




ARUN DISTRICT COUNCIL – STRATEGIC RISK REGISTER 2019/20

ARUN DISTRICT COUNCIL – Risk Profile

Likelihood	4 Certain			16	1, 6a, 18
	3 Probable		6b	3, 8	13
	2 Possible		10	2, 4, 5, 9, 11	12
	1 Unlikely			15	17
Impact		1 Insignificant	2 Marginal	3 Significant	4 Severe

The overall risk rating score is Likelihood x Impact

The matrix has 3 filters – red, amber and green:-

	Red risks are those which cause the Council or service greatest concern, are in need of closer attention and may require more frequent scrutiny, review and reporting
	Amber risks are those that should be reviewed periodically to determine if practical steps can be taken to reduce the scoring to 'green' and the control measures in operation regularly reviewed
	Green risks are likely to require no further action but should still be subject to review


Risk No.	Risk Scenario Title
1	Finance
2	Change Management and Service Transformation
3	Regeneration and Economic Development
4	Contracts Management
5	Member Decision Making
6a	Homelessness
6b	Affordable Housing Development
8	Partnerships
9	Information and Data Security
10	Community Engagement and Customer Insight
11	Coastal Protection and Land Drainage
12	Corporate Business Continuity
13	Cybersecurity
15	Local Authority Trading Companies
16	Corporate Stock Compliance Issues
17	Elections
18	Brexit Implications
Removed from Strategic Risk Register at 2019 review	
7	Local Plan (<i>adopted in 2018, but may be subject to review in the future</i>)
14	New Littlehampton Leisure Centre (<i>opened in 2019</i>)

Reviewed at Audit & Governance Committee meeting 21 November 2019 (once the Council has agreed its revised strategic targets the document will be subject to a further review and additional risks may be added)



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No	Rating	Vulnerability	Trigger	Consequence	Current Controls / Mitigating Actions
1	16 ↔	<ul style="list-style-type: none"> • Uncertainty around outcome on business rates changes and New Homes Bonus • Uncertainty over future central government funding • CIL funding changes • Reduction in government grants going forward • Impact of changes in immigration rates • Impact of squeeze on HRA rents • Uncertainty around outcome of welfare reform • '2020 Vision' work fails to achieve required level of savings • Leaving the European Union – increased uncertainty over the economy • Possible multiple future borrowing requirements for General Fund and HRA • Significant external funding required to progress regeneration proposals • Insufficient funding for capital projects / corporate building maintenance • New aims of Council may not be affordable • Significant increased pay claim for 2020/21-on following completion of existing 2-year agreement • Reduction in grant funding from WSCC 	<p>Finance</p> <p>The council faces a great deal of financial uncertainty which could result in budget deficits, loss of HRA & General Fund balance etc.</p> <p>Deficit worsens and balances reach minimum level in a shorter period of time</p> <p>Although Article 50 has been triggered, options and timescales for the progress of Brexit remain uncertain</p>	<ul style="list-style-type: none"> • Financial insecurity and possible extra local funding to be found • Possible pressure to further outsource service areas • The council may fail to realise capital investment and/or income generation opportunities • Additional savings to be made in future years • National and institutional investment uncertainty – UK credit ratings reduced • Ongoing low interest rates, reducing treasury investment returns • Loss of EU grant funding (regeneration impact) • Further pressure on demand-led services e.g. benefits, homelessness, etc. • Possible negative impact on housebuilding, etc. • Interest and capital repayments to be made on borrowing • Ability to maintain minimum reserve level will be threatened • Major regeneration projects cannot be progressed • Corporate buildings are not adequately maintained • Council aims / Priorities cannot be achieved 	<ul style="list-style-type: none"> • ADC initially accepted the 10% loss in Council Tax Support funding. New scheme implemented for 2017-on and revised for 2019-on • Good culture of financial management previously = strong position going forward • Medium Term Financial Strategy (MTFS) regularly reviewed and reported to Cabinet • Capital Strategy 2019/20-2021/22 adopted and to be reviewed annually • CIPFA progressing new Financial Management Code (FMC) covering Local Authorities • Strong asset management • Appetite to invest capital strategically • Treasury strategy / good investment performance – monitoring of available investment opportunities • Innovative schemes being considered to generate future revenue e.g. Property Investment Fund • Updated HRA Business Plan produced and monitored • HRA rent uplift will recommence in 2020/21 • Monitoring of possible changes to Government policy, legislation, etc. • Other more innovative investment schemes being considered, but higher risk to obtain rewards • WSCC engaged with the Council to progress the Arun Growth Deal – more weight to requests to the LEP for funding • Participation in external bodies (e.g. Greater Brighton Economic Board) to lever external funding

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2	6 	<ul style="list-style-type: none"> • Ineffective prioritisation in a smaller organisation • Residual '2020 Vision' work and management / operational restructures stretching resources and possibly leading to conflicting outcomes • Additional overhead from changed aims / Priorities of new (post-5/19) Council • Limited specialist project management staff for future major developments • Outcome of future re-tendering exercises could lead to major change projects affecting core systems / processes • Uncertainty surrounding Government's 'devolution' agenda • Finite budget will restrict what can be achieved 	<p>Change Management and Service Transformation</p> <p>The council may not have the resource capacity (numbers, knowledge, expertise); and staff and members may have inherent resistance to change which will make it difficult to deliver the strategic outcomes</p>	<ul style="list-style-type: none"> • Knowledge gaps are not filled (loss of experienced managers / staff) • If capable staff are not developed internally and given opportunities they are more likely to leave – long term recruitment and retention issues • Lower morale and motivation (may increase in areas of potential change / outsourcing) • Possible increase in sickness absence, stress claims etc. • Potential governance issues in unfamiliar roles • Loss of strategic vision as operational duties (the day job) takes over • Political and management change harder to implement and embed • There may be lost opportunities for sharing services and work • Reliability of service delivery • Customer dissatisfaction / loss of trust or confidence within community • Potential reputational issues • More financial pressure on services • Projects / new initiatives fail to deliver desired outcomes • Limited budget for capital projects 	<ul style="list-style-type: none"> • The Arun Improvement Programme (AIP) reviews all major ICT and business change requests to ensure we invest in the right projects (board consists of officers and Members) • ICT Service Strategy 2019-2023 progressed in 2018 which will provide direction in terms of future capability • Separate draft Digital Strategy & Blueprint developed • Customer Access Strategy being reviewed and updated • Report on future strategic targets / Priorities being prepared by CEO for Full Council • Training and development plans considered in annual performance review • Senior Management Development Programme and New Manager programmes to be progressed • Short vs Long term sickness absence reported to Cabinet and specific consideration of workplace stress issues progressing • Capital project plan agreed by Cabinet to allow for initial work load prioritisation • Outstanding 'review of service' programme areas to be completed – aim being better service, at reduced cost • Council will continue to investigate partnering opportunities with other Councils • Elements of shared services with other public bodies are working well • Council open to looking at more shared services and partnerships in future
3	9	<ul style="list-style-type: none"> • Lack of visible progress with 	<p>Regeneration and</p>	<ul style="list-style-type: none"> • Developers and investors could 	<ul style="list-style-type: none"> • Options for Regis Centre and Hothampton


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		<p>Bognor Regis developments which are now being reconsidered by new Council</p> <ul style="list-style-type: none"> • Failure to resource and implement the action plan to deliver the long-term regeneration strategies (for Bognor Regis and generally throughout ADC) • Lack of funding to deliver major regeneration projects • Decisions not made swiftly enough – political will? Change of direction / vision of new (post-5/19) Council – strategic regeneration vision yet to be agreed • Lack of public / partner acceptance of, and buy-in to strategies • Legal challenges increase • Multiple major projects running simultaneously – resource stretched • Impact of growth of Butlins and Chichester University influencing local market conditions • Other Council borrowing priorities • Uncertainty surrounding major Government schemes impacting the area e.g. Arundel by-pass, Chichester by-pass 	<p>Economic Development</p> <p>The plans to develop Bognor Regis and Littlehampton are vulnerable to challenge and delays. The council may also be unable to agree a wider mid-long term strategy for economic development and regeneration across the district</p>	<p>be deterred</p> <ul style="list-style-type: none"> • Possible legal issues from developer plans submitted in advance of Council consideration of schemes • Missed opportunities to invest in areas of development potential • Reputational issues around non-delivery • Development of council land (car parks, etc.) could mean loss of income stream • Lack of growth • Increase in economic stagnation • Area turns into a commuter belt and is not regenerated leading to decline • Financial and reputational risk / poor publicity 	<p>sites to be reconsidered by new Council for public consultation</p> <ul style="list-style-type: none"> • Funding and development options to be progressed • Revised Sir Richard Hotham planning application rejected following Council determining its position as landowner, but approved on appeal • Some capital spend projects progressed (East Bank, River Arun, Hotham Park café, etc.) • Successful funding bid to enable Littlehampton regeneration / public realm improvements to progress • Central funding obtained and significant progress made on some regeneration schemes (Bognor Regis public realm, BR station) • National supermarket chains investing in the district • Revised planning applications for Salt Box site (LEP bid for infrastructure grant unsuccessful) • Bognor Regis Town Centre BID established • Continued working with key partners (e.g. Butlins, Chichester University) • Investment prospectus prepared for Bognor Regis
4	6 	<ul style="list-style-type: none"> • Major contracts let (waste collection, leisure, greenspace) - contractors may not be making the expected savings, achieve the level of external investment, 	<p>Contracts Management</p> <p>The Council has recently let a number of its most significant contracts (leisure, waste management, grounds</p>	<ul style="list-style-type: none"> • Tension between existing contractors and the council through tendering / change periods • Poor publicity / reputational 	<ul style="list-style-type: none"> • Contract specialists used for the re-tender processes • Procurement Strategy in place • Clearer communication of council's expectations of contractor(s)

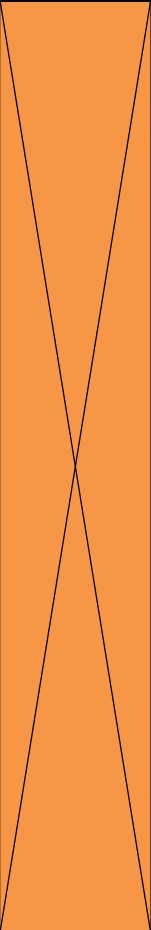
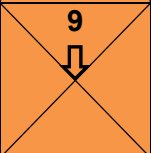
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		<ul style="list-style-type: none"> or provide service to the expected standard Other major contracts under review / approaching re-tender Political commitment to weekly waste collections impacting future contract costs Council may be reliant on third party (e.g. WSCC) timescales Major IT systems due for re-tender Recent loss of Council's Procurement staff 	maintenance, services for the elderly)	<ul style="list-style-type: none"> issues Cost savings are not achieved Service quality deteriorates Possible major projects and operational changes required if it is decided to change long-established IT systems Challenge to Council if procurement processes not followed 	<ul style="list-style-type: none"> Strategic view going forward Leisure Management and Greenspace contracts awarded with significant savings and investment commitment Waste management contract extended to allow additional savings Services for activities for the elderly still being progressed as joint procurement exercise with WSCC Future joint Procurement staffing arrangements with Chichester DC progressed by Finance
5	6 ↑	<ul style="list-style-type: none"> Post May-2019 Council is No Overall Control (NOC) Conflict may affect decision making Lack of experienced Councillors Some lack of understanding of resource requirements and change issues Unwillingness by some members to communicate unpopular changes and decisions to the public Some members are county councillors and Parish / Town Councillors which could lead to conflict 	<p>Member Decision Making</p> <p>Decision making may be impacted as Council is now No Overall Control</p> <p>The complexity of current legislation could lead to some members not having the necessary skillset to meet the demands of the changes and increasing financial and service delivery pressures facing the council</p>	<ul style="list-style-type: none"> Strained relationships between officers and members Potential DPA / FOI issues More vulnerability to governance and compliance failures Decisions held up by process Reversal of previous Council decisions Poor publicity / reputational risk Additional costs if decisions (e.g. Planning) go to appeal Less ownership and leadership at local levels through lack of engagement 	<ul style="list-style-type: none"> Overall member desire to see council move forward Common goals / revised strategic targets to be agreed and progressed Cabinet Working Party review of scheme of delegation of authority completed Review of Constitution and Codes of Conduct progressed Agreed Corporate Plan with focus on key issues (to act as a "temperature gauge") Induction plan for new members provided after May 2019 elections Change from Leader / Cabinet model of governance to Committees system to be investigated New committees' system, Member iPads and O/365 implemented and live in May 2019
6a	16 ↔	<ul style="list-style-type: none"> Overarching homelessness strategy – but service needs to be more proactive Increase in demands on the Council 'Squeeze' on rents will have an 	<p>Homelessness</p> <p>The council may not be able to provide sufficient affordable housing and/or temporary accommodation, at a time when the</p>	<ul style="list-style-type: none"> More vulnerable people and increase in demands on Council Future increase in number of homeless Less capacity within charities / voluntary organisations 	<ul style="list-style-type: none"> New strategy to cut waiting lists realistically including re-definition of the qualification criteria More effective processes (including prevention) and additional software being obtained, leading to reduction in B&B

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		<p>impact on HRA, Council house building and RSLs in the area</p> <ul style="list-style-type: none"> • Slow progress on purchase of additional temporary accommodation • Uncertainty over Government 'levies' (e.g. pay to stay, etc.) • Increase in immigration due to current EU Policy on free movement and current crises in Middle East and Africa • Increase in demands from the Welfare Reform Act • Significant increase in university campus at Bognor will impact availability of accommodation • Uncertainty over impact of government benefit changes – Universal Credit, etc. • Lack of internal officer capacity to deliver changes in addition to existing capital programme • Impact of HMO's becoming student or staff accommodation on local rental market stock • Additional responsibilities under the Homelessness Reduction Act 2017 • Continuing loss of HRA properties through Right To Buy (RTB) • Potential loss of WSCC funding for 'commissioned services' / to voluntary organisations 	<p>community in general is under great pressure from the Welfare Reforms</p>	<ul style="list-style-type: none"> • Extra bed and breakfast costs being incurred again in future – costs still increasing • Council may not fulfil statutory obligations • Universal Credit leading to tenancies ending & mortgage costs increasing leading to foreclosure • Increased demand on customer services – enquiries, complaints, etc. • Failure to increase Council housing stock • Increased borrowing • Poor publicity / reputational risk 	<p>costs incurred</p> <ul style="list-style-type: none"> • New Housing & Homelessness Strategy progressed • Housing contracts being examined and reviewed • Council commitment / increased Member interest toward building new affordable homes and bringing empty homes into re-use; possible new Government initiatives • Purchase of properties by the Council in 2017 as part alternative to continued use of private bed & breakfast accommodation • Updated HRA Business Plan produced and monitored. Commitment to deliver 250 new homes in period to 2027/28 to offset RTB sales (but target may increase as part of strategic priorities) • Small amount of additional Government grant funding • Council investigating development of General Fund land for e.g. student accommodation to ease pressure on rental market • LGA / Councils lobbying Government regarding changes to RTB legislation / receipts • Council Chief Executives liaising with WSCC to identify impact and consequences on local Councils and voluntary organisations
6b	<p>6</p> 	<ul style="list-style-type: none"> • Lack of in depth internal development expertise for house building 	<p>Affordable Housing Development</p> <p>The council may not be able</p>	<ul style="list-style-type: none"> • Reputational issues for council & revenue investment not maximised 	<ul style="list-style-type: none"> • as 6A above • New Housing & Homelessness Strategy being progressed

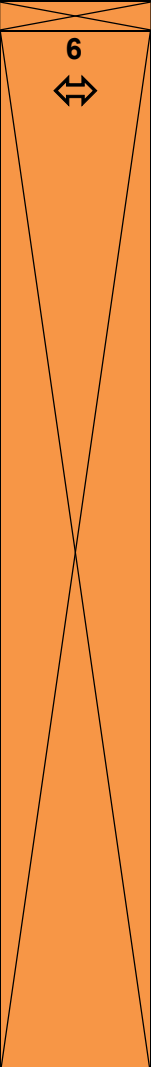
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		<ul style="list-style-type: none"> • Lack of available and fit for purpose properties (council able to build or buy but requirement is for smaller properties) • Lack of Council-owned land for further development • New developments vulnerable to challenge from members and community • Reduction in the amount of stock from RTB release, leading to reduced rental income • Significant negative impacts of Government changes to national rent setting policy on HRA Business Plan • Reduction in HCA grants for affordable housing • Possible clawback of Right To Buy (RTB) 1:1 receipts if not used in time • Delay in new house build program • Increased delivery targets from new Council, but may not be affordable / deliverable • Government legislative changes not encouraging Local Authorities to build at social rents • Infrastructure deficit (e.g. GP reductions) could lead to lower take up of housing in the area 	<p>to fulfil the development targets for building new homes</p>	<ul style="list-style-type: none"> • Delays in building new Council housing / reduction in proposed scheme due to lack of finance • Reviews and changes are resource intensive • Impact on council legal team resource / extra costs of external resource • Significant reduction in HRA rent income until rent increases allowed • Development schemes are less economically viable and not progressed by landowners • Area is not seen as a viable market for development • Potential return to Government of 1:1 receipts • Council targets fail to be met 	<ul style="list-style-type: none"> • Requirement for proportion of new developments to be affordable housing (e.g. via S106) • Review of Council-owned land for possible development • Engagement with appropriate partners to attract funding and development • Monitoring / reporting of RTB 1:1 receipts to CMT and Cabinet • HRA Business Plan adopted and reviewed annually • HRA rent uplift will recommence in 2020/21
8		<ul style="list-style-type: none"> • Council may enter into arrangements which do not serve its longer-term best interests • Informal and voluntary partnership arrangements do not 	<p>Partnerships</p> <p>If key partnerships are not robustly governed, they may not offer the best longer-term value for ADC. There may</p>	<ul style="list-style-type: none"> • There may be lost opportunities for sharing services and work • Reliability of service delivery • Customer dissatisfaction / loss of trust or confidence within 	<ul style="list-style-type: none"> • The Council will continue to investigate partnering opportunities with other Councils • Engagement with external partner agencies

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		<p>produce benefits / synergy</p> <ul style="list-style-type: none"> • Public health transition will mean partnership working with NHS clinical commissioning groups – significant local concerns in respect of GP practice closures and lack of overall co-ordination of activities within the NHS • Government impetus to share more, leading from funding reductions & potential lessening of political control • Lack of understanding of potential opportunities in the market places • Increased financial pressure on all parties • Increased partnership complexity – both contractually and through service delivery • Lack of definition surrounding the constitution of a partnership, grants and shared service • Lack of progress against past audit recommendations • Reduction / lack of commitment from external partner agencies – funding cuts could impact existing services • Impact of Local Policing Plan putting greater pressure on specific Council services e.g. Community Safety, Environmental Health, Housing, etc. • Potential loss of WSCC funding for 'commissioned services' / to voluntary organisations 	<p>also be missed opportunities by not exploring enough options</p>	<p>community</p> <ul style="list-style-type: none"> • Potential reputational issues • Lack of governance and clarity around objectives of partnerships • New responsibilities for council with the public health transition • Funding reductions means having to find different income streams • More financial pressure on services • Projects fail to deliver desired outcomes • Less capacity within charities / voluntary organisations 	<ul style="list-style-type: none"> • Roles and responsibilities, priorities, finances, etc. defined as part of arrangements • 'Partnership' definition agreed by CMT to inform relevant discussions on Vision • Audit & Governance Committee interest in progress • Voluntary and support sector funding subject to ongoing review • Council Chief Executives liaising with WSCC to identify impact and consequences on local Councils and voluntary organisations

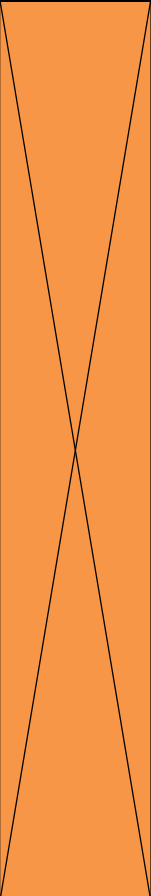
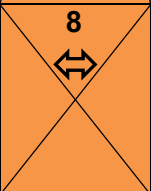
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9	<p style="text-align: center;">6</p> 	<ul style="list-style-type: none"> Increasing FOI and DPA requests (national issue) / complexity and limited resources which are stretched More information sharing can lead to less control Lack of Member awareness on information governance and data security requirements and standards. Lack of formal mandatory training and staff awareness of new requirements Additional burdens from EU General Data Protection Regulation (GDPR) – concern over resources available to meet these Increase in home and mobile working Limited specialist resource to investigate data breaches – ICT support is not (formally) 24x7 	<p>Information Governance and Data Security</p> <p>The council is facing an increased risk of a breach of Data Protection Act / General Data Protection Regulation</p>	<ul style="list-style-type: none"> Increased vulnerability to breach of Data Protection Act / GDPR leading to reputational damage / financial penalties (and significantly higher fines possible under GDPR) Less time within Council Advice & Monitoring team to deal with issues could lead to mistakes, etc. Lack of clarity around what information is where and who is responsible for it Certain Council services being unable to function without PSN compliance Potential ICO censure / financial costs from the GDPR Poor publicity / reputational issues Incident management of possible breaches will require corporate / CMT support and will impact existing work 	<ul style="list-style-type: none"> Trained resource to handle FOI / DPA requests DPA / FOI training programme progressed for staff with annual updates planned Council networks reviewed by consultant and annual certification to Public Services Network (PSN) standard achieved ICO guidance on preparation for General Data Protection Regulation (GDPR) reviewed and Action Plan progressed. Additional, external advice obtained Data audit conducted and policies updated for GDPR compliance, will now be subject to ongoing review Data Protection Officer (DPO) appointed and trained Policy / publication updates being completed and regular briefings provided to CMT and staff GDPR training provided to all staff and Members. E-Learning being added for Information Governance Information Security Group (ISG) oversight of GDPR and security compliance Incident management process to be developed and advised to staff / management Additional data protection resource obtained ICT & Service Improvement Manager added to delegated authority for GDPR and IT Technical Manager to be added (to increase capacity) Availability arrangements for ICT out-of-hours incident response accepted by CMT

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10	4 ↔	<ul style="list-style-type: none"> Understanding of customer / community “needs” vs “wants to have” can be patchy across the council Council commitment to digital strategy, but direction unclear - over reliance on web-based systems could alienate public and councillors Council not maximising social media and other communication methods The next generation of council service users will have different needs and expectations and could become alienated by traditional methods of delivery of information If changes not progressed effectively, then risk will be increased Challenge / poor publicity surrounding housing proposals by developers Customer satisfaction results reducing 	<p>Community Engagement and Customer Insight</p> <p>Risk of failure to engage effectively with the community, either by communicating the council’s objectives and service plans or understanding and managing customer expectations</p>	<ul style="list-style-type: none"> More difficult to formulate and deliver major initiatives that are effective and relevant (e.g. Local Plan, regeneration) Difficulty communicating changes to service delivery Failure to maximise opportunities within the community Rural opportunities could be overlooked Poor publicity / lack of community support 	<ul style="list-style-type: none"> Your Council – service area objectives extended for 2018-2021 Corporate Plan reviewed / updated for 2018-on Customer satisfaction results under review Customer Services changes resulting from Vision work / service transformation Council commitment to providing more digital opportunities. Further work on website development and social media channels required New Arun ICT Service Strategy 2019-2023 agreed and a separate Digital Strategy and Blueprint developed Social media policies reviewed and updated Customer Access Strategy reviewed and being progressed Planning Peer Review undertaken in 2018 New (post-5/19) Council Cabinet commitment to consultation and transparency Key Council meetings now webcast
11	6 ↔	<ul style="list-style-type: none"> Multiple agencies / property owners involved – requirement for individual decisions delaying actions Bad weather increases rate of erosion / chances of flash flooding Longer term – climate change and sea level rise <p>Coastal Protection:-</p>	<p>Coastal Protection & Land Drainage</p> <p>Some areas of the District are subject to significant erosion issues, with a high risk to dwellings</p> <p>The Council must fulfil its responsibilities as landowner (riparian) under the Land Drainage Act to ensure that</p>	<ul style="list-style-type: none"> Loss of residents’ homes Flood damage to property, land and infrastructure H&S issues Increased costs Reputational issues / poor publicity Need for temporary housing <p>Coastal Protection:-</p> <ul style="list-style-type: none"> Increased risk of problem 	<p>Coastal Protection:-</p> <ul style="list-style-type: none"> Council installed additional short-term defences (heavy rocks and shingle recycling) Engaging with residents and Parish Councils Engaging with other relevant authorities (e.g. Environment Agency, Chichester DC) Lobbying central government Some partnership grant funding (flood and

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		<ul style="list-style-type: none"> • Delays due to legislative / regulatory requirements e.g. environmental studies • Conflicting opinions as to required solution • Insufficient funding to deliver scheme(s) • Rapid deterioration of short-term improvements • Increased climate change risk - Member concern at external comment on 'managed realignment' and impact on Arun District and residents <p>Land Drainage:-</p> <ul style="list-style-type: none"> • All parties (across the network) need to be aware • Possible removal of Internal Drainage Boards may lead to responsibilities being passed back to the Council 	<p>its part of the whole network functions effectively</p> <p>The Council has powers (under the Coastal protection Act) and also responsibilities for maintenance of assets on its controlled land</p>	<p>extending to neighbouring coastal areas</p> <ul style="list-style-type: none"> • Environmental impact 	<p>coastal erosion grant from the EA) provided to approved major flood and coastal risk management schemes</p> <ul style="list-style-type: none"> • Pagham – spit breached in 2016 and the community now has an approved planning application to cut through the remaining part, although it currently unlikely if this work will proceed • The Council has a forward capital programme (informed by the Shoreline management Plan and Coastal Defence Strategies) and a year-on-year revenue programme • Council considering Committee on Climate Change report and will consider future Government / EA advice and proposals. To feed into wider Council consideration of climate change issues <p>Land Drainage</p> <ul style="list-style-type: none"> • Working with EA (automated flood warning) and WSCC (LLFA) • Monitoring weather forecasts and noting / responding to Met Office alerts • Engaging with Parishes and flood groups across the District • Emergency Planning engages with relevant bodies • Drainage Engineer appointed to progress Council land responsibilities and to assist other parties
12	<p>8</p> 	<ul style="list-style-type: none"> • Threat of loss of buildings / infrastructure through fire, flooding or other incident • Continued uncertainty over the future of BRTH, which would act as recovery site for the Civic 	<p>Corporate Business Continuity</p> <p>The Council is facing increased risk of cyber attack</p> <p>There is a risk to business continuity from a major</p>	<ul style="list-style-type: none"> • Loss of buildings or access to buildings through fire damage, flooding or other serious environmental incident, etc. • Loss of major contractors / suppliers through a major 	<ul style="list-style-type: none"> • Advice obtained from Council's insurers • Corporate Business Continuity Plan under development for agreement by CMT and subject to workshop testing • Service Business Impact Analysis (BIA) and Business Continuity Plans (BCP)

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	X	<p>Centre</p> <ul style="list-style-type: none"> IT critical system recovery requirements still to be agreed 	<p>incident either directly impacting the Council's infrastructure / services or the provision of key services, etc. by contractors / suppliers</p> <p>Mass loss of staff through illness e.g. pandemic</p>	<p>incident affecting their infrastructure / staff</p> <ul style="list-style-type: none"> Inability to provide key services / reputational issues 	<p>reviewed and updated in order to identify critical service and IT requirements</p> <ul style="list-style-type: none"> Revised evacuation / incident procedures due after Civic Centre bomb scare incident Workspace recovery plans to address identified impacts and plans Procurement tender processes require major contractors to have business continuity plans in place
13	12 ↔	<ul style="list-style-type: none"> Increased threat of cyber-attacks (viruses, malware, ransomware, etc.) Increased vulnerability through extended use of internet and cloud facilities Poor working practices by staff / partners could lead to security breaches 	<p>Cybersecurity</p> <p>The council is facing an increased risk of cyber threat</p>	<ul style="list-style-type: none"> Loss of key systems / inability to provide key services Loss or corruption of data Financial loss Reputational damage Costs / time spent to recover 	<ul style="list-style-type: none"> Proprietary security software in use on pc's, networks and mobile devices ICT deploy appropriate security measures to minimise cyber risks (e.g. firewalls, anti-virus checking, etc.) Additional security products (e.g. using artificial intelligence / machine learning) purchased Security and ICT usage policies in place and regularly updated Rolling process is in place to patch all systems to the latest versions Vulnerability testing undertaken to meet certification requirements and PSN certification achieved e-Learning now in place and adding system to test understanding and record completion Incident response and reporting mechanisms have been reviewed and implemented Regular updates provided to CMT Cybersecurity certification being progressed Cyber Risk Register developed and reviewed monthly with CMT – no red items

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No	Rating	Vulnerability	Trigger	Consequence	Current Controls / Mitigating Actions
					<ul style="list-style-type: none"> Cyber Risk Escalation Matrix and Cyber Incident Response Plan both completed Future use of 'cloud' services included in ICT Service Strategy, which will improve resilience
15	3 ↔	<ul style="list-style-type: none"> Lack of technical knowledge in the Council in respect of the establishment and operation of arms-length companies Companies are poorly managed Additional legal and operational requirements Companies fail to deliver required services, income or cost savings Substantial external borrowing may be required by the Council Council liable for trading company debt 	<p>Local Authority Trading Companies</p> <p>There are risks to the Council from the establishment of arms-length trading companies in order to provide key services and/or to increase income streams / reduce costs</p>	<ul style="list-style-type: none"> Services are not provided Lack of Council control Financial loss Non-repayment of loans Reputational damage Failure to meet additional legal requirements (e.g. Companies Act) Companies eventually wound-down, leading to additional costs (e.g. redundancy) 	<ul style="list-style-type: none"> External advice obtained from other Councils / consultants regarding business cases Specialist advice obtained e.g. regarding legal issues Business cases being developed for approval by CMT and Members – Local Property Company currently dormant but under consideration by Members Formal agreements to be put in place for trading companies, including financing, involvement of officers / members as Directors, etc. Constitution changes made in respect of monitoring and reporting to the Council
16	12 ↔	<ul style="list-style-type: none"> Lack of knowledge / management oversight of compliance issues Inadequate Council monitoring systems Lack of technically competent staff to complete checks Ongoing restructure and recent staff losses Compliance requirements differ across various areas of the Council 	<p>Corporate Stock Compliance Issues</p> <p>There are risks to the Council, its staff and its residents where key compliance checks have not been satisfactorily completed for social housing, corporate buildings, etc. and any issues addressed (e.g. fire, water, gas, etc.)</p>	<ul style="list-style-type: none"> Death or injury to staff or residents Destruction / damage to corporate premises / housing stock Regulatory censure / intervention Corporate manslaughter prosecution Reputational damage Additional costs 	<ul style="list-style-type: none"> Different senior management now responsible under new structure External consultant review undertaken and issues identified Action plan agreed with Regulator of Social Housing Data sources identified and new software obtained Existing data identified and loaded Diligence checking of contractors to ensure data passed to them is in line with GDPR requirements Housing stock – Health & Safety Improvement Plan January-November 2019 being progressed and resulted reported to Regulator. Program of work

ARUN DISTRICT COUNCIL – STRATEGIC RISK REGISTER 2019/20

No	Rating	Vulnerability	Trigger	Consequence	Current Controls / Mitigating Actions
					being undertaken by competent staff / contractors to complete missing or out-of-date compliance checks and undertake remedial actions
17	4 ↔	<ul style="list-style-type: none"> • Changing electoral registration practices • Potential future changes to voting processes being piloted in the UK • Disenfranchisement of voters • Challenge to election results • Electoral fraud • Lack of preparation for unscheduled events - 'snap' General Election / 2nd EU Referendum • Increased burden for multiple Neighbourhood Plan referenda • Insufficient and/or inexperienced elections staff available for poll / count • Likely count day for PCC elections in 2020 is now scheduled as the VE Day bank holiday 	<p>Elections</p> <p>There are risks to the Council and its staff when acting on behalf of the Government / Electoral Commission in the conduct of elections / referenda</p>	<ul style="list-style-type: none"> • Legal action against Returning Officer • Reputational loss • Election petition or judicial review • Community unrest • Short notice leading to unavailability of polling stations / lack of polling or count staff 	<ul style="list-style-type: none"> • Detailed planning performed for elections • Electoral Commission regulatory issues and guidance reviewed • Detailed risk register maintained • Annual canvass progressed to update Electoral Roll • Experienced staff used where possible • Training provided to polling and count staff • Established processes for e.g. postal voting • Robust count and verification procedures established • Liaison with other relevant authorities where voting regions overlap (e.g. Parliamentary elections) or where results are regional rather than local • Polling station review progressed after the May 2019 elections • Warnings of possible future election dates provided to staff by Returning Officer
18	16 ↑	<ul style="list-style-type: none"> • Significant revision of legislation to take place • Uncertainty over future EU funding available • Impact on availability / costs of consumer items is not known • Changes to procurement regulations • Uncertain impact on EU citizens in UK / breakdown of communities • Potential for further delay of 	<p>Brexit Implications</p> <p>Although Article 50 has been triggered and the UK is due to leave the EU on 31 October 2019 (extended from 29 March), there is still no agreement on how this will be achieved and the impact locally, on the UK, the EU and globally</p>	<ul style="list-style-type: none"> • Legislative changes may impact Council services and operations • Possible legal issues regarding data flows outside of the UK in the event of a no-deal Brexit • Increased costs • Negative impact on tourism • Changes required to Council processes and documentation • Lack of funding for projects e.g. infrastructure, regeneration • Lack of consumer items leading 	<ul style="list-style-type: none"> • Council monitoring progress towards leaving / advice from Government (e.g. on 'no deal' preparation) and risk assessments in place • Council monitoring advice from appropriate other sources e.g. LGA, CIPFA, etc. and any reports/initiatives obtained from e.g. other councils • Contingency plans for snap election, etc. • European Union (Withdrawal) Act 2018 provides stopgap incorporation of old EU laws

ARUN DISTRICT COUNCIL – STRATEGIC RISK REGISTER 2019/20

No	Rating	Vulnerability	Trigger	Consequence	Current Controls / Mitigating Actions
		leaving date / second referendum Still uncertainty over deal / no-deal exit <ul style="list-style-type: none"> • Potential for change of Government • Economic upheaval – changes to interest rates, inflation, etc. 		to panic buying / stockpiling <ul style="list-style-type: none"> • Lack of medicine leading to increased burdens on NHS and partners • Additional enquiries to Council staff • Changes to benefits regime • Loss of 'key' workers in some sectors • Issues with elections / Electoral Roll • Potential increase in homelessness • Potential for further referendum / snap election • Protests / civil unrest 	<ul style="list-style-type: none"> • New Prime Minister and Cabinet in place from 24 July 2019 with publicised commitments to meet 31 October deadline and protect the rights of resident EU citizens

↑ - risk score increased

↓ - risk score reduced

↔ - no change