

Corporate Risk Register - September 2023

Appendix A

No.	Category	Risk Description	Effect	Resulting In	Caused By	Mitigations and Controls	Acceptable Risk Score	Mitigated Risk			This Review	Actions/Comments	Next Review	Owner
								Likelihood	Impact	Score				
#	Risk category	Situation or event (real or perceived) that exposes us to risk	The negative impact. How big? How bad? How much? Consider worst likely scenario	What wider impacts may the risk effect have?	Circumstances that could lead to the risk being realised	Controls and other mitigations already in place	Max. risk appetite score	1-5 (refer to Risk Scoring Matrix)	1-5 (refer to Risk Scoring Matrix)	Likelihood x Impact	Date	Further action required to reduce risk	Date	Person managing risk
1	Political	Political changes impact delivery of Council services	Negative impact on finances and increased demand for services such as housing benefits	Less money to deliver services and lessening quality of services	<ul style="list-style-type: none"> Changing government policy Government spending review Interest rate rises Business Rate reset 	<ul style="list-style-type: none"> Medium term financial plan well developed and regularly reviewed Use of reserves as short term financial support Regular budget/financial updates to Members Senior officer involvement with national bodies (e.g. LGA, Rural Services Network, Solace) Regular meetings with/lobbying of MPs East Sussex Lobbying priorities Proactive involvement with national consultations 	10	3	3	9	11-Sep-23	This risk score has reduced from 16 to 12 following review and reflects inability to address the cause of the risk but mitigations in place: <ul style="list-style-type: none"> Ongoing focus and refresh of the Financial Stability Programme to ensure delivery of programme objectives Ensure 'horizon scanning' continues through involvement in national bodies The support of the LGA/Rural Services Network can play an important role in lobbying the government on behalf of district councils Policy update to CMT 	11-Dec-23	LF
2	Social	The Council cannot meet its housing objectives: 1) supply of affordable houses 2) housing list reduction 3) five-year housing supply	<ul style="list-style-type: none"> Increased levels of homelessness Increased TA cost Pressure from partner agencies to provide housing 	<ul style="list-style-type: none"> Significant revenue costs in temporary accommodation Reputational damage 	<ul style="list-style-type: none"> Rising cost of living, house prices & rent costs National & local planning policy Southern Housing (LSVT) failing to build new housing locally, relative to neighbouring areas AONB and lack of viable land for development Local resistance to development Lack of resources to effectively prevent homelessness <p><i>NB - Many of the causes of this risk are outside LA control and we may have to tolerate some increase in costs.</i></p>	<ul style="list-style-type: none"> Rother Tenant Finder (RTF) TA investment and Temporary Accommodation Support Scheme (TASS) Housing First and RSI CIL review Competent managers 	10	4	4	16	11-Sep-23	<ul style="list-style-type: none"> Deliver expanded RTF following authorised investment from SLT Continue service improvement through delivery of the Service Plan Continued investment in our own TA stock Housing Strategy Task & Finish Group work LUP deep dive for TA imminent <p><i>Aware that risk appetite is exceeded - SLT to discuss further options about homelessness as part of mitigation plan</i></p>	11-Dec-23	JP
3	Technology	IT Failure	Failure to deliver (all) services	<ul style="list-style-type: none"> Long term failure Significant financial loss Rebuilding due to successful attack 	<ul style="list-style-type: none"> Successful cyber attack <ul style="list-style-type: none"> - user error/lapse - failure of defences Infrastructure failure <ul style="list-style-type: none"> - power outage - flooding - fire - hardware issues Understaffing IT department 	<ul style="list-style-type: none"> Key services now managed in the cloud Active antivirus protection Secure configuration, threat monitoring and vulnerability testing Data backups are maintained Robust patching schedule 	10	2	5	10	11-Sep-23	Risk score reduced from 15 to 10 following business continuity advice from Zurich <ul style="list-style-type: none"> Regular phishing awareness training Confirm budget arrangements for emergency expenditure 	11-Dec-23	MA
4	Economic/Financial	Failure to operate within a sustainable budget	Failure to deliver corporate objectives	This score has increased from 12 to 20 to reflect the financial pressures the Council is under <ul style="list-style-type: none"> Actively manage and monitor delivery of the Financial Stability Programme (FSP) Continue regular monitoring reports to SLT/CMT Quarterly budget monitoring reports Respond to central government Settlement consultation 	<ul style="list-style-type: none"> Failure to achieve savings/income targets Increase in homelessness Reduction in business rates income Reduction in Council Tax income Budgets being exceeded and inadequate reserves 	<ul style="list-style-type: none"> Strong partnership between Members and Officers Regular monitoring of the Medium Term Financial Plan (MTFP) Reporting on performance against targets Dedicated resources to lead delivery of targets Quarterly budget monitoring Refresh of the Financial Stability Plan 	16	5	4	20	11-Sep-23	This score has increased from 12 to 20 to reflect the financial pressures the Council is under <ul style="list-style-type: none"> Actively manage and monitor delivery of the Financial Stability Programme (FSP) Continue regular monitoring reports to SLT/CMT Quarterly budget monitoring reports Respond to central government Settlement consultation 	11-Dec-23	DE
5	Project/Programme	Project delivery compromised	<ul style="list-style-type: none"> Project failures or inadequate delivery to budget, deadlines or specifications Failure to secure external funding to make project financially viable 	<ul style="list-style-type: none"> Significant financial loss Reputational damage Loss of, or inadequate return on, investment 	<ul style="list-style-type: none"> Strain on resources from competing priorities Staff turnover/loss of knowledge Lessons not learned from previous projects Scope creep Inadequate project governance including lack of review of business case High risk appetite within Corporate Plan 	<ul style="list-style-type: none"> Adequate project resources Capable project managers Training and support Robust risk management practices New internal governance structure implemented in conjunction with draft Projects Toolkit document; monthly internal SLT Programme Board to monitor projects. 	16	2	4	8	11-Sep-23	<ul style="list-style-type: none"> Ensure that the business case for each project is robust prior to approval and reviewed regularly Undertake skills transfer from contractors to officers A review of all projects is being undertaken to test financial viability and alignment with corporate priorities, with the cost of borrowing high it's prudent to take the opportunity of project delays to pause some projects and focus resources on priority projects 	6-Jan-24	BH
6	Partnership/Contractual	Significant service contract falls to RDC - e.g. Waste and Street Sweeping, Grounds Maintenance, Leisure Centres, toilet cleaning etc.	<ul style="list-style-type: none"> Pressure on staff to manage the transition Lack of staff to do the work in-house Lack of skills & knowledge Lack of equipment/vehicles Poor quality of service 	<ul style="list-style-type: none"> Financial Implications Major service disruption Reputational damage Inability to meet regulatory & statutory requirements 	<ul style="list-style-type: none"> Contractor failure due to financial issues and lack of staff Changes in government regulatory requirements Lack of practised BCP Lack of contract partnership management and support (Waste Contract & Grounds Maintenance) 	<ul style="list-style-type: none"> Close working relationship with contractor and regular operational meetings Rehearsed BCP Action Card with this scenario Three authority BCP for Waste Collection contract Separate Waste Contract Risk Register (MG) 	10	2	5	10	11-Sep-23	<ul style="list-style-type: none"> Review legal aspects Create waste and street sweeping response plan Consider other response plans Three authority review needed -budget arrangements for managing financial cost Open book accounting review? Service risk register in place for each contractor <p><i>This high risk score relates to the Waste Contract</i></p>	11-Dec-23	DK

7	Legal/ Compliance	Significant breach of Data Protection	<ul style="list-style-type: none"> Reputational damage/legal Financial damage Resources drained Leakage/theft 	Wider issue of Data Protection and consequences of data theft	<ul style="list-style-type: none"> Cyber attack/Ransomware Internal breach 	<ul style="list-style-type: none"> Regular training for staff Learning from incidents IT security measures Data Risk log 	10	3	3	9	11-Sep-23	Targeted training	11-Dec-23	MA
8	Legal/ Compliance	Significant legal case against the Council	<ul style="list-style-type: none"> Resources drained Project delays Corporate objectives not met 	<ul style="list-style-type: none"> Financial damage Reputational damage 	<ul style="list-style-type: none"> Failure to follow process and procedures Failure to update policy to reflect legislative changes 	<ul style="list-style-type: none"> Early Legal Service plan & advice Budget arrangements for managing this <ul style="list-style-type: none"> Horizon Scanning and training to understand new duties and requirements 	10	2	3	6	11-Sep-23	<ul style="list-style-type: none"> Work to Identify where service failure is in a legal case Take steps to mitigate. Is it covered by liability insurances? Legally qualified Monitoring Officer contracted to review policies and offer specialised legal support 	11-Dec-23	LF
9	People	Lack of quality/quantity of staff to deliver services	<ul style="list-style-type: none"> Difficulties in recruiting key posts Lack of professional skills Financial impact - recruiting is expensive 	<ul style="list-style-type: none"> Service failure or lower quality Higher cost Legal liability Stress on existing/remaining staff Reduction in staff wellbeing Loss of knowledge 	<ul style="list-style-type: none"> Skills shortage Staff turnover - competing on both salary and wider location within LA sector and private sector Lack of workforce plan 	<ul style="list-style-type: none"> Allow staff greater flexibility where possible Remote working facilities Use of agencies/outourcing companies Exit process to include full role analysis and capture of unique duties/knowledge 	10	3	3	9	11-Sep-23	<ul style="list-style-type: none"> Produce Workforce and People Plan Regular review of well-being policies Regular attendance at HR Officers countywide group Participation in surveys with SEEMP and LGA Participation in local data capture events Investment in training, both professional and general 	22-Jan-24	MB
10	People	Significant loss of staff due to pandemic/industrial action etc	<ul style="list-style-type: none"> 30%+ Flu etc. Across all services Particular note of cover for significant posts 	<ul style="list-style-type: none"> Unavailability of staff Reduction in service provision 	<ul style="list-style-type: none"> Staff absence through illness Travel/access restrictions Industrial Action 	<ul style="list-style-type: none"> Contacts with local, national & professional agencies Homeworking facilities Immediate medical prevention supplies available Priority list for staff vaccinations Priority Grid for Service staffing Local Authority duty to cooperate 	10	3	3	9	11-Sep-23	The risk description has been amended to include staff absence for all reasons including industrial action <ul style="list-style-type: none"> Guidance to staff on precautions Minimise officer travel Close receptions Comms plan Move to online meetings only (subject to legislation for committees) Close working relationship and regular meetings with Trade Union Side 	11-Dec-23	MB
11	Political	National fuel shortage	<ul style="list-style-type: none"> Loss of main services Staff committed to emergency Travel problems 	<ul style="list-style-type: none"> Staff unable to travel to work Contractors unable to provide key services (e.g.. refuse collection) 	<ul style="list-style-type: none"> Fuel distribution problems Conflicts abroad 	<ul style="list-style-type: none"> Fuel priority grid including key staff & contractors Homeworking facilities Priority grid for Service staffing 	10	1	3	3	11-Sep-23	This risk is recommended for removal from the Corporate Risk log due to the low risk score but will continue to be monitored <ul style="list-style-type: none"> Communications Plan needed Recent work on Brexit plans helps inform actions required of RDC 	6-Jan-24	BH
12	Environmental/ Climate Change	Coastal/river flooding	<ul style="list-style-type: none"> Loss of office accommodation Major issues with transport Staff diverted to emergency Staff committed to recovery programme 	<ul style="list-style-type: none"> BCP issue for services such as waste, car parking and coastal management (beach management) Cessation of visiting officers travel Could have an impact on transport 	Extreme weather	<ul style="list-style-type: none"> RDC Emergency Plan Local Authority duty to cooperate Existing flood plans Flood network to cascade information BCP plan for affected services. Membership of East Sussex Emergency Planning Partnership and Sussex Resilience Forum 	4	2	3	6	11-Sep-23	Recommend that the risk appetite for Environmental matters is increased <ul style="list-style-type: none"> Social media alerts Communication - PR implicit Manage impact of staff reallocation to rest facilities 	6-Dec-23	BH
13	Environmental/ Climate Change	The intended outcomes from the RDC 2030 net zero target will not be achieved.	Reputation damage (part of bigger issue of not doing our part)	<ul style="list-style-type: none"> Lack of trust in Council Disenfranchisement Lower community morale 	<ul style="list-style-type: none"> Lack of plan with achievable, measurable outcomes. Current outcomes are unachievable - in part because of unclear goals and pathway forward 	Corporate Plan milestones	4	3	3	9	11-Sep-23	Recommend that the risk appetite is increased <ul style="list-style-type: none"> Ensure regular reporting of Corporate Plan and other milestones to Members Refresh of Environment Plan 	6-Dec-23	BH
14	Partnership/ Contractual	Failure of a neighbouring authority or other partner	<ul style="list-style-type: none"> Impact on RDC services including shared services Financial loss Service failure - shared services Reputational damage 	<ul style="list-style-type: none"> Inability to provide services Reduction in service quality 	<ul style="list-style-type: none"> Inability of residents to access advice services Reduced availability of specialist advice to the Council 	<ul style="list-style-type: none"> SLAs to set out process in the event of partner failure Quantify the impact on individual shared services Access to software and assets 	10	4	3	12	11-Sep-23	This score has increased from 9 to 12 in light of the financial difficulties facing neighbour authorities <ul style="list-style-type: none"> The Council has a number of key partnerships including shared services. For shared services where the Council is not the lead authority need to ensure the inter-authority agreement sets out the process/deliverables in the event of a partner failure. This would need to include access to software and assets as well as staffing. 	17-Dec-23	BH
15	Partnership/ Contractual	Failure of a significant system supplier	<ul style="list-style-type: none"> Service Specific Unit4 Business World, Ocella, Academy, CRM, Whitespace Customer Service 	<ul style="list-style-type: none"> Impact on business continuity Reduction in service quality 	<ul style="list-style-type: none"> Poor relationship management with suppliers Essential system improvements delayed/not possible Supplier goes out of business 	<ul style="list-style-type: none"> Contingency for simple alternative e.g. Excel ESCROW agreements 	10	2	3	6	11-Sep-23	<ul style="list-style-type: none"> Consider neighbour council back up system or data transfer Rights of user software Contingency for alternatives Web based systems need checking System to be replaced if supplier no longer exists Corporate direction - similar to Link data and voice, encourage use of county wide systems for the future/future purchase, which will reduce risk ESCROW agreements will reduce short term impact 	2-Dec-23	DE

16	Economic/ Financial	Financial shutdown of RDC	<ul style="list-style-type: none"> Bank shutdown Loss of Income stream/assets Build up of backlog 	<ul style="list-style-type: none"> Impact on payments to suppliers and residents Increase in the amount needed to be drawn down from Reserves to fund costs 	<ul style="list-style-type: none"> Adverse weather conditions Software failures Hackers 	<ul style="list-style-type: none"> Rehearsed BCP Action Card with this scenario Budget arrangements for managing this Three authority BCP for Waste 	4	1	3	3	11-Sep-23	<p>Recommend removing this risk from the Corporate Risk Register as it is well mitigated</p> <ul style="list-style-type: none"> Consider neighbour council back up Hastings are able to provide back up and support so that cheques can be produced Customer advice and information to be put on website and telephone systems 	18-Dec-23	DE
17	Economic/ Financial	Project delays and increased costs to external/partner programme budgets	Negative impact on finances	Less money to deliver services, reputational damage, programme delivery compromised	Increased costs of borrowing, lack of clarity over roles and responsibilities of both entities, differing expectations and risk appetites. Demanding timeline for implementation to comply with funding obligations. Economic volatility in wider economy.	Improved project governance and controls, improved project management, increased member briefing, robust financial and risk management, RDC representation on Board.	16	4	4	16	11-Sep-23	<p>This is a new risk concerning RDCs relationship with Blackfriars and the LUF projects</p> <ul style="list-style-type: none"> Learn lessons from previous experience and implement audit recommendations in relation to Blackfriars. 	11-Dec-23	BH
18	Legal/ Compliance and Partnership	Ineffective governance arrangements of Blackfriars	Non-compliance with relevant legislation	Reputational damage, financial implications and delays to decision making	Lack of clarity about RDC's legal position as shareholder	Trowers and Bevan Brittan providing advice about Articles of Association and Shareholders Agreement. Further clarity required over delegations, powers and how RDC should govern the Housing Co (role of Audit Committee, Overview & Scrutiny Committee and powers of the Chief Executive). Oversight from internal and external audit	16	4	4	16	11-Sep-23	<p>This is a new risk</p> <ul style="list-style-type: none"> Seek RDC specific legal advice and interpretation 	11-Dec-23	LF

Risk Scoring Matrix

Likelihood	Impact				
	Minimal (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	5	10	15	20	25
Likely (4)	4	8	12	16	20
Possible (3)	3	6	9	12	15
Unlikely (2)	2	4	6	8	10
Rare (1)	1	2	3	4	5