

Strategic Risk Register - Q3 2022/23

Ref	Strategic Risks	Pre-mitigation RAG Rating	Risk Control / Response and Post Mitigation RAG score	Post-mitigation RAG Rating
Strat-12	<p>CYBER ATTACK 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, particularly in light of the current Ukrainian situation.</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. Controls have been enhanced to manage these requests.</p> <p>The impacts of a cyber attack are far-reaching and it is difficult to put a figure on the cost, but authorities that have been subject to major attacks have calculated the disruption to have cost between £10m and £12m.</p>	R ↔	<p>Most attacks leverage software flaws and gaps in boundary defences. IT&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&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. Business Continuity Scenario testing is currently being cascaded through Departmental Management Teams.</p> <p>Services hosted in ISO 27001 accredited Orbis Data Centres.</p>	R ↔

<p style="text-align: center;">Strat-5</p>	<p>RECONCILING POLICY, PERFORMANCE & RESOURCES</p> <p>There is ongoing uncertainty in relation to future funding levels, the longer-term local government funding regime and the impact of national reforms, particularly to Adult Social Care. Rising inflation and cost of living are likely to lead to higher demand for Council services and increase the direct cost of providing services. Together these create 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>	<p>R ↔</p>	<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 and national 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. 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.</p> <p>Our plans take account of known risks and pressures, including social, economic, policy and demographic changes and financial risks. The Coronavirus pandemic has had, and will continue to have for a long time, profound impacts on our communities and services. However, we continue to operate in changing and uncertain contexts. Current and forecast economic conditions continue to shape a very challenging financial outlook both for the Council itself and many of the county's residents and businesses. Alongside this we continue to face fresh challenges as a result of the conflict in Ukraine, and national service reforms. We will continue to use the latest information available on these challenges to inform our business planning. We will also continually review our performance targets, priorities, service offers and financial plans, and will update these as required.</p> <p>We lobby, individually and in conjunction with our networks and partners, for a sustainable funding regime for local government in general and for children's social care and adult social care specifically, to meet the needs of the residents of East Sussex.</p>	<p>R ↔</p>
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<p style="text-align: center;">Strat-9</p>	<p>WORKFORCEAn inability to attract and retain the high calibre staff needed in the most competitive job market for 50 years could lead to a reduction in the expertise and capacity required to deliver services to our residents at the required level and standards.</p>	<p>R ↔</p>	<p>In September 2022 Cabinet agreed an investment of £270k across 2022/23 and 2023/24 to put in place a number of strategies to respond to the significant current recruitment and retention challenges. Current work includes: - further work on the development of an employer brand and updated recruitment materials to identify the Council as an employer of choice - on-going attendance at events such as careers fairs and shows to maximise our presence with job seekers - use of apprenticeships, traineeships, intern arrangements and more flexible work arrangements etc as a way of bringing in new talent to the Council- ensuring our workforce policies and approaches support individuals to remain in work, e.g. Wellbeing offer, occupational health and absence management services- completion of the workforce specific actions within the Corporate Equality action plan. - implementation of mental health first aiders in the workplace. We now have a network of over 100 trained individuals New approaches being developed include:- linking in with organisations that support people back into employment to extend our reach into sections of the labour market that are underrepresented or face significant barriers to employment. A new post of 'Pre-Employment Coordinator' has been established to lead on this work and will be recruited to early in the New Year. - launching the refreshed 'financial wellbeing' resource to support our staff, particularly given the rising cost of living pressures - provision of a leadership development programme aimed at LMG3/4 managers, along with the continued delivery of our two leadership development programmes to support our talent management strategies: the 'Ladder to Leadership' programme and 'Head of Service Masterclasses' - forecasting of workforce 'gaps' and future need to enable bespoke approaches to be designed – engagements with departments are currently taking place to ensure a One-Council approach to this area of work.</p>	<p>R ↔</p>
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<p style="text-align: center;">Strat-15</p>	<p>CLIMATE 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>	<p>R ↔</p>	<p>Climate change mitigation: the science-based target is to reduce scope 1 and 2 carbon emissions by 50% every 5 years. The focus is on buildings, as they made up 79% of carbon emissions in 2020/21. Internal oversight of progress is by the corporate Climate Emergency Board.</p> <p>Climate change adaptation: we work with partners on flood risk management plans and deliver a Heat Alert service during the summer months.</p> <p>In Quarter 3:</p> <ol style="list-style-type: none"> 1. Carbon Reduction Target: ESCC achieved a 7% carbon reduction in 2021/22. This was less than the 13% annual target due to increased energy use, as buildings began to resume normal operations alongside Covid-19 ventilation requirements, and colder than usual weather in Spring 2021. 2. 10 solar PV projects: 3 sites have been completed. 4 further orders have been placed. The forecast outturn is for 9 sites to be completed. 3. Delivery of two Decarbonisation of Heat Projects: Ninfield school has been completed. Herstmonceux school will complete in Q4. 4. Delivery of ten LED lighting projects: 9 schemes have been completed. The remaining scheme to be completed in Q4. 5. Climate Awareness Training: 140 staff have had general climate awareness training and a further 3 sessions are available during 2022/23. Two Energy Saving Workshops provided training to 34 school site managers in November 2022. A further workshop for school and corporate building managers was run on 26 January and another is scheduled for 23 February 2023. 6. Electric vehicle (EV) charge points: A paper went to the Chief Management Team (CMT) in January 2023 on EV provision at County Hall and on-street. Further discussions are being held as to the most appropriate procurement route. 7. Progress report to Members: the annual report went to full Council in October 2022. An updated corporate Climate Emergency Plan up to March 2025 has been developed with a working group of the Scrutiny Place Committee. This went to Cabinet in January and will be going to full Council in February 	<p>R ↔</p>
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<p style="text-align: center;">Strat-17</p>	<p>SAFEGUARDING OF CHILDREN AND YOUNG PEOPLE Failure to recruit and retain an effective children’s social care workforce. This leads to poor quality safeguarding practice, failing to prevent harm to children and young people, impacting on the Council’s strategic objective of keeping vulnerable people safe.</p>	<p>R ↔</p>	<p>Recruitment and Retention Strategy in place Streamlined recruitment process with removal of application and replacing with CV and interview as soon as application received Updated social work recruitment videos to be put on recruitment website Market Supplement implemented 2020, and will be reviewed annually. Job re-evaluation for Secure Residential posts Recruitment Manager and Comms officer posts recruited to (start date Sept 2022) High quality and regular managerial support and supervision of practitioners Delivery of high quality workforce development programme Senior management oversight of caseloads, mitigating actions undertaken to address high caseloads Wellbeing strategy-promoted to staff through dept events/SW toolkit/newsletters Updated advertising and recruitment materials Development of career pathways / recruitment pipeline Department Management Training Group tasked with looking at career pathways for hard to recruit posts. Organisational Development to report to the Senior Management Team (SMT) in November</p>	<p>R ↔</p>
<p style="text-align: center;">Strat-19</p>	<p>SCHOOLS AND ISEND For Children with Special Educational Needs. Inability to secure statutory provision.</p>	<p>R ↔</p>	<p>Effective use of forecasting data to pre-empt issues Work with statutory partners to develop contingency plans Work with the market to increase provision where needed Expanding internal interim offer for children</p>	<p>R ↔</p>

<p style="text-align: center;">Strat-1</p>	<p>ROADS Extreme weather events over recent years have 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>Post pandemic and recent events in Ukraine, and the economic impact of these, have had some effects on service delivery during this year, particularly with increased costs, shortages of suitable contractors and materials.</p>	R ↔	<p>While additional funding over the last few years has helped maintain road condition, the latest condition and funding modelling showed the potential for renewed deterioration over the next 10 years, if further investment was not introduced into road maintenance. This reflects the changing climate with more extreme events such as warmer wetter winters, drier summers (drying and shrinking the substructure of roads) punctuated by unseasonal heavy downpours, all now influencing the rate of road deterioration.</p> <p>However, further investment was approved by Cabinet in November 2021 and through the Reconciling Policy, Performance & Resources (RPPR) process in February 2022 to maintain condition at current levels; and to help mitigate these factors over the next 10 years by increasing the capital budget for road maintenance by an additional £3.1m per year. In addition, a one-off investment of £5.8million to be spent on highway maintenance (roads, footways, lines and signs) in 2022/23 was also agreed.</p> <p>The wettest November on record, followed by one of the coldest starts to December and then further heavy rain, have led to a significant increase in the number of potholes appearing on our roads. This will also likely be reflected in a wider deterioration in road surfaces, which may manifest in our Road Condition Indicator (RCI) scores for this year, when survey works are undertaken later in the summer.</p> <p>We closely monitor the national economic situation; evaluate all options for service delivery; manage delays to materials with long lead in times; and allow for increased costs within the new Highways contract.</p>	R ↑
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<p style="text-align: center;">Strat-18</p>	<p>DATA BREACHA breach of security/confidentiality leading to destruction, loss, alteration, unauthorised disclosure of, or access to, personal data. This includes breaches that are the result of both accidental and deliberate causes. A personal data breach is a security incident that has affected the confidentiality, integrity or availability of personal data regardless of whether information has been accessed, altered or disclosed via electronic or manual means.Risks to individuals, reputational damage, fines from the Information Commissioner's Officer (ICO), compensation claims.</p>	<p>R ↔</p>	<p>Policy and guidance procedures in place to support practice.Data Protection Officer (DPO), Caldicott Guardians and Information Governance Officers monitor breach reporting and put in place mechanisms to minimise recurrence. Staff training to develop awareness.Technical security measures operated by Information Technology and Digital (IT&D), including access control.</p>	<p>A ↔</p>
<p style="text-align: center;">Strat-8</p>	<p>CAPITAL PROGRAMME There are a number of risks and uncertainties regarding the capital programme over the current Medium Term Financial Plan period and beyond, which could impact on the ability to deliver the Council's priorities.</p> <p>The volatile national economic situation has increased uncertainties within the construction industry around supply chain issues and high-cost inflation, which are likely to impact project deliverability and affordability. This has been exacerbated by the invasion of Ukraine by Russia and the resultant global sanctions imposed on Russia.</p> <p>Additionally, there is a risk that, due to the complexity of factors and uncertainties impacting them, the level of government grants and other sources of capital programme funding such as developer contributions could be significantly reduced.</p>	<p>R ↔</p>	<p>The Council reviews and updates its 20-year Capital Strategy annually as part of the Reconciling Policy, Performance and Resources (RPPR) process, which sets the framework in which the capital programme is planned, and allows the Council to prioritise investment to support its objectives. The development and delivery of the capital programme is overseen by a Capital Strategic Asset Board (CSAB), which is a cross departmental group, who also hear from Departmental Capital Board/Sub Boards who oversee priority areas.</p> <p>The capital programme includes an element of 'normal' level of inflation for ongoing target-based core programmes (as opposed to programmes that have cash limited envelopes). Additionally, a capital risk provision in the form of additional borrowing flexibility is in place to provide the ability to react to emerging risks such as supply chain issues and inflationary pressures. The level of provision is reviewed and approved on an annual basis as part of the RPPR process and is maintained by the CSAB in adherence to financial regulations.</p> <p>The CSAB have oversight of all sources of capital funding, including grants, capital receipts and developer contributions, to ensure that resources are used effectively and to minimise the need to borrow. Funding announcements are actively monitored, and funding targets reviewed to minimise the impact on delivery of the capital programme, ensuring that there is sufficient liquidity to meet funding requirements.</p>	<p>A ↔</p>

<p style="text-align: center;">Strat-4</p>	<p>HEALTH 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 operational and cost pressures. This would add pressures on the Council's budget and/or risks to other Council objectives, as well as shared system objectives in the context of our Integrated Care System across workforce and patients who are medically ready for discharge (MRD) from hospital or community beds.</p>	R ⇄	<p>Winter plans were agreed and signed off by the Sussex Integrated Care Board with strong involvement and leadership from East Sussex Council (ESCC) Adult Social Care and Health leads, and local East Sussex plans to implement improvements to hospital discharge pathways have been put in place to complement Sussex-wide winter surge plans. Intensive operational planning has also been undertaken over the festive and New Year period to support the NHS during the industrial action taken by Ambulance workers and Nurses during January 2023. Joint planning has also been taking place at pace to ensure the Sussex system and ESCC share of the national £500m Winter Discharge Fund is best deployed in our system, focussing on additional care sector capacity and workforce schemes to support people, who are medically ready to leave hospital into the appropriate onward care setting. System discussions have also started on the potential deployment of the recently announced further £200m nationally to support hospital discharge, as part of alleviating the current challenges being experienced by the urgent and emergency care system.</p> <p>The Sussex Integrated Care Strategy was developed and finalised for endorsement and approval by the East Sussex Health and Wellbeing Board (HWB) and Sussex Health and Care Assembly respectively on 13th and 14th December, with a framework to support collaboration on shared priorities for workforce, digital and implementing integrated care in neighbourhoods and communities. The strategy is built on and aligns with the East Sussex Joint Strategic Needs Analysis and HWB Strategy, and children and young people, loneliness and social isolation (all ages) will also be a focus throughout the strategy as part of a life course approach taking in improving population health, prevention and early intervention.</p>	A ↓
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<p style="text-align: center;">Strat-6</p>	<p>LOCAL ECONOMIC GROWTH 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 style="text-align: center;">A ↔</p>	<p>The 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 & 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 three years. Government issued a funding call in mid-June 2020 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 eight projects in late July. All eight projects were approved by SELEP. Unfortunately, the Fast Track business solutions, Hastings and the Riding Sunbeams powering the railways with solar energy have had to return the monies allocated to SELEP. However, we have been able to secure two further projects allocated to the pipeline and further monies to an existing approved project amounting to £615k, with East Sussex now delivering on circa £6.3m on eight projects. 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 awarded £19.3m); Levelling Up Fund bids (awarded £40m see below); the SELEP COVID-19 Skills and Business Support Fund (secured £500k), the UK Community Renewal Fund pilot programme (secured £2.5m), the Local Skills Improvement Plan (LSIP) for Sussex and the Bus Service Improvement Plan (BSIP) awarded £41.4m. 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. 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 £220m 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</p>	<p style="text-align: center;">G ↔</p>
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documents will look at ways to address the Government's policy and Budget announcements that have a clear focus on the green revolution (net zero carbon reduction); the allocation of the new £4bn Levelling Up Fund (LUF); and the delivery of the new £1.5bn UK Shared Prosperity Fund (UKSPF) programme initially to 2025. On the LUF, the County Council submitted a transport package for Exceat Bridge of £8m, while four of the local Borough and District Councils (except Hastings) submitted in June 2021 major capital funding bids under this first round for town centre/regeneration and cultural investment. Outcomes were announced on 27 October 2021, with the following awarded monies: Exceat Bridge (£8m), Eastbourne (£19.8m) and Lewes (£12.6m) all to be delivered by March 2024. The other Borough and Districts were unsuccessful but have applied under Round 2 in July 2022 with bid outcomes expected to be known in Q3/Q4. Business cases now need to be worked on for the implementation of projects. On the UKSPF this had the pre-launch guidance officially released in February 2022 following the same day launch of the long-awaited Levelling Up White Paper. The UKSPF main prospectus was released mid-April 2022 with the award of allocations known to each Borough and District Authority, who are now the responsible accountable bodies for the delivery of the programme – with investment plans having been submitted to Government by 1 August 2022. The County Council has made the case with regards to pan East Sussex projects, which can continue to deliver against the main themes of the programmes and the Council's priorities. We await the outcome of the bids submitted by each Borough and District Council which is expected to be known in Q3/Q4. In addition, as part of the UKSPF, the Multiply programme was announced in late March 2022 to help adults to improve their numeracy skills up to Level 2. The responsibility for managing this programme from 2022-2025 has been awarded directly to the County Council with up to £2.5m available. We prepared an investment plan working with partners and submitted this by 30 June 2022 to the Department for Education and our plan has been approved for the full allocation. As a result contracts for tenders have been circulated and assessments are being undertaken with award of contracts to be made late Q3.