

Corporate Risk Register

Inherent Risk								Residual Risk				Actions			
Risk No.	Risk Description	Cause	Effect	Owner	Likelihood	Impact	Score & RAG	Key Controls	Likelihood	Impact	Score & RAG	Actions	Owner	Target Date	Action RAG
<b>CUSTOMER PERSPECTIVE</b>															
A2	East Cambridgeshire Trading Company and East Cambridgeshire Street Scene Ltd fail to deliver upon business plans and expected levels of performance.	Poor performance by the companies with a lack of challenge and oversight.  Failure to embed effective governance arrangements and segregation of duty.	Failing to achieve corporate priorities and Medium Term Financial Strategy.  Reputational risk.	D-CS	3	5	15 (A)	Business Plans, Articles of Association and Shareholder Agreements.  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	Failure to deliver the housing strategy, and provide affordable housing to residents within the district.	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 in the district.	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)				
<b>FINANCE AND RESOURCES</b>															
B1	Reductions in public sector funding.	Uncertainty and changes in funding such as, the Spending Review 2019, the fair funding review and 75% retention of business rates, all planned to be introduced on 1 <sup>st</sup> April 2020.  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 Full Council in February 2019. 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)				

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B2	Failure to achieve expected levels of 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)	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	3	3	9 (A)	Engagement in local forums and networks, including the local resilience partnership.  Participation in workshops with other public sector partners and forward planning.	3	3	9 (A)				
<b>PROCESSES AND SYSTEMS</b>															
C1	Failure to maintain service delivery and support the community in the event of an unforeseen emergency or loss of resources.	Major civil emergency potentially due to: <ul style="list-style-type: none"> <li>• Loss of access to premises</li> <li>• Severe weather events</li> <li>• Fuel shortages</li> <li>• Communications failure</li> <li>• Pandemics</li> <li>• Loss of power</li> <li>• Terrorist events</li> <li>• Supply chain failure</li> </ul>	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)				

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C2	Loss of data or access to ICT systems due to a breach of information security or weaknesses in the IT infrastructure.	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 Disaster Recovery Plan. System and Penetration testing regime. ICT Security Policy. Government Connect and Public Sector Network compliance.	3	4	12 (A)	Development of ICT Disaster Recovery (DR) Plan and establishment of DR site. To include update of policies/procedure and review of back up arrangements – with support of funding from Local Government Association Cyber Security monies.	D-0	March 2020	R
C3	Non-compliance with legislative and regulatory requirements.	Changes in legislation from Central Government, Europe, or Professional bodies can impact many areas, for example: <ul style="list-style-type: none"> <li>• health and safety,</li> <li>• equalities,</li> <li>• safeguarding,</li> <li>• environmental legislation,</li> <li>• employment law.</li> </ul>	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. Health and safety risk assessment programme.	2	3	6 (A)				
C4	Failure to achieve 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	4	8 (A)	Continue working towards full compliance via action plan.	LS M	May 2020	G

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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)				
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. Fraud awareness promotion in February 2019.	2	3	6 (A)	Review of Counter Fraud policies and Anti Money Laundering policy	FM	September 2019	G
<b>LEARNING AND GROWTH</b>															
D2	Failure to deliver upon strategic development plans and requirements.	Following a recent public inquiry, the Planning Inspectorate has determined the Council is unable to demonstrate a five-year land supply for housing. Lack of up to date Local Plan. Lack of delivery of permitted schemes by developers.	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. More speculative development Not delivering quantity of housing/employment to meet needs of the district	D-CS	5	5	25 (R)	Development Management to manage speculative applications when submitted. Work with developers to ensure delivery of sites.	3	4	12 (A)	Members to determine whether to commence work on a new Local Plan	D-CS	October 2019	

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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 (A)	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 team leaders.	4	2	8 (A)				

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

**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.

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A3	Failure to deliver the housing strategy, and provide affordable housing to residents within the district.
A4	Homelessness in the district.
B1	Reductions in public sector funding.
B2	Failure to achieve expected levels of development and planning income.
B3	Failure to plan for and accommodate the impact of Brexit.
C1	Failure to maintain service delivery and support the community in the event of an unforeseen emergency or loss of resources.
C2	Loss of data or access to ICT systems due to a breach of information security or weaknesses in the IT infrastructure.
C3	Non-compliance with legislative and regulatory requirements.
C4	Failure to achieve compliance with the General Data Protection Regulations & Data Protection Act.
C5	Payroll and HR system not meeting the needs of the whole organisation.
C6	Failure of corporate governance and counter fraud and corruption controls
D2	Failure to deliver upon strategic development plans and requirements.
D8	Difficulties with staff recruitment, absence and retention – leading to lack of resources.

