

Strategic Risk Register – Q1 2015/16

Ref	Strategic Risks	Risk Control / Response	RAG
1	<p>ROADS</p> <p>Severe winter weather, over recent years, caused significant damage to many of the county's roads including an unprecedented number of potholes. We know that this is likely to lead to a backlog in repairs, an increased number of potholes and an increased number of liability claims causing reputational damage and increasing financial risk to the Council.</p>	<p>The four year capital funding commitment made by Cabinet has been targeted at improvement of the condition of the unclassified (U) network. With the first two years of the 4 year funding period now delivered, improvements in condition have been achieved, in line with modelling. The unclassified network has improved in line with the asset plan, building resilience into the local network whilst maintaining the good condition of Principal and Non-Principal roads achieved through previous programmes of investment.</p> <p>Longer term investment commitment and the implementation of an Asset Managed system of prioritisation for road maintenance ensure that the burden on revenue funding for reactive maintenance is minimised over the long term. The Asset Management plan has been effective in delivering maintenance reducing the length of roads requiring structural maintenance.</p> <p>Highway drainage assets across East Sussex have suffered from significant under investment over many years. As a result we have a dated drainage system that we have very little knowledge about which is costing us more to maintain year on year. Our existing approach to maintaining highway drainage assets is largely reactive. This is very costly and does not address the issue of needing to understand where to invest to halt the deterioration of the drainage asset and other assets that suffer through inadequate management of highway water. To address this, a strategic approach is being developed to implement the principles of asset management and deliver improved drainage performance and long term value in maintenance. The strategy is currently under development and it is anticipated that it will be presented to Lead Member for approval in autumn 2015.</p>	R
2	<p>ORDINARY RESIDENCE</p> <p>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&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>	R

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7	SCHOOLS An increasingly diverse set of education providers could lead to fragmentation and increase the risk of underperformance. This would impact negatively on standards and which in turn will impact on the local economy, the cost of health and social care. There is potential reputational risk to the Council from the underperformance or failure of educational providers, such as academies.	The LA has a duty to champion educational excellence for all children: •Relationships with academies continue to be built and we are working with sponsors, including the Diocese of Chichester, to find appropriate academy solutions for schools. •Academies are included in the Education Improvement Partnerships and alliances. •Academies are all party to data sharing agreements and are sharing targets and progress data with us. •Performance data continues to be analysed for all schools so that the LA maintains an overview of the performance of all pupils in the County. •In the first instance, the LA offers direct support to academies to address any performance concerns that become apparent through close analysis of the data or other intelligence gathering; this includes support from consultant headteachers for secondary academies. •Where academies do not appear to be accessing appropriate support, the LA brings this to the attention of the DfE, who may exercise their intervention powers.	R
4	HEALTH Programme established to transform health and social care in East Sussex and deliver the Better Care Fund plan to improve outcomes for East Sussex residents. Failure to deliver programme will impact on social care, public health and health outcomes and increase social care cost pressures.	Implementation of East Sussex Better Together Programme by ESCC and all East Sussex Clinical Commissioning Groups, with robust governance arrangements reporting to County Council and Health and Wellbeing Board. Programme will include review of needs and available resources, wide engagement with stakeholders and residents and evidence of best practice, to develop a 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. Risks are being reassessed following the outcome of the General Election in May.	A
5	RESOURCE 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.	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. Over the coming year the Government's savings plans and the impact of new legislation, coupled with increased demands arising from demographic changes, could hamper the Council's ability to deliver its statutory duties. A bid for greater devolution has been submitted to the DCLG on behalf of the 3SC area (East and West Sussex and Surrey), which it is hoped will bring greater local control over all public sector funding, but greater autonomy is not without risk and care will need to be taken to ensure that these are fully understood in any subsequent negotiations.	A

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6	<p>LOCAL ECONOMIC GROWTH</p> <p>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>East Sussex has been successful in gaining funding against local projects in Growth Deals Round 1 and a further extended Round 1 totalling £60.28m. Along with additional funding of £11.5m C2C to Newhaven and a pan-LEP Coastal Communities project, led by Hastings BC, gained part-funding of £2m. The 3 x projects in 2015/16 have commenced and are on track with delivery (Queensway Gateway road; Newhaven flood defences; Eastbourne & South Wealden Walking and Cycling packages). Under the SE LEP 2015/16 Skills capital fund of £11m, Sussex Downs College (Lewes) were successful in bidding for £160k to help deliver refurbished science facilities. The new 'Skills Capital Specialist Equipment' fund of £4.3m has just been launched. On EU funds stakeholders have been made aware of the opportunities released to date, relating to ERDF (business support) and EAFRD (rural business support). The main round (to include ESF and further ERDF) are expected to be released end of July 2015. Note that EU Funds do not come under the SE LEP Board but are allocated to the SE LEP area under the European Structural Investment Fund Sub Committee which works to the national Growth Board. Both SE LEP and ESCC have representatives on the Sub Committee, however it is advisory only.</p>	A
8	<p>CAPITAL PROGRAMME</p> <p>Failure to deliver capital programme outcomes on-time and on-budget, impacting on the Council's ability to support local economic growth.</p>	<p>The Council has a five year capital programme in place which reflects Council priorities. This is updated annually and monitored as part of the Reconciling Policy, Performance and Resources (RPPR) process. A further review to strengthen and improve the overall governance arrangement for the effective management and delivery of the programme has taken place to ensure best practice is being followed. In order to implement the recommendations, a senior secondment is being organized.</p> <p>The Bexhill Hastings Link Road is a complex and significant project within the capital programme and there are risks of further increased costs and delivery risks.</p>	A
9	<p>WORKFORCE</p> <p>Under-informed and under-motivated workforce results in adverse impact on service delivery / performance and ability to successfully deliver service transformation / corporate change programme.</p>	<p>Feedback from the employee engagement sessions run in 2013/14 and subsequent manager engagement events has been used to inform the development of a 'People Strategy'. This Strategy sets out a range of initiatives and interventions to that will help achieve the people changes needed over the next 3-5 years, in the context of future savings requirements and business improvements. The emphasis is on supporting and developing our managers and staff to enable them to respond positively to the changing environment.</p> <p>We recognise that the high level of change can impact on staff wellbeing and that there is a risk of stress in this context. A Stress Risk Assessment process has been developed to facilitate employees and their managers in jointly investigating the causes of, and identify solutions to perceived stress. Approaching stress management in this way means that employees can play a major part in clearly identifying the issues involved and how these can be addressed.</p> <p>The Corporate Management Team web-chat provides a quarterly opportunity to engage with a broader cross section of the workforce and respond to staff queries and issues.</p> <p>Alongside this, we continue to engage with Trade Unions on both a formal and informal basis, including discussions about change programmes and the impact on staff motivation and wellbeing.</p>	A

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10	<p>WELFARE REFORM</p> <p>Welfare reform leading to sub-optimal outcomes for East Sussex community. Impact on working age adults with the potential increased demand on services. Direct financial pressure on the County Council along with implications on spending within the wider local economy.</p>	<p>Work with the District and Borough Councils to understand the impact of changes to the Council Tax Benefit scheme for East Sussex. Any potential financial impact is reflected through the Reconciling Policy, Performance and Resources (RPPR) process. We are working in partnership through the Financial Inclusion Partnership and the Targeted Welfare Reform Project which provides information on the changes to partners and the public across East Sussex. This has included universal benefit which has been introduced in Hastings and Rother and will be rolled out across the County. Funding from the Government for the Discretionary East Sussex Support Scheme, which helps people on benefits in crisis, has been secured for 2015/16 following the withdrawal of the Government's proposal to cease funding from April 2015. The money will be used to continue to fund a reduced scheme for two years, which will help to protect those in most need. The Government has said that it will make £12bn savings from welfare during this Parliament, which could increase demands on County Council services. Risks and actions will be reviewed in the light of changes coming out of the CSR.</p>	A
3	<p>CARE ACT</p> <p>Failure to implement the additional duties, demands and other direct implications arising from the Care Act, within reducing resources, whilst continuing to meet current statutory duties. Although the funding reforms due for implementation have been put on hold until 2020 There is still a need to implement and embed new duties relating to eligibility and assessment, financial assessment and deferred payments, commissioning and market management, advice and information and whole family working. There remain risks (at a lower level) in implementing the remaining duties in relation to financial pressures, staffing issues and legal challenge.</p>	<p>Care Act governance arrangements established with CMT oversight and workstreams identified for each aspect of the Act.</p> <p>Close working with ADASS to ensure, where possible, regional implementation solutions can be sought to minimise duplication and variation. Representation on ADASS workstreams and close working with the regional lead are in place.</p> <p>Joint working with East Sussex Clinical Commissioning Groups, to develop the Better Care Fund are established and implementation is on schedule.</p> <p>Current programmes of work are cognisant of Care Act implications, where known, and are being planned and delivered accordingly. For example with the social care information system; review of internet content; care pathway business process redesign; Better Together - health and social care integration programme.</p>	A