

Strategic Risk Register - Q4 2016/17			
Ref	Strategic Risks	Risk Control / Response	RAG
New	<p><b>CYBER ATTACK</b> Examples of the impact of a Cyber Attack to ESCC include:</p> <ul style="list-style-type: none"> <li>• Financial fraud related to phishing of executives and finance staff.</li> <li>• Loss of Personally identifiable information and subsequent fines from ICO (Currently up to £500k rising to 4% of global revenue when GDPR comes into effect May 2018).</li> <li>• Total loss of access to systems that could lead to threat to life.</li> </ul> <p>The National Cyber Security Centre (NCSC) has highlighted the substantial risk to British web infrastructure with elevated levels of Cyber Crime being reported against all areas of government.</p> <p><i>Cyber attacks often include multi vector</i></p>	<p>Security Information and Event Management (SIEM) system capabilities to be expanded to leverage modern standards of detection and prevention. We currently use Logrhythm but are also in discussion with SPLUNK (these are leading suppliers of SIEM solutions). SIEM provides real-time analysis of security alerts generated by network hardware and applications.</p> <p>Education of key staff – Ongoing education of key staff to enable cascading of skills in detection and remediation. Creation of security champions to promote a visible approachable business based security team.</p> <p>Ongoing discussion and communication with the Info Sec industry to find the most suitable tools and systems to secure ESCC infrastructure.</p> <p>E Learning and policy delivery software is being expanded to cover Cyber threat. Active phishing software will be deployed to test our current defences and educate staff around the techniques and methods used by active threats.</p>	R
4	<p><b>HEALTH</b> Failure to secure maximum value from partnership working with the NHS. If not achieved, there will be impact on social care, public health and health outcomes and increased social care cost pressures. This would add pressures on the Council's budget and/or risks to other Council objectives.</p>	<p>Implementation of East Sussex Better Together Programme by ESCC and Hastings and Rother CCG and Eastbourne, Hailsham and Seaford CCGs to transform health and social care in the county and deliver the Better Care Fund plan to improve outcomes for East Sussex residents, with robust governance arrangements reporting to County Council and Health and Wellbeing Board. Programme will develop the plan for a clinically and financially sustainable health and social care system in East Sussex. There will also be targeted use of the Better Care Fund to better integrate health and social care and contribute to whole system transformation. From April 2017 the ESBT partners have formed an Alliance and proposals regarding the development of an Accountable Care Organisation, including options around organisational form will be made in July 2017.</p> <p>In High Weald Lewes Havens the Connecting 4 You Programme has now been established to improve health and social care outcomes for residents. The Programme will have implications for management capacity and for the Medium Term Financial Plan. The RPPR process will be used to manage this risk and associated implications.</p> <p>The Sustainability and Transformation Plan for Sussex and East Surrey (STP) was submitted in June. Work to develop and deliver the plan is ongoing. Nine working groups have been formed covering: Acute provision (including mental health); workforce; primary and community care provision; digital improvement, estates; provider productivity improvement, communication and engagement and governance. The next submission is due mid-September.</p>	R
7	<p><b>SCHOOLS</b> Failure to manage the expected significant reduction in resources for school improvement from 2017/18 and the potential impacts of changing government policy on education, leading to reduced outcomes for children, poor Ofsted reports and reputational damage.</p>	<ul style="list-style-type: none"> <li>•Develop and implement a transition plan so the Standards and Learning Effectiveness Service and schools are prepared for the changes to funding and education policy. This includes: <ul style="list-style-type: none"> <li>-Implementing a service restructure to remove direct delivery of school improvement and further develop commissioning model of school improvement</li> <li>-Continue to build relationships with academies and sponsors, including the Diocese of Chichester, ensure a dialogue about school performance, including data sharing.</li> </ul> </li> <li>•Continue to work with academies and maintained schools through the Education Improvement Partnerships to develop system leadership, school to school support and to broker partnerships.</li> <li>• Continue to broker support to academies to address any performance concerns and investigate the feasibility of trading some LA school improvement services with all schools on a full cost recovery basis.</li> <li>•Where academies do not appear to be accessing appropriate support, bring this to the attention of the DfE, who may exercise their intervention powers.</li> <li>•Continue to build a relationship with the Regional Schools Commissioner to ensure the work of the RSC and the LA do not duplicate and that schools have the support they need.</li> </ul>	R

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1	<p><b>ROADS</b></p> <p>Wet winter weather, over recent years has caused significant damage to many of the county's roads, adding to the backlog of maintenance in the County Council's Asset Plan, and increasing the risk to the Council's ability to stem the rate of deterioration and maintain road condition.</p>	<p>The additional capital maintenance funding approved by Cabinet in 2013 has enabled us to stabilise the deterioration in the carriageway network and improve the condition of our principle road network.</p> <p>The County Council's asset management approach to highway maintenance is maintaining the overall condition of roads, despite recent winter weather. The preventative approach to the maintenance of the County's highway network is being further rolled out across all highway asset types, including highway drainage.</p> <p>The new highways contract, which commenced on the 1st May, introduced a more preventative approach to highway drainage with the introduction of routine drainage ditch and grip* maintenance. We are also continuing with our targeted approach to gully cleansing, and developing a drainage strategy targeting flooding hotspots.</p> <p><i>*A highway grip is a shallow ditch connecting the road edge to the roadside ditch. Its purpose is to drain rain water from the highway into the roadside ditch.</i></p>	A
5	<p><b>RECONCILING POLICY, PERFORMANCE &amp; RESOURCE</b></p> <p>Failure to plan and implement a strategic corporate response to resource reductions, demographic change, and regional economic challenges in order to ensure continued delivery of services to the local community.</p>	<p>We employ a robust Reconciling Policy, Performance and Resources (RPPR) process for business planning. We have adopted a commissioning approach which means evaluating need and considering all methods of service delivery, which includes working with partner organisations to deliver services. The Council Plan sets out targets for a 'One Council' approach to deliver our priorities and is monitored quarterly. The plans take account of known risks and pressures, including demographic changes, to design mechanisms to deliver the Council's priorities. The Autumn Statement confirmed the Government's departmental spending plans and uncertainty about future growth in the national economy. There have been Government announcements on additional funding for older people and a green paper on the issue is expected in the Autumn. The impact of the proposed changes to NNDR also remains a risk.</p>	A
8	<p><b>CAPITAL PROGRAMME</b></p> <p>As a result of current austerity, the capital programme has been produced to support basic need only and as a result of this there is no resource for other investment that may benefit the County e.g. that may generate economic growth. Additionally there is a risk, due to the complexity of formulas and factors that impact upon them, that the estimated Government Grants which fund part of the programme, are significantly reduced. There continues to be a high level of annual slippage.</p>	<p>As a result of the high level Capital Programme Management Review delivery of the programme is much more robust. Governance arrangements have been reviewed and developed in support of this. This includes the Education Sub Board which in part focuses on future need for schools places and will focus on better forecasting of DfE grant. Regular scrutiny, by the Capital and Strategic asset board, of programme and project profiles (both in year and across the life of the programme) have also been timetabled. The Board also proactively supports the seeking of other sources of capital funding, including Local Growth Fund and European grants.</p>	A
9	<p><b>WORKFORCE</b></p> <p>Stress and mental health are currently the top two reasons for sickness absence across the Council, potentially leading to reduced staff wellbeing, reduced service resilience, inability to deliver efficient service and / or reputational issues.</p>	<p>A range of initiatives and interventions to support managers and staff in this area are being taken forward. In particular, we have confirmed our commitment to the mental health 'Time for Change' pledge with a number of dedicated activities and have successfully been awarded funding from two sources in order to assist with our 16/17 and 17/18 wellbeing strategy.</p> <p>We have been awarded a grant of £10k from the LGA to develop an online mindfulness programme to support staff to be resilient at work. The programme commenced in January 2017 and the evaluation process will include data and recommendations for the future direction of support for employees who are absent with stress-related illness and improving wellbeing at work. More generally, a joint venture with Public Health offering ESCC staff work based health checks will launch in Spring 2017. The aim is to improve the health and wellbeing of adults aged 40-74 years through the promotion of earlier awareness, assessment, and management. It is anticipated that these checks will help to prevent the onset of cardiovascular disease.</p> <p>In considering stress absences, a new 'wellness tool' has been introduced designed to enable employees and managers to discuss any wellbeing concerns at the earliest possible stage. In addition, an automated process is now in place to ensure that all managers with employees absent due to mental health or stress are contacted by the first and tenth day of absence. The email is sent direct from Firstcare and provides guidance for managers on the resources available to support staff.</p>	A

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10	<p><b>RECRUITMENT</b> Inability to attract high calibre candidates, leading to limited recruitment choices and therefore lack of the expertise, capacity, leadership and/or innovation required to deliver services and service transformation.</p>	<p>Work with departments is underway to understand key areas of recruitment difficulty. Strategies to address this will include refreshing and publicising more clearly the benefits of working in the public sector and ESCC in particular, as well as understanding the different markets we are competing in. To support this, different talent attraction approaches will be developed ranging from apprentices and interns through to highly experienced individuals.</p>	A
6	<p><b>LOCAL ECONOMIC GROWTH</b> Failure to deliver local economic growth, and failure to maximise opportunities afforded by Government proposal to allocate Local Growth Funding to South East Local Enterprise Partnership, creating adverse reputational and financial impacts.</p>	<p>All projects that secured capital funding from the South East England Local Enterprise Partnership (SELEP) have now been completed or construction is underway. SELEP submitted its formal submission for a 3rd round of Local Growth Funding to Government in July 2016. All the projects that Team East Sussex considered were included, with a cumulative value of around £30m to deliver a range of infrastructure projects. We were informed in February 2017 that East Sussex had been successful in securing £13.2m for two projects: £5m towards the transformation project including new conferencing facilities at Devonshire Park, Eastbourne; and £8.2m towards a number of strategic infrastructure investments, creating the opening for new business parks across the county in Hastings/Bexhill, Eastbourne and South Wealden through Seachange Sussex.</p> <p>We have also been working with Coast 2 Capital LEP (Lewes DC sits within both C2C and SELEP areas) following a call in December 2016 for projects that can start spending in Q4 2016/17 using underspend. We have been successful in bidding with a private developer for £1.6m for Newhaven Eastside South, which will create new business workspace. Lewes DC was successful with a further £3.5m on two projects: for Springman House (Lewes), providing a new medical centre and housing; and investment into Railway Quay (Newhaven).</p> <p>In spite of the continued uncertainty around availability of EU funding in the current programme period, work has continued on developing partner bids across the SELEP. Bids to augment the Business East Sussex service were secured in September for the project termed South East Business Boost until June 2019, providing a £1.1m injection to further enhance business support services supporting the growth of local companies (pre</p>	A
2	<p><b>ORDINARY RESIDENCE</b> Risk from other areas placing clients in receipt of social care services in East Sussex, and transferring to ESCC the commissioning, care management and funding responsibility for the individual as a result of a successful Ordinary Residence claim.</p>	<p>Dedicated Ordinary Residence Panel set up. The Panel discusses and agrees strategic and legal responses to Ordinary Residence claims from and to other Local Authorities, and directs reporting content. Panel members contact other Local Authorities directly where appropriate, and instruct Legal Services representation (including Counsel, and applications for Secretary of State determination) on behalf of ESCC.</p> <p>Continued awareness raising for ASC operational staff (and particularly Social Care Direct) in line with published guidance on Ordinary Residence, resulting in earlier case referrals to Ordinary Residence team. Guidance for frontline staff was written and issued followed by panel members visiting all ASC Operational teams to deliver presentation and Q&amp;A. OR Inbox established to provide advice to staff and monitor all known incoming/outgoing OR queries and claims.</p> <p>Regular information gathering and reporting to DMT on all Ordinary Residence case referrals and financial projections.</p>	A
11	<p><b>APPRENTICESHIP LEVY</b> The Government will introduce the Apprenticeship Levy on 6 April 2017. The levy requires all employers operating in the UK, with a pay bill over £3 million each year, to invest in apprenticeships.</p> <p>This creates a potential financial risk for the Council. A Levy contribution of £550,000 will be deducted from the General Fund staffing budget; and £690,000 will be deducted from the (maintained) Schools delegated staffing budgets; but there is no certainty about how much of this will be returned to the budget in 2017-18 in the form of apprenticeship training vouchers.</p>	<p>We will develop a strategy and action plan covering Departments and Schools to maximise the numbers of new and existing staff receiving qualifying apprenticeship training.</p>	G