



Strategic Risk Register - Q1 2021/22				
Ref	Strategic Risks	Pre-mitigation RAG	Risk Control / Response and Post Mitigation RAG score	Post-mitigation RAG
16	<p><b>COVID-19</b> Adverse impact of COVID-19 sickness and restrictions on Council finances and services. Reduced ability to deliver services, priorities and long-term planning, impacting on e.g. protecting and supporting vulnerable adults and children, education and schools, roads and infrastructure, local economic growth, and the Council's workforce. Capacity to manage a response to a significant sustained increase in COVID-19 cases alongside other winter pressures. Adverse impact of COVID-19 on local health, wellbeing and economy, creating new long-term need for Council services.</p>	R 1	<p>Services have changed and adapted to the changing situation and Government guidance. We have reviewed and adjusted services in line with the removal of restrictions. Members of staff who can work remotely are continuing to do so and risk assessments have been undertaken for all staff working in buildings or with service users, with appropriate protective measures in place.</p> <p>Looking after the most vulnerable people in our community is our absolute priority and we continue to work with our Borough and District partners to support those who need additional help through the Community Hubs. We have received additional funding from the Government to undertake a range of new activities and support which is not expected to continue after the autumn. We are closely monitoring our COVID-19 spend. We are also monitoring impacts on the economy and wider community and implementing recovery plans with our partners. The medium and long-term impact of COVID-19 is being factored into our Reconciling Policy, Performance and Resource (RPPR) finance and business planning.</p> <p>We have a Local Outbreak Plan to prevent, where possible, and respond to and contain local outbreaks, with specific measures for high risk areas. We are supporting NHS partners with delivery of the local vaccination programme and are also supporting community testing.</p> <p>The Corporate Management Team meets regularly to ensure our response and recovery is effectively co-ordinated and working well through our established partnerships and the new partnerships, which come into operation when we are operating under the Civil Contingencies Act, including the Sussex Resilience Forum and the Local Health Resilience Forum. Case numbers have fallen, however there may be additional pressures as we move into the autumn from flu and other viruses as people begin to mix more. We continue to plan for different scenarios.</p> <p>Extensive co-ordination and lobbying are taking place at Member and officer level through SE7, CCN and other arrangements.</p>	R 1
12	<p><b>CYBER ATTACK</b> 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>Cyber attacks are growing more frequent, sophisticated, and damaging when they succeed. The COVID-19 pandemic has increased the need to carry out many additional functions virtually and remotely. Changes in working practice give rise to more requests to relax security controls, with services more likely to take risks on the technology they procure and how they use it.</p>	R 1	<p>Most attacks leverage software flaws and gaps in boundary defences. IT&amp;D use modern security tools to assure our security posture: Monitoring network activity and identifying security threats; Keeping software up to date with regular patching regimes; Continually monitoring evolving threats and re-evaluating the ability of our toolset to provide adequate defence against them; Ongoing communication with the Security industry to find the most suitable tools and systems to secure our infrastructure. IT&amp;D continues to invest in new tools, which use pre-emptive technology to identify threats and patterns of abnormal behaviour.</p> <p>Enhancing user awareness: Expanding E-Learning and policy delivery mechanisms to cover Cyber threat; educating staff around the techniques and methods used by active threats; and providing General Data Protection Regulation (GDPR) training and workshops to cascade vital skills and increase awareness of responsibilities under GDPR legislation.</p> <p>Services hosted in ISO 27001 accredited Orbis Data Centres.</p>	R 1

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4	<p><b>HEALTH</b> Failure to secure maximum value from partnership working with the National Health Service (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>	R 1	<p>The focus in Q1 has been putting in place plans to respond to the requirements in the Health and Care Bill and ensure the proposed changes in the Bill do not negatively impact on our functional relationship with the local NHS across commissioning and delivery; and the risks are managed for the way the Council manages resources and delivers its statutory responsibilities, population health priorities and objectives. The following specific agreements have been reached in Q1:</p> <ul style="list-style-type: none"> <li>•The Council's relationship and role in the Sussex-wide Integrated Care System (ICS) in order that we meet the new duty to collaborate, including membership of the Sussex-wide NHS ICS body and the wider strategic engagement partnership</li> <li>•The role of our place-based partnerships within the ICS, where much of the interface between the social care, public health and the NHS will be managed.</li> </ul> <p>In addition, the following plans have been agreed for our integration work and models in East Sussex:</p> <ul style="list-style-type: none"> <li>•Further strengthening our East Sussex Health and Social Care Partnership through agreeing a set of underpinning principles, that will support our collaboration and the way our teams work together on the ground, and the key actions in 2021/22 that will support this.</li> <li>•Review and refresh of our shared priorities for our transformation programme to ensure they support the continued restoration and recovery of health and social care services; and a clear focus on addressing health inequalities and delivering personalised, preventative care models.</li> <li>•Producing a place-based annual operating plan (an update of our long term shared East Sussex Health and Social Care Plan), with a strong focus on East Sussex shared integration delivery priorities (based on the above review and refresh), as well as core NHS/ICS delivery priorities.</li> <li>•Jointly agreeing a strategic development framework to coordinate delivering the key elements of increased system capability, that will support population health management approaches and improving population health and wellbeing and reducing health inequalities, across the full span of all our organisations' existing roles and services that contribute to this in East Sussex.</li> </ul>	R 1
5	<p><b>RECONCILING POLICY, PERFORMANCE &amp; RESOURCES</b> Ongoing uncertainty in relation to future funding levels and the longer-term local government funding regime creates a risk of insufficient resources being available to sustain service delivery at the agreed Core Offer level to meet the changing needs of the local community.</p>	R 1	<p>We employ a robust Reconciling Policy, Performance and Resources (RPPR) process for business planning, which ensures a strategic corporate response to resource reductions, demographic change and regional economic challenges; and directs resources to priority areas. We take a commissioning approach to evaluating need and we consider all methods of service delivery. We work with partner organisations to deliver services and manage demand, making best use of our collective resources.</p> <p>We take a 'One Council' approach to delivering our priorities and set out our targets and objectives in the Council Plan. We monitor our progress and report it quarterly. Our plans take account of known risks and pressures, including social, economic and demographic changes and financial risks.</p> <p>The Coronavirus pandemic has had, and will continue to have for a long time, profound impacts on our communities and services. We continue to operate in changing and uncertain contexts. We will review and undertake research to track and understand the impacts. We will update and reset our performance targets, priorities, service offers and financial plans, as required, to reflect them.</p> <p>We lobby, individually and in conjunction with our networks and partners, for a sustainable funding regime for local government in general and adult social care specifically to meet the needs of the residents of East Sussex, and which recognises the likely long-term impact of COVID-19 on the Council's expenditure and income.</p>	R 1

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15	<p><b>CLIMATE</b> Failure to limit global warming to below 1.5°C above pre-industrialisation levels, which requires global net human-caused emissions of carbon dioxide (CO2) to be reduced by about 45 percent from 2010 levels by 2030, reaching 'net zero' by 2050 at the latest. The predicted impacts of climate change in East Sussex include more frequent and intense flooding, drought and episodes of extreme heat, as well as impacts from the effects of climate change overseas, such as on food supply. This will lead to an increase in heat-related deaths, particularly amongst the elderly, damage to essential infrastructure, increased cost of food, disruption to supply chains and service provision, and greater coastal erosion.</p>	R 1	<p>Climate change adaptation: we are following national adaptation advice, including working with partners on flood risk management plans, a heatwave plan and drought plans.</p> <p>Climate change mitigation: we must reduce our own operation carbon footprint by an average of 13% per year to stay within our 5-year carbon budget and to achieve net zero carbon emissions from the County Council's own activities as soon as possible, and by 2050 at the latest.</p> <p>Our Climate Emergency Officer continues to work with teams across East Sussex to deliver the corporate climate emergency plan covering 2020-22. The main focus is on buildings, which made up 79% of carbon emissions in 2020/21. Travel related emissions will be progressed once the Future Workstyles Review is complete.</p> <p>In quarter 1:</p> <ol style="list-style-type: none"> <li>1) Annual carbon reporting for 2021/22 shows that ESCC scope 1 and 2 carbon emissions from buildings, streetlighting and fleet fell by 13% in line with our target. Much of this achievement was due to grid electricity decarbonisation, as a greater portion of power is generated by renewables, and by buildings moving out of portfolio. Keeping within budget next year and beyond will be more challenging, particularly in relation to heating.</li> <li>2) A Corporate Decarbonisation of Heat Plan will be completed in early quarter 2 and will inform our strategy in this key area.</li> <li>3) Work continued on delivery of the Public Sector Decarbonisation Scheme grant funded projects but contractor capacity, building material shortages and supply chain issues have caused some delays. This has been flagged to Salix Funders with a request to carry over some heating related works into 2022/23. Feedback was provided to the Department for Business, Energy and Industrial Strategy and Salix Finance on how best to target, improve and organise future government funding.</li> <li>4) In collaboration with Property Maintenance and Energy teams a pipeline of target sites for building decarbonisation works is being drawn up.</li> <li>5) Ad-hoc communications have been done around national themed events such as Earth Day and Clean Air Day. Further staff newsletters and other communications are planned for quarter 2 and beyond.</li> </ol>	R 1
1	<p><b>ROADS</b> 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>COVID-19 could lead to an increase in the level of staff sickness, as well as the need for staff to self-isolate/distance. It will lead to a change in our working approach and arrangements, even beyond the length of any Government imposed lockdown.</p>	R 1	<p>The additional capital maintenance funding approved by Cabinet in recent years has enabled us to stabilise the rate of deterioration in the carriageway network and improve the condition of our principal road network. However, a large backlog of maintenance still exists and is addressed on a priority basis.</p> <p>The County Council's asset management approach to highway maintenance is maintaining the overall condition of roads, despite recent years' winter weather. However, severe winter weather continues to be a significant risk with the potential to have significant impact on the highway network. The winter of 2019/20 was one of the wettest on record and generated 4 times more potholes for example. The recently approved five-year capital programme for carriageways 2018/19 to 2022/23, and the six-year additional capital programme for drainage and footways 2017/18 to 2022/23 provide the ability to continue to manage condition and build resilience into the network for future winter events.</p> <p>Additional DfT money from 2018/2019 has supported this approach.</p> <p>Our contractor has adapted the service to ensure the workforce can work in a safe environment and has continued to successfully deliver the service on the ground or from home, with a full reactive service and capital programme delivered this year. Staff absence due to COVID related illness or self-isolation has remained very low and has had no significant impact on the service but clearly, in an ever-changing situation, the risk remains. As we move out of lockdown the risk is diminishing and we plan to deliver a full capital programme and service this year.</p> <p>East Sussex County Council staff managing the Highways contract have successfully worked from home with no impact.</p>	A 1

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7	<p><b>SCHOOLS</b> Impact of weak leadership in schools on outcomes for children and young people</p> <p>Failure to secure adequate leadership within East Sussex Schools, leading to:</p> <ul style="list-style-type: none"> <li>• reduced outcomes for children</li> <li>• poor Ofsted reports and reputational damage</li> </ul> <p>Failure to accelerate progress and improve attainment for all key groups of pupils</p> <ul style="list-style-type: none"> <li>• poor Ofsted reports</li> <li>• reputational damage</li> </ul> <p>Resulting in:</p> <ul style="list-style-type: none"> <li>• negative impacts on employability</li> <li>• undermining capacity for economic growth</li> <li>• increased pressures on services provided by social care and health.</li> </ul>	R 1	<p>Continuing to secure high-quality leadership and governance across all our schools, colleges and settings is a high priority for the Standards and Learning Effectiveness Service (SLES) performance improvement plan.</p> <p>We will:</p> <ul style="list-style-type: none"> <li>• Work with partnership networks to provide support and challenge for the recruitment, development and performance of high-quality school leaders.</li> <li>• Work with the existing Academy Chains within East Sussex, to ensure appropriate solutions for schools in East Sussex.</li> <li>• Continue to support the East Sussex recruitment and retention strategy with a focus on leadership.</li> <li>• Accelerate the work to develop partnerships between schools that cannot secure adequate leadership alone and explore the options for closure of schools that are unable to deliver a high-quality education to their pupils.</li> <li>• Work with Primary Board, Secondary Board, East Sussex Learning Collaborative Network and Teaching School Hub to support the development of outstanding leaders.</li> <li>• Work with Teaching Schools Alliances and Education Improvement Partnerships to support the development of outstanding leaders.</li> <li>• Work with the primary and secondary board to implement the schools causing concern guidance.</li> <li>• Work with the primary board, secondary board and teaching schools to raise standards of provision, curriculum design and quality of teaching and learning in Key Stage 2 and improve outcomes in Key Stage 4.</li> </ul> <p><b>These mitigations do not take account of COVID impacts/measures.</b></p>	A 1
8	<p><b>CAPITAL PROGRAMME</b></p> <p>Against a background of diminishing resources, 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, or changes in these, that the estimated Government Grants, which fund part of the programme, are significantly reduced.</p> <p>There is also a risk that the move from S106 contributions to Community Infrastructure Levy will mean that Council has reduced funding from this source as bids have to be made to Districts and Boroughs. Slippage continues to occur within the programme, which has an impact on the effective use of limited resources.</p>	R 1	<p>The Council maintains a 20-year capital strategy and 10-year capital programme (currently 9 years due to the increased uncertainty and risks to long term local government financing) to provide rigour and support strategic direction. The development and delivery of the capital programme is overseen by a Capital Strategic Asset Board (CSAB), a cross departmental group consisting of officers from each service department, finance, property and procurement. Governance arrangements continue to be reviewed and developed in support of robust programme delivery of the basic need programme. The Schools (and capital maintenance) Sub Board, which in part focuses on future need for schools' places, continues to inform the CSAB of key risks and issues within the Basic Need Programme. Regular scrutiny by the CSAB of programme and project profiles (both in year and across the life of the programme) occurs on a quarterly basis.</p> <p>The CSAB also proactively supports the seeking and management of all sources of capital funding, including: grants; capital receipts; S106; Community Infrastructure Levy (CIL); and, Local Growth Fund monies. A cross department sub board oversees the process for bidding for CIL and the use of S106 funds, and work continues with Districts and Boroughs to maximise the Council's receipt of these limited resources. Additionally, following review, CIL and S106 targets have been reduced.</p> <p>The impact of COVID-19 and EU Exit increases the risk to external funding and of excess inflation being incurred on materials. In addition, the one-year Spending Review (SR) on 25 November 2020 set government department's revenue and capital budgets for 2021/22 only, providing no certainty over future years capital grants. Officers will proactively monitor funding announcements and seek to minimise the impact on delivery of the capital programme, ensuring that there is sufficient liquidity to meet funding requirements.</p> <p>There are a number of risks and uncertainties regarding the capital programme over the current Medium Term Financial Plan period and beyond. As part of the Reconciling Policy, Performance and Resources (RPPR) process at February 2021, an ongoing capital risk provision of £7.5m was approved, providing the flexibility to react to emerging risks. It represents the ability to borrow for these risks, and is managed through ensuring there is Treasury Management capacity, rather than representing funds that are within the Council's accounts. Its utilisation, subject to CSAB approval and adherence to financial regulations, would therefore require additional borrowing and be reported through the RPPR and quarterly monitoring process.</p> <p>CSAB continue to look to manage down the historical levels of programme slippage. Following a review of the programme's annual ambition (against historical deliverability and project risk), in 2021/22 a risk factor has been applied to help mitigate slippage.</p>	A 1

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9	<p><b>WORKFORCE</b> 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>An inability to attract high calibre candidates could lead to limited recruitment choices and therefore lack of the expertise, capacity, leadership and/or innovation required to deliver services and service transformation.</p>	R 1	<p>The 2021/22 Q1 sickness absence figure for the whole authority (excluding schools) is 1.63 days lost per FTE, a decrease of 8.3% since last year. The year-end estimate for 2021/22 is 7.13 days/FTE, so the target of 9.24 days/FTE is predicted to be met.</p> <p>It is positive to note that we have seen a reduction in all absence levels, including mental health related absence. Stress remains the primary driver with Coronavirus as the second highest reason.</p> <p>In response to this, we have continued to enhance our wellbeing offer by:</p> <ul style="list-style-type: none"> <li>• Creating bespoke offers for front line teams most affected by Covid, including managers workshops, awareness sessions and compassionate leadership</li> <li>• Working with our external health providers to offer Long Covid support and signposting</li> <li>• Continue to support employees with topical on-going health awareness campaigns, including men's health and Covid related anxiety</li> </ul> <p>More broadly we have:</p> <ul style="list-style-type: none"> <li>• Enhanced support provided to managers on Return to Work forms to enable effective signposting for conditions such as bereavement, mental health and cancer</li> <li>• Worked with TP Health to run a series of successful interactive workshops on pertinent health topics, including Mental Fitness and Carers Awareness, with all respondents confirming these increased the likelihood for them to look after their own wellbeing</li> <li>• Launched a Menopause awareness campaign with guidance for employees and managers with supporting videos, which has been very well received</li> </ul> <p>Whilst it is too early to assess the full impact of Covid-19, some effects are already being felt. In the context of attraction and recruitment, the move to remote working and the opportunity for this to continue as we consider future new ways of working, has resulted in a much wider geographical pool of applicants being available to the Council. We are already seeing the effects of this with a number of our jobs receiving a high level of interest and significantly more completed applications.</p>	A 1
14	<p><b>Post European Union (EU) Transition</b> The United Kingdom has left the EU with a negotiated outcome. However, there are likely to be areas of disruption, when paperwork checks on imports begin on 1st October 2021 and physical checks on imported goods begin on 1st January 2022.</p> <p>Key areas at risk of disruption are:</p> <ul style="list-style-type: none"> <li>•At Newhaven Port and on the surrounding road network due to new port checks.</li> <li>•In business and economic activity, due to import/export administrative complexities for Small and Medium-sized Enterprises, supply chain disruption, impact of trade tariffs on consumer purchasing power, and workforce supply.</li> <li>•The COVID-19 pandemic response and local outbreak management. E.G. through disrupting international supply chains for Personal Protective Equipment, and</li> <li>•Delivery of Council Services.</li> </ul>	R 1	<p>The risks have reduced until the revised implementation dates for import checks in October 2021 and January 2022. HGV traffic remains lower than usual at Newhaven and ESCC continue to monitor the situation at Newhaven and are ready to react, should disruption look likely.</p> <p>Many of the key areas at risk of disruption are already on the Strategic risk register (COVID-19 response, Local Economic Growth) or departmental risk registers and are subject to business as usual risk and business continuity management.</p> <p>The Trading Standards team are working with Environmental Health colleagues and UK Border Force to smooth the impact of Government border policy on the capacity required to support new border enforcement arrangements at Newhaven Port. Provision of facilities at the port is being arranged and memoranda of understanding drawn up to facilitate effective joint working. Planning will also be informed by the Government Protocol and Border Group, of which the Director of Communities, Economy and Transport is a member. These relationships will continue until the newly revised import check dates and will then be reviewed again.</p> <p>Close working with Sussex Chamber of Commerce to ensure clear advice is provided to Small and Medium Size enterprises engaged in import/export activity. Monitoring impacts on the local economy through Business East Sussex, although this is complex because it is challenging to disentangle COVID and Brexit impacts.</p> <p>The Sussex Resilience Forum has run exercises to support multi-agency emergency planning for the implications of additional border controls.</p> <p>The Chief Executive is a representative for the South East on the Ministry of Housing, Communities and Local Government group of nine regional chief executives, which provides a direct channel of communication into the Ministry, on local and regional issues emerging from the end of the transition period.</p>	G 1

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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>	A 1	<p>The County Council and its partners have been successful in securing significant amounts of growth funding totalling £129m, via both the South East and Coast 2 Capital Local Enterprise Partnerships, to deliver a wide range of infrastructure projects in East Sussex. We have also secured outgoing European Funding (EU) for complementary economic development programmes supporting businesses to grow, including: South East Business Boost (SEBB); Low Carbon across the South East (LoCASE); TRANSFORM Apprenticeships; South East Creative, Cultural &amp; Digital Support Programme (SECCADS); and inward investment services for the county. We have continued to bid for further EU funding on the above projects and have secured over £4m of investments to be delivered from April 2020 for a further 3 years.</p> <p>Government issued a funding call in mid-June through the Getting Building Fund programme for pipeline projects to create jobs and deliver over the next 18 months, with East Sussex securing £11.2m on 8 projects in late July. All 8 projects were approved by SELEP in October/November and we are now confirming their grant agreements, with several commencing delivery.</p> <p>We have been actively working with partners in developing projects and submitting proposals to a number of recent funds, including: the Green Homes Fund (secured a further £1m); Future High Streets (secured £5m); Stronger Towns Fund (Hastings awarded £24.3m and Lewes awaiting outcome); the SELEP COVID-19 Skills and Business Support Fund (secured £500k).</p> <p>The COVID-19 outbreak in early March 2020 is seemingly changing the funding landscape, and alongside the impacts of leaving the European Union, is having an impact on major funding decisions from Government.</p> <p>We officially launched in September 2020 the East Sussex Economy Recovery Plan, called 'East Sussex Reset'. The plan identifies deliverable actions in the short term, alongside more aspirational asks, and has already aligned and secured new monies totalling £105m investment into East Sussex. It has and will continue to be an important bidding document to Government and into the SELEP, with the new SELEP Recovery and Renewal Strategy approved in March 2021. Both documents will look at ways to address the recent Government policy and Budget announcements (3 March 2021), that have a clear focus on the green revolution (net zero carbon reduction); the new £4bn Levelling Up Fund (LUF); and the new one year £220m UK Community Renewal Fund pilot (UKCRF), which is a precursor to the larger UK Shared Prosperity Fund officially launching in 2022. The prospectuses for both were launched in March 2021.</p> <p>As a result, East Sussex County Council (ESCC) is the lead authority responsible for co-ordinating and appraising bids to the UKCRF and provided its submission on the 18 June deadline amounting to 11 x projects of circa £5m. On the LUF, ESCC submitted a transport package for Exceat Bridge of £8m, while four of the local Borough and District Councils (except Hastings) have submitted major capital funding bids under this first round for town centre/regeneration and cultural investment by the 18 June deadline.</p> <p>Outcomes on both programmes are expected in the summer, with ESCC then directly leading on overseeing the implementation of the UKCRF programme; and the LUF Exceat Bridge; whilst contributing to the development of business cases to secure resources towards the four Borough and District bids submitted to LUF.</p>	G 1