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To Members of the
Audit and Governance Committee

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DATE: 21 September 2020 :

Dear Councillor

AUDIT AND GOVERNANCE COMMITTEE - THURSDAY, 24TH SEPTEMBER, 2020

I am now able to enclose, for consideration at next Thursday 24th September 2020 meeting of the Audit and Governance Committee, the following reports that were unavailable when the agenda was printed.

Item 7 - Annual Risk Management Report 2019/20 (Pages 3 - 18)

Yours sincerely

Rachel Graves

Democratic Services Officer

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Working for a brighter future together

Audit and Governance Committee

Date of Meeting: 24 September 2020

Report Title: Annual Risk Management Report 2019/2020

Senior Officer: Jane Burns, Executive Director of Corporate Services

1. Report Summary

- 1.1. This report provides the Audit and Governance Committee with an overview on the Council's risk management arrangements during 2019/20.
- 1.2. It also includes an update on the Council's Strategic Risk Register (Appendix A). A summary is included in the report to reflect recent, fast changing Covid arrangements.

2. Recommendations

- 2.1. That the Annual Risk Management Report is considered and received.

3. Reasons for Recommendations

- 3.1. The Council's risk management framework is designed to provide a structured, consistent and continuous process for identifying, assessing, and responding to threats and opportunities that affect the achievement of the Council's corporate objectives.
- 3.2. Risk management is central to facilitating good governance and the achievement of corporate objectives. As a publicly accountable body, the Council must demonstrate effective identification and management of the risks that threaten the achievement of its corporate objectives, the effectiveness of its operations, and reliable financial reporting.
- 3.3. The Audit and Governance Committee has responsibility for monitoring the effective development and operation of risk management in the Council.

Demonstrating effective systems for managing risk is an important source of assurance for the Annual Governance Statement.

4. Other Options Considered

4.1. Not Applicable

5. Background

5.1. The Council's Risk Management Framework is underpinned by three key objectives set out below;

Key Risk Objectives
That Cheshire East Council properly develops, implements and demonstrates an effective risk management framework
That Cheshire East Council applies its risk management policy consistently across the Council
That Cheshire East Council recognises risks and makes correct decisions to tolerate, treat, transfer or terminate threats or to exploit, share, enhance or ignore opportunities

Risk Management Framework – review and update

5.2. A review of the Council's Corporate Risk Management¹ arrangements was undertaken by Internal Audit during 2018/19. The purpose of the review was to assess the effectiveness of the Council's Risk Management Framework. Following this, the recommendations were implemented during 2019/20.

5.3. Operational risk management arrangements and business planning were also reviewed. An important part of this process was to assist the Heads of Service and senior managers to complete full risk registers for their service during 2019/20. This has led to an improvement in the quality of the risk registers for the Council. Heads of Service and senior managers have taken more ownership of risk within their operational area which in turn will improve service delivery and reduce risk exposure.

5.4. The Risk Management Framework development encompassed reviewing the Council's Risk Appetite, exposure and Risk Maturity. The Risk Management Framework will enable the Council to have a consistent and

¹ To avoid confusion with the Council's Corporate Directorate, the organisational level Risk Register is now referred to as the Strategic Risk Register, and references have been updated to "SR".

clear way to improve all elements to ensure that its Risk Maturity improves.

- 5.5. The Risk Management Framework was endorsed by Audit and Governance at the 12th March 2020 meeting and has since been approved by Cabinet on 9th June 2020. The Framework has been published on the CEntranet together with key supporting documents. Risk Management Guidelines are being finalised, and these will then be communicated to staff, and supported with training.
- 5.6. The provision of the Risk Management Framework provides a structure to contain the risk policy statement, risk policy, strategy, appetite and maturity which were all previously separate documents which had different review dates and content.

Risk management framework in operation

- 5.7. During the year operational risks have been managed and monitored via risk registers within Service, Department and Directorate Plans. Monthly highlight reports, identifying key risks and risk management actions have been prepared for programmes and projects and monitored via programme and project board meetings. Individual risk assessment sections have been included on business cases and included in decision making reports to Committees and Cabinet.

During quarters three and four of 2019/20, the Corporate Leadership Team reviewed and refreshed the strategic risk register. This is a critical element of recognising and leading the collective responsibility for risk. By regularly reviewing the strategic risk register, CLT ensure that risks are being escalated or removed from the strategic risk register as needed, that they have been assessed consistently across the Council, and monitor the implementation of actions to treat the risk to acceptable levels.

- 5.8. Risk registers at the operational levels have been reviewed as part of the 2020/21 business planning process. The risks identified here provide a golden thread up to strategic risks that will strengthen risk management in the authority. Risk registers have been developed where previously risks have been recorded in summary format, adding more rigour to the monitoring of risks
- 5.9. The risk maturity level is currently level 3, “risk defined” and the Council wishes to be at level 4 “risk managed”. In order to achieve this, the Council will need to invest in a risk management system to provide the strategic view of risks across the Council and to develop thematic risks. This was

due to be completed in quarter two but supporting the COVID response has been prioritised; the procurement will be progressed in quarter 3.

Strategic Risk Register 2019/20

5.10. The following risks have been added to and removed from the key corporate risk registers during the year. These have been reported to the Audit and Governance Committee in risk management update reports.

5.11. The inclusion of a risk of a pandemic virus was added in quarter three of 2019/20 as COVID -19 was emerging as global risk which was likely to affect the UK during quarter four.

Risk Ref	Title	Comments
SR11 Threat	Pandemic Virus	Risk added in quarter three as COVID-19 was emerging as a risk for the UK.

5.12. Local changes in NHS arrangements was transferred to People's Directorate risk register to be managed.

Risk Ref	Title	Comments
SR11 Threat	Local changes in NHS arrangements	Risk being managed at a Directorate level.

Summary of changes to scores

5.13. The tables below highlight key changes to Strategic Risks and scores from the position reported in the 2018/19 annual report, to the current position.

5.14. Increased risk scores have been incurred due to the impact of COVID - 19 on the Council and its services. The COVID - 19 Cabinet report dated 8th September 2020 identified the significant additional financial pressure on the council to deliver its services and response to the pandemic.

Risk Ref	Title	Score July 2019 annual report	Current score
SR1	Increased Demand for People Services	12	16
SR3	Financial Resilience - lack of certainty about future funding make it difficult to set a robust MTFS	12	16
SR5	Business Continuity	6	12
SR9	Capital Projects	8	12
SR11	Pandemic virus (<i>new item in 2019/20</i>)	n/a	16

5.15. The score for SR8 (Decision Making) has reduced as clarity around the form of the governance arrangements to be adopted has developed, and through the process being followed to establish implementation of the new committee system. Updates continue to be made to the Constitution Committee.

Risk Ref	Title	Score July 2019 annual report	Current score
SR8	Decision Making	12	8

Covid-19 Risk management response

- 5.16. A report was received by Cabinet 8th September 2020 regarding Covid – Response and Recovery, which detailed the Council’s management of the pandemic and the increase in financial pressures on the Council and has been produced by a decrease in income and increase in expenditure. A report regarding the Council’s response to COVID was reported to Audit and Governance committee in July 2020. This detailed the organisation’s response to managing the risks and challenges presented by COVID.
- 5.17. The response to COVID-19 has taken a great deal of resourcing for the Council to support its community during this very testing time, however the Council has responded at pace and with minimal disruption to key service provision to residents, and provided additional key support to vulnerable residents during the lockdown period. The management of risk and monitoring of risk exposure has been key to this.
- 5.18. An emergency planning incident was invoked and a command structure was established in March 2020. This was to ensure that the Council could respond effectively to the pandemic and to report and working alongside key partners, including central government, the National Health Service, and regional structures of the Local Resilience Forum (LRF) and Strategic Co-Ordinating Group.

- 5.19. Furthermore Bronze and Silver cell command structures (CEmart) were established, and cells developed risk registers, this enabled risk treatment to be developed and systems deployed to ensure governance arrangements were integrated into the command structure.
- 5.20. CEmart is chaired by a member of CLT which ensures that there is a clear line of sight of risks during the pandemic. These risks are then escalated and reported to sub regional, regional and national networks. The development of risk registers has supported the council's response to the pandemic. The development of a suite of risk registers has enabled thematic risks across the bronze cells.
- 5.21. At the end of 2019/20 recovery work was commencing to be in a state of readiness for when services need to return or indeed new service provision due to changes in demand that the pandemic as created. The council has established recovery groups to aid the development of new services and new ways of working and to reinstate services but considering changes in working practices to be COVID-19 ready and safe. The recovery cells have developed risk registers to reflect their areas of operation.
- 5.22. The next section of the report provides an outline of how the key services which assist with managing risks have operated over 19/20.

Business Continuity

- 5.23. The implementation of the business continuity system, Clearview was successfully completed by January 2020. Additional support was provided to assist Heads of Service to enhance their plans following a review of their plans. Throughout the year, the business continuity system was operational, and staff were provided with training on the use of the system. Plans to scenario test the system in conjunction with Emergency Planning colleagues in March 2020 were delayed slightly due to the COVID-19 pandemic but was completed in April 2020.
- 5.24. The scenarios included a cyber-attack, a fire in a public building, a flood in a community and a fire in the community. The results have been used to inform business continuity plans across the council, particularly in response to the pandemic.
- 5.25. The completion of the implementation of the business continuity system, Clearview was timely as the vast majority of plans were in place prior to the pandemic and helped to inform staff.

Insurance

- 5.26. The improvements in risk assessment and awareness, should contribute to, repudiation rates and reduce the volume of successful claims against the

authority thereby improving the Council's financial position. During 2019/20 corporate insurance risks were reviewed with support from the council's insurers.

Health and Safety

5.27. The Council's Staffing Committee received regular updates from the Health and Safety Team regarding accident reporting across the Council and Schools. Training has been organised by the team to deliver across a variety of areas, including Leading and Managing Safely and First Aid. The Health and Safety Team has delivered support to schools, ASDVs and to internal services. This work assists in reducing the council's overall risk exposure and in delivering on the Council's responsibilities for the safety and wellbeing of its workforce.

Internal Audit

5.28. Internal Audit have undertake follow up activity to ensure that their recommendations have been adopted. Internal Audit support risk management as part of their business as usual putting controls in place to ensure that risks are identified and managed effectively.

6. Implications of the Recommendations

6.1. Legal Implications

6.1.1 The content of this report does not have any specific legal implications. Legal risks to the organisation are incorporated in the Service plans risk registers. This report is aimed at addressing the requirement that the Council achieves its strategic aims and operates its business, under general principles of good governance and that it identifies risks which threaten its ability to be legally compliant and operate within the confines of the legislative framework.

6.2. Finance Implications

6.1.2 There are no direct financial implications in relation to this report. Costs relating to implementing risk treatment plans are considered on a case by case basis and either met from existing departmental budgets.

6.1.3 A risk around financial resilience is included as a strategic risk and general reserves are focused on the Council's potential exposure to risk. In addition, where a particular area has been identified as specific risk or investment opportunity, then an amount will be earmarked for that specific purpose as part of the Medium-Term Financial Strategy (MTFS) process. As reported to Cabinet, COVID – 19 has had a significant impact on the Council's financial resilience.

6.1.4 The Council and its public sector partners are confronted with growing demand in health and social care needs, this is in combination with severe resource constraints. There is considerable interest in the potential of innovation in service delivery and partnership working to help address such challenges and this may require an increased risk appetite which in turn may lead to increased financial risk.

6.3. Policy Implications

6.1.5 Risk management is integral to the overall management of the authority and, therefore, considerations regarding key policy implications and their effective implementation are considered within departmental risk registers and as part of the risk management framework.

6.4. Equality Implications

6.4.1. There are risks that have Equality & Diversity implications and these are identified in our risk registers.

6.5. Human Resources Implications

6.1.6 Human resource implications in relation to this report include: -

- the need for training on risk management and business continuity to improve skills and knowledge for staff to fulfil their responsibilities
- the need for managers to lead through a combination of positive attitude and behaviours towards risk management and business continuity.

6.1.7 It is recognised that a corporate risk around employee engagement and retention is included on the corporate risk register, as is a risk around capacity and demand.

6.6. Risk Management Implications

6.6.1. This report relates to overall risk management; the Audit and Governance Committee should be made aware of the most significant risks facing the Council and be assured that the risk management framework is operating effectively.

6.7. Rural Communities Implications

6.7.1. There are no direct implications for rural communities.

6.8. Implications for Children & Young People/Cared for Children

6.8.1. There are no direct implications for children and young people.

6.9. Public Health Implications

6.9.1. Public Health have been a key partner in the Council's response to the COVID-19 pandemic providing co-ordination with health colleagues in the region and nationally. The Council's response to risk and business continuity has been very proactive in managing COVID-19.

6.10. Climate Change Implications

6.10.1. There are no direct implications for climate change in this report.

6.10.2. Recognition included on the strategic risk register for the threat and opportunity risk around climate change for the Council.

7. Ward Members Affected

7.1.1. All Wards have been affected by the Covid-19 global pandemic and the Council's response to it.

8. Access to Information

8.1.1. Audit and Governance Reports 30th July 2019, 5th December 2019 and 12th March 2020

8.1.2. Risk Management Framework – Cabinet 9th June 2020

9. Contact Information



9.1. Any questions relating to this report should be directed to the following officer:



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Risk Ref	Risk Description	Commentary	Risk Owner	Lead Cabinet Portfolio	Gross Score	Risk Management Activity	Current Net Risk Score	Previous Net Risk Score	Direction of Travel
SR1 Threat	Increased Demand for People Services: That Cheshire East's local social, economic and demographic factors lead to an increase in the level of need and increased demand for adults and children's social care services, resulting in the capacity of the Council's systems relevant to these areas are unable to continue to respond/ absorb the pressures presented, resulting in a possible lack of staff working in social care/ increased market failure pertaining to a range of service providers, unmet need, potential safeguarding issues, and difficulty in achieving the Council's desired outcomes - that people live well and for longer, and have the life skills and education they need to thrive.	May 2020: Likelihood of this risk occurring has been scored as 'likely' as it is known that both adult demand, and children's demand is increasing alongside population growth, and longer life expectancy for both adults and children with complex needs July 2020: The economic impacts of COVID-19 on the economy add to the likelihood of this risk occurring and economic challenges impacting negatively upon residents of the borough.	Executive Director of People	Adult Social Care and Health Children and Families Corporate Services and Public Health	16	<ul style="list-style-type: none"> Adults operate monthly quality monitoring partnership forum. Quality and reporting and alerting of risk escalation is being effectively managed. Provider risk register is monitored and reviewed. Established a care sourcing team support service and local area co-ordination services to divert people away from care where appropriate. Working with partners and CCG to develop single plan to manage the overall reduction in demand and system redesign work to support an improved community offer. A great deal of activity is directed at managing this risk and above details so key activity, Activity has been focused on COVID response. Short to medium term impact on the economy may lead to increased unemployment, benefit claims, associated mental health, alcohol related harm, domestic violence etc. 	16	16	
SR2 Threat	NHS Funding Pressure There is a circa £50 million pressure for the NHS across Cheshire East. Risk that due to the increasing financial deficit this may cause a pressure in Cheshire East Council shared service delivery and NHS service delivery. If there was a shifting of costs and demand which places additional strain on Council resources resulting in unmet need and potential difficulty in achieving the Council's outcomes that people live well and for longer and local communities being strong and supportive.	Interdependencies between SR1 and SR3 are recognised. May 2020: Work across a number of work-streams at Health and Care Partnership (Cheshire and Merseyside) and Cheshire East level are progressing. To date these have not made any significant impact on the deficit faced within the health commissioning and provider organisations. A pan Cheshire Financial Recovery Plan lead by the NHS is in place. The net risk score remains at 16 because there has not yet been a reduction in the anticipated deficit position. July 2020: Activity has been focused on COVID 19 response Impact of COVID-19 on health services / finance may lead to increased demands/ costs upon the local authority. Also COVID-19 related pressures on all parts of the system, staff and organisations may lead to increased demand / financial pressures	Executive Director of People	Adult Social Care and Health Children and Families Corporate Services and Public Health	16	<ul style="list-style-type: none"> There has been a lot of activity directed at this risk through the Sustainability and Transformation Plan for Cheshire and Merseyside – this plan comes to an end in 2021. There is a Health and Wellbeing Board which looks for key players to work together to address the issues and inherent risk of NHS funding pressures. There is also the Cheshire East partnership which brings together key partners and submits reports to CLT on a six weekly basis. 	16	16	

Risk Ref	Risk Description	Commentary	Risk Owner	Lead Cabinet Portfolio	Gross Score	Risk Management Activity	Current Net Risk Score	Previous Net Risk Score	Direction of Travel
SR3 Threat	<p>Financial Resilience – lack of certainty about future funding make it difficult to set a robust MTFS</p> <p>The reduction in funding from Central Government means the Council must manage funding shortfalls over the next four years, through reduced expenditure, managing demand or increased local income. There is a possibility that the Council does not adopt its financial plans in sufficient detail quickly enough, either by deferring the difficult decisions about services, using over-optimistic planning assumptions, or not rethinking sources of income in a sustainable way. This may result in difficulties in closing and managing the funding reductions, financial stress and may impede the Council's ability to meet its statutory requirements, and deliver all of its intended outcomes and objectives in full. Additionally the Council may fail to achieve the savings required in year which may have a consequential impact on future years,</p>	<p>May 2020: The impact of COVID 19 has added a significant financial pressure to the budget. The expenditure is being tracked and returns completed monthly to government. The increase in expenditure teamed with the decrease in income is having an adverse effect to the council's financial resilience.</p> <p>The financial outturn for 19/20 will be reported to Cabinet in June 2020. This risk will be further exacerbated if there are cost implications based on the realization of SR1 (Increased Demand for People Services) and/or SR2 (NHS Funding).</p> <p>July 2020: The financial outturn for 19/20 was reported to Cabinet in June 2020. A Risk Appetite statement for financial reserves will be developed. This will be in conjunction with the Director of Finance and Customer Services.</p>	Executive Director of Corporate Services	Finance, IT and Communications	16	<ul style="list-style-type: none"> The Medium Term Financial Strategy has been produced with activity to address the risk of lack of certainty about future funding. Business planning process has been completed. The financial reserve strategy has been reviewed. The 20/21 budget was presented to Council 20th February 2020. Tracking of additional COVID related expenditure and impact upon income is undertaken and reported upon monthly to central government The financial impact of Covid is regularly reported to Cabinet and Corporate Overview and Scrutiny meetings. 	16	12	
SR4 Threat	<p>Information Security and Cyber Threat</p> <p>As the Council continues to move towards using new technology systems to reduce costs and fulfil communication, accessibility and transaction requirements, it becomes increasingly at risk of a security breach, either malicious or inadvertent from within the organisation or from external attacks by cyber-criminals. This could result in many negative impacts, such as distress to individuals, legal, financial and reputational damage to the Council, possible penetration and crippling of the Council's IT systems preventing it from delivering its Corporate Outcomes.</p>	<p>May 2020: The Council has been advised of increased threat of malicious activity during the Covid-19 pandemic. ICT Service has stepped up its monitoring and staff have been made aware.</p> <p>The Council has a number of technologies to reduce the risk of infection. Although existing mitigation controls reduce the likelihood the threat is ever increasing. If the risk materialises there is the potential of a 'major' impact on the corporate plan which may affect services in one or more areas for a short period and so the net risk rating is 12 High Risk.</p> <p>July 2020: Continued to provide in advice and guidance to staff and members re good practices in working from home, including recognising fraudulent emails.</p>	Executive Director of Corporate Services	Finance, IT and Communications	16	<ul style="list-style-type: none"> ICT have plans in place to protect and secure our systems to cyber attacks. Testing of security systems is carried out to provide assurance on the quality of systems in use The Council is exploring Cyber threat insurance and further developing its management of this risk. ICT has supported CEmart and Bronze Cell structures with dedicated ICT partners to identify and implement change requirements needed to minimise disruption to service provision and maintain appropriate levels of security. 	12	12	

Risk Ref	Risk Description	Commentary	Risk Owner	Lead Cabinet Portfolio	Gross Score	Risk Management Activity	Current Net Risk Score	Previous Net Risk Score	Direction of Travel
SR5 Threat	Business Continuity Risk that an internal or external incident occurs which renders the Council unable to utilise part or all of its infrastructure (such as buildings, IT systems etc.) such that the Council is unable to deliver some, or in extreme cases all of its services and putting residents at risk for a period of time and resulting in a reduced achievement of Corporate Plan outcomes over the longer period.	Interdependencies with SR4 recognised. May 2020: Plans to scenario test the BC software system in conjunction with Emergency Planning colleagues in March 2020 were delayed slightly due to the COVID-19 pandemic but completed in April 2020. July 2020: BC plans have been reviewed and refreshed with support from Internal Audit and the Risk and BC Manager during the Covid emergency response. The increase in scoring for this risk recognises how a further incident during the pandemic would impact upon Council's ability to respond at this time.	Executive Director of Corporate Services	Corporate Services and Public Health Finance, IT and Communications	16	<ul style="list-style-type: none"> Implementation of Clearview Scenario testing has been undertaken Training has been provided to Heads of Service Post emergency response review planned to capture feedback and lessons learned to inform further training and system development. 	12	6	
SR6 Threat	Capacity and Demand Risk – Corporate Enablers Local demographic factors lead to an increasing demand for services to be delivered, combined with reducing and reduced staff resource / skills of the workforce and an increasing demand for additional unplanned work results in; - key resources being overstretched and having insufficient capacity to deliver all business plan requirements, - an inability to retain or attract staff to deliver services sufficient to support the achievement of the Council's objectives. resulting in business operational issues and pinch points, possible failure to deliver priority activities and projects, adverse organisational behaviour and a detrimental impact upon physical, emotional and mental wellbeing of staff impacting upon to the Council's ability to deliver all of its intended objectives and outcomes.	May 2020: The 2019/20 outturn is in the process of being completed as per extensions to returns granted by government due to COVID-19 impact. July 2020: Ongoing work to assess, and report COVID-19 pressures in returns to central government. There have been significant additional demands in terms of responding to the COVID-19 pandemic. Staff have worked flexibly, with all those who are able to working from home. In addition, we have deployed a comprehensive programme to migrate staff and Members to Windows 10/Office 365. The overall net risk rating is 12 and remains High.	Executive Director of Corporate Services	Corporate Services and Public Health	12	<ul style="list-style-type: none"> The budget has been presented to the Council. Budget planning system has been introduced to improve the timeliness of data. 	12	8	
SR7 Threat	EU Exit, Single Market and Local Growth Failure to be adequately prepared for the Exit from the EU particularly in relation to the potential impacts on Consumer Protection, Food Safety, Waste Operations Highways, Traffic	The UK Government left the EU in January 2020. The UK Government have confirmed that EU structural funds (the ESIF programme) will	Executive Director of Place	Environment and Regeneration	12	<ul style="list-style-type: none"> This risk has dropped significantly. A watching brief is being maintained to ensure any risks are identified early. CEMART group will be established when risks arise to manage any corporate impacts 	8	3	

Risk Ref	Risk Description	Commentary	Risk Owner	Lead Cabinet Portfolio	Gross Score	Risk Management Activity	Current Net Risk Score	Previous Net Risk Score	Direction of Travel
	Management and the business community.	<p>be maintained until the end of the current parliament and may be extended until 2023</p> <p>May 2020: Brexit group was paused during COVID 19 to provide focus on the pandemic.</p> <p>July 2020: The EU Exit group is preparing to mobilise again for qtr3 activity. Risks are increasing around Brexit due to timeframe slippages and changing expectations.</p>							
SR8 Threat	<p>Decision Making</p> <p>Risk that the Council's Constitution is insufficiently detailed and/or contains inaccurate or ambiguous information leading to ineffective and inefficient decision making processes resulting in a failure to ensure value for moment and on compliance with best practice and statutory responsibilities.</p>	<p>May 2020: Sound governance processes including oversight by officers and members will mitigate the risk. No significant changes made to the Constitution during Qtr4. Work to establish virtual committee meetings and specifically Cabinet on 5th May completed, with Audit and Governance, Planning and Regulatory Committees also having had one or more virtual meetings. This has ensured the Council has continued to function, with decision making not being inhibited by the impact of COVID-19. PCC elections have been postponed until May 2021 and a by-election has also been postponed due to COVID 19.</p> <p>July 2020: Virtual meetings have continued to be held for Cabinet and a number of other Committees.</p>	Executive Director of Corporate Services	Corporate Services and Public Health	12	<ul style="list-style-type: none"> Constitution amendments overseen by Constitution Committee Working party overseeing development of Committee system governance chance 	6	8	
SR9 Threat	<p>Capital Projects</p> <p>Risk that the Council's major capital projects are insufficiently managed to ensure that they are delivered on time, on budget and at the required quality level</p>	<p>This is a significant risk for People Directorate in addition to Place – shared accountability required.</p> <p>May 2020: Each major capital scheme has its own programme governance in place. In addition, the council's Assets Board reviews major projects through a process of gateway reviews. Capital monitoring is also undertaken by each Director as part of their management teams. There is a risk that the costs of some schemes may increase as a result of Covid-19 and associated</p>	Executive Director of Place Executive Director of People	Finance, IT and Communications	16	<ul style="list-style-type: none"> Robust management of projects Financial controls in place Governance mechanisms include Corporate Board overseeing all capital schemes (Assets Board). Individual schemes have appropriate governance. Review of resources for each 	12	12	

Risk Ref	Risk Description	Commentary	Risk Owner	Lead Cabinet Portfolio	Gross Score	Risk Management Activity	Current Net Risk Score	Previous Net Risk Score	Direction of Travel
		<p>restrictions. These are currently being assessed on a project by project basis.</p> <p>July 2020: These are currently being assessed on a project by project basis and appropriate contingency arrangements are being put in place and whilst there is a risk the current projection is that these be contained within the available budgets within the capital programme. Risk level remains at 12.</p>							
CR10 Opp	Infrastructure Investment Securing the required investment to support our major infrastructure and development priorities particularly in relation to HS2 and delivery of the Crewe Hub	<p>The council has strengthened its working arrangements with local public sector partners, government departments and commercial investors. The council has secured significant capital allocations to support major regeneration and development project to support key development projects in Crewe and Macclesfield. This risk requires ongoing work and monitoring to ensure that the opportunities come to fruition.</p> <p>May 2020: Opportunity risk unchanged as too early to assess the impact on infrastructure impact due to COVID 19</p> <p>July 2020 We have reviewed the assumptions in relation to Covid for future strategic investment projects and are currently examining some investment opportunities that have recently come to light.</p>	Executive Director of Place	Environment and Regeneration	16	<ul style="list-style-type: none"> Cheshire East Council chairs the Partnership Board with partners including Government, HS2, and National Rail. Business Case being developed with support from the Local Enterprise Partnership and future decisions will be taken through Cabinet / Council 	8	8	↔
CR11 Threat	Pandemic virus Ongoing risk of genetic shift resulting in rapidly spreading strain of influenza and other diseases previously unseen in humans for which no preventative treatment is available. In addition to the human health risks pandemic flu poses a risk to healthcare capacity and CEC business continuity.	<p>May 2020: In response to the global pandemic and UK lockdown, the Council has worked extensively to respond to the unprecedented impact of COVID-19. Detailed reports have been brought to Cabinet in June, July and September.</p> <p>July 2020: Test and Trace hub established, and local contact tracing being put in place. Significant learning from first phase of COVID-19 pandemic informing future response and recovery planning.</p>	Chief Executive	<p>Adult Social Care and Health</p> <p>Children and Families</p> <p>Corporate Services and Public Health</p>	8	<ul style="list-style-type: none"> Review pandemic flu and business continuity plans Work with Local Resilience Forum (LRF) partners together to plan for the management of: <ul style="list-style-type: none"> Demand on the NHS and social care Co-ordination of vaccinations Public awareness and media management Excessive levels of death. Ongoing COVID-19 pandemic poses risk of need for local lockdowns and increased 	16	16	↔

Cheshire East Council
 Strategic Risk Register – Scores as at end of July 2020

Risk Ref	Risk Description	Commentary	Risk Owner	Lead Cabinet Portfolio	Gross Score	Risk Management Activity	Current Net Risk Score	Previous Net Risk Score	Direction of Travel
						pressures being placed on local health and care settings and workforce. • Financial impact - see SR3			