

## APPENDIX A

# Strategic Risk Register Position Table (Eastbourne)



**Report Type:** Risks Report

**Generated on:** April 2020

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

|                            |  |  |  |
|----------------------------|--|--|--|
| <b>Current Risk Matrix</b> |  | <b>LIKELIHOOD</b><br>1 - Unlikely<br>2 - Possible<br>3 - Likely<br>4 - Highly Likely<br>5 - Almost Certain | <b>IMPACT</b><br>1 - Minor<br>2 - Moderate<br>3 - Significant<br>4 - Major<br>5 - Critical |
|                            |  | The numbers relate to the amount of risks currently positioned in each box.                                |  |
|                            |  |  |  |

# Strategic Risk Register (Eastbourne)



**Report Type:** Risks Report

**Generated on:** April 2020

| 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                  | <u>Reduces Likelihood</u><br>1. Create inclusive governance structures which rely on sound evidence for decision making.<br><br><u>Reduces Impact</u><br>2. Annual review of corporate plan and Medium Term Financial Strategy<br><br>3. Creating an organisational architecture that can respond to changes in the environment. | Chief Executive       | 2          | 3      | 6                  | Amber         | Nov-2020         |
| SR_002 | Changes to the economic environment makes the Council economically less sustainable        | 1. Economic development of the town suffers.<br><br>2. Council objectives cannot be met.  | 5          | 5      | 25                  | <u>Reduces Impact</u><br>1. Robust Medium Term Financial Strategy reviewed annually and monitored quarterly. Refreshed in line with macro economic environment triennially.<br><br>2. Creating an organisational architecture that can respond to changes in the   | Chief Finance Officer | 5          | 5      | 25                 | Red           | Nov-2020         |

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|--------|---|--|------------|--------|---------------------|---|-----------------------------------|------------|--------|--------------------|---------------|------------------|
|        |   |  |            |        |                     | environment.  |                                   |            |        |                    |               |                  |
| SR_003 | Unforeseen socio-economic and/or demographic shifts creating significant changes of demands and expectations. | 1. Unsustainable demand on services.<br>2. Service failure.<br>3. Council structure unsustainable and not fit for purpose.<br>4. Heightened likelihood of fraud.           | 3          | 4      | 12                  | <u>Reduces Impact</u><br>1. Grounding significant corporate decisions based on up to date, robust, evidence base. (e.g. Census; Corporate Plan Place Surveys; 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)              | Director of Service Delivery      | 5          | 5      | 25                 | Red           | Nov-2020         |
| 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                  | <u>Reduces Likelihood</u><br>1. Changes undertaken 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><u>Reduces Likelihood and Impact</u><br>3. Review of organisation delivery models to better manage the blend of direct labour provision. Pursuit of | Asst Dir of HR and Transformation | 3          | 2      | 6                  | Amber         | Nov-2020         |

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|--------|---|--|------------|--------|---------------------|--|-----------------------------------|------------|--------|--------------------|---------------|------------------|
|        |   |  |            |        |                     | mutually beneficial shared service arrangements.   |                                   |            |        |                    |               |                  |
| SR_005 | Not being able to sustain a culture that supports organisational objectives and future development. | 1. Decline in performance.<br>2. Higher turnover of staff.<br>3. Decline in morale.<br>4. Increase in absenteeism.<br>5. Service failure<br>6. Increased possibility of fraud. | 4          | 4      | 16                  | <u>Reduces Likelihood</u><br>1. Deliver a fit for purpose organisational culture.<br><br>2. Continue to develop our performance management capability to ensure early intervention where service and/or cultural issues arise.<br><br>3. Continue to develop communications through ongoing interactions with staff.                 | Asst Dir of HR and Transformation | 3          | 4      | 12                 | Amber         | Nov-2020         |
| SR_006 | Council prevented from delivering services for a prolonged period of time.                          | 1. Denial of access to property<br>2. Denial of access to technology/information<br>3. Denial of access to people  | 3          | 5      | 15                  | <u>Reduces Likelihood</u><br>1. Adoption of best practice IT and Asset Management policies and procedures.<br><br><u>Reduces Likelihood and Impact</u><br>2. Joint Transformation programme has created a more flexible, less locationally dependent service architecture.<br><br><u>Reduces Impact</u><br>3. Regularly reviewed and | Chief Executive                   | 4          | 4      | 16                 | Red           | Nov-2020         |

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|--------|--|--|------------|--------|---------------------|--|--|------------|--------|--------------------|---------------|------------------|
|        |  |  |            |        |                     | tested Business Continuity Plans.<br><br>4. Regularly reviewed and tested Disaster Recovery Plan.  |  |            |        |                    |               |                  |
| SR_007 | Council materially impacted by the medium to long term effects of an event under the Civil Contingencies Act | 1. Service profile of the Council changes materially as a result of the impact of the event.<br>2. Cost profile of the Council changes materially as a result of the impact of the event.<br>3. Work adversely affected by reduced staff numbers due to effects of pandemic virus. | 3          | 5      | 15                  | <u>Reduces Likelihood and Impact</u><br>1. Working in partnership with other public bodies.<br><br>2. Robust emergency planning and use of Council's emergency powers.<br><br><u>Reduces Impact</u><br>3. Ongoing and robust risk profiling of local area (demographic and geographic).<br><br>4. Review budget and reserves in light of risk profile. | Asst Dir for Corporate Governance      | 5          | 5      | 25                 | Red           | Nov-2020         |
| SR_008 | Failure to meet regulatory or legal requirements   | 1. Trust and confidence in the Council is negatively impacted.<br>2. Deterioration of financial position as a result of regulatory intervention/penalties.<br>.  | 3          | 4      | 12                  | <u>Reduces Likelihood</u><br>1. Developing, maintaining and monitoring robust governance framework for the Council.<br><br>2. Building relationships with regulatory bodies.<br><br>3. Develop our Performance   | Asst Dir Legal and Democratic Services | 2          | 4      | 8                  | Amber         | Nov-2020         |

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|--------|--|--|------------|--------|---------------------|--|----------------------------------|------------|--------|--------------------|---------------|------------------|
|        |  | 3. Deterioration of service performance as a result of regulatory intervention/penalties                               |            |        |                     | <p>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.</p> <p>6. All managers are required to abide by the Council's procurement rules.</p> <p>7. Ensure that fire risk regulations are adhered to and that Fire Risk Assessments are regularly reviewed.</p> |                                  |            |        |                    |               |                  |
| SR_009 | Commercial enterprises that are fully controlled by the authority do not deliver financial | <p>1. Unfamiliar activity with staff inexperienced in this area</p> <p>2. Council finances affected if projects do</p> | 3          | 4      | 12                  | <p><u>Reduces Likelihood</u></p> <p>1. Hire suitably qualified/experienced staff to give legal and specialist support.</p> <p>2. Appoint Head of</p>   | Dir of Regeneration and Planning | 5          | 5      | 25                 | Red           | Nov-2020         |

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|--------|--|--|------------|--------|---------------------|--|--|------------|--------|--------------------|---------------|------------------|
|        | expectations or do not meet governance requirements.   | not meet financial expectations.<br><br>3. Reputational damage if governance procedures are inadequate.<br><br>4. Failure to abide by company law.   |            |        |                     | Commercial Activities.<br><br>3. Ensure that projects meet core principles.<br><br>4. Up or re-skill staff to maximise commercial opportunities.<br><br>5. Ensure governance processes are set up and adhered to.  | And<br><br>Dir of Tourism and Enterprise |            |        |                    |               |                  |
| SR_010 | The Council suffers a personal data breach by inadequate handling of data or by an IT incident | 1. Trust and confidence in the Council is negatively impacted.<br><br>2. Deterioration of financial position as a result of regulatory intervention/penalties<br><br>3. Deterioration of service performance as a result of regulatory intervention/penalties<br><br>4. Increased probability of compensation claims by persons affected | 3          | 4      | 12                  | <u>Reduces Likelihood</u><br>1. Ongoing corporate training for data protection.<br><br>2. Ensure all staff complete the e-learning Data Protection course.<br><br>3. Ensure that the Data Protection Policy is regularly reviewed.<br><br>4. Ensure the Data Protection Officer is afforded the resources to discharge their statutory functions.<br><br>5. Ensure that managers regularly remind staff of their responsibilities under data | Asst Dir Legal and Democratic Services   | 2          | 4      | 8                  | Amber         | Nov-2020         |

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|        |   | by a personal data breach.  |            |        |                     | <p>protection, including personal data breach reporting arrangements.</p> <p>6. Ensure the suite of IT policies is kept up to date.</p> <p>7. Ensure that IT security is in place and regularly tested.</p> <p><u>Reduces Impact</u></p> <p>1. Incident management procedures to mitigate loss or breach of data are in place.</p> |  |            |        |                    |               |                  |
| SR_011 | Judicial challenge of decision-making is heightened as a consequence of increased reliance on use of officer delegated powers | <p>1. There is scope for the public audience, members of whom may be directly or indirectly affected by Council decisions, to increase once they can routinely hear (and see) meetings from the comfort of their homes. So, the number of people who may be in a position to mount a challenge may similarly increase.</p> <p>2. There is potential</p> | 4          | 4      | 16                  | <p><u>Reduces Likelihood</u></p> <p>1. Work closely with IT to ensure that technological issues are kept to a minimum.</p> <p><u>Reduces Impact</u></p> <p>1. Use of delegated powers to be adequately recorded.</p> <p>2. Issue minutes of meetings as soon as practicable.</p>   | Asst Dir Legal and Democratic Services | 4          | 4      | 16                 | Red           | Nov-2020         |



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|------|-------|--|------------|--------|---------------------|-------------------|------------|------------|--------|--------------------|---------------|------------------|
|      |       | <p>for successful challenges where lapses in IT connectivity may mean that decisions are made where members have not heard and taken into account all relevant information and/or where key public or other participants have not been able to participate in the meeting due to technology failure.</p> <p>3. The officer resource needed to defend the councils against this type of challenge will be significant</p> |            |        |                     |                   |            |            |        |                    |               |                  |

### **COVID-19**

These scores reflect the current situation regarding the Coronavirus Pandemic and the uncertainty in respect of its full impact and timeline.

Mitigations that have been put in place include:

- ensuring that the council, as part of a regional network of partners, is able to undertake its civil contingencies duties in response to the national emergency

- the creative redeployment of staff and resources to enable sufficient capacity to respond to the needs of the community and maintain priority services in line with a robust business continuity focused approach
- maintaining an accurate record of all business impacts and cost implications attributable to the current situation and providing ongoing information to the Government to assist the process of reimbursements
- keeping the strategic risks under constant review and modification in response to the ongoing national and local situation

In stating all of the above, it must be noted that the council's ability to maintain and implement mitigating actions and future recovery is very heavily dependent on the degree to which Central Government is able to compensate Local Government financial impacts relating to increased costs and income loss arising from the full extent of the Covid-19 national emergency."