

Appendix 1 – summary of strategic risks November 2022

RAG rating key

Likelihood and Impact can both score from 1 – 5 (1 is low and 5 is high)

- Red is any strategic risk with a rating of 16-25 high risk (Likelihood x Impact)
- Amber is any strategic risk with a rating of 12-15 significant risk
- Yellow is any strategic risk with a rating of 5-10 medium risk
- Green is any strategic risk with a rating of 1-4 low risk

No.	Risk Title	Risk Cause and Effect	Current Risk Rating	Risk Control/Mitigations	Residual Risk
01	IT infrastructure failure Leadership team owner: Jeff Membery	Major IT failure of infrastructure and systems - leading to complete loss of service and network connectivity in one or more service areas across SCDC. Potential to miss statutory obligations, risk to vulnerable residents; incurring financial penalties, loss of productive time and reputational damage.	8	<ul style="list-style-type: none"> Active intelligent client role with 3CICT to ensure risk management approach is active and industry good practice (current measures include split site data centre, separate networks for systems management and application, ability to reroute network traffic in the event of any failures, alternative power generation, data backup tools, 24/7 hardware support and maintenance, cooling, fire suppression and smoke detection, leak detection and site security). Ensure risks are reported and discussed at Information Governance boards, to Shared Service Boards and are included in the ICT Business plan. 	3
02	Cyber security breach Leadership team owner: Jeff Membery	Risk of having data stolen and held to ransom – potential data breach for residents with sensitive data. Includes medical history and bank details and family history. Implications; legal, financial, reputational.	15	<ul style="list-style-type: none"> Active intelligent client role with 3CICT to ensure risk management approach is active and industry good practice (current measures include secure configuration, network security, managing user privileges, incident management, user education and awareness, malware prevention, monitoring, removable media controls, mobile working). Ensure risks are reported and discussed at Information Governance boards, to Shared Service Boards and are included in the ICT Business plan. 	10

03	Recruitment and retention – technical skills shortages Leadership team owner: Jeff Membery	<p>Difficulties recruiting, vacancies and shortage of skills and capacity in the organisation. Reliance on contractors. Increase in stress and sickness. Impact on delivery of services.</p> <p>Potential failure to meet statutory deadlines. Damage to reputation and potential legal challenge. Increased expenditure associated with reliance on contractors.</p>	16	<ul style="list-style-type: none"> • Use of apprenticeship opportunities to 'Grow our Own'. Launch of Management Apprenticeships scheme, Internal development opportunities for staff including secondments and training inc. funding for professional qualification. • Keep pay, reward, benefits, staff satisfaction levels under review. Review and improve council 'brand' and marketing use of market supplements in place. • Trialing a 4 day week scheme, if successful will attract staff to the Council for better work/life balance. 	12
04	Emergency response and community support (eg flooding, pandemic) Leadership team owner: Jeff Membery	<p>Staff being moved into reactive roles, reducing/prioritising/stopping business as usual output and other projects.</p> <p>Reduced ability to deliver services and priorities.</p> <p>Risk to life, environment, property and business if responses are not timely and adequate.</p>	15	<ul style="list-style-type: none"> • Continued work to develop cross-Council working and partnership collaboration, allowing effective and joined up response and the potential for 'mutual aid'. • Continue our good practice approach to our operational response including clear roles and responsibilities and 24 hour rotas • Training has been developed cross County and involving a multi organisational response to emergency and resilience planning • Working with communities to increase resilience and preparedness for unexpected events. • Further growth and use of community links. 	9
05	Failure to deliver organisational change and new operating model Leadership team owner: Jeff Membery	<p>The Council's operating model, organisational values, capabilities, and structure fail to deliver the Business Plan.</p> <p>Limitations to service delivery, possible financial and legal penalties and reputational damage.</p>	12	<ul style="list-style-type: none"> • Engagement and comms plan for colleagues, members and partners in place. • Transformation Fund set up to resource change Programme. • Transformation projects and Board established to oversee delivery of objectives. • Change in Governance arrangements for Service Reviews involving more of Leadership Team in defining objectives of reviews and being board members. 	6

				<ul style="list-style-type: none"> Increased number of cross service reviews requiring corporate monitoring and governance rather than relying on service only delivery. 	
06	Failure of information governance – data management Leadership team owner: Jeff Membery	<p>Failure to effectively manage information and data handling and retention, use of incorrect information and legal non-compliance. Leading to loss or corruption of data, inability to access or share data across services and with Partners.</p> <p>Limitations to service delivery, possible financial and legal penalties and reputational damage.</p>	6	<ul style="list-style-type: none"> Agreed additional funding for Information Governance team to ensure review of processes to reduce likelihood of failure. Governance changes being introduced so cross council accountability is delivered and efficiencies obtained. Continual development of training and awareness to reduce likelihood of unintentional failures. 	3
07	Lack of clear documented digital strategy Leadership team owner: Jeff Membery	<p>Ad-hoc delivery of digital projects not contributing to the overall objectives of the Council and diverting resource away from delivering most beneficial change.</p> <p>Reduced savings, fewer integrated systems and increased maintenance costs. Less joined up information.</p>	9	<ul style="list-style-type: none"> Commissioned an external organisation (6x3) to complete a document digital strategy to guide future IT procurement and delivery. Include Leadership Team in "signing off" the strategy to ensure corporate buy in. 	3
08	Rolling power cuts Leadership team owner: Jeff Membery	<p>Could lead to disruption of Council network and the unavailability of IT systems.</p> <p>Officers unable to undertake the majority of their functions due to loss of IT.</p>	8	<ul style="list-style-type: none"> Back up power supplies within data centre able to provide residual power if supplies are interrupted. Council anywhere and hybrid working means a dispersed workforce that will mainly be using residential power supplies which are exceptionally unlikely to be impacted. Membership of Local Resilience Forum which receives advanced warning of potential power interruptions allowing the Council to plan around them. 	4

09	Failure to deliver Northstowe community buildings Leadership Team owner: Anne Ainsworth	<p>Risk of project failure to deliver on time and to budget.</p> <p>This could lead to additional costs; reputational damage and/or delays to service and community provision.</p>	15	<ul style="list-style-type: none"> • Senior Responsible Officer structure in place; with leads for each aspect of the programme reporting to the Senior Responsible Officer • In July 2022 the Council agreed to provide additional financial support to deliver the buildings • The Northstowe Delivery Group has been established to support the Council in delivering the buildings and includes representatives from the County Council and Town Council • Programme Management in place to provide clear oversight and continuous review of progress and potential risks 	9
10	Shared service governance is inadequate Leadership Team owner: Anne Ainsworth	<p>A lack of clarity with regards to what Shared Services are expected to deliver; how decisions are taken and failure to learn and apply that learning to improve services</p> <p>Shared Services not effectively governed and delivering against business plans, fail to retain staff and provide resilience, and fail to deliver services for residents.</p>	8	<ul style="list-style-type: none"> • Quarterly performance, finance and risk reviews undertaken by Shared Service Director Board with each Head of Shared Service. • Member Steering Groups in place for the 2C services; and Member Governing Boards for the 3C services. • More regular meetings about any identified service specific issues as they arise, to address problems and review delivery and resources as appropriate. • A review of Shared Services Governance has been undertaken with the aim of reducing duplication; ensuring that reporting focuses on areas of challenge and development; and the strategic development of Shared Services across the Council including alignment of budgetary processes. • Shared Service Agreement signed by all Councils. 	6

11	Failure to effectively manage, control and utilise data and intelligence across the council Leadership Team owner: Anne Ainsworth	Decisions and planning processes based on inadequate/missing information Reduced quality of delivery, reputational damage	9	<ul style="list-style-type: none"> Options for service improvements and partnering being developed; Community of Practice being established; Completion of Data Maturity Self-Assessment to help inform investigations into potential data strategies Training, Protocols & Sharing agreements 	6
12	Failure to deliver programme of work to reduce SCDCs carbon emissions Leadership Team owner: Bode Esan	Failure to reduce our carbon footprint by 45% by 2025 and 75% by 2030 Environmental damage, reputational damage, reduced access to funding, continued exposure to uncertainty linked to climate change (e.g. fuel costs).	12	<ul style="list-style-type: none"> Fleet - decarbonisation programme in place and funded Strategy and action plan delivery - this is monitored by Climate and Environment Advisory Committee (CEAC) and the programme of projects is monitored by the cluster board. Embed the business plan targets for climate change in other departments, not just the cluster. 	9
13	Failure to catch up with producing the Council's overdue statements of accounts including the approval of accounts to obtain unqualified audit opinion. Leadership Team owner: Peter Maddock	Reputational loss and adverse publicity, and inability to present an audited report of the Council's financial position. Increased stress and workload for the Accountancy Service and diversion from other accounting responsibilities such as budget monitoring.	12	<ul style="list-style-type: none"> Plan of actions and timetable prepared for each statement of accounts, including supporting information for auditors whilst monitoring progress regularly to deadlines set. Close liaison with the auditors to ensure all requests are fulfilled on time. Review process of current statement of accounts in order to build efficiency and time saving processes. Additional resources to support and train the team as required in the interim period of catching up. Attendance at CIPFA / external audit final accounts workshops. 	6

14	Economic pressures increase Leadership Team owner: Peter Maddock	<p>Inflation driven recession; borrowing rates increase; reduction in public spending; restrictions on PWLB borrowing</p> <p>Collection rates decrease impacts on SCDC as a growth area. Borrowing rates increase and impact on revenue budgets (significant for 23/24 budget). Public Works Loan Board (PWLB) restrictions prevent Council from implementing investment plans which would have generated commercial income. Changes to funding system and likely reduction in receipts of business rates for district councils. Cost of growth sees demand for services outstrip income from new business rates or Council tax. Economic growth reduces and so tax income to government reduces, impacting on the Local Government Settlement.</p>	20	<ul style="list-style-type: none"> • Medium Term Financial Strategy updated regularly to track potential impact on the Council before the impact actually occurs. • Economic Development Team in place bringing together Business Support and Commercial/Regeneration Investment. • Refresh Investment Strategy. • Programme of Service Reviews to continue. 	15
15	Cost of living crisis affects residents Leadership Team owner: Liz Watts	<p>Increased costs of energy and fuel, housing and food, alongside stagnation / reduction of income (wages, social security benefits such as Universal Credit).</p> <p>Housing, food, bills less affordable and residents (particularly the vulnerable but also those 'just about managing') suffer physically and financially.</p>	9	<ul style="list-style-type: none"> • Promote the existing mechanisms available for resident support (such as income maximisation advice, specialist debt advice, spreading payments, discretionary grants, food banks and vouchers, signposting more advice). • Implement new options agreed by Cabinet in Nov 2022, including discretionary housing payments, changes to Localised Council Tax Support, Discretionary Council Tax discounts, charitable giving, warm hubs, warm packs, community chest grants, improving access to affordable food. 	6

16	Cost of living crisis affects council Leadership Team owner: Liz Watts	Reduction in income / payments from businesses and reduction in income / payments made by residents Increased financial pressure on council and staff	9	<ul style="list-style-type: none"> Promote the support available to businesses and residents; remain open to discussion on payments and remain proactive on financial management of debtors Continue to actively monitor situation at service and Leadership Team level Continue to share best practice across councils and industry to ensure we adapt and respond 	6
17	Organisational culture doesn't reflect organisational direction Leadership Team owner: Liz Watts	Council is unable to reflect appropriate skills, behaviours and attitudes in Managers and Staff. Poor behaviour and poor working practice, ineffective use of resources, reputational damage, failure to deliver, loss of partner engagement, low retention and recruitment, poor Member-Officer, partnership working, and a lack of a joined-up approach.	6	<ul style="list-style-type: none"> Appraisal and performance management processes in place. Significant programme of engagement and communications across the council, including: Awards ceremony and Town Hall sessions, Weekly Vlogs from CEO and Leadership Team, Corporate Management Team (CMT) development/formal meetings and briefings, Insite opportunities to thank colleagues and celebrate excellence. Preparation for the 4 day week pilot includes activities focused on good working practices, behaviours and cross-team working. A range of internal and external training opportunities for all staff funded through central budget, including a Leadership Academy for CMT running during 22/23-23/24. Good recruitment practices, including recent changes to support improved diversity (e.g. blind recruitment). Delivery of Team Charters. 	4

18	Fail to harness synergies from partnership working (with e.g. Cambridgeshire and Peterborough Combined Authority (CPCA), Health sector) Leadership Team owner: Liz Watts	<p>Fail to build projects and programmes of work and improve existing services in line with available data, intelligence, partnership funding and collaboration opportunities.</p> <p>Services not optimised or delivery prioritised as well as possible; funding opportunities not taken; residents failed by partners working in isolation.</p>	12	<ul style="list-style-type: none"> • CPCA Improvement Plan is supported by all CEOs across C&P and SCDC leads on one workstream • SCDC CEO is on the Health & Wellbeing board and leading the housing and skills priority area for delivery of the Health and Wellbeing Strategy in December 2022 • SCDC chairs the C&P Public Service Board which is creating a programme to create a network of officers from all organisations to learn and co-deliver new projects • COO leads on a newly established C&P data sharing working group 	9
19	Failure in partnership working to deliver infrastructure Leadership Team owner: Stephen Kelly	<p>Delivery of key infrastructure across Greater Cambridge is critical to implementation of the Council's Local Plan, and improved transport and infrastructure for the public</p> <p>Delays to delivery of strategic developments. Less opportunity to address climate change through improved connectivity. Lack of utility provision such as water supply and electricity.</p>	12	<ul style="list-style-type: none"> • Close working with partners at Cambridge and Peterborough Combined Authority and Greater Cambridge Partnership. • Close collaboration on consultations emanating from Cambridgeshire and Peterborough Combined Authority (CPCA), Greater Cambridge Partnership (GCP) and Greater Cambridge Shared Planning Service (GCSPS) to ensure project outcomes are aligned. 	6
20	Failure to deliver housing and maintain 5 year housing supply Leadership Team owner: Stephen Kelly	<p>Failure to meet targets in housing and affordable homes delivery, standards and design, or appropriately plan for new housing. Failure to address national changes in housing policies, and miss targets in local plan housing, as allocated in the local plan.</p> <p>Lack of suitable sustainable housing for residents, higher house prices, lack of workforce for businesses, shortage of transport and facilities. If the Council were unable to demonstrate a five-year housing land supply or meet the housing delivery test, the National Planning Policy Framework (NPPF) provides a tilted balance in favour of development</p>	9	<ul style="list-style-type: none"> • Authority Monitoring Report produced annually along with Housing Trajectory prepared in consultation with housing developers, to ensure an effective understanding of delivery. • Measures to support delivery through the planning application process, with Planning Performance Agreements put in place for strategic developments with established programmes and secured monies for staff. • Measures to address the delivery of infrastructure needed to support growth, such as the transport infrastructure programme of the Greater Cambridge Partnership. 	6

		applications.			
21	Ability to deliver new local plan given limiting factors around water and other utilities Leadership Team owner: Stephen Kelly	<p>Delivery of key infrastructure across Greater Cambridge is critical to implementation of the Council's Local Plan, and improved transport and infrastructure for the public.</p> <p>Delays to delivery of strategic developments. Less opportunity to address climate change through improved connectivity. Lack of utility provision such as water supply and electricity.</p>	12	<ul style="list-style-type: none"> • Effective input into infrastructure planning through engagement with statutory providers, or bodies like the Greater Cambridge Partnership. • Review of processes and systems to ensure most effective way is introduced. • Programme management resource to be recruited, along with use of Uniform/PM3. 	6
22	Compliance risk - council housing Leadership Team owner: Peter Campbell	<p>Reputational risk. Potential legal action against council. Risk to life</p> <p>Intervention by Regulator for Social Housing. At extreme corporate manslaughter.</p>	16	<ul style="list-style-type: none"> • Policies and procedures in place to ensure Assessments are carried out within timescales • Regular audits to ensure compliance with current regulations. and continuity checks with contractors records. • Specialist staff to ensure up to date knowledge of regulations are in post 	8
23	Ermine Street (£100m investment) fails to deliver return Leadership Team owner: Peter Campbell	<p>There are a range of factors than impact on Ermine Street Housing (ESH) (included in the Housing Risk Register; including changes in legislation, house price deflation, insufficient expenditure on assets, tenants' ability to pay, rent caps, interest rate rises) that may impact on the future profitability on ESH.</p> <p>Lower than anticipated returns on investment</p>	16	<ul style="list-style-type: none"> • Interest Rates Rise - Strong financial management. • House Price Deflation - House prices are more resilient in the Cambridgeshire Area. Business Model is less dependent on property values, rental income is more important. • Property Condition - properties are generally new and in good condition. ESH will complete a stock condition survey to allow a long term investment plan together with an acquisition and disposal strategy. 	8

24	<p>New Mears contract fails to deliver service</p> <p>Leadership Team owner: Peter Campbell</p>	<p>Repairs not being completed on time and/or poor quality. Dependence on one contractor</p> <p>Dissatisfaction from tenants and reduction in satisfaction levels potential action by regulator and risk of disrepair claims.</p>	16	<ul style="list-style-type: none"> • Robust monitoring of performance to be put in place. Expectations and performance measures made clear at the outset of the new contract. • Monitoring of contract to include tenant representatives, which will feed into the Housing Performance Panel and Housing Engagement Board. • Robust procurement process including financial check on company. 	8
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