

OPEN

Corporate Policy Committee

27 November 2025

Strategic Risk Register Update

**Report of: Kevin O’Keefe, Interim Director of Law and Governance
(Monitoring Officer)**

Report Reference No: CPC/18/25-26

Ward(s) Affected: All

For Scrutiny

Purpose of Report

- 1 One of the responsibilities of the Corporate Policy Committee is to have a co-ordinating role across all other committees and exercise a corporate view of outcomes, performance, budget monitoring and risk management. Reporting on the Strategic Risk Register supports effective risk management, is central to good governance and supports the efficient delivery of the council’s corporate plan objectives.

Executive Summary

- 2 This report provides the Committee with details of the current Strategic Risk Register following a period of review by Corporate Leadership Team (CLT). The aim of the review being to ensure alignment with the Corporate Delivery and Improvement Plan 2025-27 and the Cheshire East Plan 2025-2029. The content of this report, and the detail in Appendix A reflects the position of the register to the end of Quarter 2 2025-26.
- 3 The main focus of this report are the changes in the register since the last report to the Committee in March 2025. Full details of all strategic risks are included in Appendix A. Risks are broadly described and scored as at their position for the end of Quarter 2, the end of September 2025; although more current information is included in the appendix where available.

RECOMMENDATIONS

The Corporate Policy Committee is recommended to:

1. Note the position of the Council's Strategic Risk Register to the end of Quarter 2 2025/26 in respect of the content, description, scoring and risk management activity outlined.
2. Identify one of the strategic risks for detailed consideration at the next Corporate Policy Committee meeting on 5 February 2026.

Background

- 4 A review of the register, as reported to CPC In March 2025, has been undertaken by members of the CLT, supported by their directors and co-ordinated by the Head of Audit Risk and Assurance. Changes are summarised in Appendix A, along with full details of each risk. Going forwards risk will be reviewed by CLT on at least a quarterly basis.
- 5 Risks included on the register are those which materially threaten the organisation's ability to achieve its strategic goals, in this case the objectives stated in the current Cheshire East Plan. 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 Each strategic risk is owned by a member of CLT. Details captured include the causes and consequences of the risk materialising. Also documented are the existing controls that seek to manage each risk and any planned changes, deemed possible and necessary, to increase that control where required.
- 7 Scoring uses a 4 x 4 risk matrix, considering the impact of the risk should it occur and the likelihood that it could. Each risk is given three scores; this allows for greater nuance than a single score would provide. All scores for each risk are included in the Appendix:
 - Gross score – This assumes no controls are in place. A theoretical starting point that actively only considers the impact of the risk and has a default likelihood score of 4.
 - Net score – The current position which factors in the existing controls and their effectiveness.
 - Target score – The target is the position which can be achieved given the current circumstances. Considering the resources available, statutory obligations, stakeholder engagement and expectations and any other relevant factors.

- 8 Many of the risks captured within the strategic risk register have already materialised to some extent. Their inclusion does not imply failure but reflects the reality that these risks are on-going and require active management. Recording them in the register demonstrates the need for continued action to limit further escalation. Risk management helps to ensure that the authority remains resilient and proactive in addressing its strategic challenges.
- 9 There is a further and significant challenge to the Council in managing the strategic risks given the high level of interdependency between them. Each risk does not exist in a vacuum, independent of each other. Failure to adequately manage one risk is very likely to trigger a cascading effect whereby the position of other risks worsens. This can compound and ultimately, significant impact the ability to deliver core services to residents.
- 10 The following risks stand out as having particular significance in terms of interdependency, being systemic enablers that underpinning performance and delivery across all areas of the Council:
- SR11 – Financial Sustainability (Previously “Failure to Achieve the Medium-Term Financial Strategy”; financial failure cascades into almost every other risk, specifically affecting Adults’ Services (SR01), Children’s Services (SR03, SR05), workforce capacity (SR13), and capital projects (SR15). Fiscal discipline is a foundational aspect of managing a large and complex organisation.
 - SR06 – Organisation Change; structural or cultural change impacts leadership (SR10), governance (SR09), workforce retention (SR13), and stakeholder confidence (SR07). Poorly managed change, or the inability to change, will amplify potential issues as they are not addressed in a timely manner.
 - SR13 – Recruitment & Retention; workforce shortages affect the Council’s ability to manage risk across the board but particularly in relation to Increased Demand for Adults’ Services (SR01), Children’s Services (SR03, SR05), and delivery of capital projects (SR15).
 - SR12 – Information Security and Cyber Threat; a major cyber incident has a high likelihood of significantly disrupting service delivery across all departments. Additionally damaging stakeholder trust (SR07), being a significant unplanned financial (SR11) and opportunity cost (SR10).

- SR10 – Leadership and Management; senior management capability is a pivotal enabler for the successful delivery of strategic objectives. This risk is highly interdependent because effective leadership underpins organisational change (SR06), governance compliance (SR09), and stakeholder confidence (SR07). Effective leadership and management is critical during a period of transformation and change to minimise uncertainty, drive decision-making and ensure accountability and alignment across service areas.
- 11 Revisions to the register are made on an on-going basis to ensure that the scope and detail of the individual risks, and the overall coverage of the register is reflective of the current threats to the organisation. When items are removed from the Strategic Risk Register, they continue to be considered at operational levels and can be escalated back for inclusion based on the risk owner's judgement and assessment as at that time.

Summary of Changes

- 12 Appendix A provides detail on the current Strategic Risk Register following the in-depth review led by the Corporate Leadership Team. Tables in the detailed appendix show
- (a) Summary of changes to the risks by name
 - (b) Changes in net scores from the March 2025 report to CPC
 - (c) A heat map showing all the net scores on the risk matrix
 - (d) The spread of risks across the directorate areas
 - (e) The strategic risk register arranged by net score, highest to lowest.
 - (f) Detail of the individual risk items; description, ongoing actions, risk scores, planned actions and comments from the risk owner.

Consultation and Engagement

- 13 There is no specific external consultation or engagement directly related to risk management activity. Specific risks will reflect stakeholder views as required.

Reasons for Recommendations

- 14 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.

Other Options Considered

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

Implications and Comments

Monitoring Officer/Legal/Governance

- 16 There are no direct legal implications arising from the recommendations of this report. Risks may highlight failures to be legal compliance or related issues and events.

Section 151 Officer/Finance

- 17 There are no direct impacts on the budget or the life of the MTFS from the recommendations of this report. The costs of risk mitigation activity is managed by individual risk owners and will come out of their agreed budgets. The Council failing to achieve its MTFS has been identified as a strategic risk.

Human Resources

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

Risk Management

- 19 This report relates provides the Corporate Policy Committee with an update on the Strategic Risk Register.

Impact on other Committees

- 20 The content of this report should be used to support decision making by other service committees, ensuring that decisions taken support the effective management of strategic and operational risk facing the Council.

Policy

- 21 Cheshire East Council adopted a Risk Management Framework approved by Cabinet in June 2020. The framework directs risk management activity as part of wider governance processes. Specific policy implications and the effectiveness of their implementation is considered within the assessment of risks as required.

Commitment 1: Unlocking prosperity for all	Commitment 2: Improving health and wellbeing	Commitment 3: An effective and enabling council
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Equality, Diversity and Inclusion

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

Other Implications

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

Consultation

Name of Consultee	Post held	Date sent	Date returned
<i>Statutory Officer (or deputy) :</i>			
Ashley Hughes	S151 Officer	17/11/25	18/11/25
Kevin O'Keefe	Acting Monitoring Officer	17/11/25	18/11/25
<i>Legal and Finance</i>			
Hilary Irving	Head of Legal Services	17/11/25	18/11/25
Steve Reading	Finance Manager (Place and Corporate	03/10/25	14/10/25

Access to Information	
Contact Officer:	Josie Griffiths Head of Audit Risk and Assurance, Josie.Griffiths@cheshireeast.gov.uk
Appendices:	Appendix A – Strategic Risk Register Update
Background Papers:	n/a