










Appendix A: Corporate Risk Register January 2020

Risk Ref	Risk Description	Risk Commentary January 2020	Agreed Risk Owner	Cabinet Member Strategic Lead*	Gross Score	Risk Management Activity	Net Rating and Direction of Travel for Residual Risk
CR1 Threat	Increased Demand for People Services: (Cause) Risk - that Cheshire East's local social, economic and demographic factors lead to an increase in the level of need and increased demand for adults and children's social care services, (threat) resulting in the capacity of the Council's systems relevant to these areas are unable to continue to respond/ absorb the pressures presented, (impact) resulting in a possible lack of staff working in social care/ increased market failure pertaining to a range of service providers, unmet need, potential safeguarding issues, and difficulty in achieving the Council's desired outcomes - that people live well and for longer, and have the life skills and education they need to thrive.	January 2020: This risk has been increased to 16: Likelihood of this risk occurring has been scored as 'likely' as it is known that both adult demand, and children's demand is increasing alongside population growth, and longer life expectancy for both adults and children with complex needs. Taking a prudent approach to the risk scoring, if the increase in demand was significant the impact of this risk if it were to materialise could be critical with possible increase in safeguarding issues due to the nature of the service.	Executive Director of People	Portfolio Holder, Adult Social Care and Health. Portfolio Holder, Children and Families. Portfolio Holder, Corporate Services and Public Health	16	Respond to Ofsted judgement and action plan, keep providers informed on policy and commissioning through market engagement events. Adults operate monthly quality monitoring partnership forum. Quality and reporting and alerting of risk escalation is being effectively managed. Provider risk register is monitored and reviewed Established a care sourcing team support service and local area co-ordination services to divert people away from care where appropriate. Working with partners and CCG to develop single plan to manage the overall reduction in demand and system redesign work to support an improved community offer. A great deal of activity is directed at managing this risk and above details so key activity,	16 
CR2	NHS Funding Pressure (Cause) there is a circa £50 million pressure for the NHS across Cheshire East. Risk that due to the increasing financial deficit this may cause a pressure in Cheshire East Council shared service delivery and NHS service delivery. (threat) If there was a shifting of costs and demand which places additional strain on Council resources (impact) resulting in unmet need and potential difficulty in achieving the Council's outcomes that people live well and for longer and local communities being strong and supportive.	There are significant financial issues to be addressed and if this results in a shift in costs and demand to the Council this will further exacerbate CR 1 and 3 – Increased Demand for People Services and also Financial Resilience. January 20: Work across a number of work-streams at Health and Care Partnership (Cheshire and Merseyside) and Cheshire East level are progressing. To date these have not made any significant impact on the deficit faced within the health commissioning and provider organisations. The net risk score remains at 16 because there has not yet been a reduction in the anticipated deficit position.	Executive Director of People	Portfolio Holder, Adult Social Care and Health. Portfolio Holder, Children and Families. Portfolio Holder, Corporate Services and Public Health	16	There has been a lot of activity directed at this risk through the Sustainability and Transformation Plan for Cheshire and Merseyside – this plan comes to an end in 2021. There is a Health and Wellbeing Board which looks for key players to work together to address the issues and inherent risk of NHS funding pressures. There is also the Cheshire East partnership which brings together key partners and submits reports to CLT on a six weekly basis.	16 
CR3	Financial Resilience – lack of certainty about future funding make it difficult to set a robust MTFS (Cause) The reduction in funding from Central Government means the Council must manage funding shortfalls over the next four years, through reduced expenditure,	This risk will be further exacerbated if there are cost implications based on the realization of CR1 (Increased Demand for People Services) and/or CR2 (NHS Funding and Health and Care Partnership Plan). Ongoing monitoring has identified structural issues in Corporate Services	Executive Director of Corporate Services	Portfolio Holder, Finance, IT and Communications	16	The Medium Term Financial Strategy has been produced with activity to address the risk of lack of certainty about future funding. Business planning process has commenced. The financial reserve strategy has been reviewed. Budget planning has commenced in readiness for end of year. Services are looking to generate income	12 

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	managing demand or increased local income. (Threat) There is a possibility that the Council does not adopt its financial plans in sufficient detail quickly enough, either by deferring the difficult decisions about services, using over-optimistic planning assumptions, or not rethinking sources of income in a sustainable way. (Impact) This may result in difficulties in closing and managing the funding reductions, financial stress and may impede the Council's ability to meet its statutory requirements, and deliver all of its intended outcomes and objectives in full.	Budgets and significant demand pressures in the People's Directorate which are being addressed in 2019/20 and in the new MTFS through the use of earmarked reserves. A new Reserves Strategy will be drafted to address the challenges. This risk could be further impacted by CR7 (EU Exit, Single Market and Local Growth) as this has an impact on local growth or economic wellbeing which undermines assumptions in the local tax bases although it is premature to know what that might be. CLT to review with the S151 officer.				where possible and reduce expenditure. The 20/21 budget was presented to Council 20 th February 2020. More robust analysis and regular review of high risk budgets	
CR4	Information Security and Cyber Threat (Cause) 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 at risk of a security breach, either malicious or inadvertent from within the organisation 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, possible penetration and crippling of the Council's IT systems preventing it from delivering its Corporate Outcomes.	January 2020 The Council is exploring Cyber threat insurance and further developing its management of this risk.	Executive Director of Corporate Services	Portfolio Holder Finance, IT and Communications	16	ICT have plans in place to protect and secure our systems to cyber attacks. The Council is exploring Cyber threat insurance and further developing its management of this risk.	12 
CR5	Business Continuity Risk that an internal or external incident occurs which renders the Council unable to utilise part or all of its infrastructure (such as buildings, IT systems etc.) such that the Council is unable to deliver some, or in extreme cases all of its services and putting residents at risk for a period of time and resulting in a reduced achievement of Corporate Plan outcomes over the longer period.	Risk that an internal or external incident occurs which renders the Council unable to utilise part or all of its infrastructure (such as buildings, IT systems etc.) such that the Council is unable to deliver some, or in extreme cases all of its services and putting residents at risk for a period of time and resulting in a reduced achievement of Corporate Plan outcomes over the longer period. This risk has interdependencies with CR4, Information Security and Cyber Threat. January 2020 Business Continuity plans are well on their way to being complete	Executive Director of Corporate Services	Portfolio Holder, Public Health and Corporate	12	Implementation of Clearview Scenario testing is being developed Training has been provided	6 

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		within the Clearview system improving preparedness for incidents.					
CR6	Capacity and Demand Risk	January 2020: The Council has produced the MTFP which has identified issues with financial resilience for the forthcoming years. The Mid Year Review identified a potential overspend of £7.5m in 2019/20, in part related to issues within CR1. The Third Quarter Review saw a reduced overspend of £6.8m which is being mitigated by a number of interventions, resulting in a balance budget. The impact of this financial risk is mitigated through regular review and considering year end positions within the parameters of the Reserves Strategy. The overall net risk rating is 12, High.	Executive Director of Corporate Service	Portfolio Holder, Public Health and Corporate	12	The budget has been presented to the Council. Budget planning system has been introduced to improve the timeliness of data.	8 
CR7 Threat	EU Exit, Single Market and Local Growth Failure to be adequately prepared for the Exit from the EU particularly in relation to the potential impacts on Consumer Protection, Food Safety, Waste Operations Highways, Traffic Management and the business community.	The UK Government have left the EU in January 2020. The UK Government have confirmed that EU structural funds (the ESIF programme) will be maintained until the end of the current parliament (2020) (check could be whole life of programme now 2023) The risk has been reduced from 6 to 3 in order to recognise reduced risk but also that there are risks which could impact the council and/or the borough in the future which will require monitoring.	Executive Director of Place	Portfolio Holder, Environment and Regeneration	12	This risk has dropped significantly. A watching brief is being maintained to ensure any risks are identified early. CEMART group will be established when risks arise to manage any corporate impacts.	3 
CR8 Threat	Decision Making	Sound governance processes including oversight by officers and members will mitigate the risk. In 2019/20 a detailed overview and rewrite of the constitution where required will be undertaken. A managers guide to decision making is being developed, which will be supported by training.	Executive Director of Corporate Services	Portfolio Holder, Public Health and Corporate	12	Training is being provided. Modern Gov is being implemented. The constitution is being reviewed.	8 
CR9 Threat	Capital Projects 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.	January 2020: This is a significant risk for People Directorate in addition to Place – shared accountability required.	Executive Director of Place & Executive Director	Portfolio Holder, Finance IT and Communications	16	Robust management of projects. Financial controls in place. Governance mechanisms include Corporate Board overseeing all capital schemes (Assets Board). Individual schemes have appropriate governance. Review of resources for each	8 

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			of People			scheme being undertaken.	
CR10 Opp	Infrastructure Investment Securing the required investment to support our major infrastructure and development priorities particularly in relation to HS2 and delivery of the Crewe Hub	The council has strengthened its working arrangements with local public sector partners, government departments and commercial investors. The council has secured significant capital allocations to support major regeneration and development project to support key development projects in Crewe and Macclesfield. This risk requires ongoing work and monitoring to ensure that the opportunities come to fruition.	Executive Director of Place	Portfolio Holder, Environment and Regeneration	16	Cheshire East Council chairs the Partnership Board with partners including Government, HS2, and National Rail. Business Case being developed with support from the Local Enterprise Partnership and future decisions will be taken through Cabinet / Council.	8 →
CR11	Pandemic virus Ongoing risk of genetic shift resulting in rapidly spreading strain of influenza and other diseases previously unseen in humans for which no preventative treatment is available. In addition to the human health risks pandemic flu poses a risk to healthcare capacity and CEC business continuity.	January 2020 – Covid-19 (Coronavirus) emergency planning invoked due to pandemic risk. Moved to moderate risk during February 2020. Public Health, Emergency Planning and Business continuity working together for preparedness.	Executive Director of People	Portfolio Holder, Adult Social Care and Health. Portfolio Holder, Children and Families. Portfolio Holder, Corporate Services and Public Health	8	Review pandemic flu and business continuity plans Work with Local Resilience Forum (LRF) partners together to plan for the management of: Demand on the NHS and social care Distribution of anti viral medication Co-ordination of vaccinations Public awareness and media management Excessive levels of death	8 →