

**Corporate Risk Register**

**Reported to: SLB (22 November 2018)**  
**Date: 15 November 2018**

| Details of Risk |  |  |   |                  | Inherent Risk |        |       | Existing Controls   | Residual Risk |        |       | Actions   |              |                       | Target score |        |       |               |
|-----------------|--|--|---|------------------|---------------|--------|-------|---|---------------|--------|-------|---|--------------|-----------------------|--------------|--------|-------|---------------|
| Ref             | Risk Description   | Trigger  | Result  | Owner            | Probability   | Impact | Score |   | Probability   | Impact | Score | Proposed Action Plans   | Action Owner | Target Date           | Probability  | Impact | Score | Action Status |
|                 |  |  |   |                  |               |        |       |   |               |        |       |   |              |                       |              |        |       |               |
| Finance         | Dedicated Schools Grant High Needs Funding for Special Educational Needs is inadequate to meet requirements. | High Needs budgets are under considerable pressure from increasing numbers of children being diagnosed with complex and life-long SEND related issues.<br>National funding allocations are not increasing annually to reflect increases in local population demand and so any additional commissioned places need to be financed from within existing budget envelope.<br>The number of pupils needing High Needs top-up funding is increasing year on year, in-house provision is almost at full capacity and external provision is very expensive (3 or 4 times more expensive than in-house provision). | Overspending occurred in 2017/18 (£1.8m) and 2018/19 the forecast overspend is (£2m+) and there is a chance of continued overspending in 2019/20 and beyond.  | HoS&F            | 4             | 5      | 20    | Engagement with Head of Schools and Families and the SEN team Managers on how costs can be contained.<br>Engagement with special schools actively working with individual schools to review impact of any proposed changes to their funding, reviewing 3 year financial plans, identifying any strategic savings to mitigate high calls on DSG High Needs funding.<br>Review of place and top up levels of funding to special schools to try to reduce costs.<br>Late in 2016 the DfE provided each LA with grant funding to help provide additional capacity to undertake strategic needs assessment of SEN provision (£104k for Sefton). This grant has remained unspent and carried forward into 2018/19 for use in appointing an external consultant. The post has been advertised on the CHEST and a consultant will be engaged to undertake a High Needs review over the coming months (September 2018-January 2019). It is hoped that this work will help the Authority to identify cost drivers for change and more cost effective ways of working. | 4             | 5      | 20    | Schools Forum agreed to move funding between the DSG funding blocks in 2018/19 (£0.45m from schools) and (£0.20m from Early Years) to help support High Needs budget pressures in the current year, but this has proven to be nowhere near enough to balance the budget. The projected overspend on High Needs funding for 2018/19 is £2m+. There is a small Central DSG reserve (£0.196m) which may be used to partially offset the overspend but this will need approval by Schools Forum and leave no reserves available to support any other DSG pressures. (P=1,I=1)<br>Schools Forum have asked Officers to review SEND spend over the coming year with a view to reducing cost to within the allocated budget by 2019/20. (P=1,I=0)<br>Lobbying of Government continues with a view to securing increased funding. (P=0,I=0)<br>There is a review team plotting expected demand over the next 5-10 years, so as to provide clarity on likely future needs. (P=1,I=0) | HoS&F        | Ongoing               | 2            | 4      | 8     | Green         |
| Finance         | Market failure of Adult Social Care provision.   | Lack of market engagement and market development due to lack of capacity and resource.<br>Capability and capacity of the available workforce to provide domiciliary care.<br>Lack of diversity of supply in the market to provide choice and control   | Inability to provide packages of care for service users<br>Lack of alternative providers able to support social care<br>Poor quality service provision<br>Significant increase in unmet needs of service users due to a fragile market that is not developing | HoASC/<br>HoCSBI | 4             | 5      | 20    | Market Position Statement 2014<br>Integrated Commissioning Group<br>Centralised Commissioning Support function  | 4             | 5      | 20    | Full review of the Market Position Statement and revision of the Market Position Statement<br>Review and align strategic plans to current contracts to ensure Value for Money and objectives are met.<br>Development of new opportunities through working with LCR, CCG and wider commissioning partnerships.<br>Commissioning priorities and full work plan<br>Workforce development of the independent workforce<br>Ensure involvement of key stakeholders<br>As per commissioning workshop, review structure and workplan to deliver the above (P=2, I=2)  | HoCSBI       | March 2020<br>Ongoing | 2            | 3      | 6     | Green         |

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| Statutory/Legal | Data breach resulting in the wrongful release of personal and/or sensitive information | Policies and processes coordinated by Information Management and Governance Executive Group are not adhered to, resulting in a higher incidence of breaches caused by human error.<br><br>System error occurs.  | Failure to comply with legal requirements; loss of privacy, distress or harm to the data subject; damage to Council's reputation; loss of public confidence; and significant financial penalties.  | SLB           | 4           | 5      | 20                | Information management and governance, including data breaches and actions to prevent data breaches, is overseen by the Information Management and Governance Executive Group (IMGEG), which consists of Heads of Service with lead responsibilities for key aspects of IMG (i.e. designated Chief Information Officer, Senior Information Risk Owner and Lead officer for ICT infrastructure) supported by other officers with key roles relating to IMG.<br><br>Each service has designated Information Asset Owners and Information Asset Administrators. Policies, procedures, processes and issues are communicated to these officers through the Information Management and Governance Tactical Group.<br><br>Support, co-ordination, advice and guidance is provided corporately and appropriate training/refresher training is in place.<br><br>The Council has implemented policies, procedures and processes to prevent, manage and respond to potential and actual data breaches.   | 4           | 5      | 20      | Appropriate resourcing, prioritisation and focus on information management and governance across the Council include the following (P=2, I=3)<br><br>Regular monitoring and review by IMGEG of policies, procedures and processes to prevent, manage and respond to potential and actual data breaches.<br><br>Ongoing review of information systems to ensure no inappropriate or unforeseen data linkages exist within systems or reports. Review of systems ahead of updates to identify any unintended changes.<br><br>Ongoing education of staff and monitoring of activity by IAOs and IAAs to identify and prevent areas of human error.<br><br>Regular review of information contained to ensure information is accurate and any information that should be removed is removed.<br><br>Regular reporting by IMGEG to SLB and Audit and Governance Committee as necessary.<br><br>Maximise the opportunities from the Council's ICT | IMGEG   | Ongoing               | 2           | 3             | 6      | Green |
| Statutory/Legal | Failure to manage historic records effectively   | The risk is amplified by the implementation of GDPR (in particular the right to erasure and tighter deadlines for response to Subject Access Requests). In addition, the Council's Asset Maximisation programme which may lead the Council to leaving, redeveloping or selling buildings where records are held and moving to Paper Light working arrangements. | Failure to comply with legal requirements relating to retention, consideration, release or correct disposal of historical information; damage to Council's reputation; loss of public confidence; and significant financial penalties.<br><br>Historical information is not stored or managed correctly, such that it is lost, damaged or incorrectly disposed of.<br><br>Not known to the organisation when making relevant decisions; retained when it should have been correctly disposed of. | SLB           | 4           | 5      | 20                | Information management and governance is overseen by the Information Management and Governance Executive Group (IMGEG), which consists of Heads of Service with lead responsibilities for key aspects of IMG (i.e. designated Chief Information Officer; Senior Information Risk Owner; and Lead officer for ICT infrastructure), supported by other officers with key roles relating to IMG.<br><br>Each service has designated Information Asset Owners and Information Asset Administrators. Policies, procedures, processes and issues are communicated to these officers through the Information Management & Governance Tactical Group.<br><br>Support, co-ordination, advice and guidance is provided corporately and appropriate training/refresher training is in place.<br><br>The Council has implemented policies, procedures and processes for the management of information and has in place corporate contracts for appropriate digitisation, disposal and archive storage services.<br><br>The Council has implemented a Historic Records Pilot Project to identify the scale, condition and correct management of all historic records held. This project reports regularly to IMGEG. | 4           | 5      | 20      | Appropriate resourcing, prioritisation and focus on information management and governance across the Council, including support for Information Asset Owners and Information Asset Administrators including action on the following. (P=2,I=3)<br><br>Regular monitoring and review by IMGEG of policies, procedures and processes for the management of information, including historic information.<br><br>Regular monitoring and review by IMGEG of the progress and implications of the Historic Records Pilot Project, including reporting to SLB and Audit and Governance Committee as necessary.<br><br>Maximise the opportunities from the Council's ICT Transformation to increase and embed effective information management and governance.   | IMGEG   | Ongoing               | 2           | 3             | 6      | Green |
| Finance         | The provision of Children's Social Care is not financially sustainable.                | Failure to plan within annual budget for increased placement costs in Children's Social Care.<br><br>Numbers of children in care increases, demand for placements can not be met as cost of placements increases.<br><br>Capacity not sufficient to undertake effective market development.   | Costs increase and quality and sufficiency of placements decreases.<br><br>Budget overspend.   | HoCSC         | 4           | 4      | 16                | Fortnightly Placement Panel to monitor placement costs.<br><br>Programme of LAC reform including recruitment of in-house carers.<br><br>Development of disability pathway.<br><br>Development of market place.<br><br>Annual Budget.<br><br>Regular review of budgets to identify and mitigate pressures.  | 4           | 4      | 16      | Development of market to meet need.<br><br>Opportunities to collaborate across LCR and develop market.<br><br>An action plan has been developed as part of the Budget Development work which details an immediate action plan over the next 6 weeks to address the increasing costs of placements due to rising demand, this has been appropriately resourced and is being overseen by Executive Director for CSC & Health (P=1, I=1)  | HoCSC/<br>Service<br>Managers/<br>Commissioning | March 2020<br>Ongoing | 3           | 3             | 9      | Green |

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| Finance         | Financial sustainability post 2020.   | The national review of local government funding and the next financial settlement places further strain on the Council's overall medium term budget.<br><br>Due to the scale of budget reductions since 2010 there is a risk that further suitable cost-saving/income generating measures will be difficult to identify. | Degradation of service could have an adverse impact on residents and communities<br><br>The reputation of the Council may be compromised<br><br>Financial sustainability could be compromised   | SLB           | 5           | 5      | 25                | Work is on going to deliver financial sustainability up to and including 2019/20. In addition to this work has commenced on developing the Medium Term Financial Plan (MTFP) for 2020/21 and beyond together with initial work on potential budget proposals and projects that could be developed under the Framework for Change.  | 4           | 4      | 16      | Refresh and develop the Council's MTFP up to 2020/21 (P=0, I=1)<br><br>Continually monitor the delivery of the current 3 year budget (P=1, I=0)<br><br>Start the development of budget proposals for 2020/21 and beyond as part of the Framework for Change 2020. (P=1, I=0)  | ELT and SLB  | Ongoing      | 2           | 3             | 6      | Green |
| Statutory/Legal | Inadequate capability to prepare for and respond effectively to a major incident affecting the Council or occurring in Sefton as per the Council's responsibilities under the Civil Contingencies Act 2004. | A major incident occurs affecting the Council or the Borough. This risk is accentuated as the government has determined the terror threat level as "severe" and was raised to "critical" on two occasions in 2017.   | 1) Loss of human life, illness or serious injury<br>2) Major damage or destruction to infrastructure, property and/or the environment<br>3) Disruption or loss of critical services such as transport, communications, utility services<br>4) Reputational or financial harm to the authority | SLB           | 4           | 5      | 20                | Emergency Response Manual and Major Incident Guidance in place.<br><br>Revised Command and Control structure in place which defines Strategic and Tactical level officers.<br><br>Emergency Duty Co-ordinators invited to attend quarterly briefing sessions and all are able to access Resilience Direct containing incident response plans.<br><br>Relevant training provided to Emergency Duty Co-ordinators and volunteers on an ongoing basis.<br><br>Attendance and participation in Merseyside Resilience Forum and joint planning across Merseyside.<br><br>Humanitarian volunteers in place and team strengthened following successful recruitment drive.<br><br>Plans for response and recovery are the subject of ongoing review and update, particularly in light of the government's assessment of the terror threat level as "severe".<br><br>Ongoing development and review of supporting plans.<br><br>Ongoing exercise of plans and involvement of Strategic and Tactical level officers. | 4           | 4      | 16      | Business Continuity Planning Implementation Plan to be devised and implemented which includes the following. (P=1, I=2)<br>Business Continuity Policy and strategy to be devised and approved<br><br>Business Impact Training for the Risk and Resilience Team to be arranged<br><br>Business Impact analysis to be undertaken<br><br>Business Continuity Plans to be devised<br><br>Business Continuity Testing and exercising to be undertaken.   | SLB          | March 2019   | 3           | 2             | 6      | Green |
| Infrastructure  | Failure to adequately invest in the Highway network and associated assets.  | Budget reductions; inadequate funding levels to meet need.   | Deterioration of highway assets<br><br>Potential increase in claims<br><br>Financial and reputational risks<br><br>Potential increase in accidents resulting in injury and/or death   | SLB           | 4           | 5      | 20                | Essential work is prioritised within available budget. Regular inspections of most assets to monitor and guide prioritisation of works in order to mitigate risk.<br><br>Regular updates provided to Cabinet Member.<br><br>Preventive surface treatments used to prolong the life of the network and to treat more of it than if more long-term maintenance solutions were used (i.e. resurfacing)  | 4           | 4      | 16      | Reports submitted to Strategic Capital Infrastructure Group to seek additional funding to maintain or replace highway network/assets. (P=1, I=0)  | THI SM       | Ongoing      | 2           | 3             | 6      | Green |
| Infrastructure  | The Council is the victim of a cyber attack.  | Malware, ransomware or another virus infects the Council's systems.  | Services will not have access to systems and data as standard, and will have to fall back on non-ICT delivery methods, albeit without access to key data.<br><br>Data breach occurs.<br><br>Financial impact of ransom<br>Reputational damage   | HoCR          | 4           | 5      | 20                | Cyberattack prevention measures are in place, including upgraded Council firewalls and active SIEM monitoring service.<br><br>Back-up disaster recovery facility is in place at a separate site, allowing Arvato to restore the top 20 critical systems within 48 hours.<br><br>Arvato has a Business Continuity-Disaster Recovery plan in place which covers an action plan for this priority restoration, and the subsequent restoration of all other systems.<br><br>Ongoing monitoring in place via ICT Working Group and FISOB.<br>Sophos anti-virus software is constantly updated.<br>Communication to employees regarding the rise in malware attacks is in place, with plans to roll out better user education on this topic.   | 4           | 4      | 16      | The ongoing ICT Transformation programme will see the majority of systems and data migrated to Microsoft Azure cloud hosting, which will reduce the overall risk; however, consideration will be given to the risk profile of those services remaining on premise following the completion of migration in August 2018. The following actions (P=2, I=2)<br><br>Review risk profile following completion of ICT Transformation programme.<br><br>Implementation of user education re:malware.<br><br>Develop new Business Continuity-Disaster Recovery plan following completion of ICT Transformation programme and appointment of new ICT services provider | HoCR         | Ongoing      | 2           | 3             | 6      | Green |

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| Statutory/Legal             | Lack of progress in Ofsted Action Plan   | Co-production with parents not clearly evidenced<br>Lack of progress in joint work with health<br>Pupils with EHCPs do not make progress in comparison with peers   | Loss of reputation<br>Intervention from DFE  | HoS&F         | 4           | 4      | 16                | Progress monitoring of plan with DFE on quarterly basis<br>Joint work with Sefton Parent carer forum  | 4           | 4      | 16      | Increased accountability to SEND Steering Group (P=0, I=0)<br>Reviewed progress with Parent Forum (P=1, I=0)<br>Agreed new priorities (P=0, I=1)  | HoS&F  | Dec 2018                | 2           | 3             | 6      | Green  |
| Statutory/Legal             | Inadequate child and school record system  | Lack of capacity to change and system investment  | Paper files<br>Labour intensive filing/recording/use of data<br>Missed deadlines national PIs and Fols/subject access<br>No ROPA completed   | HoS&F         | 4           | 4      | 16                | Best efforts to maintain paper based files<br>CAPITA system – partial use<br>Business case to expand CAPITA   | 4           | 4      | 16      | PID for single SEN record integrated with other ICS (P=1, I=0)  | HoS&F  | Dec 2018                | 2           | 3             | 6      | Green  |
| Economic Development/Growth | Failure to mitigate risks of, or develop and maximise opportunities from, Brexit | Implications of Brexit, both positive and negative, for Sefton not fully understood<br>Lack of clarity at Central Government level regarding the details of Brexit<br>Failure to engage effectively with LCR partners on implications and opportunities | Unable to plan effectively for negative impacts which exacerbate local economic challenges and may worsen the Council's financial position<br>Not positioned to proactively facilitate maximisation of any opportunity arising from Brexit in the borough, and in the wider city region  | SLB           | 4           | 4      | 16                | The Council monitors for the launch of consultations and publication of briefings.<br>For example, consultations / calls for evidence have been launched by Government regarding transport trends and the sustainable delivery of goods<br>The Council is represented and engaged in the City Region's Brexit working group<br>The Council has undertaken and continues to develop a review of risks and opportunities of EU Exit for Sefton<br>The Council is proactively working with the LCR's Brexit working groups, and helping establish new strategic forums on the matter | 4           | 4      | 16      | The following actions: (P=1, I=1)<br>Continued review of likely implications, risks and opportunities of Brexit for Sefton<br>Continued proactive engagement in Liverpool City Region's Brexit working group<br>Strategic review with key private sector (and other) partners   | SLB  | Ongoing                 | 3           | 3             | 9      | Yellow |
| Statutory/Legal             | Insufficient Capacity to meet Expectations (Commissioning Support)               | Volume, complexity and/or skills required to complete work requested exceeds the staff capacity and/or capability available   | Work not completed in line with required / expected timeline<br>Work not completed to the standard required / expected<br>Knock-on impact to projects / work service area being supported<br>Services not commissioned in timely way<br>Service quality & compliance not monitored<br>Children's placements not made<br>Organisational safeguarding not monitored / investigated<br>Savings projects not delivered in a timely way<br>Reputational, financial damage | HofCS&BI      | 4           | 4      | 16                | Programming of foreseen and requested work<br>Re-prioritisation following new work requests<br>Processes to clarify requirements and expectations for work requested<br>Single Contract Register Developed<br>Monitoring of performance by Management, regular 1:1s and team meetings<br>Ongoing discussion with FFC PMO and escalation to Programme Board as necessary<br>Commissioning Board (adult and children's services) reviewing and refining priorities<br>ongoing improvement of systems / processes<br>Level 2 and 3 apprentices recruited                             | 4           | 4      | 16      | Development of Provider Portal (P=1, I=0)<br>Commissioning Board established September 2018 and working to refine priorities relating to adult social care, children's social care and children's/family services (P=0, I=0)<br>Permission given to recruit Agency Staff to cover vacancy in Commissioning Support Service (P=0, I=1) | LASPB<br>DSC&H/HoA<br>SC/HoCC/HoS&F/HofCS&BI<br>HofCS&BI | 03/19<br>03/19<br>11/18 | 3           | 3             | 9      | Yellow |
| Statutory/Legal             | Failure to effectively Implement new ASC Domiciliary Care Services               | Failure to implement or delayed implementation of new contracts due to delays in collaborative procurement process led by Knowsley MBC  | Late extension of existing contracts.<br>Delayed implementation of new specification, Trusted Assessors, Electronic Case Management etc.<br>Continued or deterioration to market capacity, impacting upon ability to provide packages of care and support<br>Failure to meet expectations and dissatisfaction with service provided<br>Cost impacts as a result of continuing or increasing use of non-contracted providers  | HofCS&BI      | 4           | 4      | 16                | Agreed procurement timeline<br>Close working with KMBC<br>Ongoing risk management of process<br>Further 11 month extension available if needed<br>Joint management of procurement challenges<br>Joint commissioning of QC to support response to challenges<br>3 Month extension to current Contracts agreed by Cabinet<br>Response to challenges issued<br>Joint review of position<br>Challenge period Expired & Implementation Commenced   | 4           | 4      | 16      | Ongoing close monitoring of Market, supporting new providers (P=1, I=0)   | HofCS&BI   | Ongoing                 | 3           | 3             | 9      | Yellow |