issues were overcome through the hard work and diligence of officers, but there were real concerns that essential items may not have been procured.
- d. **Contractor resilience** – whilst the Council has not seen a major loss of staff through illness or self-isolation through the pandemic, this has not necessarily been the case with our contractors. BIFFA at times were operating at less than 80% of their workforce and certain services had to be suspended. Business continuity plans were in place to deal with this effectively, but this has come at a cost to the Council through delays in increasing garden waste charges and following the Government direction to continue to pay contractors at normal service levels. One additional issue is that where our contractor is a charity, then their financial resilience is lower and has caused the Council to have to provide funding to ensure their continued survival.
- e. **ICT** – the importance of the Council’s ICT has been highlighted throughout the pandemic. From ensuring staff could effectively work from home, developing the website and enabling remote and on-line meetings, the pivotal role of ICT should not be underestimated. The work that has been delivered puts the Council in a much stronger position to deal with any future crisis, but this will need to be maintained and updated to ensure this continues.
- f. **Flexible workforce** – the pandemic has highlighted that having a committed and flexible workforce is essential in responding to a crisis. This is where Rother excelled and was able to not only respond to the specific threats of COVID-19, but also ensure our essential services were maintained.
- g. **Communications** – the importance of clear and timely communication, both externally and internally, was highlighted during the pandemic. At the beginning of the lockdown daily updates were provided to Members (including MPs and Parish Councils) and staff. These have reduced in frequency over time but are still used to provide updates on COVID-19 issues. The Council has also made use of its social media channels to promote messages relating to COVID-19.
- h. **Members** – the role of Members and community leaders also came to the fore during the pandemic. It showed that Members are an essential resource and conduit between the Council and residents and businesses that they serve; their local knowledge “on the ground” was invaluable.

Corporate Risk Register

3. There are a number of items within the Corporate Risk Register (Appendix A) that relate to the impact (potential impact) and mitigation to a pandemic.
 - a. Line 3 Significant contract falls to RDC – BIFFA was unable to deliver all services and business continuity plan was invoked.
 - b. Line 7 Significant loss of staff due to pandemic – not occurred through illness but staff redirected to other duties.
 - c. Line 12 Significant Financial investment loss by Council – property funds investment values have fallen.
 - d. Line 13 Civil Unrest – lack of compliance with social distancing at public locations, particularly beaches.
 - e. Line 16 Safeguarding Children and Vulnerable Adults – the establishment of the Community hub specifically to deal with this risk.
 - f. Line 18 Major Incident requiring our staff to support it.
 - g. Line 19 Major incident preventing travel – lockdown prevented staff coming to the office.
 - h. Line 25 Significant facility falls to RDC – it was seen that our charitable operators were under severe financial pressure that could have caused their failure.
 - i. Line 29 Property Investments – same as line 12.
 - j. Line 30 Delivering Savings and Income targets as set out in the Medium Term Financial Plan – diversion of staff resources delaying delivery of the significant income and savings targets needed by the Council this year.

4. The above shows that most of the risks and impacts of the pandemic have been reflected in the Corporate Risk Register and that mitigations where possible have been in place. An officer team led by an Executive Director was established to manage these risks and to co-ordinate the Council's response to the pandemic including liaison with the Sussex Resilience Forum which maintained oversight of all the Sussex Councils, health and emergency services activities.

Difficult Winter scenario

5. Members will be aware there are expectations of a resurgence of COVID-19 as winter approaches. Furthermore, the winter is typically a time when other issues such as influenza and adverse weather conditions are more likely to occur. The measures the Council has put in place will mean it is in a strong position to maintain services including scaling up the community hub activities again. Further work is being done to prepare the Council for this eventuality, but it needs to be recognised that if staff resources need to be redirected to other areas of work, the delivery of the Council's day to day business will suffer further and there will be further costs incurred by the Council. It is not clear at this point, whether Government funding will be forthcoming to help support the Council.

Conclusion

6. The Council's response to COVID-19 was fully covered in the Cabinet report referred to in paragraph 2. The purpose of this report is not to revisit the issues raised in that report but to look at the lessons learned from a risk management

perspective. This is, and will continue to be, an on-going process but Members can be assured that the Council is well placed to deal with the challenges it may face, albeit acknowledging the pressures this could place on business as usual service provision.

Risk Management

7. The failure to review and update the risk environment would be a significant failing on the part of the Council.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Environmental	No	Access to Information	No
Sustainability	No	Exempt from publication	No
Risk Management	Yes		

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Appendices:	None
Relevant Previous Minutes:	CB20/14
Background Papers:	None
Reference Documents:	None