

Risk Ref	Risk Description	Commentary	Risk Owner	Action Lead	Gross Score	Risk Management Activity	Previous Risk score Q2	Current Net Risk Score	Direction of Travel
SR1 Threat	Increased Demand for People Services: That Cheshire East's local social, economic and demographic factors lead to an increase in the level of need and increased demand for adults and children's social care services, resulting in the capacity of the Council's systems relevant to these areas are unable to continue to respond/ absorb the pressures presented, resulting in a possible lack of staff working in social care/ increased market failure pertaining to a range of service providers, unmet need, potential safeguarding issues, and difficulty in achieving the Council's desired outcomes - that people live well and for longer, and have the life skills and education they need to thrive.	The impact of COVID-19 since March 2020 has been to increase demands upon Adults and Children's Social Care, together with our health partners.	Executive Director of People	Director of Adult Social Care	16	<ul style="list-style-type: none"> Adults operate monthly quality monitoring partnership forum. Quality and reporting and alerting of risk escalation is being effectively managed. Provider risk register is monitored and reviewed. Established a care sourcing team support service and local area co-ordination services to divert people away from care where appropriate. Working with partners and CCG to develop single plan to manage the overall reduction in demand and system redesign work to support an improved community offer. A great deal of activity is directed at managing this risk and above details so key activity, Activity has been focused on COVID response. Short to medium term impact on the economy may lead to increased unemployment, benefit claims, associated mental health, alcohol related harm, domestic violence etc. The ongoing COVID pandemic has seen large increases for service in relation to mental health, safeguarding and DOLS referrals. Demand and complexity is growing across the board. The communities team are offering early intervention to prevent the CEV from entering the social care system. 	16	16	
SR2 Threat	NHS Funding Pressure There is a circa £50 million pressure for the NHS across Cheshire East. Risk that due to the increasing financial deficit this may cause a pressure in Cheshire East Council shared service delivery and NHS service delivery. If there was a shifting of costs and demand which places additional strain on Council resources resulting in unmet need and potential difficulty in achieving the Council's outcomes that people live well and for longer and local communities being strong and supportive.	Interdependencies between SR1 and SR3 are recognised. The Cheshire East Health and Care Partnership Five-Year Plan and Technical Appendix was published in October 2019. The COVID-19 outbreak has hampered implementation and increased risk with significant financial impacts across both health and social care. The full extent of this is still to be ascertained as the increasing infection rates once again put strain on the system. COVID-19 infection rates increased significantly during Quarter Three	Executive Director of People	Director of Commissioning	16	<ul style="list-style-type: none"> There has been a lot of activity directed at this risk through the Sustainability and Transformation Plan for Cheshire and Merseyside – this plan comes to an end in 2021. There is a Health and Wellbeing Board which looks for key players to work together to address the issues and inherent risk of NHS funding pressures. There is also the Cheshire East partnership which brings together key partners and submits reports to CLT on a six-weekly basis. The ongoing Covid pressures upon health will impact upon the budget pressure of health, however the pressure remains that the risk of shifting costs to Social Care. 	16	16	

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		The Cheshire East Integrated Care partnership has now been established and their Transformation Plan has been drafted. Work on the other work-streams is progressing, however COVID-19 has impacted upon each and limited their progress.				<ul style="list-style-type: none"> Cheshire East Council is currently accessing the emergency discharge funding, but this is short term. 			
SR3 Threat	<p>Financial Resilience – lack of certainty about future funding make it difficult to set a robust MTFS</p> <p>The reduction in funding from Central Government means the Council must manage funding shortfalls over the next four years, through reduced expenditure, managing demand or increased local income. There is a possibility that the Council does not adopt its financial plans in sufficient detail quickly enough, either by deferring the difficult decisions about services, using over-optimistic planning assumptions, or not rethinking sources of income in a sustainable way. This may result in difficulties in closing and managing the funding reductions, financial stress and may impede the Council's ability to meet its statutory requirements and deliver all of its intended outcomes and objectives in full. Additionally, the Council may fail to achieve the savings required in year which may have a consequential impact on future years,</p>	<p>The impact of COVID 19 has added a significant financial pressure to the budget. The expenditure is being tracked and returns completed monthly to government. The increase in expenditure teamed with the decrease in income is having an adverse effect to the Council's financial resilience.</p> <p>Reports on the impact of Covid19 on the Council's finances have been made to Cabinet, A&G, overview and scrutiny and informal reports also.</p> <p>This risk will be further exacerbated if there are cost implications based on the realization of SR1 (Increased Demand for People Services) and/or SR2 (NHS Funding and Health and Care Partnership Plan).</p> <p>The Medium-Term Financial Strategy has been produced with activity to address the risk of lack of certainty about future funding. Business planning process has been completed. The Reserve strategy has been reviewed.</p> <p>The Council produced a balanced 2021/22 Budget for consultation in December 2020 based on certain assumptions on government funding. The Spending Review 2020 has reduced grants but increased flexibility to raise Council Tax. This does not produce further certainty on government funding, which remains a significant risk.</p>	Executive Director of Corporate Services	Director of Finance and Customer Services	16	<ul style="list-style-type: none"> The Medium-Term Financial Strategy has been produced with activity to address the risk of lack of certainty about future funding. Business planning process has been completed. The Reserve strategy has been reviewed. The 21/22 budget has been subject to consultation and will be presented to Council 17th February 2021. Tracking of additional COVID related expenditure and impact upon income is undertaken and reported upon monthly to central government The financial impact of Covid is regularly reported to Cabinet and Corporate Overview and Scrutiny meetings. 	16	16	
SR4 Threat	Information Security and Cyber Threat	The Council is still aware of increased threat of malicious activity during the Covid-19	Executive Director of	Head of ICT and CIO	16	<ul style="list-style-type: none"> ICT have plans in place to protect and secure our systems to cyber-attacks. 	12	12	

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	As the Council continues to move towards using new technology systems to reduce costs and fulfil communication, accessibility and transaction requirements, it becomes increasingly at risk of a security breach, either malicious or inadvertent from within the organisation or from external attacks by cyber-criminals. This could result in many negative impacts, such as distress to individuals, legal, financial and reputational damage to the Council, possible penetration and crippling of the Council's IT systems preventing it from delivering its Corporate Outcomes.	<p>pandemic. ICT Service has stepped up its monitoring and staff have been made aware of the importance of constant vigilance.</p> <p>The Council has a number of technologies to reduce the risk of infection. Although existing mitigation controls reduce the likelihood, the threat is ever increasing. If the risk materialises there is the potential of a 'major' impact on the corporate plan which may affect services in one or more areas for a short period</p> <p>ICT have plans in place to protect and secure our systems to cyber-attacks.</p> <p>The Council is exploring Cyber threat insurance and planning simulated cyber-attack exercises whilst further developing its management of this risk.</p>	Corporate Services			<ul style="list-style-type: none"> Testing of security systems is carried out to provide assurance on the quality of systems in use The Council is exploring Cyber threat insurance and further developing its management of this risk. We follow NCSC guidance and learning from other authorities. ICT has supported CEMART and Bronze Cell structures with dedicated ICT partners to identify and implement change requirements needed to minimise disruption to service provision and maintain appropriate levels of security. 			
SR5 Threat	<p>Business Continuity</p> <p>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.</p>	<p>Interdependencies with SR4 recognised.</p> <p>A third lockdown will impact on this risk and hence warrants regular review.</p> <p>COVID-19 has created unprecedented demands and challenges. Business Continuity plans are regularly reviewed, particularly in relation to capacity, resource and staff availability.</p> <p>Whilst the majority of incidents are outside of the Council's control incidents could have a further impact if they materialise during Covid restrictions.</p> <p>Whilst the EU exit risk is decreasing there are still a number of uncertainties which could impact on Business Continuity linked to dealing with concurrent risks such as COVID, flooding etc.</p> <p>The use of, and further development of the Business Continuity software is ongoing, and plan owners have been asked to review and update their plans.</p>	Executive Director of Corporate Services	Risk and Business Continuity Manager	16	<ul style="list-style-type: none"> Implementation of Clearview Scenario testing has been undertaken Training has been provided to Heads of Service Post emergency response review planned to capture feedback and lessons learned to inform further training and system development. 	12	12	

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SR6 Threat	<p>Capacity and Demand Risk – Corporate Enablers</p> <p>Local demographic factors lead to an increasing demand for services to be delivered, combined with reducing and reduced staff resource / skills of the workforce and an increasing demand for additional unplanned work results in;</p> <ul style="list-style-type: none"> - key resources being overstretched and having insufficient capacity to deliver all business plan requirements, - an inability to retain or attract staff to deliver services sufficient to support the achievement of the Council's objectives. resulting in business operational issues and pinch points, possible failure to deliver priority activities and projects, adverse organisational behaviour and a detrimental impact upon physical, emotional and mental wellbeing of staff impacting upon to the Council's ability to deliver all of its intended objectives and outcomes. 	<p>There continue to be significant additional demands in terms of responding to the COVID-19 pandemic. Staff have worked flexibly, with all those who are able to, working from home. In addition, we have deployed a comprehensive package of support for wellbeing and regular communication. Staff sickness absence relating to Covid-19 is monitored on a regular basis. On ongoing nature of the pandemic is having an impact on staff. Some additional capacity has been secured through external funding.</p> <p>The programme to migrate staff and Members to Windows 10/Office 365 achieved 100% in December 2020. This has enabled us to work remotely and flexibly</p>	Executive Director of Corporate Services	Head of HR	12	<ul style="list-style-type: none"> • During COVID-19, staff absence is being monitored on a very regular basis. • Through CEMART, detailed work has been done on capacity planning, including identifying staff who may be redeployed to higher priority activity. • Staff are being supported through comprehensive package of measures, including the Golden Practices and regular communication and engagement. 	12	12	
SR7 Threat	<p>EU Transition</p> <p>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.</p>	<p>EU transition was completed on 31 Dec 2020</p> <p>Partners and the Council have put appropriate transition arrangements in place in relation to impact on the economy, procurement, impact on key services, impact on regulation, impact on the transport networks, supply of essential materials, employment and data management</p> <p>The impact on the Business Community particularly those that export and import multi-national organisations is being reassessed to enable future contingency plans to be developed. However, ongoing support and guidance to businesses continues to be provided through the Council's Economic Development services and through the Local Enterprise Partnership through the Growth Hub.</p> <p>A further action that is being taken is rehearsing the support that would be</p>	Executive Director of Place	Executive Director of Place	12	<ul style="list-style-type: none"> • Multi- Agency management through SCG meets weekly – DCX attends • CE risk assessment reviewed weekly • Review of position reviewed weekly through CEMART 	8	6 Decreasing risk	

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		<p>provided if one the Borough's major employers closes or announces significant reductions in its workforce.</p> <p>Furthermore, plans are in place to continue to support international businesses with their investment decisions.</p> <p>Impacts continue to be monitored but the actual impacts reported to date are low.</p>							
SR8 Threat	<p>Decision Making</p> <p>A. failure of the transformation of the Council's governance structures from an executive strong leader/Cabinet to a committee system resulting in an inability to make timely and effective decisions.</p> <p>B. The risk that the Council's Constitution is insufficiently detailed and/or contains inaccurate or ambiguous information leading to ineffective and inefficient decision-making processes resulting in a failure to ensure value for money and noncompliance with best practice and statutory responsibilities.</p>	<p>Sound governance processes including oversight by officers and members will mitigate the risk.</p> <p>19 November 2020 Council resolved to change the style of governance to a committee system. The transition from one governance system to another requires fundamental changes to the decision-making process supported by the constitution and further approvals by full Council. Managed through the Constitutional Project team.</p> <p>Consequential and routine amendments and updates were made to the constitution in November 2020. Updates due in May 2021 and Nov 2021 to ensure the newly adopted arrangements remain fit for purpose</p>	Executive Director of Corporate Services	Director of Governance and Compliance Services	12	<ul style="list-style-type: none"> Constitutional and Governance Project Team to deliver transformation. Constitution amendments overseen by Constitution Committee Working party overseeing development of Committee system governance changes Use of urgency powers is reported to Cabinet and Council 	6	9 Increasing risk	
SR9 Threat	<p>Capital Projects</p> <p>Risk that the Council's major capital projects are insufficiently managed to ensure that they are delivered on time, on budget and at the required quality level</p>	<p>Each major capital scheme has its own programme governance in place. In addition, the Council's Assets Board reviews major projects.</p> <p>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 scheme being undertaken.</p>	Executive Director of Place Executive Director of People	Executive Director of Place	16	<ul style="list-style-type: none"> Robust management of projects Financial controls in place Governance mechanisms include Corporate Board overseeing all capital schemes (Assets Board). Individual schemes have appropriate governance. Review of resources for each. 	12	12	

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SR10 Opp	Infrastructure Investment Securing the required investment to support our major infrastructure and development priorities particularly in relation to HS2 and delivery of the Crewe Hub	<p>The Council has strengthened its working arrangements with local public sector partners, government departments and commercial investors. The Council has secured significant capital allocations to support major regeneration and development project to support key development projects in Crewe and Macclesfield. This risk requires ongoing work and monitoring to ensure that the opportunities come to fruition.</p> <p>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</p>	Executive Director of Place	Project Manager	16	<ul style="list-style-type: none"> This risk will be reviewed by the HS2 Programme Board on a monthly basis and the chair informs CLT accordingly. Day to day management of the actions in place to reduce the risk is a combination of the PB3: Business Case and Investment Integration, the Programme Director and the Programme Manager. The controls above will be used to monitor the risk. 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. Ultimately, while the Council can control the technical evidence, business case formation and the technical level negotiation with Government Departments, the risk is being impacted on by recent Government administration changes and the resultant changes in Government policy. 	8	8	
SR11 Threat	Pandemic virus Ongoing risk of genetic shift resulting in rapidly spreading strain of influenza and other diseases previously unseen in humans for which no preventative treatment is available. In addition to the human health risks pandemic flu poses a risk to healthcare capacity and CEC business continuity.	<p>There is at present no means of removing the COVID-19 virus from the population or its associated risks besides the newly introduced vaccine. It is expected that the roll out of the vaccines will over time begin to have positive impacts, reducing pressure on services and hopefully slowing transmission</p> <p>Managing the spread and mitigating against the impact is what we have to continue to work on in partnership with all those living and working in Cheshire East (in</p>	Chief Executive	Director of Public Health	16	<ul style="list-style-type: none"> Review pandemic flu and business continuity plans Work with Local Resilience Forum (LRF) partners together to plan for the management of: <ul style="list-style-type: none"> Demand on the NHS and social care Co-ordination of vaccinations Public awareness and media management Excessive levels of death. Ongoing COVID-19 pandemic poses risk of need for national/local lockdowns and increased pressures being placed on local health and care settings and workforce. 	16	16	

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		<p>collaboration with partners across the sub-region and Cheshire and Merseyside).</p> <p>A third wave of the virus has developed, increasing risks to individuals and placing additional pressures on health and social care providers. Local Authorities are being requested to take on more responsibilities in relation to local contact tracing and now supporting the vaccination process. There will be additional financial pressures and workload pressures on organisations and staff across health and social care as a result.</p>				<ul style="list-style-type: none"> Financial impact - see SR3 Test and Trace hub established, and local contact tracing in place. Significant learning from first phase of COVID-19 pandemic informing future response and recovery planning. 			
SR12 Threat	<p>Fragility and failure in the social care market</p> <p>Increased pressure within the Social care market, rising costs, increasing complex needs and funding pressures, which have been exasperated by Covid 19 increases the likelihood of multiple provider failure and market collapse.</p>	<p>The COVID 19 pandemic has placed immense strain on the Provider market since March 2020. The Council has been proactive in supporting providers and continues to do so. Staffing remains a significant issue, but the reputation of care homes has been damaged because of the numbers of deaths and restrictions placed on visiting and this appears to be impacting upon level of demand for places – further impacting upon the financial pressures of the providers and increasing the risk of provider failure.</p>	Executive Director of People	Director of Adult Social Care	16	<ul style="list-style-type: none"> Funding and mutual aid has been provided to providers, together with PPE to support all providers. Large numbers of vacancies within bed-based service have caused concern however financial aid has been provided. There is an ongoing risk of staffing shortages in relation to covid, EU exit and staff leaving the sector. Going forward the reluctance of staff to take up the offer of a covid vaccine could further impact upon the market and workforce. 	16	16	
SR13 Threat	<p>Reputation:</p> <p>Risk 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.</p>	<p>Media training programme for key spokespersons</p> <p>Communications and media function advised at an early stage of all future demand and emerging issues to enable effective planning</p> <p>Effective monitoring and reporting of organisational reputation and sentiment.</p>	Chief Executive	Communications Manager	16	<ul style="list-style-type: none"> Weekly reputation reporting to senior managers Senior member overview of COVID-specific communications activity through Local Outbreak Engagement Board Weekly COVID-specific comms activity and planning as part of CEMART Monitoring of social and traditional media Media protocol and approvals process Communications strategies for key projects and issues developed agreed and reviewed with senior stakeholders and decision makers Weekly meetings with comms leads from public sector partner organisations to collaborate, share plans and intelligence Review communications business continuity, priorities and emergency / crisis comms protocols 	9	9	

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						<ul style="list-style-type: none"> Comms programme planned and reviewed over short-term (daily) and long-term (monthly / annually) 			
SR14 Threat	Climate Change Risk that the Council has an increased cost due to implementation of the climate change strategy.	<p>Cheshire East Council committed itself to becoming carbon neutral for its own operations by 2025 and to using its influence to assist the borough in reducing its carbon impact. To enable this a Carbon Action Plan was produced to detail the measures that would need to be taken in order to achieve this commitment.</p> <p>While the Council is seeking to cover core cost of the program and feasibility though the allocated program budget individual services and directorates may require additional funding to meet high standards such building Bream excellent or equivariant and carbon zero transport commitments. Where possible grant funding will be used, and costs spread over the 4-year life of the program. Any additional funding request will form part of future MTFs business case cycles.</p>	Executive Director of Place	Head of Environmental Services	16	<ul style="list-style-type: none"> Risk is reviewed as part of the brighter futures transformation projects board, operational board and member steering group. Environment Strategy Carbon Action plan in train and being delivered Steering group overseeing its delivery 	9	9	
SR15 Threat	Business rates Current system of business rates does not allow the Council to benefit proportionally from the level of rates collected. This could have effect on the MTFs if BR are changed.	The Council continues to engage with consultation and networks which lobby Government in order to ensure the Council is sighted and involved in any changes to Business rate allocations which are proposed.	Executive Director Corporate Services	Director of Finance and Customer Services	9	<ul style="list-style-type: none"> Responses to the consultation by Central Government have been delayed due to restrictions on Parliamentary capacity. The Council continues to minimise any reliance on local growth in business rates to support local services in the medium term 	6	6	
SR16	Council funding / Economic Risk Ongoing and future changes to the financial framework - including several changes to national funding regimes - has increased the Council's reliance on self-financing. 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	The risk has been assessed as high due to the impact of COVID -19 and also EU transition creating increased financial pressure and uncertainty in the business community. Although there are significant programmes of activity to treat the risk and support business and communities. This has an impact on the Council's financial standing.	Executive Director of Place	Head of Economic Development	16	<ul style="list-style-type: none"> Business Support and Grants Employment support Business forum to engage and plan future support Investment plans to support regeneration and development Place marketing and inward investment 	16	16	

Cheshire East Council
Strategic Risk Register – 2020/21 - Quarter 3 Review

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	confidence in Cheshire East; and severe impacts on the Councils income and exert pressure on its revenue and capital programmes.								