

# Appendix B

Ref Number	Risk Name	Lead Risk Owner	Causes	Impact and Consequences	Mitigation	Likelihood	Impact	Overall Risk
			(What is causing this risk)	(What might happen if the risk is not addressed)	(What measures are in place already to manage this risk)			
1	CORP001 - Reduction in government funding to deliver Council services and local priorities	Deputy Chief Executive (Corporate Development)	The way that local government is funded is undergoing radical change, with the continued demise of direct government grant being replaced by incentives to grow the local economy and to secure benefits through increased business rate activity.	There is a lower certainty in regard to future finances and the continued need to reduce costs and explore income generating opportunities to maintain funding for service delivery. This continued changing climate presents challenges in agreeing the Council budget to deliver Council services and local priorities.	The S151 Officer closely follows all policy and practice changes being implemented by the Government and responds to relevant consultations. In-year budgets are closely monitored on a regular basis and inclusive budget challenge and budget building events are held throughout the year.	3	4	High (12)
2	CORP001(a) - Budget	Deputy Chief Executive (Corporate Development)	Reduction of government funding; Reduction in income; Capital expenditure; Impact of Internal Drainage Board (IDB) levy; Inflation; Fuel shortages; Ukraine conflict	Lack of money and lack of certainty going forward; Failure to balance budget in future years	Medium Term Financial Strategy; Budgetary process; Sound level of reserves; Continued close monitoring	3	5	High (15)
3	CORP001(b) – Economic Growth	Assistant Director (Growth)	Risk to local businesses, lack of growth, lack of inward investment and tourism; opportunity to encourage growth and stimulate the local economy; good community relations	Struggling/failing local businesses; Stagnating local economy; Lack of inward investment; Low skills and aspirations; Low visitor numbers; Future sustainability of the Town Centre - retail, evening economy, housing, heritage, culture, leisure, events, car parking; Community perceptions.	Town Deal and Levelling Up projects; Emergency Planning Team represented on County Wide LRF Group looking at issues of winter pressures / cost of living and industrial action.	3	3	Medium (9)
4	CORP002 - Uncertainty of future Lincshire flood defence scheme	Assistant Director – Planning and Strategic Infrastructure	The potential for coastal flooding (sea inundation) remains a real threat along the coast, limiting development (growth) opportunities. Recent changes in government policy in regard to partnership funding for flood defence schemes has left future prospects for the Lincshire flood defence scheme uncertain.	Without an agreed long term solution there is a concern that there may be a more significant flood incident in the future that would impact on the Council's ability to respond; and the level of risk may impact on the long term economic health of the district and the safety of communities.	The Council is an active member of the Lincolnshire Resilience Forum and Lincolnshire Flood and Drainage Management Strategy Board. The Council will continue to work with partners, local MPs and the government to identify a solution to the future funding needs of the Lincshire scheme. The Council is also undertaking a number of activities including its Strategic Flood Risk Assessment to support and inform the Local Plan moving forward. Equally, the Council is part of a number of groups, including a collaborative approach with the Environment Agency, to seek to identify the challenges and opportunities for the coast in the future.	2	5	Medium (10)

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5	CORP003 – Business continuity and recovery in the event of a major incident or event	Assistant Director – Regulatory	<p>The Council has a central role to play in the response to a major incident or event in the community and the subsequent recovery phase. The risk of flooding, both coastal and inland is increasingly recognised as one of the most significant and 'likely' events that the Council will need to help with recovery. There are also internal incident and events which could impact on the Council's operations directly (e.g. cyber-attack, IT infrastructure failure, building fire).</p>	<p>In the immediate response phase to an emergency in the District, the "Blue Light" services will take the lead with the Council taking the lead role in the subsequent recovery phase</p> <p>There could be significant impact on service delivery and potentially Council finances.</p>	<p>The establishment of the S&amp;ELCP has increased the resilience and capability of the 3 partner councils. Resources can be more easily shared across the sub-regions and procedures and policies are being joined up to make our response to and recovery from an incident more efficient and effective.</p> <p>Staff across the S&amp;ELCP are regularly trained at both Silver and Gold command in order to take a full part in a Lincolnshire-wide emergency response and support our partners in the sub region. All three councils are members of the Lincolnshire Resilience Forum, enabling access to expertise held by LCC whilst retaining staff, resources and expertise in each sovereign council within an EP&amp;BC structure across the Partnership.</p> <p>Senior staff within the Councils are involved in training exercises delivered by the Local Resilience Forum (LRF). Regular 'live' training exercises are coordinated at County level to maximise preparedness in each council and across the sub region.</p> <p>Each authority has an Emergency Plan &amp; Business Continuity Plan in place in order that service delivery can be prioritised and maintained at such times. A joint emergency and business continuity plan was approved in 2021 for ELDC and BBC to improve resilience and capability with plans for a more joined up approach across the sub region with the advent of the S&amp;ELCP. Public Sector Partnership Services (PSPS) and Magna Vitae have Business Continuity Plans in place. Work begins in 2023 to update and align all BC plans across the Partnership</p>	3	5	High (15)
6	CORP004 - Failure to comply with Health and Safety requirements	Assistant Director – Regulatory	<p>The Council has a clear responsibility to both staff and recipients of services under Health and Safety legislation and needs to effectively manage its responsibilities.</p>	<p>There can be consequences to the organisation's finances and reputation relating to non-compliance of health and safety requirements. There is also the risk of harm to individuals.</p> <p>Covid19 – is classified as a workplace hazard.</p> <p>If staff were not protected as much as possible from transmitting the virus there could have been a serious impact on staff health, and real risk that essential services could not be delivered.</p>	<p>The establishment of the S&amp;ELCP has increased the resilience and capability of the 3 partner councils. Resources can be more easily shared across the sub-region and procedures and policies are being joined up to provide a more efficient and effective approach towards H&amp;S compliance.</p> <p>The partner Councils receive specialist Health and Safety advice from Public Sector Partnership Services who support the Partnership Health and Safety Governance Group (chaired by the Assistant Director – Regulatory) and the Staff Health and Safety Forum. Both operate under agreed terms of reference and feed into the LT – Governance. LT Governance receive minutes and recommendations for approval from the Governance Group and the staff Forum. Policies and procedures are agreed at the Governance Group and referred to LT Governance for information.</p> <p>Health and Safety is included within Internal Audit's annual audit plan. The audit undertaken in 2021 demonstrated a substantial level of assurance.</p> <p>PSPS/Service Managers complete a risk-based programme of Health and Safety audits which forms part of the annual SLA between PSPS and each council. An e-learning risk-based plan has been rolled out across the organisation; this complements the existing service specific health and safety training undertaken by staff.</p>	2	3	Medium (6)

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7	CORP006 – Local Plan not delivering economic growth & prosperity	Assistant Director – Planning and Strategic Infrastructure	<p>The Local Plan sets the framework for economic growth in the district 2011-2036. The strategy restricts growth on the coast around towns such as Skegness and Mablethorpe and makes limited allocations of employment land across East Lindsey.</p> <p>This gives rise to a real risk that economic growth and prosperity will be contained if existing commitments are not delivered in the right place, in the right quantum at the right time.</p>	Local people will not have access to the home and jobs they need. Prosperity will be reduced.	The Local Plan is monitored regularly with an Annual Report produced, in addition, measures such as the 5-Year Housing Land Supply and Housing Delivery Test are good indicators as to the delivery of the Local Plan. Decisions are taken against the plan, however, they do not preclude other developments from coming forward as appropriate for consideration. Appeal decisions also inform our understanding of Plan performance. There is a statutory requirement for a 5-year review of the Local Plan (after 2024). There is presently no indication that the plan is not performing as required (even when giving regard to Covid and Brexit effects), and it is considered that the plan is sufficient to support the growth and prosperity of the district.	3	3	Medium (9)
8	CORP007 - Failure to deliver safeguarding children, young people and vulnerable adults responsibilities	Assistant Director – Wellbeing and Community Leadership	<p>The Council has statutory duties in relation to safeguarding. Section 11 of the Children Act requires a regular audit to assess our capacity to respond appropriately and identify improvements needed.</p> <p>The Council also has statutory duties to safeguard individuals and communities in relation to the Care Act 2014, the Mental Capacity Act 2005, Modern Slavery Act 2015 and in relation to Prevent.</p>	In relation to non-compliance there are potentially significant reputational risks to the Council	<p>Lead Officer and Deputies identified, with the Portfolio Holder for Communities overseeing this area. The Safeguarding Policy and Procedures have been reviewed. The lead officer liaises regularly with other District Councils and external agencies. Team leaders identify relevant actions and staff training in their service plans. Human Resources supports safer recruitment (including DBS checks) and training for officers, volunteers and councillors. An incident reporting mechanism is in place to monitor the Council's responses.</p> <p>Wellbeing Lincs Service has provided a countywide response and support service for vulnerable and clinically vulnerable residents. Safeguarding was a key focus of a report to LCC during the Covid response. The District Councils and County Council continue to meet to collaborate and discuss matters around safeguarding policy and procedures.</p>	2	4	Medium (8)
9	CORP008 - Failure to comply with Information Governance and Management requirements	Assistant Director – Governance	Increased understanding of the public's right to information means that we have to be fully aware of our legal duties. The increase in data also means we have to be able to manage information more effectively, including reducing the amount of unnecessary data held.	Data protection breaches which can result in significant fines from the Information Commissioner's Office.	All employees receive annual online training in data protection. Arrangements are in place to ensure that the organisation is compliant with the new General Data Protection Regulation (GDPR) requirement, including lead staff attending training. PSPS also have a lead officer overseeing compliance. An experienced Data Protection Officer is in place who monitors training, compliance and development of policy; also, full assessment of any breaches, providing recommendations for continual improvement. There is now additional resilience with two qualified DPOs in place across the Partnership which allows for cover.	2	4	Medium (8)

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10	CORP009 – Attainment of revenue through Treasury Management policies and commercially driven capital expenditure	Assistant Director – Finance	At any time the Council has significant sums of money lodged with financial institutions to cover both day to day costs and long term investments. It is important that policies are clear and unambiguous in relation to the placing and management of such investments to safeguard public money. Uncertain national and international economic conditions may affect the rating of financial institutions and hence their perceived integrity as a safe haven for public money can be affected. Commercial property performance may vary through differing market conditions and valuations changes are likely.	Investment presents both positive (opportunity) and negative risks the latter of which is a loss of finance to support Council services and loss of finance which is being held on behalf of other organisations.	A long term strategy is in place, supported by strong internal awareness and governance and external professional advice. The Council's Investment Policy and Strategy are kept under constant review with regular updates to Management Team, Portfolio Holder and Executive Board. Audit and Governance Committee receives regular updates and the annual report is presented to Full Council. Members are encouraged to be fully appreciative of changes and risks through training and seminars.	2	4	Medium (8)
11	CORP010 – Resilience and quality of service delivery arrangements with third parties	Assistant Director – Communities and Leisure	This risk relates to the potential for the failure of potential for the failure of a major supplier of Council services or partners with whom the Council co-delivers/enables provision of services and operations	In the event of a failure, either in resilience or quality, there are likely to be a mix of financial, service delivery and reputational impacts to the Council.	Assessment of business plans for key partnerships. Regular performance reports and monitoring meetings with third parties. Some key partnerships based on open book approach to financial monitoring. A new 10 year contract with PSPS is now in place, providing increased certainty for staff. Regular meetings between ELDC and Magna Vitae.	3	3	Medium (9)
13	CORP012 – Technology Infrastructure failure	Head of ICT & Digital (PSPS)	The loss of ICT impacting upon the organisation to operate effectively and deliver services to residents.	The Council relies heavily on the ICT infrastructure for normal business operation. Depending on the service lost, the impact could be severe	The Council has a series of resilience arrangements in place through its service provider, PSPS. Work is continuous to ensure these are fit for purpose across a range of areas. In recognition of the outage of the Internet connection in September, PSPS considered an elevated risk score, however an outage does not mean the likelihood of reoccurrence is any greater, therefore whilst it may have been elevated at that given time, the overall rating remains the same for the period of this risk register. In relation to this a Major Incident review has been conducted. This review considers resiliency options that may be used to lower the risk scoring in the future.	2	5	High (10)
14	Cyber Incident	Head of ICT & Digital (PSPS)	The risk of the council's ICT infrastructure being severely impact as the result of a cyber incident, both in terms of downtime of systems and loss of data/information.	The threat landscape across the UK is continuously increasing and appears on the national risk assessment. The Council need to constantly adapt in its security mitigation and training to ensure they are both prepared from a technical and from a people aspect	Defence in depth in the form of firewalls, Mimecast and antivirus is deployed both at the perimeter and the internal Local Area Network. The ICT team play an active part in the East Midlands WARP (Warning, Advice and Reporting Point) which allow us to have early sight of issues being experienced across neighbouring Authorities and Agencies. ICT is also a member of the CISP formed by the National Cyber Security Centre, this allows us early awareness from the central agency responsible for cyber threats across the UK as well as allowing them to monitor our environment to a degree. These mitigations afford ICT awareness of emerging threats.	3	5	High (15)
15	Capital Programme	AD: Programme Delivery	Escalating costs; Onsite Issues; Grant funding withdrawal; Non-compliance of grant funding obligations; Insufficient Pre-project planning and specs (Brief-Creep); Partners withdrawal	Failure to deliver Major capital schemes within the capital programme resulting in Reputational Damage; Financial impact; Failure to deliver council objectives; Reduced ability to secure future funding; Failure to deliver externally funded capital schemes	Robust programme and project management Regular and structured reporting mechanisms Robust and effective governance (financial and project) Effective working with partners and 3rd Party delivery Risk transferrance and mitigation Requesting extra funding prior to project commencement where required	2	3	Medium (6)

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17	General Fund Assets	Assistant Director: Assets	This risk identifies the need for the council to adhere to all prevailing statutory codes as they relate to council assets and functions	Failure to meet statutory requirements in regard to general fund assets	<p>The asset team have compiled a working list of assets that either have compliance contracts in place or we have local contractors with the jobs in hand. A spreadsheet has been created and a considerable amount of time has been spent updating it ready so we can add to the new database of Technology Forge.</p> <p>The restructure has taken place so we now have the SOPM (Strategic &amp; Operational Property Manager) for budget management, meetings job criteria and Strategic Property acquisitions and sales. This role encompasses the day to day running of the asset team. The Estates Officer for lease arrangements, new tenants, site management and all tenant referrals including day to day issues. Repairs officer - For day to day repairs and allocation of work required in conjunction with liaison via the Estates Officer and SOPM. The Project Manager role is also now defined and runs all medium and major projects for the team. The BSO (Business Support Officer) is a new temporary role which monitors jobs coming in and is also a hands-on role that ultimately saves the Council budget money by undertaking jobs ourselves.</p> <p>The SOPM would be the Senior Responsible Person for the Assets and Compliance routines. Training takes place on a required basis. Asbestos training being the last training of significance that was undertaken by the team</p>	1	4	Low (4)
18	Economic hardship	Assistant Director – Wellbeing and Community Leadership	Increase in wholesale energy costs; Supply chain issues; Continuing impact of Covid-19; High rents and low wages; Housing supply, affordable housing and standards issues; Inflation; Fuel shortages; Ukraine conflict	Economic hardship; Fuel poverty; Poor housing; Homelessness; Isolation and lack of opportunities	Taking action to improve housing standards; Working with local landlords; Support to local people on budgeting, training and jobs; Political pressure on the government to address fuel bills nationally. Homes for Ukraine Host Property Inspections to ensure decent standard and properties not overcrowded.	4	3	High (12)
19	Implementation of the Environment Act	Assistant Director – Neighbourhoods	This new legislation will have an impact on the way that waste services are delivered, and will require operational changes and potential changes to depot requirements. Changing service delivery will require financial support, and at this stage it is unclear whether additional budget will be made available centrally.	Inability to meet the requirements of the Environment Act in terms of additional food waste vehicles and storage for containers. Potential impact on health and safety and wellbeing of staff.	Officers are closely following all policy and practice changes being implemented by the Government and have responded to relevant consultations. This is also being monitored through the countywide Strategic Officer Working Group. Officers are meeting Defra on a regular basis and taking part in research where relevant.	3	5	High (15)
20	Introduction of Extended Producer Responsibility	Assistant Director – Neighbourhoods	The way that local government waste services is funded is undergoing radical change, with the requirements of the Environment Act for pEPR, where local authorities will be funded by the producers of packaging for the cost of the collection, recycling and disposal of packaging waste.	It is unknown at this stage what the financial impact is, until Defra announce local authority payments at the end of 2023.	Officers are closely following all policy and practice changes being implemented by the Government and have responded to relevant consultations. This is also being monitored through the countywide Strategic Officer Working Group. Officers are meeting Defra on a regular basis and taking part in research where relevant.	3	3	Medium (9)

Risk Scoring Matrix						
Impact	Critical	5	10	15	20	25
	High	4	8	12	16	20
	Medium	3	6	9	12	15
	Low	2	4	6	6	10
	Minimal	1	2	3	4	5
		Rare	Unlikely	Possible	Likely	Almost certain
Likelihood						

Final Risk scoring

Colour

Minimal Risk



Low Risk



Medium Risk



High Risk



Critical Risk



For reference, the category definitions are set out below:

Impact score	1	2	3	4	5
Title	Minimal	Low	Medium	High	Critical
<i>Political risk</i>	Residents unaware of authority's actions	Residents' access to oppose actions limited	Residents' access to oppose actions process blocked	Authority fails to effectively scrutinise its actions	No scrutiny of actions takes place
<i>Reputation risk</i>	Increased complaints for less than one week	Increased complaints for more than one week	Negative local press coverage for one day, increased complaints for more than one week	Negative national press coverage for one day, ongoing negative local coverage	Negative national press coverage over several days. Public criticism from MP, LGA, County Council or national service body
<i>Financial risk</i>	Up to 1% of project budget	Up to 5% of project budget	Up to 10% of project budget	Up to 15% of project budget	Over 15% of project budget
<i>Legal risk</i>	Delays due to legal clarifications being sought (<1 month)	Delays due to legal clarifications being sought (1-6 months)	Delays due to legal clarifications being sought (>6 months)	Project operations potentially subject to legal challenge, project on hold until resolved	Project operations potentially in breach of legislation, project terminated
<i>Disruption risk</i>	Individual members of staff having work disrupted	Multiple members of staff unable to work	Total service outage for one day or less	Total service outage for several days	Total service outage for more than a week
<i>Environmental risk</i>	Immediately remedied damage in an isolated area	Easily remedied damage in an isolated area	Short term damage in an isolated area requiring partners assistance	Damage requiring special budget provision to rectify	Major or widespread damage requiring central government assistance
<i>Contractual risk</i>	Negative impact on key partner relationship	Minor contract renegotiation required	Major contract renegotiation required	Project aims or goal significantly altered or sanction clauses invoked	Project failure and/or termination of contract

For reference, the category definitions are set out below:

Impact score	1	2	3	4	5
<i>Asset &amp; Infrastructure risk</i>	Individual pieces of equipment damaged or needing replacement	Isolated network issues, multiple pieces of equipment needing replacement	Widespread network issues, vehicle damaged	Council properties inaccessible, vehicle need replacing	Council properties damaged, multiple vehicles need replacing, key infrastructure outage
<i>Health and Safety risk</i>	People engaging in hazardous activities without awareness	Individual receives minor injuries	Multiple people receive minor injuries	Individual serious injury	Multiple people seriously injured, individual loss of life

Likelihood score	1	2	3	4	5
<i>Definition</i>	Rare	Unlikely	Possible	Likely	Almost certain
<i>Description</i>	The likelihood of the risk has been minimised to a negligible possibility	The risk is technically possible but an occurrence is not foreseeable in the medium-long term	The risk is a real possibility but the likelihood of an occurrence in the short-medium term is small	The risk is probably going to occur at some point in the medium term-- , possibly sooner	The risk is probably going to occur imminently
<i>Timeframe</i>	Will occur at some point in next 50 years	Will occur at some point in the next 25 years	Will occur at some point in the next 10 years	Will occur at some point in the next 5 years	Will occur at some point in the next year
<i>Probability</i>	10% or less	Between 10-30%	Between 30-50%	Between 50-85%	85% or more

**Risk appetite**

**Minimal:** Avoidance of risk and uncertainty; minimal exposure to risk preferred; consequently likely to be low pot corresponding risk score = low

**Cautious:** Preference for safe options with low to medium risk; consequently reduced potential for reward / achie corresponding risk score = low to medium

**Creative and aware:** Willing to consider all potential options and choose the one most likely to achieve the objec balanced approach recognising that things may go wrong but we will learn from them; corresponding risk score =

**Seek:** Eager to be innovative and to choose options offering potentially higher rewards, despite greater inherent r willing to tolerate uncertainty and accept possibility of significant loss; corresponding risk score = high