Corporate Risk Register

Risk No.	Risk Description and Theme	Cause	Effect	Owner	Likelihood	Impact	Score & RAG	Key Controls	Likelihood	Impact	Score & RAG	Actions	Owner	Target Date	Action RAG
				Inherent Risk				**Residual Risk**				**Actions**			
	CUSTOMER PERSPECTIVE														
A2	Development of the East Cambridgeshire Trading Company and East Cambridgeshire Street Scene Ltd.	The East Cambs Trading Company and East Cambridgeshire Street Scene Ltd do not deliver their business plans. Concerns over governance arrangements and segregation of duty.	Failing to achieve corporate priorities and Medium Term Financial Strategy. Reputational risk.	D-CS	3	5	15 (A)	ECTC Business Plans, Articles of Association and Shareholder Agreement. Established Shareholder Committee arrangements. Regular reporting to Shareholder Committee and full Council. Independent Chairperson. Independent external audit review of accounts, and opportunity to commission ad-hoc advice if required.	2	4	8 (A)				
A3	Housing strategy, and the need for affordable housing.	Challenges to future supply due to housing market and Government policy.	Failure to deliver the Council's commitment to 'genuine affordable' housing.	D-O D-CS	3	4	12 (A)	Council Support Programme to Community Land Trusts. Community Led Development SPD.	2	3	6 (A)				
A4	Homelessness	Increase in homelessness driven by external factors such as Universal Credit and the Homelessness Reduction Act.	Impact on the Council finance and resources.	D-O	4	5	20 (R)	Frontline resources focussed on preventing homelessness. Council retained hostels.	2	2	4 (G)				
	FINANCE AND RESOURCES														
B1	Public sector funding	Uncertainty and changes in funding such as the withdrawal of Revenue Support Grant and 75% retention of business rates. Lack of opportunity to make further savings. Not maximising the opportunities from the Combined Authority deal and other income opportunities.	Failure to achieve budgets savings leading up to 2020/21 and undermining the revised Medium Term Financial Strategy.	FM	3	5	15 (A)	Agreed Medium Term Financial Strategy (MTFS) to become self-sufficient. The draft MTFS was reported to the Resources and Finance Committee on 29th January 2018, showing a balanced budget for 2018-19 and 2019-20. Budget Monitoring through Management Team and relevant Committees. Partnership working (principally with the Combined Authority) and ongoing consideration of potential opportunities linked to the key ambitions. Strong leadership from members and officers.	3	4	12 (A)	Work progressing to meet the budget deficit projected for 2020/21. This will be reported to the Resources and Finance Committee.	FM	January 2019	G

		Inherent Risk							Residual Risk				Actions			
Risk No.	Risk Description and Theme	Cause	Effect	Owner	Likelihood	Impact	Score & RAG	Key Controls	Likelihood	Impact	Score & RAG	Actions	Owner	Target Date	Action RAG
B2	Development and planning income.	The viability and delivery of residential and commercial development. Changes in legislation such as the review of Community Infrastructure Levy (CIL).	Council failing to deliver its growth trajectory and not generating projected CIL income.	D-CS	3	4	12 (A)	New Local Plan Ongoing Service Plan reviews CIL Implementation CLT support programme Business Plan (Property)	3	4	12 (A)	Monitor and respond to the outcomes of the Government review on CIL.	ISM	Ongoing	G
B3	Failure to plan for and accommodate the impact of Brexit.	The UK leaving the EU with impacts on regulations and the economy.	The Council suffers from consequences of leaving the EU with impacts on procurement and employment through changes in EU/UK regulation, income and public services.	CEX	4	3	12 (A)	Engagement in local forums and networks, including the local resilience partnership. Participation in workshops with other public sector partners.	4	2	8 (A)				
	PROCESSES AND SYSTEMS														
C1	Emergency planning and business continuity. The Council delivers a range of complex services which may be effected by an emergency.	Major civil emergency potentially due to: • Loss of access to premises • Severe weather events • Fuel shortages • Communications failure • Pandemics • Loss of power • Terrorist events • Supply chain failure	Inability to access key staff or resources resulting in reduced ability to deliver services. Increased requests for Council resources and services Health and safety impact on staff and vulnerable residents Damage to Council property and impact on residents Reputation damage	CEX	3	5	15 (A)	Business Continuity Plan (BCP) updated. Business Continuity Training and exercises. Member's handbook. Emergency Management Plan with supporting plans for specific activities e.g. rest centres. Rest Centre plans reviewed by National Resilience Forum. Registration process and template forms aligned to other Councils so they can mutually assist each other as responders.	3	2	6 (A)				

	Inherent Risk							Residual Risk				Actions			
Risk No.	Risk Description and Theme	Cause	Effect	Owner	Likelihood	Impact	Score & RAG	Key Controls	Likelihood	Impact	Score & RAG	Actions	Owner	Target Date	Action RAG
C2	Managing information security, resilience, plus having an IT Strategy for continuous improvement.	ICT systems abuse, intrusion or failure. Under investment in IT infrastructure and lack resource to implement change. Employees not having the right tools for the job to work efficiently.	Business interruption resulting in reduced ability to deliver services. Not prepared for disaster recovery. Non-compliance with legislation, resulting in financial penalties up to £0.5m and reputational risk. Inefficient working.	D-O	3	4	12 (A)	ICT Service redesign and restructure. ICT Disaster Recovery Plan. System and Penetration testing regime. ICT Security Policy. Government Connect and Public Sector Network compliance.	2	4	8 (A)	Development of ICT Disaster Recovery Plan to be considered as part of ICT project plan Participation in National Stocktake and bid for funding to facilitate increased cyber resilience.	D-0 D-O	April 2019 April 2019	G G
C3	Non-compliance with legislative and regulatory requirements.	Changes in legislation from Central Government, Europe, or Professional bodies can impact many areas, e.g: • health and safety, • equalities, • safeguarding, • environmental legislation, • employment law.	Financial penalties for non-compliance. Reputational risk.	MT	4	3	12 (A)	Monitoring changes to legislation that impacts the Council. Topical examples include H&S sentencing guidelines, and earlier closedown of accounts. Procedural changes and training is delivered as required. Safeguarding policy in place and refreshed in 2017/18. Safeguarding leads nominated and all staff have received safeguarding training.	2	3	6 (A)				
C4	Managing compliance with the General Data Protection Regulations (GDPR) and Data Protection Act.	New legislation from Central Government and Europe.	ICO warnings, bans on processing data, fines. Compensation claims and reputational damage.	LSM	3	5	15 (A)	Information Officer post created and filled. All Council staff briefed. Key (public facing) stages completed for GDPR introduction in May 2018, continued compliance in place via action plan. Staff e-learning and Member briefing.	2	5	10 (A)	Continue working towards full compliance via action plan	LS M	March 2019	G
C5	Payroll and HR system not meeting the needs of the whole organisation	Midland HR do not meet our service requirements.	Salaries are not paid correctly to employees Pensions and subsequent pension reports are not completed properly for HMRC and LGSS	PM O	3	5	15 (A)	Regular communication with Midland HR Effective communication between HR and payroll Service Level Agreement to be adhered to	2	5	10 (A)	Actions to be progressed based on outcome from health check against blue print	HT	Feb 2019	G

		Inherent Risk						Residual Risk				Actions			
Risk No.	Risk Description and Theme	Cause	Effect	Owner	Likelihood	Impact	Score & RAG	Key Controls	Likelihood	Impact	Score & RAG	Actions	Owner	Target Date	Action RAG
C6	Failure of corporate governance and counter fraud and corruption controls	Attempts at fraud and corruption from internal or external sources are successful due to inadequate corporate governance and counter fraud controls.	Financial losses and reputational damage. Impact on service delivery.	MT	3	3	9 (A)	Counter fraud training for officers as part of induction process. Gifts and hospitality registers. Counter fraud and ethical governance policies and procedures. Internal control framework including segregation of duties and authorisations. Reviewed annually for Annual Governance Statement. Participation in National Fraud Initiative.	2	3	6 (A)				
	LEARNING AND GROWTH														
D2	Strategic development	Following a recent public inquiry, the Planning Inspectorate has determined the Council is unable to demonstrate a five-year supply of housing land.	Planning applications can only be refused if the adverse impacts significantly and demonstrably outweigh the benefits of the proposal, in accordance with the presumption in favour of the sustainable development.	D-CS	5	5	25 (R)	The Council has developed a new Local Plan which was delivered to the Council in October 2017. The Local Plan is at currently at examination stage. Adoption is likely in Spring 2019. Partnership Agreement with Peterborough City Council. .	2	4	12 (A)				
D8	Difficulties with staff recruitment, absence and retention – leading to lack of resources	Lack of staff resources in terms of numbers due to high turnover or failed recruitment exercises. Lack of staff resources in terms of knowledge, skills and behaviours due to poor staff retention.	A shortage of staff in roles across the Council and Trading Companies and a loss of knowledge and skills, could lead to service failure, which could result in an increased level of complaints, poor reputation and financial penalties from breaches in legislation or failure to follow rules, procedures and meet deadlines.	MT	4	3	12	Job description questionnaire (JDQ) exercise. Investment in training and up-skilling existing staff. Absence Management policy. Effective implementation of Service Delivery Plans and performance management Management Development training has been delivered to all Service Leads and is currently being rolled out to the next tier of managers.	4	2	8				

Corporate Priorities:

1 Delivering a Financially Sound and Well Managed Council

2 Genuinely Affordable Housing

3 A Fantastic Place to Live

4 Improving Local Transport

5 Improving Infrastructure

6 New Jobs and Funding

Key to risk owners (above):

CEX   Chief Executive

D-O   Director, Operations

D-CS   Director, Commercial Services

FM   Finance Manager and S151 Officer

LSM   Legal Services Manager and Monitoring Officer

ISM   Infrastructure and Strategy Manager

HSM   Health & Safety Manager

HRM   Human Resources Manager

PMO   Performance Management Officer

MT   Management Team

Appendix 3 - Corporate Risk Register Heat Map

Summary of Residual Scores for Corporate Risks

Impact			1	2	3	4	5
	Very High	5		C5, C4			
	High	4		A2, C2, D2	B1, B2		
	Medium	3		A3, C3, C6			
	Low	2		A4	C1	D8, B3	
	Negligible	1					
			1	2	3	4	5
			Very rare	Unlikely	Possible	Likely	Very Likely
			Likelihood				

Red scores – in excess of the Council's risk appetite. Action is needed to redress, with regular monitoring. In exceptional circumstances residual risk in excess of the risk appetite can be approved if it is agreed that it is impractical or impossible to reduce the risk level below 16. Such risks should be escalated through the management reporting line to Corporate Management Team, Resources and Finance Committee and Council.

Amber scores – likely to cause the Council some difficulties (risk score 5 to 15) – six monthly monitoring

Green scores (risk score 1 to 4) – low risk, monitor as necessary

Code	Title
A2	Trading company
A3	Affordable Housing
A4	Homelessness
B1	Public sector funding
B2	Development
B3	Brexit impact
C1	Emergency Planning
C2	Information security
C3	Non-compliance with legislative and regulatory requirements.
C4	General Data Protection Regulations
C5	Payroll system
C6	Corporate governance and counter fraud and corruption controls
D2	Strategic development
D8	Staff recruitment and retention