

Corporate Risk Register

Appendix 2

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 (ECTC) and East Cambridgeshire Street Scene (ECSS) 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 arrangements.  Regular reporting to Finance and Assets and Operational Services Committees (in remit as Shareholder committee) and Full Council.  Company Business Plans include risk register  Independent Chairperson.  Independent external audit review of accounts, and opportunity to commission ad-hoc advice if required.  S151 Officer and Monitoring Officer present as non-voting members at Board meeting.	2	4	8 (A)	The ECTC Business Plan will be presented to Finance and Assets Committee	D- CS	June 22	G
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.	CU M	3	4	12 (A)	Council Support Programme to Community Land Trusts.  Community Led Development SPD.  Engagement with CPCA to access Housing Fund.  Newly published Strategic Housing Market Assessment (SHMA)  Small loan agreed to ECCLT to deliver 15 Shared Ownership Units in Ely.  Approved £100k homes allocation policy.  Establish relationship with Homes England and local allocation policy.	2	3	6 (A)	Discuss pipeline with Homes England for grant funding  Present First Homes Interim Policy Statement to Finance & Assets Committee	CU M  CU M	On-going  June 22	G  G

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A4	Homelessness in the District.	<p>Increase in homelessness driven by external factors such as the cost of living crisis (fuel and energy), Universal Credit and the Homelessness Reduction Act.</p> <p>Breakdown of relationships following Ukrainian's being taken into homes via the Homes for Ukrainian Scheme.</p>	Impact on the Council finance and resources.	D-C	4	5	20 (R)	<p>Frontline resources focussed on preventing homelessness.</p> <p>Council retained hostels.</p> <p>Housing now has community advice within the department meaning that residents now have a one stop shop for early intervention and homelessness prevention.</p> <p>Community bus is now on the road and stops at various locations throughout the month to give advice on housing and community advice.</p> <p>Team continues to prevent homelessness and B&amp;B has not been required to date.</p> <p>Homes for Ukrainian's internal working group meeting weekly.</p> <p>Additional admin. support recruited to assist with the Ukrainian schemes.</p> <p>Community Hub set-up.</p> <p>Working with multiple organisation.</p>	3	3	9 (A)	Resettlement Officer being recruited	H&CA-M	July 22	G
<b>FINANCE AND RESOURCES</b>															
B1	Inability to balance the Council's budget.	<p>Reductions in public sector funding.</p> <p>Uncertainty and changes in Government funding such as the fair funding review and 75% retention of business rates, planned to be introduced on 1<sup>st</sup> April 2023.</p> <p>Lack of opportunity to make further savings.</p> <p>Not maximising the opportunities from the Combined Authority deal and other income opportunities.</p> <p>"Cost of living crisis" resulting in lost Council Tax receipts and increased direct costs to the Council as inflation increases.</p>	Failure to balance the budget in 2022/23 resulting in an inability to set a legal budget for 2023/24 in February 2023.	FM	3	5	15 (A)	<p>Agree Medium Term Financial Strategy (MTFS) each February as part of budget setting process.</p> <p>The 2022/23 Budget was approved by Full Council in February 2022.</p> <p>Quarterly budget monitoring through Management Team and relevant Committees.</p> <p>Partnership working and on-going consideration of potential opportunities linked to the key ambitions.</p> <p>Strong leadership from members and officers.</p>	2	4	8 (A)	MTFS up-date to Finance & Assets Committee	FM	Sept 22	G

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B2	Failure to achieve expected levels of development and planning gain	The viability and delivery of residential and commercial development.  Changes in legislation such as the Levelling Up and Regeneration Bill.	Council failing to deliver its growth trajectory and not generating projected s106 and CIL income.	D-CS	3	4	12 (A)	CIL and Section 106 collection and monitoring  CLT support programme  Working with developers	3	4	12 (A)	Respond to the outcomes of the Levelling Up and Regeneration Bill.	CU M	Ongoing	G
<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 (including Brexit)</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	4	12 (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 Local Resilience Forum.  Improved ICT functionality allows more staff to work remotely, aiding the response.  Living with Covid-19 risk assessments.	2	2	4 (G)				
C2	Loss of data or access to ICT systems due to a breach of information security and / 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 and reputational risk.  Inefficient working.	FM	3	4	12 (A)	ICT Disaster Recovery Plan.  System and Penetration testing regime.  ICT Security Policy.  Government Connect and Public Sector Network compliance.  Implementation of Office 365	3	3	9 (A)	Actions arising from Cyber Security audit report    Actions arising from the Internal audit review of Outlook outages	ITM    ITM	July 2022    July 2022	A    A

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C3	Non-compliance with legislative and regulatory requirements.	Changes in legislation from Central Government 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.	CM T	2	3	6 (A)	Monitoring changes to legislation that impacts the Council. Topical examples include H&S sentencing guidelines, and earlier closedown of accounts. Procedural rules are changed as required and training delivered at least annually. Safeguarding policy under review. Safeguarding leads nominated and all staff have received safeguarding training. Health and safety management system. Disaster Recovery Plan and supporting systems / hardware. Equality, Diversity and Inclusion policy. Training on equality, diversity and inclusion for Members and officers rolled out. Equality monitoring reports published. Annual health and safety report. RIPA policy (Regulation of Investigatory Powers Act) Whistleblowing Policy	1	3	3 (G)	Review Safeguarding Policy  Updates to RIPA policy, following inspection.	H&CA-M  LSM	Sept 2022  August 2022	G  G	
C4	Failure to achieve compliance with Data Protection legislation (UK General Data Protection Regulations and Data Protection Act 2018).	Data breaches. Failure to meet legislation deadlines. ICT system failure / cyber-attack.	ICO monetary penalties, enforcement notices, prosecution. Compensation claims and reputational damage.	LSM	3	5	15 (A)	All Council staff and members undertake annual online data protection training. All new staff briefed at Corporate Induction. Data breach register maintained. All breaches risk assessed, investigated and recommendations made. Record of Processing Activity in place and maintained by Information Officer.	2	4	8 (A)					

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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.	CM T	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. Anti-money laundering policy is part of the Constitution. Internal control framework including segregation of duties and authorisations. Reviewed annually for Annual Governance Statement. Participation in National Fraud Initiative. Fraud awareness promotion on annual basis, with targeted reminders in year. Fraud reporting tool available internally and externally. Fraud risk assessments completed in relation to Covid-19 business grants and post payment assurances.	2	3	6 (A)				
<b>LEARNING AND GROWTH</b>															
D2	Failure to deliver upon strategic development plans and requirements.	The Council not being able to demonstrate a five-year land supply for housing or an up-to-date Local Plan. However, on 21 <sup>st</sup> April 2020 the Council did regain its five-year land supply, though developers are challenging this.  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	CU M	3	4	12 (A)	Development Management to manage speculative applications when submitted.  Work with developers to help delivery of sites.  Robustly defend appeals in order to maximise chances of success (note: ultimately, it will be a planning inspector, in reaching a decision on an appeal, that will determine whether the inherent risk materialises).	3	4	12 (A)	Submit the Single Issue Review of Local Plan document to the Planning Inspectorate.  Public examination of the Single Issue Review of Local Plan.	CU M  CU M	July 2022  January 2023	G  G

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D8	Difficulties with staff recruitment, absence (including sick leave) 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 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.  More acute in areas with reliance on single officer.	CM T	3	3	9 (A)	Investment in training and up-skilling existing staff. Absence Management policy.  Management Development training has been delivered to all Service Leads and team leaders. Remote working policy. Service Delivery Plans reintroduced and presented to Policy Committees in March 2022. Use of market supplements where necessary.	3	2	6 (A)	Six-month review of Service Delivery Plan	CM T	Nov 22	G

#### Corporate Priorities:

- 1 Sound financial management
- 2 Improving transport
- 3 Housing
- 4 Cleaner, greener East Cambridgeshire
- 5 Social and community infrastructure

#### Key to risk owners (above):

- CEX Chief Executive  
D-CS Director, Commercial Services  
FM Finance Manager and S151 Officer  
LSM Legal Services Manager and Monitoring Officer  
CUM Corporate Unit Manager  
HSM Health & Safety Manager  
HRM Human Resources Manager  
CMT Corporate Management Team  
ITM IT Manager  
H&CA-M Housing & Community Advice Manager

## Appendix 3 - Corporate Risk Register Heat Map

### Summary of Residual Scores for Corporate Risks

Impact	Very High	5					
	High	4		A2, B1, C4	B2, D2		
	Medium	3	C3	A3, C6	A4, C2		
	Low	2		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.

Code	Title
A2	East Cambridgeshire Trading Company and East Cambridgeshire Street Scene Ltd fail to deliver upon business plans and expected levels of performance.
A3	Failure to deliver the housing strategy, and provide affordable housing to residents within the district.
A4	Homelessness in the district.
B1	Inability to balance budget.
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.
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.

