

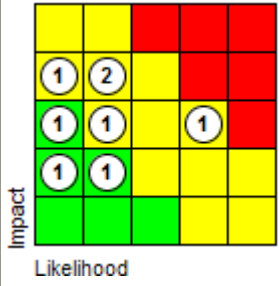
# **STRATEGIC RISK REGISTER**

**JUNE 2016**



|                         |                                |
|-------------------------|--------------------------------|
| <b>Code &amp; Title</b> | SR_000 Strategic Risk Register |
|-------------------------|--------------------------------|

**Current Risk Matrix**



**LIKELIHOODIMPACT**  
 1 - Unlikely 1 - Minor  
 2 - Possible 2 - Moderate  
 3 - Likely 3 - Significant  
 4 - Highly Likely 4 - Major  
 5 - Almost Certain 5 - Critical

The numbers relate to the amount of risks currently positioned in each box.

| Code   | Title  | Description   | Likelihood | Impact | Original Risk Score | Internal Controls  | Risk Owner | Likelihood | Impact | Current Risk Score | Traffic Light | Next Review Date |
|--------|--|---|------------|--------|---------------------|--|------------|------------|--------|--------------------|---------------|------------------|
| SR_001 | No political and partnership continuity/consensus with regard to organisational objectives | Sudden changes of political objectives at either national or local level renders the organisation, its current corporate plan and Medium Term Financial Strategy unfit for purpose. | 3          | 4      | 12                  | 1. Create inclusive governance structures which rely on sound evidence for decision making.<br>2. Annual review of corporate plan and Medium Term Financial Strategy<br>3. Creating an organisational architecture through the DRIVE Programme that can respond to changes in the environment. | CMT        | 1          | 2      | 2                  | Green         | 02-Aug-2016      |
| SR_002 | Changes to the economic environment makes the Council economically less sustainable        | 1. Economic development of the town suffers.<br>2. Council objectives cannot be met.  | 4          | 4      | 16                  | 1. Robust Medium Term Financial Strategy reviewed annually and monitored quarterly. Refreshed in line with macro economic environment triennially.<br>2. Creating an organisational architecture through the DRIVE Programme that can respond to changes in the environment.                   | CMT        | 4          | 3      | 12                 | Amber         | 02-Aug-2016      |
| SR_003 | Unforeseen socio-economic and/or demographic shifts creating                               | 1. Unsustainable demand on services.<br>2. Service failure.   | 2          | 4      | 8                   | 1. Grounding significant corporate decisions based on up to date, robust, evidence base. (e.g. Census; Local Futures Toolkit/data  | CMT        | 2          | 3      | 6                  | Amber         | 01-Aug-2016      |

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|--------|---|--|------------|--------|---------------------|---|------------|------------|--------|--------------------|---------------|------------------|
|        | significant changes of demands and expectations.  | 3. Council structure unsustainable and not fit for purpose.<br><br>4. Heightened likelihood of fraud.  |            |        |                     | modelling; East Sussex in Figures data modelling).<br><br>2. Ensuring community and interest group engagement in policy development (e.g. Neighbourhood Management Schemes; Corporate Consultation Programme)   |            |            |        |                    |               |                  |
| SR_004 | The employment market provides unsustainable employment base for the needs of the organisation      | Employment market unable to fulfil recruitment and retention requirements of the Council resulting in a decline in performance standards and an increase in service costs. | 4          | 4      | 16                  | 1. DRIVE change programme to increase non-financial attractiveness of EBC to current and future staff.<br><br>2. Appropriate reward and recognition policies reviewed on a regular basis.<br><br>3. Review of organisation delivery models to better manage the blend of direct labour provision. Pursuit of mutually beneficial shared service arrangements. | CMT        | 2          | 2      | 4                  | Green         | 01-Aug-2016      |
| SR_005 | Not being able to sustain a culture that supports organisational objectives and future development. | 1. Decline in performance.<br><br>2. Higher turnover of staff.<br><br>3. Decline in morale.  | 4          | 4      | 16                  | 1. Deliver a fit for purpose organisational culture through Joint Transformation programme.<br><br>2. Continue to develop our performance management  | CMT        | 2          | 4      | 8                  | Amber         | 01-Aug-2016      |

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|--------|--|---|------------|--------|---------------------|---|------------|------------|--------|--------------------|---------------|------------------|
|        |  | <p>4. Increase in absenteeism.</p> <p>5. Service failure</p> <p>6. Increased possibility of fraud.</p>                            |            |        |                     | <p>capability to ensure early intervention where service and/or cultural issues arise.</p> <p>3. Continue to develop communications through ongoing interactions with staff.</p>  |            |            |        |                    |               |                  |
| SR_006 | Council prevented from delivering services for a prolonged period of time.                 | <p>1. Denial of access to property</p> <p>2. Denial of access to technology/information</p> <p>3. Denial of access to people</p>  | 3          | 5      | 15                  | <p>1. Regularly reviewed and tested Business Continuity Plans.</p> <p>2. Regularly reviewed and tested Disaster Recovery Plan.</p> <p>3. DRIVE change programme has created a more flexible, less locationally dependent service architecture.</p> <p>4. Adoption of best practice IT and Asset Management policies and procedures.</p> | CMT        | 2          | 4      | 8                  | Amber         | 01-Aug-2016      |
| SR_007 | Council materially impacted by the medium to long term effects of an event under the Civil | <p>1. Service profile of the Council changes materially as a result of the impact of the event.</p> <p>2. Cost profile of the</p> | 3          | 5      | 15                  | <p>1. Ongoing and robust risk profiling of local area (demographic and geographic).</p> <p>2. Review budget and reserves in light of risk</p>   | CMT        | 1          | 3      | 3                  | Green         | 01-Aug-2016      |

| Code   | Title  | Description  | Likelihood | Impact | Original Risk Score | Internal Controls   | Risk Owner | Likelihood | Impact | Current Risk Score | Traffic Light | Next Review Date |
|--------|--|--|------------|--------|---------------------|---|------------|------------|--------|--------------------|---------------|------------------|
|        | Contingencies Act                                | Council changes materially as a result of the impact of the event.   |            |        |                     | profile.<br>3. Working in partnership with other public bodies.   |            |            |        |                    |               |                  |
| SR_008 | Failure to meet regulatory or legal requirements | <p>1. Credibility of the Council is negatively impacted.</p> <p>2. Deterioration of financial position as a result of regulatory activity/penalties.</p> <p>3. Deterioration of service performance as a result of regulatory activity/penalties.</p> <p>4. Increased probability of prosecutions and compensation claims as a result of inadequate management of Health and Safety duties.</p> <p>5. Possibility of fraud and bribery.</p> <p>6. Ensure compliance with legislation such as</p> | 3          | 4      | 12                  | <p>1. Developing, maintaining and monitoring robust governance framework for the Council.</p> <p>2. Building relationships with regulatory bodies.</p> <p>3. Develop our Performance Management capability to ensure early intervention where service and/or cultural issues arise.</p> <p>4. Take forward the recommendations of the CIPFA Asset Management report to ensure we meet regulatory/legal requirements regarding the management of property.</p> <p>5. Ensure there is full understanding the impact of new legislation (e.g. Localism Act).</p> <p>6. All managers are required</p> | CMT        | 1          | 4      | 4                  | Amber         | 01-Aug-2016      |

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|------|-------|--|------------|--------|---------------------|--|------------|------------|--------|--------------------|---------------|------------------|
|      |       | Data Protection and Safeguarding.<br><br>7. Entering into contracts etc. without having adequate finance in place. |            |        |                     | to abide by the Council's procurement rules. |            |            |        |                    |               |                  |