

# Public Document Pack



To members of the  
Audit and Governance Committee

**Democratic Services**  
Westfields, Middlewich Road  
Sandbach, Cheshire  
CW11 1HZ

email: [rachel.graves@cheshireeast.gov.uk](mailto:rachel.graves@cheshireeast.gov.uk)

DATE: 17 November 2022

Dear Councillor

## **AUDIT AND GOVERNANCE COMMITTEE - THURSDAY 24TH NOVEMBER 2022**

I am now able to enclose, for consideration at next Thursday, 24th November, 2022 meeting of the Audit and Governance Committee, the following report that was unavailable when the agenda was printed.

### **Item 10 - Risk Management Update (Pages 3 - 42)**

Yours sincerely

R Graves

Democratic Services Officer

Encs

This page is intentionally left blank



*Working for a brighter future together*

## **Audit and Governance Committee**

---

|                             |   |
|-----------------------------|---|
| <b>Date of Meeting:</b>     | 24 <sup>th</sup> November 2022  |
| <b>Report Title:</b>        | Risk Management Update  |
| <b>Report of:</b>           | Jane Burns, Executive Director Corporate Services<br>David Brown, Director of Governance and Compliance |
| <b>Report Reference No:</b> | AG/21/21-22   |
| <b>Ward(s) Affected:</b>    | All wards   |

---

### **1. Purpose of Report**

- 1.1. Effective risk management is central to good governance and supports the efficient delivery of the Council's corporate plan objectives. The Audit and Governance Committee provides an independent assurance to the Council on the adequacy of the risk management framework.

### **2. Executive Summary**

- 2.1. This report provides the Audit and Governance Committee with an update on the Strategic Risk Register for the period Quarter 1 22/23, and an overview of other risk management activity in the organisation. Appendix A covers the Strategic Risk Register in detail.

### **3. Recommendations**

- 3.1. To note the update provided by this report to the Audit and Governance Committee.

### **4. Reasons for Recommendations**

- 4.1. 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 and the effectiveness of its operations.

- 4.2. The Audit and Governance Committee have responsibility for monitoring the effective development and operation of risk management across the Council.

## 5. Other Options Considered

- 5.1. No alternative options considered; this is an update report to support the Committee in meeting its responsibilities under its Terms of Reference.

## 6. Background

- 6.1. Risks included on the Strategic Risk Register are those which materially threaten the organisation's ability to achieve its strategic goals, in this case our corporate objectives. This could be in the form of an individual threat to a specific objective, or the compound effect of a threat across several areas.
- 6.2. Items on the Strategic Risk Register are "owned" by members of the Corporate Leadership Team and are reviewed on a quarterly basis. Co-ordination and administration of the Strategic Risk Register and the Risk Management Framework is undertaken by the Head of Audit and Risk Management.
- 6.3. Detailed updates on the Strategic Risk Register are provided to the Corporate Policy Committee on a (retrospective) quarterly basis, with the update on Quarter 1 activity reported on 6<sup>th</sup> October 2022. A detailed update on Quarter 2 activity is included on the agenda for 1<sup>st</sup> December 2022 Corporate Policy Committee, and a copy of this report will also be circulated to the Audit and Governance Committee.

### Quarter 1

- 6.4. The Quarter 1 period covered significant challenge and change nationally, particularly in relation to political leadership, with the election of a new Prime Minister and Cabinet. The situation in Ukraine has continued, along with further increases in the cost of living, which is presenting challenges to projects and initiatives in the organisation. Demand across Adult and Children Services has increased, not only in volume, but also in the increasing complexity of casework, against existing fragility in the care market and budget pressures.
- 6.5. Table 1 below sets out the strategic risk register content and the gross and net scores for Q1 22/23; the direction of travel being informed by the net position of the risk at the previous quarter review; Q4 2021/22. A number of the strategic risk descriptions (and scores) have been revised during the first quarter. Details are provided in Appendix A

Table 1- Strategic Risk Register Position Quarter 1 2022/23

| Ref  | Risk  | Q4 Net | Q1 Gross | Q1 Net | Target | Travel |
|------|---|--------|----------|--------|--------|--------|
| SR1A | Increased Demand for Adult's Services           | 16     | 16       | 16     | 9      | ↔      |
| SR1C | Increased Demand for Children's Services        | 9      | 16       | 12     | 9      | ↑      |
| SR2  | NHS Funding                                     | 16     | 16       | 16     | 12     | ↔      |
| SR3  | Financial Management and Control                | 9      | 16       | 9      | 6      | ↔      |
| SR4  | Information Security and Cyber Threat           | 12     | 16       | 12     | 12     | ↔      |
| SR5  | Business Continuity                             | 9      | 12       | 9      | 9      | ↔      |
| SR6  | Organisational Capacity and Demand              | 12     | 16       | 12     | 12     | ↔      |
| SR7  | Council Funding                                 | 12     | 16       | 12     | 6      | ↔      |
| SR8A | Governance and Decision Making                  | 9      | 16       | 9      | 4      | ↔      |
| SR8B | Political Uncertainty                           | 12     | 12       | 12     | 6      | ↔      |
| SR9  | Capital Projects                                | 6      | 16       | 6      | 6      | ↔      |
| SR10 | HS2 Infrastructure Investment                   | 16     | 16       | 16     | 6      | ↔      |
| SR11 | Pandemic Virus                                  | 9      | 12       | 9      | 6      | ↔      |
| SR12 | Fragility and failure in the Social Care Market | 16     | 16       | 16     | 9      | ↔      |
| SR13 | Reputation                                      | 9      | 16       | 9      | 9      | ↔      |
| SR14 | Climate Change (CEC Carbon Neutral 2025)        | 6      | 16       | 9      | 6      | ↑      |
| SR15 | Economy Risk                                    | 9      | 16       | 9      | 9      | ↔      |
| SR16 | Integrated Care System (ICS) Integration        | -      | 16       | 16     | 8      | NEW    |

Table 2 – Strategic Risk Register Items ordered by net score – highest to lowest

| Ref  | Risk  | Net Score Q1 22/23 |
|------|---|--------------------|
| SR1A | Increased Demand for Adult's Services           | 16                 |
| SR2  | NHS Funding                                     | 16                 |
| SR10 | HS2 Infrastructure Investment                   | 16                 |
| SR12 | Fragility and failure in the Social Care Market | 16                 |
| SR16 | Integrated Care System (ICS) Integration        | 16                 |
| SR1C | Increased Demand for Children's Services        | 12                 |
| SR4  | Information Security and Cyber Threat           | 12                 |
| SR6  | Organisational Capacity and Demand              | 12                 |
| SR7  | Council Funding                                 | 12                 |
| SR8B | Political Uncertainty                           | 12                 |
| SR3  | Financial Management and Control                | 9                  |
| SR5  | Business Continuity                             | 9                  |
| SR8A | Governance and Decision Making                  | 9                  |
| SR11 | Pandemic Virus                                  | 9                  |
| SR13 | Reputation                                      | 9                  |
| SR14 | Climate Change (Carbon Neutral 2025)            | 9                  |
| SR15 | Economy Risk                                    | 9                  |
| SR9  | Capital Projects                                | 6                  |

Summary of Quarter 1 review

- 6.6.** The Strategic Risk Register is set out in Appendix A, which includes a detailed commentary for each risk.
- 6.7.** Common themes in relation to causes and consequences from the quarterly review are:
- In the post pandemic recovery phase, challenges to capacity in the National Health Service are in turn causing pressures on the delivery of local social care responsibilities and services (SR1A, SR2, SR12 and SR16). This is happening at a time when socioeconomic factors are also impeding recruitment (SR1A, SR1C, SR2, SR6, SR12).
  - The interaction with central government is also flagged as causing uncertainty in several areas (SR8B, SR10, SR16), impacting both services and infrastructure development; and
  - The increase in inflation, and particularly rising energy prices, has also impacted infrastructure development (SR10, SR14).
- 6.8.** Of the 18 risks now on the Strategic Risk Register; 5 have the highest net score rating possible (16), 3 have the second highest (12), and the net score of two risks that have seen increases since the previous quarter.
- 6.9.** Overall, external causes have dominated discussions in reviewing the risks during Quarter 1. While the Council's ability to influence them might be limited, there is a clear message that managing our response is key to mitigating any potential consequences. Based on the Quarter 1 review, the most significant objectives at risk in the short-term relate to adult social care whilst to a lesser degree and in the medium-term, it is the development of the borough's infrastructure and economy.

Emerging areas – Q2 and Q3

- 6.10.** We continue to see challenges to the organisation from increasing cost of living pressures and inflationary rises to supplies and services, which will be subject to further reflection and adjustment in the following quarterly assessments.
- 6.11.** National policy direction and fiscal approach from central government is still emerging following the change of Prime Minister and Cabinet appointments from 25 October onwards; there could be significant impacts upon the Council's financial position depending on both national fiscal plans, which haven't been announced at the time of writing, and specific projects and plans within the Council which are reliant upon central government funding.
- 6.12.** These will also impact upon the national and local economy, which the Council could experience as both further increases on the cost of living for residents, service users and staff, and further demand for Council services. The financial position is already being very closely monitored and managed

through action plans; services will need to be clear about how the action required to manage our financial position impacts in relation to the achievement of Corporate Plan objectives.

- 6.13.** The outcome of the Joint Targeted Area Inspection has been carefully considered in the review of the Increased Demand for Children’s Services risk during the quarter 2 assessment of risks and this has resulted in the inclusion of a separate risk being added to the Strategic Risk Register, which will be detailed in the report to 1 December Corporate Policy Committee.
- 6.14.** Similarly, the review of the local planning service and the subsequent modernisation plan, as reported to the Environment and Communities Committee on 31<sup>st</sup> October, has resulted in the inclusion of a specific risk on the failure to achieve the modernisation plan being included on the Strategic Risk Register, again, detailed in the report to Corporate Policy Committee.

#### Horizon Scanning

- 6.15.** The Institute of Internal Auditors has recently published their “On Risk”<sup>1</sup> report identifying their top risks for 2022. Their methodology employed qualitative interviews of 30 board members, 30 executive level employees (Chief Executives, Chief Operating Officers, etc), and 30 Chief Audit Executives from 90 different organisations in North America.
- 6.16.** The report presents the top risks as having ‘universal applicability to organisations, regardless of size, industry, or type’, although they do acknowledge that some organisations may have specific, key risks related to their industry or circumstances. The table below shows how they map against the council’s strategic risks, listed in order of magnitude as per the report:

| <b>On Risk 2022 Key Risks</b>    | <b>CEC Strategic Risks</b>  |
|----------------------------------|---|
| Cybersecurity                    | Information Security and Cyber Threat   |
| Talent Management                | Organisational Capacity and Demand  |
| Organisational Governance        | Governance and Decision Making  |
| Data Privacy                     | Information Security and Cyber Threat   |
| Culture                          | Governance and Decision Making  |
| Economic & Political Volatility  | Political Uncertainty<br>Economy Risk   |
| Change in Regulatory Environment | Political Uncertainty   |
| Supplier & Vendor Management     | Governance and Decision Making  |
| Disruptive Innovation            | Business Continuity   |
| Social Sustainability            | Increased Demand for Adult’s Services<br>Increased Demand for Children’s Services |
| Supply Chain Disruption          | Business Continuity<br>Governance and Decision Making                             |
| Environmental Sustainability     | Climate Change  |

<sup>1</sup> [OnRisk Report \(theiia.org\)](https://www.theiia.org/)

- 6.17.** Despite the sector and geographic differences between the IIA report and the strategic risk register, there is a strong level of correlation, even where some of the report's risks are more specific, e.g., supply chain disruption, there are linkages to the strategic risk register. It is positive that the organisation has already identified similar challenges as the key threats to the achievement of its objectives.

2022/23 Risk Management Approach

- 6.18.** The production of the 2022/23 Service Plans required a related Risk Register to be completed; this required services to capture what they considered the keys risks to their area and operations. These have now been reviewed and have provided insight not only into those area's challenges but also into the maturity of risk reporting.
- 6.19.** Across the four directorates, a total of 39 registers have now been returned, covering all service areas expected. A total of 297 risks were reviewed across the service level registers from all four directorates and engagement was generally high.
- 6.20.** The majority of services identified risks that focused on emerging or on-going issues, rather than identifying risks to the achievement of existing service delivery responsibilities and objectives.
- 6.21.** Where service risks registers focused on objectives, the coverage and number of risks captured was significantly more by comparison to those that focused more so on specific issues. The majority of registers included detailed information on controls.
- 6.22.** Service registers will be subject to further analysis and feedback during the year to ensure that they are revisited, updated and developed to comprehensively cover risks associated with the service's established responsibilities as well as service development and change.
- 6.23.** Analysis of the issues or to give them their correct risk designation, 'causes', within the service risk registers has provided the opportunity to understand the current, common themes across the organisation.

| <b>Common causes of risk</b>                    | <b>No. of risks</b> | <b>Average rating</b> |
|---|---------------------|-----------------------|
| Staff resource or structure                     | 46                  | 8.4                   |
| Maintaining BAU (inc. COVID-19)                 | 39                  | 8.3                   |
| Lack of compliance with regulatory requirements | 15                  | 8.3                   |
| Failure to comply with GDPR                     | 6                   | 10.2                  |

- 6.24.** The two most significant causes are not considered completely independent of each other, although there was enough distinction to separate them and obtain better insight than combining them. The following logic was used when classifying the two most common causes:



| Cause of risk                   | Indicators                         |
|---------------------------------|------------------------------------|
| Staff resource or structure     | Difficulty fulfilling positions    |
|                                 | Lack of required skills            |
|                                 | Requirement to restructure         |
| Maintaining BAU (inc. COVID-19) | Increase in workload               |
|                                 | Impact of COVID-19 on productivity |

- 6.25.** Regardless of the explicit issues at play, it is clear that a productivity, workload imbalance was by far the strongest theme identified. While very strongly represented, 28.6% of all risks identified, the average rating was 8.4 suggesting it was being managed to an acceptable level. Although it must be acknowledged that some areas will have rated higher than the average. Based on the nature of the areas assessed, operational, this seems like a reasonable but notable outcome.
- 6.26.** This theme is recognised in the strategic risks, SR 6 Organisational Capacity and Demand which at Q1 was rated 12 and has a target rating of 12. This indicates that the top-down view is that the risk is being managed adequately.
- 6.27.** An online session for Audit and Governance Committee members was held in September. This focused on providing members with an understanding of risk management principles, and the role Members can take in supporting effective management of the Council's risks. Slides from the session have been circulated to all committee members.
- 6.28.** An approach to allow the Audit and Governance Committee to focus on how strategic risks are managed, and how/where the risk owner receives their assurances from is being developed, with the first session planned to focus on SR 13, Reputation.

## **7. Implications**

### **7.1. Legal**

- 7.1.1. There are no direct legal implications arising from the recommendations of this report. This report provides assurance that the Council achieves its strategic aims and operates its business, under general principles of good governance, that it identifies risks which threaten its ability to be legally compliant and operates within the confines of the legislative framework.

### **7.2. Finance**

- 7.2.1. There is no direct impact upon the MTFS from the recommendations of this update report. Costs relating to implementing risk treatment plans are included within service budgets. The need to provide financial security against the impact of risks is considered on a case-by-case basis and either included within specific budgets within the MTFS or considered under the overall assessment of the required level of General Reserves as part of the Reserves Strategy.

**7.3. Policy**

7.3.1. Cheshire East Council has adopted the Risk Management Framework approved by Cabinet in June 2020. 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.

**7.4. Equality**

7.4.1. There are no direct implications arising from the recommendations of this update report.

**7.5. Human Resources**

7.5.1. There are no direct implications arising from the recommendations of this update report

**7.6. Risk Management**

7.6.1. This report relates to overall risk management and provides the Corporate Policy Committee with awareness of the most significant risks facing the Council, where strategic risks are emerging and assuring the Committee on how these are being managed.

**7.7. Rural Communities**

7.7.1. There are no direct implications arising from the recommendations of this update report.

**7.8. Children and Young People/Cared for Children**

7.8.1. There are no direct implications arising from the recommendations of this update report.

**7.9. Public Health**

7.9.1. There are no direct implications arising from the recommendations of this update report.

**7.10. Climate Change**

7.10.1. There are no direct implications arising from the recommendations of this update report.

| <b>Access to Information</b> |   |
|------------------------------|---|
| Contact Officer:             | Josie Griffiths, Head of Audit and Risk Management<br>Email: <a href="mailto:Josie.Griffiths@cheshireeast.gov.uk">Josie.Griffiths@cheshireeast.gov.uk</a> |
| Appendices:                  | Strategic Risk Register Q1 2022/23– Appendix A  |

|   |  |  |  |
|---|--|--|--|
| <b>Risk Ref:</b> SR 1A  |  | <b>Risk Name:</b> Increased Demand for Adult Services                      |  |
| <b>Risk Owner:</b> Executive Director of Adults, Health, and Integration  |  | <b>Risk Manager:</b> Executive Director of Adults, Health, and Integration |  |
| <b>Risk Description:</b> An increase in demand for adult social services that cannot be met within the existing budget  |  |  |  |
| <p>Since the COVID-19 pandemic the demand for adult social care has increased in both volume and complexity. There is currently a historically high demand for services from young adults right through to the elderly. This has been caused by an overall decrease in national adult health and wellbeing.</p> <p><u>Detailed consequences:</u> A failure in one area of social care, either internal or external to the council, has knock-on effects and increases pressure on other services. This can cause an on-going downwards trend in adult health and wellbeing. In addition, the council may fail in its duty of care and its objective of supporting its most vulnerable individuals. Specific failures that have been seen are a reduction in preventative measure and early intervention, which ultimately increase demand. Increased pressure on practitioners causes stress related issues and reduces the appeal of working in the sector.</p> <p><u>Detailed causes:</u> Due to the additional wellbeing pressures placed on residents, council staff, third-party providers and the NHS, the volume and complexity of demand for adult services has increased materially. As have political factors such as changes in legislation and resettlement agreements. Due to several different socio-economic factors recruitment and retention of staff is difficult resulting in increased use of agency staff.</p> |  |  |  |
| <b>Gross Risk Assessment:</b>   |  | <b>Net Risk Assessment:</b>  | <b>Target Risk Rating:</b>                 |
| Impact = 4<br>Likelihood = 4<br>Rating = 16   |  | Impact = 4<br>Likelihood = 4<br>Rating = 16                                | Impact = 3<br>Likelihood = 3<br>Rating = 9 |
| <b>Interdependencies (risks):</b><br>NHS Funding Pressure, Financial resilience, Fragility in the social care market  |  |  |  |
| <b>Comments this quarter:</b><br>Risk description updated, no change to the risk, still at the highest possible rating.   |  |  |  |
| <b>Actions (Monitoring):</b>  |  |  |  |
| ASC/ Commissioning and Communities, together with Public Health one Directorate continuing to work jointly to respond to challenges pertaining to prevention, health inequalities and our workforce.  |  |  |  |
| ASC/Commissioning and Communities developed a Standard Set of Fit for the Future Contracts – that set out specific measurable outcomes pertaining to each service area in driving prevention and key performance indicators that test the providers ability to retain a viable and sustainable business in responding to a population of changing need – higher levels of resident satisfaction and improved control.   |  |  |  |
| Continue to monitor and review preventative and support service activity.   |  |  |  |
| Continue to develop improved monitoring of people’s outcomes  |  |  |  |
| Improved utilisation of public health JSNA and wider regional data sets informing future commissioning plans.   |  |  |  |
| Develop engagement with community groups and 3rd sector.  |  |  |  |
| Strengthen liquid logic and contract solutions to better map trend and demand.  |  |  |  |
| To monitor and review thresholds and gatekeeping processes.   |  |  |  |
| Review and strengthen partnership working with wider agencies.  |  |  |  |

|  |   |
|--|---|
| <b>Risk Ref:</b> SR 1A   | <b>Risk Name:</b> Increased Demand for Adult Services |
| Restructured teams to ensure better integration with key partners.   |   |
| Continue to engage with leaders across teams – informing and influencing change.   |   |
| Continue with Connecting Leaders – through strong forward thinking visible leadership.   |   |
| Continued engagement with people who access services and the involvement of Healthwatch and independent advocacy   |   |
| Proactive engagement with the new Integrated Care Partnership (includes health partners)   |   |
| Ongoing response measures to COVID 19 pandemic   |   |
| Maintaining Business Continuity across inhouse and external providers.   |   |
| <p><b>Key Mitigating Controls:</b></p> <ul style="list-style-type: none"> <li>• ASC/Commissioning and Communities is engaged in the facilitation and forward planning of market engagement events, so to keep providers / people informed of preventative change as we progress with our People Live Well, for Longer Transformation Programme of Work.</li> <li>• ASC/Commissioning have in place a robust Contracts and Quality Monitoring Policy Framework – that makes clear – how quality is monitored in a person-centred way with a vast range of partners, when to activate a suspension protocol working with care quality commission and when/ how we are decommissioning services – keeping people at the centre of decision making regarding any service disruption or period of market failure.</li> <li>• ASC/Commissioning operate a monthly quality monitoring partnership forum that includes Police, Safeguarding, Care Quality Commission, ASC operations, Legal, CCG’s and ASC lead commissioner – in the ongoing monitoring of quality and reporting and alerting of risk escalation that can be effectively managed – reports into relevant DMT’s and Safeguarding Board.</li> <li>• ASC/Commissioning hold a provider risk register whereby we monitor and review risk pertaining to specific providers as part of our role working with Care Quality Commissioning pertaining to Market oversight.</li> <li>• ASC/Commissioning care sourcing/brokerage team support service and a local area co-ordination services- supporting vulnerable people to access wider community/ third sector services and wider more universal offers – diverting people away from care where appropriate.</li> <li>• ASC/Commissioning finance and planning resource allocation system to promote and engage more people to take direct payments and will enable people to identify against changing needs – an indicative robust budget thus reducing people reliance on traditional models of care.</li> <li>• ASC/Commissioning preventative policy framework that standardise of approach to prevention across adult social care “front door – whereby people will be directed away from traditional services towards a more empowering community solution, those accessing services will be fully assured working with providers – what our clear aim, vision and intentions are over the next three years.</li> <li>• ASC/Commissioning provider financial self-assessment accreditation tool – to assist with the monitoring and management of potential uplift and or additional funding. This will ensure that funding is robustly based on clear evidence, against demand / trends in market development and impact on provider/ council and people accessing the service.</li> <li>• ASC/Quarterly staff engagement groups are developed through leadership forums so to keep people informed and abreast of change as we progress to respond to demand and growth in the sector. Services operate regular staff conferences to address service specific developments and challenges.</li> <li>• ASC/Commissioning are involved in the North-West regional and local programme of work pertaining to health and care staff recruitment, retention, and selection – resulting in a robust career path being developed with key partners and in being clear pertaining to local strategy.</li> <li>• ASC/Commissioning influencing and working with Cheshire CCG pertaining to development of ICS and ICP plans</li> <li>• ASC/Commissioning/communities have developed a robust and responsive policy framework (People Helping People) with a vast range of third sector providers – thus reducing demand on adult social care.</li> </ul> |   |

|   |   |
|---|---|
| <b>Risk Ref:</b> SR 1A  | <b>Risk Name:</b> Increased Demand for Adult Services |
| <ul style="list-style-type: none"><li>• To continue to develop with Children/families services joint commissioning and cross department work with adults – whereby risks can be better reduced together through a new joint commissioning management monthly working group.</li><li>• ASC/Commissioning monitor performance and demand against capacity to ensure service meets demand where possible, developing robust action plans for service/market failure.</li><li>• ASC performance monitoring reported on regular basis to CLT and Adult and Health Committee</li><li>• Additional risks escalated as appropriate.</li></ul> |   |
| <b>Lead Service Committee:</b> Adults and Health Committee  |   |

|  |   |   |
|--|---|---|
| <b>Risk Ref:</b> SR 1C   | <b>Risk Name:</b> Increased demand for Children’s Services  |   |
| <b>Risk Owner:</b> Executive Director of Children’s Services   | <b>Risk Manager</b> Children’s Services Directorate Management Team   |   |
| <p><b>Risk Description:</b> That Cheshire East’s local social, economic and demographic factors, including the impact of the pandemic, lead to an increase in the level of need and demand for children’s services, resulting in the capacity of the council’s systems relevant to these areas being unable to continue to respond/ absorb the pressures presented. Nationally and locally, there are challenges recruiting and retaining staff within specific areas of children’s services, which is resulting in higher-than-average caseloads.</p> <p>There is a risk that this could result in children experiencing delays in receiving support leading to escalation of need and increased risk of poorer outcomes - including risk of harm and risk to life, a lack of continuity of workers for children and young people, and increased costs to the council. There is also a risk that if the number of cared for children and young people increase, or if the complexity of children’s needs increases, or the availability of placements decreases, this could result in increased pressure on placements, which could lead to difficulty providing the right homes for children and increased financial cost to the council.</p> <p>There is a risk that the demand for education placements for children and young people with special educational needs and/ or disabilities (SEND) outstrips the number available in the borough, leading to children and young people needing to travel further, increasing travel costs, and requiring the use of more expensive provision. Changes proposed in the SEND Review could also have an impact on pressures within the SEND service if significant changes are required to working practices. This would mean that we would not achieve the council’s desired outcomes for children and young people.</p> |   |   |
| <p align="center"><b>Gross Risk Assessment:</b></p> <p align="center">Impact = 4<br/>Likelihood = 4<br/>Rating = 16</p>  | <p align="center"><b>Net Risk Assessment:</b></p> <p align="center">Impact = 4<br/>Likelihood = 3<br/>Rating = 12</p> | <p align="center"><b>Target Risk Rating:</b></p> <p align="center">Impact = 3<br/>Likelihood = 3<br/>Rating = 9</p> |
| <p><b>Interdependencies (risks):</b> This risk shares an interdependency with the risk relating to demand to adult social care and health services. If NHS services experience an increase in demand this could impact on demand to children’s services or could impact on the quality of support delivered by children’s services, as services rely on health input to ensure children’s needs are assessed and met. The same social, economic and demographic factors will also impact on the demand to adult and health services so it is possible that both risks would escalate at similar points. This risk is also affected by the risk to the council’s financial resilience and lack of certainty about future funding, as increased funding may be required to enable services to meet increased demand. If the risk as a result of increased demand is not effectively managed, this could cause damage to the council’s reputation.</p>  |   |   |
| <p><b>Comments this quarter:</b> Net score increased due to recruitment difficulties which are impacting service delivery.</p> <p>Demand to services is not increasing, which suggests that we have effective processes in place to prevent need from escalating and ensure children, young people and families receive the right support at the right time. However, due to difficulties with recruitment and retention, some teams within SEND and children’s social care are experiencing higher caseloads than we would want, which is impacting on our ability to deliver timely services to children, young people and families at the high quality we aspire to. This is also impacting on capacity to deliver transformational, innovative and invest to save work, as when capacity is limited, we are required to focus on delivering statutory services.</p> <p>Caseloads for social work teams were raised in our recent joint targeted area inspection of child criminal exploitation; some social work teams are carrying 25% vacancies as recruitment is proving very challenging. Whilst these vacancies are covered in the interim by agency staff, difficulties with recruitment and retention is being experienced nationally - but an established and experienced workforce is crucial in delivering effective support to children and young people. Children’s services are working together with HR to develop a refreshed recruitment and retention strategy to address this. The Executive Director of Children’s Services is co-leading a regional</p>  |   |   |

|  |  |
|--|--|
| <b>Risk Ref:</b> SR 1C   | <b>Risk Name:</b> Increased demand for Children’s Services |
| Cheshire and Merseyside workstream to look at regional solutions to recruitment and retention within children’s services. We are participating in the DfE’s delivering better value (DBV) programme to support the council to achieve a more sustainable financial position in relation to SEND. Delivery of our improvement plan in response to the findings from the joint targeted area inspection will also require significant resources which will impact on our capacity to deliver other work.   |  |
| <b>Actions (Monitoring):</b>   |  |
| Continue to deliver our Sustainable Futures Strategy and improve the quality of social work practice. (Review through new ED led Children’s Transformation Board, and quarterly as part of the audit of quality of practice)   |  |
| We are exploring expanding our in-house residential provision and fostering sufficiency, learning from North Yorkshire’s ‘No Wrong Door’ model. We have been granted a small amount of innovation seed funding to support developing this model locally. (Children’s Transformation Board to be developed to monitor progress in this area)  |  |
| Develop and launch a new partnership Early Help Strategy to support good quality early help and prevention services. (Progress against the strategy to be reviewed on a quarterly basis by the Early Help partnership. Impact on practice reviewed quarterly as part of the audit of quality of practice)  |  |
| Continuing to support vulnerable children and young people through the Household Support Fund and the Holiday Activity Fund. (Impact reports are produced on a regular basis)  |  |
| Continue to deliver the High Needs management plan to manage demand to SEND and the financial impact of demand. (Progress against the plan reviewed on a quarterly basis by the SEND management group)   |  |
| Participation in the DfE’s delivering better value (DBV) programme to support the council to achieve a more sustainable financial position in relation to SEND.  |  |
| Deliver specialist training to educational settings and other services to ensure professionals are skilled at providing SEN Support. (Progress reviewed on a quarterly basis by the SEND management group)   |  |
| Continue to increase SEND provision in Cheshire East. (Reviewed quarterly)   |  |
| Continue to develop Bespoke Children’s Homes and Mockingbird fostering model. (Reviewed quarterly through the Fostering Development Board and Social Care Leadership meetings)   |  |
| Cheshire and Merseyside workstream to look at regional solutions to recruitment and retention within children’s services. (Reviewed by workstream group)   |  |
| HR and service areas are working together to develop a refreshed recruitment and retention strategy. (Directorate management team meetings)  |  |
| <b>Key Mitigating Controls:</b>  |  |
| <ul style="list-style-type: none"> <li>• In 2021/22, the council committed to growth bids for Children’s Social Care, and for increased capacity in the SEND service to meet the continuing demands of the service. Additional business cases were agreed within the Medium-Term Financial Strategy for further funding from 2022 onwards in these two areas to continue to meet the rising demand</li> <li>• We are closely monitoring the demand to services and the reasons that are driving demand so that we can be responsive and mitigate any risks to service delivery. Performance is monitored on a monthly basis by services. The Children and Families quarterly scorecard is reviewed at the Children and Families Committee and the Safeguarding Review meeting attended by the Chief Executive and Lead Member for Children and Families. The Safeguarding Review meeting includes discussion of workforce pressures and risks</li> <li>• The Early Help Brokerage Service was established in October 2015 to ensure demand for low level cases are appropriately allocated, reducing the demand on the Children’s Social Care team in the front door</li> <li>• We have a range of support available to families through early help and prevention services, including council, partner, voluntary, community, faith sector and commissioned services. These services support families and help prevent needs from escalating and requiring higher level intervention. We are continuing to develop our service offer through developing our partnership working and joint commissioning. We are currently reviewing our Early Help Strategy to ensure that we continue to strengthen our partnership offer moving forwards</li> </ul> |  |

|  |  |
|--|--|
| <b>Risk Ref:</b> SR 1C   | <b>Risk Name:</b> Increased demand for Children’s Services |
| <ul style="list-style-type: none"> <li>• The Cheshire East Safeguarding Children’s Partnership and the 0-25 SEND Partnership Board meet on a regular basis and are sighted on changes to demand for services so there can be a partnership approach to meeting children and young people’s needs</li> <li>• A strategy is in place to ensure only the right children come into care; this approach will reduce demand to Children’s Social Care services</li> <li>• Our partnership Neglect Strategy was launched in July 2021 to ensure children at risk of neglect are identified early, which will reduce higher cost demand at a later stage</li> <li>• A strategy is in place to manage increasing demand and reinforce SEN Support in settings through our ‘Access to SEND Services’ strategy</li> <li>• A robust governance structure is established for SEND. A new SEND strategy was launched in November 2021 which is driving the continued improvement of support to children and young people with special educational needs and disabilities</li> <li>• Significant investment in local SEND provision to meets children’s needs more locally but also reduce dependency on high-cost independent school placements</li> <li>• We are reviewing the early intervention support to children prior to the request for an education health and care plan to ensure children and young people get the right support at the right time to prevent needs from increasing</li> <li>• High needs management plan in place to monitor the impact of demand to SEND services on financial pressures and monitor the delivery and impact of mitigations that have been put in place</li> <li>• We have supported children and young people who were most vulnerable through the pandemic through the Covid Grant Scheme/ Household Support Fund and the Holiday Activity Fund</li> <li>• We are developing our in-house placement options through our Bespoke Children’s Homes and Mockingbird fostering model</li> </ul> |  |
| <b>Lead Service Committee:</b> Children and Families Committee   |  |



|   |  |  |   |
|---|--|--|---|
| <b>Risk Ref: SR 2</b>   |  | <b>Risk Name: NHS Funding</b>  |   |
| <b>Risk Owner:</b> Executive Director of Adults, Health and Integration   |  | <b>Risk Manager:</b> Director of Commissioning                                       |   |
| <p><b>Risk Description:</b> An NHS funding deficit reduces their health service delivery and places additional strain on the council’s provision of adult social care</p> <p>The ability to meet the council’s target of residents living well for longer can only be achieved by an effective and comprehensive joint programme of health and social care services.</p> <p>Detailed consequences: Additional pressure on social care may be realised in diverse and unexpected ways due to the complex and volume of interactions between the two services. Their symbiotic relationship means that one partner under or over performing has a corresponding effect on the other. An effective relationship would see reductions in health inequality and reduce the requirement for long-term care.</p> <p>Potential causes: A funding deficit would be caused by a mismatch in resource and demand. The relatively poor levels of national public health and wellbeing following the pandemic and limited expectations for economic growth are potential drivers of a mismatch. Ultimately however NHS funding is a political decision, currently an area of uncertainty.</p>  |  |  |   |
| <p><b>Gross Risk Assessment:</b><br/>Impact = 4<br/>Likelihood = 4<br/>Rating = 16</p>  |  | <p><b>Net Risk Assessment:</b><br/>Impact = 4<br/>Likelihood = 4<br/>Rating = 16</p> | <p><b>Target Risk Rating:</b><br/>Impact = 4<br/>Likelihood = 3<br/>Rating = 12</p> |
| <b>Interdependencies (risks):</b> Increased demand for Adult’s Services, Increased demand for Children’s Services, Financial Resilience, Pandemic Virus   |  |  |   |
| <b>Comments this quarter:</b> NHS funding risk has been split out from the integration of the ICS risk; description updated but no change to the rating. The lack of mental health beds this quarter has resulted in service users being placed outside of the borough. This increases the administrative burden required to support each individual. From September 1st this year the NHS being asked to reduce the number of beds which will add additional pressure to social care services.   |  |  |   |
| <b>Actions (Monitoring):</b>  |  |  |   |
| To continue to be a key player in the development of the integrated care system at a regional and local level (Adults and Health Committee)   |  |  |   |
| <b>Key Mitigating Controls:</b>   |  |  |   |
| <ul style="list-style-type: none"> <li>• A Health and Wellbeing Board is established with representation from Clinical Commissioning Groups and the Council, which provides a forum for these challenges to be addressed at a strategic level. In addition, a Cheshire East Partnership Board has been created where system leaders are looking at integration and how to make the system more financially sustainable to achieve better outcomes for the residents of the Borough.</li> <li>• Contract clauses are in place to address cessation of service and performance management arrangements should any failing performance materialise.</li> <li>• Partnership working is in place and commissioning is informed through the JSNA. The H&amp;WB is working with Cheshire Fire and Rescue, NHS and other partners on various schemes of intervention and prevention which are intended to decrease demand. The Adults, Health and Community Directorate has introduced a new model for helping people to retain control and maintain their independence and reduce additional strain on services.</li> <li>• The Cheshire East Integrated Care Partnership has been in place since October 2020 and is developing implementation plans across a number of work streams designed to achieve quality improvement and financial efficiencies across the system.</li> </ul> |  |  |   |
| <b>Lead Service Committee:</b> Adults and Health Committee  |  |  |   |

|   |  |   |  |
|---|--|---|--|
| <b>Risk Ref</b> SR3   |  | <b>Risk Name:</b> Financial Management and Control                            |  |
| <b>Risk Owner:</b> Executive Director of Corporate Services   |  | <b>Risk Manager:</b> Director of Finance and Customer Services (s151 Officer) |  |
| <b>Risk Description:</b> Ineffective financial management and controls, such as a lack of oversight by properly strained staff, leads to misleading financial information and inadequate protection of Council funds. The Council's balanced funding position may not be spent in-line with approved plans and lead to poor decision making, fraud or error and a failure to adequately fund essential services to residents.   |  |   |  |
| <b>Gross Risk Assessment:</b><br>Impact = 4<br>Likelihood = 4<br>Rating = 16  |  | <b>Net Risk Assessment:</b><br>Impact = 3<br>Likelihood = 3<br>Rating = 9     |  |
| <b>Target Risk Rating:</b><br>Impact = 3<br>Likelihood = 2<br>Rating = 6  |  |   |  |
| <b>Interdependencies (risks):</b> Economy, External Funding   |  |   |  |
| <b>Comments this quarter:</b> Risk description updated, no change to the ratings, further updates reflect ongoing roll-out and improvements within Unit 4.  |  |   |  |
| <b>Actions (Monitoring):</b>  |  |   |  |
| Training and briefing to Councillors (Committee Work Programmes)  |  |   |  |
| Education and training on Finance and Contract Procedure rules for Officers and Councillors (Committee Work Programmes)   |  |   |  |
| Roll-out of Unit4 self-serve requirements (Finance Service Plan)  |  |   |  |
| Action Plan on adherence to FM Code (Finance & Customer Services Departmental Plan)   |  |   |  |
| Engagement with government departments related to financial models and consultation (Finance sub-committee work programme)  |  |   |  |
| <b>Key Mitigating Controls:</b>   |  |   |  |
| <ul style="list-style-type: none"> <li>• Financial planning arrangements include preparation by the finance team, in liaison with senior operational managers, of detailed financial forecasts, based on the best available information and including prudent assumptions based on professional judgement and external advice</li> <li>• Use of quality financial systems, with appropriate training and subsequent audit of their effectiveness to provide management and control of the Council's finances</li> <li>• Balanced budget to put into effect the council's service plans for the forthcoming year, matched by available funding and including a risk assessment of the adequacy of general reserves</li> <li>• MTF5 sets out how the Council will deliver the Council's corporate plan including identification of budget gaps</li> <li>• Use of a report format and report clearance process which ensures provision of relevant information on financial impact and risk exposure to the decision makers.</li> <li>• Clear and effective communication of changes or updates to Finance and Contract Procedure Rules</li> <li>• Sources of specialist advice and guidance</li> <li>• Budget monitoring, comparing actual performance against approved budget, is undertaken throughout the financial year and reported to service committees.</li> <li>• Outturn reporting and audit of statements supports in-year monitoring and future year planning</li> <li>• Risk-based approach to the use of reserves, identifying appropriate reserve levels and ensuring that reserves are not depleted without first identifying a strategy to restore them to risk-assessed levels during the MTF5 period.</li> <li>• Where a residual deficit is forecast, a number of actions will be explored including: <ul style="list-style-type: none"> <li>○ use of any service or non-specific underspends to offset pressures elsewhere within the budget</li> <li>○ accessing external funding ensuring compliance with any funding conditions</li> <li>○ use of reserves</li> </ul> </li> </ul> |  |   |  |

- use of general balances
- Treasury management strategy to manage the council's cash flows, including an investment strategy focused on the security of principal sums and a borrowing strategy to manage interest payable and other charges
- A capital strategy that prioritises capital investment programmes, identifies the financial impact of investment in schemes and limits the amount of unsupported borrowing to be taken

**Lead Service Committee:** Corporate Policy Committee

|  |  |  |   |
|--|--|--|---|
| <b>Risk Ref:</b> SR4   |  | <b>Risk Name:</b> Information Security and Cyber Threat                    |   |
| <b>Risk Owner:</b> Executive Director of Corporate Services  |  | <b>Risk Manager:</b> Head of Information Communication Technology and CIO  |   |
| <b>Risk Description:</b> (Cause) There is a risk that as the Council continues to move towards using new technology systems to reduce costs and fulfil communication, accessibility, and transaction requirements, (threat) it becomes increasingly vulnerable to a security breach, either maliciously or inadvertently from within the Council or from external attacks by cyber-criminals. (Impact) This could result in many negative impacts, such as distress to individuals, legal, financial, and reputational damage to the Council, in addition to the possible penetration and crippling of the Council's IT systems preventing it from delivering its Corporate Outcomes.  |  |  |   |
| <b>Gross Risk Assessment:</b><br>Impact = 4<br>Likelihood = 4<br>Rating = 16   |  | <b>Net Risk Assessment:</b><br>Impact = 3<br>Likelihood = 4<br>Rating = 12 | <b>Target Risk Rating:</b><br>Impact = 3<br>Likelihood = 4<br>Rating = 12 |
| <b>Interdependencies:</b> This risk has interdependencies with corporate risk SR5 Business Continuity and SR13 Reputation. It also has links to the Financial Resilience risk, as funds for maintenance and replacement will be stretched, placing additional strain on assets and resilience of information security controls.  |  |  |   |
| <b>Comments this quarter:</b> The Council has secured a new tier of Microsoft licences, these will give ICT greater understanding and visibility of activity within the infrastructure. This will allow the technicians to analysis inappropriate activity and also provide some level of automation to close down vulnerabilities as they occur. The Council continues to receive a large volume of targeted threats against its workforce, training and the enhanced capabilities will be key to prevent these vulnerabilities being exploited.<br>Work has commenced on a plan to realise the benefits from the High Level Business Case for Security and Compliance. A specialised company Info-Tech has been procured to direct the council so any planning is in line with best practice and is directed at the most vulnerable technology domains.<br><br>There is ongoing activity around security governance and a security focussed operations group to strengthen the council's position on cyber security. The work will also encompass strengthening links with corporate and information governance. |  |  |   |
| <b>Actions (Monitoring):</b>   |  |  |   |
| Review policies and guidance materials to strengthen advice to staff on how to manage various information types (Annual review)  |  |  |   |
| Continue with education and communication programme (Published guidance can be reviewed and completion data is logged via the publishing platform)   |  |  |   |
| Update to WLT on cyber security and the recommendation of the insurance assessment (CLT Committee)   |  |  |   |
| Undertake regular compliance reviews (External reviews including the annual PSN assessment)  |  |  |   |
| Simplify and consolidate the ICT infrastructure (TDA runs on a weekly basis to ensure that solution adhere to ICT principles of standardisation)   |  |  |   |
| Reduction of the information storage, removal of duplicates information and validate that the asset register is being adhered to (The Information Asset Register (IAR) is continually under review, the Records Management Team contact services via the Virtual Information Governance Group to request the services review their areas on the IAR. Services voluntarily contact the team to make amendments)   |  |  |   |
| Roll-out the revised/ updated e-learning (Published guidance can be reviewed and completion data is logged via the publishing platform)  |  |  |   |
| Enhancement of the Data Classification and technical controls to further protect information, project has re-scope with the introduction of e% licensing (Peer review)   |  |  |   |
| Enable Data Quality consistency across multiple service areas. Master Data Management which will standardise the format and structure of corporate data fields which are prevalent across the Authority relating to Resident, Employee, Address and Business Records. Phase 1 MDM scheduled live date end of December (use of and assessment against the IADM national data quality standards)   |  |  |   |
| <b>Key Mitigating Controls:</b>  |  |  |   |

| Risk Ref: SR4   | Risk Name: Information Security and Cyber Threat |
|---|--|
| <ul style="list-style-type: none"> <li>• The CIO is an advocate of and reports on Information Risk to the Corporate Leadership Team and the Audit and Governance Committee and makes the Annual Statement of Internal Control of Information Risk.</li> <li>• The Council has a number of Information and Data Security policies which are published on the Centranet and help to protect from the Council from inappropriate and unauthorised access and communicates what to do in the case of an incident.</li> <li>• Progress on Information Risk and Information Security is monitored through the Strategic Information Governance Group (SIGG), Operational Information Governance Group (IGG) and the Virtual IGG Task and Finish Group.</li> <li>• The Council has an Incident Reporting process which has been communicated to staff, all incidents are scored and assessed by IGG to ensure that the breaches are minimised, and future breaches are reduced.</li> <li>• The Council complies with the Public Services Network PSN Code of Connection, NHS Data Security and Protection Toolkit, DWP’s MOU and NHS Digital controls, work continues with the consolidation and enhancement of elements of the security estate to meet the ever-developing threat profiles. This includes third party IT hardware and software tests undertaken by accredited security vendors, these validate that the network and hardware are secure and robust, if any vulnerabilities are found then a mitigation plan is drawn up and actioned.</li> <li>• The Council has an Information Asset Register which is reviewed on an annual basis and has been published on the open data portal.</li> <li>• There is also an Information Assurance Data Management (IADM) programme of activity to increase awareness and maturity of information assurance and governance across the Council. The programme is tasked with guiding the organisation to manage its information in a compliant and efficient way.</li> <li>• Data Classification has been rolled out to the organisation; this allows the categorisation of information so that appropriate controls can be employed to protect the information.</li> <li>• The Council provides security and compliance e-learning courses (which are mandatory for all employees) on the Learning Lounge and Metacompliance portal. This includes several modules of Data handling, Security, and Information Assurance.</li> <li>• Controls are in place to restrict access to the data centres and network equipment and risk assessments of existing systems and networks are on-going.</li> <li>• The Council has a Data Protection Officer who assists in ensuring compliance with GDPR and to specify the procedures to be adopted.</li> <li>• The Council’s ICT Services have a strategic direction to move to a “Cloud First” principle, whilst this enables an evergreen environment which is always up to date, additional controls are needed to prevent compromise or inappropriate use and access. This includes contract compliance and monitoring to ensure ongoing protection of information. In addition, the Council is looking to move to Zero Trust architecture, this is a direct result of increased threats posed to the working infrastructure. This shift is in line with the latest thinking and guidelines issued by the NCSC. In support of this a high-level business case was submitted and subsequently approved. This additional funding will be used to develop the necessary tools to start the implementation.</li> <li>• An assessment was completed using the Council’s insurance broker to understand current and future risks and whether any risks needed treating or could be offset through insurance cover.</li> </ul> |  |
| <b>Lead Service Committee:</b> Corporate Policy Committee   |  |

|   |  |   |  |
|---|--|---|--|
| Risk Ref: SR 5  |  | Risk Name: Business Continuity  |  |
| Risk Owner: Executive Director of Corporate Services  |  | Risk Manager: Head of Audit & Risk  |  |
| <p><b>Risk Description:</b> Failure to maintain business continuity after an unusual or unexpected, disruptive event or events</p> <p>The risk that, some or all, of the council's services, projects or initiatives are unable to resume operations within the expected timeframes after a disruption. A disruptive event, or multiple events, may occur either in isolation, or across the whole organisation.</p> <p>Detailed consequences: The council has a number of safeguarding obligations to its residents, a failure could result in it being unable to fulfil those obligations, and as such not protect them from mental or physical harm. Failures may also cause an unacceptable loss of local services.</p> <p>Detailed causes: The unavailability of staff, ICT systems, equipment or a suitable working environment are the most common causes of a material failure. Many different social, economic, environmental or public health factors can drive these causes to manifest themselves. Underlying this may also be a failure to reasonably allocate resources to eliminate single points of failure in these areas.</p> |  |   |  |
| <p><b>Gross Risk Assessment:</b><br/>Impact = 4<br/>Likelihood = 3<br/>Rating = 12</p>  |  | <p><b>Net Risk Assessment:</b><br/>Impact = 3<br/>Likelihood = 3<br/>Rating = 9</p> |  |
| <p><b>Target Risk Rating:</b><br/>Impact = 3<br/>Likelihood = 2<br/>Rating = 6</p>  |  |   |  |
| <b>Interdependencies (risks):</b> Information Security and Cyber Threat, Pandemic Virus, Fragility in the Social Care Market, Council Funding, Organisational Capacity & Demand   |  |   |  |
| <b>Comments this quarter:</b> Risk description, interdependencies and timescales for actions updated, no change the rating. Agency resource has been obtained and assessment of future software solution options will be undertaken ahead of current contract expiry.   |  |   |  |
| <b>Actions (Monitoring):</b>  |  |   |  |
| Co-ordinate refresh of BC plans with specific focus on ICT systems (One off action)   |  |   |  |
| Review and refresh of the Business Continuity Framework (2-year review cycle)   |  |   |  |
| Development of training materials on Learning Lounge to support staff training and awareness (2-year review cycle)  |  |   |  |
| Introduce moderation of BC plans across a working group for internal challenge and support  |  |   |  |
| Work with Emergency Planning to hold regular scenario testing   |  |   |  |
| Assessment of BC software with ongoing organisational needs   |  |   |  |
| <p><b>Key Mitigating Controls:</b></p> <ul style="list-style-type: none"> <li>• Implementation of Clearview; Business Continuity Software for business continuity planning; Clearview provides the process in an easily understandable format to identify critical and serious priority activities</li> <li>• Executive Directors, Directors and Heads of Service have received training in developing Business continuity plans First round completed Feb 2020</li> <li>• Awareness raising campaign by undertaking a Cyber Attack</li> <li>• Awareness Exercise and fire in a public building (in addition to emergency planning colleagues and also included a community flooding and a fire scenario which had business continuity implications and the council's response) with colleagues from across various areas of the Council</li> <li>• The Clearview system enabled staff to review and revise their BC plans for both Departmental and Service Level Plans with relevant templates for appendices (in line with the structure formats)</li> </ul>   |  |   |  |

|   |                                |
|---|--------------------------------|
| Risk Ref: SR 5  | Risk Name: Business Continuity |
| <ul style="list-style-type: none"><li>• All BC plans were uploaded to the system by March 2020 and have been asked to review in light of second wave COVID</li><li>• High level course on Business Continuity Management has been added to the Council’s Learning Lounge</li><li>• ICT Shared Service also have a Crisis Recovery Plan that has been updated to take account of lessons learned as a result of ICT outage incidents. This Crisis recovery plan overview contains key information for the ICT Shared Service disaster recovery</li><li>• A corporate business continuity plan has been developed and is contained within Clearview</li></ul> |                                |
| <b>Lead Service Committee:</b> Corporate Policy Committee   |                                |

|  |  |  |  |
|--|--|--|--|
| <b>Risk Ref:</b> SR 6  |  | <b>Risk Name:</b> Organisational Capacity and Demand                       |  |
| <b>Risk Owner:</b> Executive Director of Corporate Services  |  | <b>Risk Manager:</b> Head of HR  |  |
| <b>Risk Description:</b> Local demographic and external factors (including COVID and EU Exit) lead to increasing and changing demands on services. This, combined with ongoing financial pressures, an ageing workforce, staff turnover and skills shortages in key areas of the workforce, result in insufficient capacity and an inability to retain or attract staff. This results in a detrimental impact upon physical, emotional and mental wellbeing of staff, and impacts negatively on the Council's ability to deliver all of its intended objectives and outcomes. Recent increases to the cost of living also present risks to the resilience and wellbeing of our workforce and therefore the capacity to respond to demand.  |  |  |  |
| <b>Gross Risk Assessment:</b><br>Impact = 4<br>Likelihood = 4<br>Rating = 16   |  | <b>Net Risk Assessment:</b><br>Impact = 4<br>Likelihood = 3<br>Rating = 12 |  |
| <b>Target Risk Rating:</b><br>Impact = 4<br>Likelihood = 3<br>Rating = 12  |  |  |  |
| <b>Interdependencies (risks):</b> Business Continuity, Pandemic Virus, Increased demand for Adults Services, Increased demand for Children's Services, Financial Resilience  |  |  |  |
| <b>Comments this quarter:</b> Gross scores remain the same, the labour market nationally remains challenging and additional pressures are being seen from the increases to the cost of living. Staff continue to work flexibly, alongside designing a future hybrid way of working. The development of a recruitment and retention is underway, with targeted actions to address any identified workforce gaps.  |  |  |  |
| <b>Actions (Monitoring):</b>   |  |  |  |
| Revised Council wide Workforce Strategy and Directorate /Service Workforce Plans (3-year strategy then rolling coverage and review)  |  |  |  |
| Equality, Diversity and Inclusion Strategy (3-year strategy then rolling coverage and review)  |  |  |  |
| Recruitment and Retention Strategy (3-year strategy then rolling coverage and review)  |  |  |  |
| <b>Key Mitigating Controls:</b>  |  |  |  |
| <ul style="list-style-type: none"> <li>In terms of the demand, work planning in advance has been improved. Significant increases in work pressures are being raised in advance, so that additional resource can be sourced for commissioned work. Improved HR data is being used to identify potential issues and service workforce plans developed to mitigate. The apprenticeship levy and talent management and succession planning frameworks are under development to help mitigate</li> <li>Work on a recruitment and retention strategy progresses at pace to put in place any additional measures available to attract staff to those areas that have identified gaps. This is alongside consideration being given to identifying controls and support that can be provided to retain existing staff</li> <li>Ongoing work to reduce work on reliance on agency staff, for a more stable permanent workforce base and reduced costs</li> <li>A range of comprehensive measures are in place to support staff wellbeing and resilience and additional measures to offset cost of living pressures are being considered.</li> <li>Labour markets are now seeing significant movement due to the impacts of Covid19, including the end of the furlough scheme. Locally, there are particular pressures, for example, on the care sector, social workers, planning and ICT with some neighbouring authorities are offering higher salaries which impacts on staff retention</li> <li>Agency staff are not always available to fill the roles. Additional work programmes and recruitment campaigns are also in place for areas such as Care4CE and social work Redeployment of staff is being considered where services are stretched and agency staff are not available</li> <li>The council is moving to agile working as a permanent feature of future ways of working, which may attract a wider pool of candidates. Alongside service workforce plans, a recruitment and retention strategy is under development to ensure the Council addresses identified shortfalls with agreed actions and service specific solutions</li> <li>The Head of HR considers that the measures reduce the likelihood but not the impact</li> </ul> |  |  |  |



|   |  |
|---|--|
| <b>Risk Ref:</b> SR 6                                     | <b>Risk Name:</b> Organisational Capacity and Demand |
| <b>Lead Service Committee:</b> Corporate Policy Committee |  |

|  |  |   |  |
|--|--|---|--|
| <b>Risk Ref:</b> SR 7  |  | <b>Risk Name:</b> Council Funding   |  |
| <b>Risk Owner:</b> Executive Director of Corporate Services  |  | <b>Risk Manager:</b> Director of Finance and Customer Services (s151 Officer) |  |
| <b>Risk Description:</b> Significant detriment to the Council's funding streams as a result of changes to grant funding, reductions in the collection of council tax, business rates or fees and charges and changes in the local economic circumstances increase pressure on the Council's financial position and ability to deliver corporate priorities within the planned medium term financial strategy.  |  |   |  |
| <b>Gross Risk Assessment:</b><br>Impact = 4<br>Likelihood = 4<br>Rating = 16   | <b>Net Risk Assessment:</b><br>Impact = 4<br>Likelihood = 3<br>Rating = 12 | <b>Target Risk Rating:</b><br>Impact = 3<br>Likelihood = 2<br>Rating = 6      |  |
| <b>Interdependencies (risks):</b> Financial Management and Control   |  |   |  |
| <b>Comments this quarter:</b> Funding is being received in line with forecasts within the MTFS. In-Year financial pressure gives ongoing cause to liaise with government on the appropriateness of grant funding   |  |   |  |
| <b>Actions (Monitoring):</b>   |  |   |  |
| Engage with consultation on changes to local government financing (CLT and appropriate committee(s) as appropriate)  |  |   |  |
| Review compliance with Financial Management Code (CLT and appropriate committee(s) as appropriate)   |  |   |  |
| <b>Key Mitigating Controls:</b>  |  |   |  |
| <ul style="list-style-type: none"> <li>Financial planning arrangements include preparation by the finance team of detailed financial forecasts, based on the best available information and including prudent assumptions based on professional judgement and external advice</li> <li>Balanced budget to put into effect the council's service plans for the forthcoming year, matched by available funding and including a risk assessment of the adequacy of general reserves</li> <li>Monitoring of grant funding formula, and engagement with consultants and government representatives to enhance local forecasting.</li> </ul> |  |   |  |
| <b>Lead Service Committee:</b> Corporate Policy Committee  |  |   |  |

|   |  |   |  |
|---|--|---|--|
| <b>Risk Ref:</b> SR 8A  |  | <b>Risk Name:</b> Governance & Decision Making                                      |  |
| <b>Risk Owner:</b> Executive Director of Corporate Services   |  | <b>Risk Manager:</b> Director of Governance and Compliance                          |  |
| <p><b>Risk Description:</b> Failure to develop a robust corporate governance infrastructure and ensure aligned decision-making throughout the organisation</p> <p>The council is a complex public sector organisation with a broad range of objectives, some of which it is legally obligated to deliver, others are identified within its Corporate Plan. Formal reporting and decision-making within the council is prescribed by local authority regulation. The decision-making process at all levels, must comply regulatory requirements while also delivering those stated objectives.</p> <p>Detailed consequences: Without a robust system of regular reporting, oversight and challenge, stated objectives may not be delivered. Ultimately this can result in a reduction of living standards, physical health and mental wellbeing of residents. Failure to provide a reasonable level of service to residents, or to follow legal decision-making protocols, can result in regulatory intervention. Possible outcomes may be public censure, financial penalties or central government intervention.</p> <p>Detailed causes: The volume and complexity of the council’s services and objectives, coupled with finite resources and differing stakeholder views, make the application of the Corporate Plan into ‘good’ decision-making a challenge. Interpretation of ‘good’ decision-making is likely to be inconsistent throughout the organisation without a holistic approach to reporting. Without comprehensive vertical reporting, senior management cannot effectively challenge and drive positive change in their areas of responsibility.</p> |  |   |  |
| <p><b>Gross Risk Assessment:</b><br/>Impact = 4<br/>Likelihood = 4<br/>Rating = 16</p>  |  | <p><b>Net Risk Assessment:</b><br/>Impact = 3<br/>Likelihood = 3<br/>Rating = 9</p> |  |
| <p><b>Target Risk Rating:</b><br/>Impact = 2<br/>Likelihood = 2<br/>Rating = 4</p>  |  |   |  |
| <b>Interdependencies (risks):</b> Financial Resilience, Reputation, Capacity and demand, Political uncertainty  |  |   |  |
| <b>Comments this quarter:</b> Risk description updated but no change in the rating, controls and actions also updated.  |  |   |  |
| <b>Actions (Monitoring):</b>  |  |   |  |
| Constitution update (Annual review)   |  |   |  |
| Decision making records, reports and delegations (Post each committee cycle)  |  |   |  |
| <p><b>Key Mitigating Controls:</b></p> <ul style="list-style-type: none"> <li>• Council’s Constitution covers decision making processes, including finance and contract procedure rules. Following the change to Committee system, mechanisms are in place to capture learning form the use of the committee system from Members (Constitution Working Group)</li> <li>• Constitution is a publicly available document; guidance on the use of the decision-making processes is provided by enabling services including Legal, Finance, Democratic Services, and Audit and Risk</li> <li>• Reports to Committees are developed and reviewed by senior officers and enabler sign off, briefings are arranged with Committee Members to address any further knowledge requirements ahead of the relevant meeting</li> <li>• Schemes of delegation; local and financial are in place to provide clarity on responsibilities ensure separation of duties is in place where required, and minimise the risk of management override</li> <li>• Assurance mechanisms on the organisations’ compliance with its decision-making processes are provided through the external audit (Statement of Accounts) and the work of the internal audit team. There are other external inspections, such as Ofsted, which may examine elements of our decision-making processes through their work, although this I not usually the primary focus</li> </ul>   |  |   |  |

|  |  |
|--|--|
| <b>Risk Ref:</b> SR 8A   | <b>Risk Name:</b> Governance & Decision Making |
| <ul style="list-style-type: none"><li>The organisation publishes an Annual Governance Statement identifying significant governance issues which have occurred, any known areas which may cause issues if not managed effectively and updates on issues previously identified</li></ul> |  |
| <b>Lead Service Committee:</b> Corporate Policy Committee  |  |

|  |  |  |  |
|--|--|--|--|
| <b>Risk Ref:</b> SR 8B   |  | <b>Risk Name:</b> Political Uncertainty                                    |  |
| <b>Risk Owner:</b> Corporate Leadership Team   |  | <b>Risk Manager:</b> Corporate Services                                    |  |
| <b>Risk Description:</b> Failure to anticipate and manage local and national political uncertainty   |  |  |  |
| <p>The Corporate Plan guides the council’s decision-making, it informs what is considered a ‘good’ outcome and areas of priority. Political changes may result in stakeholders no longer being aligned with that current plan. Central government policy decisions can materially impact the council in many ways, while other risks might draw out specific changes and capture their direct impact, this risk brings together the total effect of political uncertainty for consideration.</p> <p>Detailed consequences: Unplanned changes in priorities or the introduction of new goals are likely to result in a budgetary overspend or previously agreed targets not to be met. A high level of uncertainty can create confusion, increased administrative overhead or delay planned initiatives.</p> <p>Detailed causes: The ever-changing social and economic situation in the UK and globally can result in swift changes in political views, leadership, public sentiment or regulatory requirements. National macroeconomic factors, such as interest rates and productivity, are key drivers of uncertainty.</p> |  |  |  |
| <b>Gross Risk Assessment:</b><br>Impact = 4<br>Likelihood = 3<br>Rating = 12   |  | <b>Net Risk Assessment:</b><br>Impact = 4<br>Likelihood = 3<br>Rating = 12 |  |
| <b>Target Risk Rating:</b><br>Impact = 3<br>Likelihood = 2<br>Rating = 6   |  |  |  |
| <b>Interdependencies (risks):</b> Reputation, Council Funding  |  |  |  |
| <b>Comments this quarter:</b> Risk description updated to better describe the potential failures that could affect the council and draw out possible causes. No change to the rating at this time, controls and actions also updated.  |  |  |  |
| <b>Actions (Monitoring):</b>   |  |  |  |
| System for briefing and information exchange on white papers, levelling up, ICS and devolution solutions   |  |  |  |
| Preparation Elections 2023 and delivery of Corporate Plan Reprioritisation/new plan after elections.   |  |  |  |
| <b>Key Mitigating Controls:</b>  |  |  |  |
| <ul style="list-style-type: none"> <li>• Engagement with political administration of CEBC</li> <li>• Engagement with group leaders of CEBC parties</li> <li>• Training and briefing to CEBC members</li> <li>• Service Committee support and briefings for members and senior officers</li> </ul>  |  |  |  |
| <b>Lead Service Committee:</b> Corporate Policy Committee  |  |  |  |

|  |  |   |  |
|--|--|---|--|
| <b>Risk Ref:</b> SR 9  |  | <b>Risk Name:</b> Capital Projects - Place                                |  |
| <b>Risk Owner:</b> Executive Director of Place   |  | <b>Risk Manager:</b> Place Directors and Business Managers                |  |
| <b>Risk Description:</b> 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.   |  |   |  |
| <b>Gross Risk Assessment:</b><br>Impact = 4<br>Likelihood = 4<br>Rating = 16   |  | <b>Net Risk Assessment:</b><br>Impact = 3<br>Likelihood = 2<br>Rating = 6 |  |
| <b>Target Risk Rating:</b><br>Impact = 3<br>Likelihood = 2<br>Rating = 6   |  |   |  |
| <b>Interdependencies (risks):</b> Climate change, Infrastructure Investment, Economy, Council Funding  |  |   |  |
| <b>Comments this quarter:</b> In response to the recent increase in inflation a review of the impact on capital projects have been carried out to assess affordability of the overall capital programme. The existing controls for effective governance and management of major capital projects remain in place. Each major capital scheme has its own project or programme governance in place. Additional governance mechanisms include Assets Board and Place Board providing oversight on thematic programmes.  |  |   |  |
| <b>Actions (Monitoring):</b>   |  |   |  |
| A new module within the Unit4 ERP system will improve financial monitoring to provide more regular information on actual and forecast spend  |  |   |  |
| <b>Key Mitigating Controls:</b>  |  |   |  |
| <ul style="list-style-type: none"> <li>• The Capital Strategy and overall Capital Programme is presented annually as part of the Medium-Term Financial Strategy at full Council</li> <li>• New projects and schemes are subject to the approval of detailed business cases in accordance with the Finance Procedure Rules</li> <li>• The Assets Board provides strategic oversight of the Council's land and property assets including recommendations and reports on acquisition, disposal and development</li> <li>• The Capital Programme Board undertakes detailed appraisals of projects and business cases; undertakes gateway reviews and risk management reviews of major capital projects; and receives post project completion reports to assess benefit realisation and lessons learnt</li> <li>• Appropriate and proportionate governance has been established to oversee project delivery, including risk registers. This includes project boards to manage individual projects and thematic programme boards to provide additional strategic oversight and manage interdependencies, e.g. Carbon Neutral Programme Board, Leisure Investment programme Board, Place Board</li> <li>• The Place Board provides strategic oversight of all the major Crewe-centric and Macclesfield-centric projects, including HS2 and strategic housing sites, to ensure individual projects are fully aligned to the overarching vision and delivery plan for each town</li> <li>• Financial monitoring undertaken quarterly, with summary data reported to Finance Sub-Committee and appropriate service committee twice a year</li> <li>• High level progress updates are reported to the appropriate service committee twice a year. More detailed progress reports on individual projects or programmes are provided on a periodic basis</li> <li>• Regular 121s between Executive Director and Directors which includes updates on major projects</li> </ul> |  |   |  |
| <b>Lead Service Committee:</b> Economy and Growth, Environment and Communities, Highways and Transport   |  |   |  |

|   |   |   |
|---|---|---|
| <b>Risk Ref:</b> SR 10  | <b>Risk Name:</b> HS2 Infrastructure Investment   |   |
| <b>Risk Owner:</b> Executive Director of Place  | <b>Risk Manager:</b> Director of Highways and Transport                                 |   |
| <p><b>Risk Description:</b> HS2 is a government led scheme, impacting Cheshire East Borough. HS2 services will call at Crewe station when Phase 2a opens between 2029 and 2033 with 2 HS2 trains per hour. Plans for Phase 2b include the Crewe North Connection that could enable up to 5/7 HS2 trains per hour calling at Crewe, in each direction. However, the business case for Phase 2b does not include any additional services, from the 2 HS2 trains per hour, calling at Crewe when Phase 2b opens between 2035 and 2040.</p> <p>Government’s proposals for Crewe hub station fall far below those of other HS2 hubs and don’t reflect its role as a rail super-hub and the first HS2 hub in the North. Current proposals are unlikely to unlock the regeneration, growth and levelling up potential for Crewe from the investment in HS2. Securing the required investment for the Crewe station is critical to the Council in delivering its Crewe hub vision.</p> <p>The government is in control of the HS2 programme and timescales with timely delays to the scheme recently announced in the Integrated Rail Plan, published in November 2021. This puts delays and uncertainty on the delivery of the Council’s wider ambitions for the Crewe hub. The Council has been developing its vision and plans for the Crewe hub alongside partners for several years, at significant cost to the Council, lack of firm commitments and uncertainties on the programme delivery and scope puts increasing risk on these costs being abortive</p> |   |   |
| <p><b>Gross Risk Assessment:</b></p> <p>Impact = 4<br/>Likelihood = 4<br/>Rating = 16</p>   | <p><b>Net Risk Assessment:</b></p> <p>Impact = 4<br/>Likelihood = 4<br/>Rating = 16</p> | <p><b>Target Risk Rating:</b></p> <p>Impact = 2<br/>Likelihood = 3<br/>Rating = 6</p> |
| <b>Interdependencies (risks):</b> Economy and World Events, Organisational Capacity and demand, Council funding, Capital Projects   |   |   |
| <b>Comments this quarter:</b> Risk description updated to draw out that the risk is HS2 specific and now recognised as a risk, rather than an opportunity. No change to the rating (already the highest), controls and actions updated. Government delays are creating uncertainty around the council’s plans for the Crewe Hub.  |   |   |
| <b>Actions (Monitoring):</b>  |   |   |
| Tactical lobbying to Government, gaining support from local politician, MPs and neighbouring authorities (Business Case and Investment Integration Programme Board)   |   |   |
| Seeking necessary Crewe hub investments via petitioning of the Phase 2b hybrid bill (HS2 and Crewe Superhub Programme Board and Place Board)  |   |   |
| Decoupling investments from HS2 programme and seek funding from existing government funds   |   |   |
| <p><b>Key Mitigating Controls:</b></p> <ul style="list-style-type: none"> <li>This risk will be reviewed by the Place Board (chaired by the Executive Director of Place) and the Business Case and Investment Integration Board (chaired by the Director of Finance) on a monthly basis and the chairs inform CLT accordingly.</li> <li>Day to day management of the actions in place to reduce the risk is a combination of the BCII: Business Case and Investment Integration, the Programme Director and the Programme Manager. The controls above will be used to monitor the risk.</li> <li>There have been no control failures to date. In fact, the controls in place today are probably stronger than at any point in achieving the objective. This is commensurate to the closing window of opportunity and the increase in work required by the Council to turn the outputs of the consultants Business Case work. Future issues may arise if the dedicated resource currently requested is not quickly put in place to release the efficiencies of working a close dedicated team brings.</li> <li>Ultimately, while the Council can control the technical evidence, business case formation and the technical level negotiation with Government Departments, the risk may be impacted on by changes Government policy and prevailing global economic factors.</li> </ul>  |   |   |

|  |   |
|--|---|
| <b>Risk Ref:</b> SR 10   | <b>Risk Name:</b> HS2 Infrastructure Investment |
| <ul style="list-style-type: none"><li>• Value engineering of design and development of projects and Early Contractor Involvement where appropriate.</li><li>• Bringing forward elements of the vision through existing funding sources such as Levelling Up Fund</li><li>• Liaison with the contracting industry to identify the most efficient design solutions.</li><li>• Constant review and effective management arrangements of capital projects and programme budgets.</li><li>• Managing outward facing expectations on the scheme</li><li>• Ongoing cost review based on latest construction inflation forecasts</li></ul> |   |
| <b>Lead Service Committee:</b> Highways and Transport, Environment and Communities, Economy and Growth   |   |



|  |  |   |  |
|--|--|---|--|
| <b>Risk Ref:</b> SR 11   |  | <b>Risk Name:</b> Pandemic Virus  |  |
| <b>Risk Owner:</b> Executive Director of Adults, Health and Integration  |  | <b>Risk Manager:</b> Director of Public Health                                      |  |
| <p><b>Risk Description:</b> Ongoing risk of genetic shift resulting in rapidly spreading strain of influenza and other diseases previously unseen in humans for which there may be multiple Variants and no guaranteed preventative treatment available. In addition to the human health risks pandemic illnesses poses a risk to healthcare capacity and CEC business continuity.</p> <p>(Cause) The world-wide spread of COVID-19 in the early part of 2020 and the ongoing spread of the virus within the population, and the measures being introduced or in place to try to contain that spread and manage the impact of the virus, (threat) have a negative impact upon the health and wellbeing of the Cheshire East population, place significant pressures upon the health and care system and its workforce, threaten the viability of local business and further exacerbate the financial pressures faced by health and care organisations and the Council, (impact) resulting in serious illness and in some cases death, unmet health and care needs, interruption to education, economic down turn and business failure and a widening financial gap in health and care organisations.</p> |  |   |  |
| <p><b>Gross Risk Assessment:</b><br/>Impact = 4<br/>Likelihood = 3<br/>Rating = 12</p>   |  | <p><b>Net Risk Assessment:</b><br/>Impact = 3<br/>Likelihood = 3<br/>Rating = 9</p> |  |
| <p><b>Target Risk Rating:</b><br/>Impact = 3<br/>Likelihood = 2<br/>Rating = 6</p>   |  |   |  |
| <b>Interdependencies (risks):</b> Fragility in the social care market, Business continuity, Financial resilience   |  |   |  |
| <b>Comments this quarter:</b> There was a discussion around broadening the description of this risk and also a possible increase to the rating. It was noted that local wastewater sampling would begin in September. Assessments from other local authorities were reviewed, however no change to the risk was formalised.  |  |   |  |
| <b>Actions (Monitoring):</b>   |  |   |  |
| Initiating flu vaccination programme for all staff and communications supporting need for public vaccinations (reviewed monthly)   |  |   |  |
| Development of regional 'business as usual' approach for Cheshire and Merseyside (reviewed quarterly)  |  |   |  |
| Horizon scanning to understand long-term management of Covid-19, including the development of a Covid-19 'Early Warning System' and wastewater monitoring project with UKHSA (reviewed monthly)  |  |   |  |
| <p><b>Key Mitigating Controls:</b></p> <ul style="list-style-type: none"> <li>• Limited National Government advisory measures</li> <li>• National Vaccine roll out</li> <li>• Sub-regional collaboration co-ordinated by the CHaMPS Public Health Collaborative</li> <li>• Cheshire East Emergency Planning activity</li> <li>• Advice and guidance to schools, businesses and residents</li> <li>• Track and Trace Team activity</li> <li>• Cheshire East organisational activity</li> <li>• Vaccination tracing to target individuals not vaccinated to promote uptake</li> <li>• Supporting NHS roll out of COVID 19 vaccination programme</li> <li>• Initiating flu vaccination programme for all staff and communications supporting need for public vaccinations</li> </ul>  |  |   |  |
| <b>Lead Service Committee:</b> Adults and Health Committee   |  |   |  |

|  |  |   |  |
|--|--|---|--|
| <b>Risk Ref:</b> SR 12   |  | <b>Risk Name:</b> Fragility and Failure in the Social Care Market             |  |
| <b>Risk Owner:</b> Executive Director of Adults, Health and Integration  |  | <b>Risk Manager:</b> Director of Adult Social Care, Director of Commissioning |  |
| <b>Risk Description:</b> A failure of the local social care market   |  |   |  |
| The impact of the COVID-19 pandemic has exposed weaknesses in the national social care market which have yet to be resolved.   |  |   |  |
| Detailed consequences: The council is unable to deliver a robust adult social care package without the use of third-party providers, without these outsourced services the overall social adult care package would fail, and the council would not be able to achieve its objective of people living well and for longer.  |  |   |  |
| Detailed causes: The adult social care sector continues to experience financial strain, staffing costs are a high proportion of their overall expenditure while recruitment and retention remain a challenge. Traditionally the market suffers from small margins and has suffered from systemic challenges for years, which were further exposed by the COVID-19 pandemic. The impacts of inflation and the fair cost of care regulations have yet to be fully realised, although it is clear that additional costs will be passed on to the council. |  |   |  |
| <b>Gross Risk Assessment:</b><br>Impact = 4<br>Likelihood = 4<br>Rating = 16   |  | <b>Net Risk Assessment:</b><br>Impact = 4<br>Likelihood = 4<br>Rating = 16    |  |
|  |  | <b>Target Risk Rating:</b><br>Impact = 3<br>Likelihood = 3<br>Rating = 9      |  |
| <b>Interdependencies (risks):</b> NHS Funding Pressure, Financial resilience, Business Continuity, Pandemic Virus  |  |   |  |
| <b>Comments this quarter:</b> Risk description updated, no change to the risk, still at the highest possible rating.   |  |   |  |
| <b>Actions (Monitoring):</b>   |  |   |  |
| Identify short term funding to support care providers to maintain sufficiently qualified workforce to meet need and reduce pressure on hospitals (Weekly via Market Oversight meetings)  |  |   |  |
| Establish a CEC crisis response team who can be called on at short notice to deliver care (Weekly via Market Oversight meetings)   |  |   |  |
| Expand the existing British Red Cross service to respond to crisis situations in the community by providing low level support over a 7-day period (Weekly via Market Oversight meetings)   |  |   |  |
| Undertake a review of care fees for all sectors of the market (Weekly meetings with contractor, findings reported to Health and Adult Committee)   |  |   |  |
| ASC/ Commissioning continues to respond to significant challenges pertaining to the acceleration of prevention (Twice weekly ASC meetings)   |  |   |  |
| ASC/Commissioning and Communities have a Standard Set of Fit for the Future Contracts – that set out specific measurable outcomes pertaining to each service area in driving prevention and key performance indicators that will test the providers ability to retain a viable and sustainable business in responding to a population of changing need – higher levels of resident satisfaction and improved control (Quarterly contract management meetings)  |  |   |  |
| Continue to monitor and review preventative and support service activity (Twice weekly ASC meetings)   |  |   |  |
| Improved utilisation of public health JSNA and wider regional data sets informing future commissioning plans (Monthly JSNA steering group)   |  |   |  |
| Develop engagement with community groups and 3rd sector (Twice weekly ASC meetings)  |  |   |  |
| Liquid logic and contrOCC solutions to better map trend and demand (Twice weekly ASC meetings)   |  |   |  |
| To monitor and review thresholds and gatekeeping processes (Twice weekly ASC meetings)   |  |   |  |
| Review and strengthen partnership working with wider agencies (Monthly Quality Monitoring Partnership Forum)   |  |   |  |

|   |   |
|---|---|
| <b>Risk Ref:</b> SR 12  | <b>Risk Name:</b> Fragility and Failure in the Social Care Market |
| Data intelligence is used to understand where and what kind of service demand needs are in order to commission appropriately and effectively (Monthly Care at Home Commissioning meetings)  |   |
| Continue to engage with leaders across teams – informing and influencing change (Twice weekly ASC meetings)   |   |
| Continued engagement with people who access services and the involvement of Healthwatch and independent advocacy (Twice weekly ASC meetings)  |   |
| Joint working with 'skills for care' to encourage individuals to take up employment within the care sector (Weekly via Market Oversight meetings)   |   |
| Ongoing support for care providers to assist in their response to the COVID-19 outbreak (Fortnightly Mutual Aid calls with providers)   |   |
| 'Hidden Carer's' initiative launched through Carer's Hub to help identify and support carers not known to the system (Weekly via Market Oversight meetings)   |   |
| <p><b>Key Mitigating Controls:</b></p> <ul style="list-style-type: none"> <li>• ASC/Commissioning comply with the Care Act 2014, in holding a provider risk register whereby we monitor and review risk pertaining to specific providers as part of our role working with Care Quality Commissioning pertaining to Market oversight</li> <li>• ASC/Commissioning have in place a robust Care Act compliant – Contracts and Quality Monitoring Policy Framework – that makes clear – how quality is monitored in a person-centred way with a vast range of partners, when to activate a suspension protocol working with care quality commission and when/ how we are decommissioning services – keeping people at the centre of decision making regarding any service disruption or period of market failure</li> <li>• ASC/Commissioning operate a monthly quality monitoring partnership forum that includes Police, Safeguarding, Care Quality Commission, ASC operations, Legal, CCG's and ASC lead commissioner – in the ongoing monitoring of quality and reporting and alerting of risk escalation that can be effectively managed – reports into relevant DMT's and Safeguarding Board</li> <li>• ASC/Commissioning have a care sourcing/brokerage team support service and a local area co-ordination services- supporting vulnerable people to access wider community/ third sector services and wider more universal offers – diverting people away from care where appropriate utilising People Healing People services</li> <li>• ASC/Commissioning provider financial self-assessment accreditation tool – to assist with the monitoring and management of potential uplift and or additional funding. This will ensure that funding is robustly based on clear evidence, against demand / trends in market development and impact on provider/ council and people accessing the service. For providers at risk we are offering an open book accounting exercise to ascertain the level of risk within that service</li> <li>• ASC/Quarterly staff engagement groups are developed through leadership forums so to keep people informed and abreast of change as we progress in order to respond to demand and growth in the sector</li> <li>• ASC/Commissioning are influencing and working with Cheshire CCG pertaining to local ICS and ICP plans regarding the overall reduction in demand and systems redesign work supporting an improved community offer and redesigned front door</li> <li>• ASC/Commissioning with communities are developing a robust and responsive policy framework (People Helping People) with a vast range of third sector providers – thus reducing demand on adult social care</li> <li>• ASC/Commissioning working with partners across the North-West via ADASS to address the future market capacity and workforce issues.</li> <li>• The Council is working with skills for care to see what support it can give to the market in terms of recruitment and retention and build knowledge.</li> <li>• As part of the contract management and quality assurance processes we check each provider's Business Continuity plan for robustness and make recommendations for improvement if required</li> <li>• The Council has commissioned a new offer for informal and formal carers to ensure the right level of support is received for them to maintain their caring duties</li> <li>• An on-call rota has been established to address any issues that may arise at weekends such as external provider staffing shortages impacting on the ability to undertake care calls</li> <li>• The Council has written to service users to advise of the current situation and to request their patience and understanding if there is some disruption to their usual routine of care calls</li> </ul> |   |

|   |   |
|---|---|
| <b>Risk Ref:</b> SR 12  | <b>Risk Name:</b> Fragility and Failure in the Social Care Market |
| <ul style="list-style-type: none"><li>• Care providers are RAG rated according to the risk of business disruption and have been asked to RAG rate service users according to their level of need</li><li>• Weekly market oversight and risk management meetings have been established within the Contracts and Quality team to update the risk register and oversight report and escalate issues as appropriate</li></ul> |   |
| <b>Lead Service Committee:</b> Adults and Health Committee  |   |

|   |  |   |  |
|---|--|---|--|
| <b>Risk Ref:</b> SR 13  |  | <b>Risk Name:</b> Reputation  |  |
| <b>Risk Owner:</b> Chief Executive  |  | <b>Risk Manager:</b> Head of Communications                               |  |
| <b>Risk Description:</b> That consideration is not given, and management action is not taken, to effectively manage the reputation of the Council, leading to a loss of public confidence, threatening the stability of the Council and our ability to meet the corporate priorities.   |  |   |  |
| <b>Gross Risk Assessment:</b><br>Impact = 4<br>Likelihood = 4<br>Rating = 16  |  | <b>Net Risk Assessment:</b><br>Impact = 3<br>Likelihood = 3<br>Rating = 9 |  |
| <b>Target Risk Rating:</b><br>Impact = 3<br>Likelihood = 3<br>Rating = 9  |  |   |  |
| <b>Interdependencies:</b> The emergence of any issue highlighted as a strategic risk has the potential to represent a strategic risk to reputation  |  |   |  |
| <b>Comments this quarter:</b> The Residents survey has been postponed until 23/24 so the ability to measure levels of satisfaction with the Council will have been impacted as a result. Other metrics will be assessed to explore any alternatives and where possible these will be reported. A one council approach to consultation and engagement is being developed to ensure that the experience is the same for all stakeholders regardless of where the interaction occurs. This will see the development of a toolkit and supporting documentation – anticipated to be available in October/ November 2022. |  |   |  |
| Technology to enhance the monitoring and analysis of customer contact is being implemented with the first phase anticipated to be live from October 2022. During this period (Q1) we saw particular interest and activity in the following topics: <ul style="list-style-type: none"> <li>• Great British Railway HQ bid</li> <li>• HS2</li> <li>• Road funding and maintenance (including gritting programme)</li> <li>• Homes for Ukraine scheme</li> <li>• South Macclesfield Development Area</li> <li>• Crewe Town Centre regeneration</li> </ul>  |  |   |  |
| <b>Actions (Monitoring):</b>  |  |   |  |
| Explore development of communication strategies to influence public awareness of and informedness about key universal services, inc: planning, highways, waste and recycling (Quarterly review)   |  |   |  |
| Further development of the communications approach to supporting decision making under the ctte system (On-going reviews)   |  |   |  |
| Review Media Relations Protocol (Annual review)   |  |   |  |
| Align developing communications strategy to customer experience and digital strategies and approach to consultation and engagement (Quarterly review)   |  |   |  |
| Continue to develop proactive direct comms to be issued via e-mail / SMS – we currently have 34,000 subscribers for ‘push’ notifications across a range of topics (On-going review)   |  |   |  |
| Include customer contact centre enquiries, MES and MP correspondence in reputation monitoring (On-going review)   |  |   |  |
| Undertake a survey of residents to understand how they want to get information about council services, policies etc. To inform communications strategy(ies) and plans (Bi-annual review)  |  |   |  |
| Use performance management reports for council services and programmes to identify reputational opportunities and risks at an early stage (On-going review)   |  |   |  |
| Improve the monitoring and analysis of customer contact and complaints to identify and resolve issues at an early stage   |  |   |  |
| <b>Key Mitigating Controls:</b> <ul style="list-style-type: none"> <li>• Effective monitoring and reporting of organisational reputation and sentiment.</li> </ul>  |  |   |  |

| Risk Ref: SR 13   | Risk Name: Reputation |
|---|-----------------------|
| <ul style="list-style-type: none"> <li>• Weekly reputation reporting to senior managers</li> <li>• Monitoring of social and traditional media</li> <li>• Communications and media function advised at an early stage of all future demand and emerging issues to enable effective planning</li> <li>• Providing a 24/7 emergency communications on call function</li> <li>• Communications strategies for key projects and issues developed agreed and reviewed with senior stakeholders and decision makers</li> <li>• Positive proactive communication across multiple channels to celebrate the council's successes and achievements, building positive reputation.</li> <li>• Comms programme planned and reviewed over short-term (daily) and long-term (monthly / annually)</li> <li>• Review communications business continuity, priorities and emergency / crisis comms protocols and plans</li> <li>• Media protocol and approvals process</li> <li>• Media training programme for key spokespersons</li> <li>• Senior member overview of COVID-specific communications activity through Local Outbreak Engagement Board</li> <li>• Regular COVID-specific comms activity reporting and planning as part of CEMART</li> <li>• Regular meetings with comms leads from public sector partner organisations to collaborate, share plans and intelligence</li> <li>• Values and behaviours for officers and members are established and organisational culture is monitored and supported through a range of initiatives under the culture programme.</li> <li>• Ensure that information about the Council, its services and how to access them is easily available in a range of formats for a wide range of audiences</li> <li>• Ensure that consultation is undertaken when any proposals are still at a formative stage</li> <li>• Consultation must give sufficient reasons for any proposal or change to permit stakeholders to undertake intelligent consideration and response to the options</li> <li>• Ensure consultation and engagement activity informs our evidence-based decision-making approach and that adequate time is given between the end of a consultation to allow for consideration of and where required, a response to, the output of a consultation or engagement</li> <li>• Ensure that Equality Impact Assessments (EIA) are signed off before any consultation can begin.</li> <li>• When communicating about decisions, make it clear HOW consultation and engagement activity, EIA and other intelligence has been conscientiously taken into account when finalising the decision.</li> <li>• Monitor public sector press (e.g. MJ and LGC) and maintain and develop relationships with these media outlets to maximise opportunities for positive coverage.</li> </ul> |                       |
| <p><b>Lead Service Committee:</b> Corporate Policy Committee</p>  |                       |

|   |   |   |  |
|---|---|---|--|
| <b>Risk Ref:</b> SR 14  |   | <b>Risk Name:</b> Climate Change (CEC Carbon Neutral Status 2025)                                     |  |
| <b>Risk Owner:</b> Executive Director of Place  |   | <b>Risk Manager:</b> Director of Environment & Neighbourhood Services, Head of Environmental Services |  |
| <b>Risk Description:</b> Failure to achieve Carbon Neutral status for the Council by the 2025 milestone target as a result of ineffective planning and delivery of actions, will result in non-delivery of a key priority in the Council's Corporate Plan. It will also contribute to climate change temperature rise and severe weather events which could have an impact on public health and safety. It could also have financial implications with increased need for adaptation of key infrastructure for severe weather events across the borough.  |   |   |  |
| <b>Gross Risk Assessment:</b><br>Impact = 4<br>Likelihood = 4<br>Rating = 16  | <b>Net Risk Assessment:</b><br>Impact = 3<br>Likelihood = 3<br>Rating = 9 | <b>Target Risk Rating:</b><br>Impact = 3<br>Likelihood = 2<br>Rating = 6                              |  |
| <b>Interdependencies (risks):</b> Economy and World Events, Organisational Capacity and demand, Council funding, Capital Projects   |   |   |  |
| <b>Comments this quarter:</b> Emerging world events have increased the gross likelihood and also resulted in an increase of a more material failure (net impact increased). The Fleet and Heat workstreams meeting their carbon reduction targets by 2025 putting at risk the overall objective for the Council.  |   |   |  |
| Fleet emissions have increased, mainly as a result of additional refuse vehicle movement, this is required due to an increased recycling and waste volumes as a result of increased home working. These vehicles represent nearly 50% of the Council's emissions, it is not possible to electrify them using current technology in a rural context like Cheshire East, due to distances involved. Although Hydrogen technology is being trialled by the Council it is unlikely to be available at fleet scale by 2025 due to the current cost and lack of supply of suitable hydrogen. At the same time electric cars and vans has increased in cost and supply timescales have lengthened reducing the likelihood of a transition to electric within current service budgets and timescales. The team are assessing the scale of the problem and opportunities with services but there may be a requirement for additional offset. |   |   |  |
| COVID air ventilation requirements have increased gas usage at leisure centres and libraries. Facilities are working with new technologies to reduce the problem but there may be a requirement for additional offset to mitigate the problem by 2025. Solutions under consideration are bio diesel, moving the authority to a biogas certified tariff and increasing the size of solar offset.   |   |   |  |
| <b>Actions (Monitoring):</b>  |   |   |  |
| Secure land for tree planting and solar farm development for 2023/24 and 2024/25 planting seasons. (Final land agreements to be agreed with Assets and Rural Economy)   |   |   |  |
| Assess mitigation for risk of Fleet and Heat decarbonisation projects failing to meet targets. (Annual progress update presented to Economy & Growth committee)   |   |   |  |
| <b>Key Mitigating Controls:</b>   |   |   |  |
| <ul style="list-style-type: none"> <li>• Risk is reviewed as part of the brighter futures transformation projects board, operational board and member steering group.</li> <li>• Carbon Neutral programme established with Programme Board reviewing progress and risks monthly</li> <li>• Member Advisory group overseeing its delivery</li> <li>• Annual update on progress reported to relevant committee</li> <li>• Climate change is a key consideration as part of our statutory planning duties as an authority and within the development of local planning policy</li> <li>• Planned natural offset set at 10% more than required to reduce risk of non-delivery in any one project area.</li> </ul>   |   |   |  |
| <b>Lead Service Committee:</b> Environment and Communities  |   |   |  |

|  |  |   |  |
|--|--|---|--|
| <b>Risk Ref:</b> SRR15   |  | <b>Risk Name:</b> Economy Risk  |  |
| <b>Risk Owner:</b> Executive Director of Place   |  | <b>Risk Manager:</b> Director of Growth and Enterprise                              |  |
| <p><b>Risk Description:</b> On-going and future changes to the financial framework, including several changes to national funding regimes, has increased the Council’s reliance on self-financing</p> <p>The combined external national economic shocks of EU transition and COVID -19 will have a severe detrimental impact on Cheshire East economy resulting in a protracted reduction in economic growth. This recession is expected to increase the number of local business failures resulting in a loss of business, employment and consumer confidence in Cheshire East; and severe impacts on the Councils income and exert pressure on its revenue and capital programmes.</p> |  |   |  |
| <p><b>Gross Risk Assessment:</b><br/>Impact = 4<br/>Likelihood = 4<br/>Rating = 16</p>   |  | <p><b>Net Risk Assessment:</b><br/>Impact = 3<br/>Likelihood = 3<br/>Rating = 9</p> |  |
| <p><b>Target Risk Rating:</b><br/>Impact = 3<br/>Likelihood = 3<br/>Rating = 9</p>   |  |   |  |
| <b>Interdependencies (risks):</b> N/A  |  |   |  |
| <p><b>Comments this quarter:</b> There was a discussion around broadening the description of this risk and also a possible increase to the rating; this will be reviewed again during the Quarter 2 review. It was noted that local wastewater sampling would begin in September. Assessments from other local authorities were reviewed, however no change to the risk was formalised.</p>  |  |   |  |
| <b>Actions (Monitoring):</b>   |  |   |  |
| N/A  |  |   |  |
| <p><b>Key Mitigating Controls:</b></p> <ul style="list-style-type: none"> <li>• Business Support and Grants</li> <li>• Economic Recovery</li> <li>• Meet the buyer event for HS2</li> <li>• Employment support</li> <li>• Business forum to engage and plan future support</li> <li>• Investment plans to support regeneration and development</li> <li>• Place marketing and inward investment</li> </ul>   |  |   |  |
| <b>Lead Service Committee:</b> Economy and Growth  |  |   |  |



|  |  |  |  |
|--|--|--|--|
| <b>Risk Ref:</b> SRR16   |  | <b>Risk Name:</b> Integrated Care System (ICS) Integration                 |  |
| <b>Risk Owner:</b> Executive Director of Adults, Health and Integration  |  | <b>Risk Manager:</b> Director of Growth and Enterprise                     |  |
| <b>Risk Description:</b> The failure to integrate communication and decision-making with the local ICS partnership   |  |  |  |
| The ICS develops strategies that improve public health, reduce health inequalities and ensure the health and care system across Cheshire and Merseyside is sustainable.  |  |  |  |
| Potential consequences: Without effective and timely communication to support decision-making all partners could struggle to deliver their services to the best of their ability. Public health and wellbeing would suffer in the Cheshire and Merseyside areas.   |  |  |  |
| Potential causes: Poor or incomplete governance arrangements and delayed transfer of care assessments impact on the efficiency of the council services.  |  |  |  |
| <b>Gross Risk Assessment:</b><br>Impact = 4<br>Likelihood = 4<br>Rating = 16   |  | <b>Net Risk Assessment:</b><br>Impact = 4<br>Likelihood = 4<br>Rating = 16 |  |
| <b>Target Risk Rating:</b><br>Impact = 4<br>Likelihood = 2<br>Rating = 8   |  |  |  |
| <b>Interdependencies (risks):</b> Increased demand for Adult's Services, Increased demand for Children's Services, Pandemic Virus  |  |  |  |
| <b>Comments this quarter:</b> New addition this quarter, integration with the ICS has been separated from the NHS funding risk. Expected to be a short-term risk. The lack of communication is making decision-making difficult for adult services.  |  |  |  |
| <b>Actions (Monitoring):</b>   |  |  |  |
| To continue to be a key player in the development of the integrated care system at a regional and local level (Adults and Health Committee)  |  |  |  |
| <b>Key Mitigating Controls:</b>  |  |  |  |
| <ul style="list-style-type: none"> <li>The Cheshire East Integrated Care Partnership has been in place since October 2020 and is developing implementation plans across a number of work streams designed to achieve quality improvement and financial efficiencies across the system. Progress on the ICP is reported to the Health and Wellbeing Board.</li> </ul> |  |  |  |
| <b>Lead Service Committee:</b> Adults and Health Committee   |  |  |  |

This page is intentionally left blank