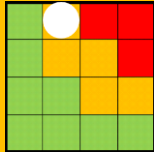
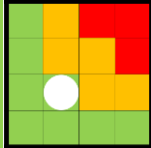
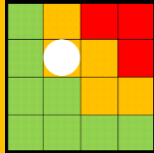


Appendix B – Draft Strategic Risk Register – March 2023

Risk Title, Risk Description, Effects of Risk Realisation and Current Circumstances	Risk Controls	Residual Risk Score	Actions Being Undertaken and Progress Update
1. Ensuring efficient and effective internal control/compliance			
<p>Risk Description This risk focuses on the potential for failure of the Council’s core internal control (and governance) framework but leading to a significant loss ie financial and otherwise eg H&S failing.</p> <p>In effect the Council should be able to mitigate such a risk through rigorous review of design and application of the controls, hence ensuring that internal audit and other assurance activities are appropriately focused.</p> <p>The Council is entering a changing phase including changes in behaviour, management structure, working styles and culture which will require a flexible and adaptive internal control environment.</p> <p>The ramifications of a significant control risk failure are substantial, not only with regard to the loss but often the rectification costs post event, including financial and reputational.</p> <p>Effects of Risk Realisation</p> <ul style="list-style-type: none"> - Potential for fraud, error, and loss - Reduced financial stability - Reputation damage resulting in negative media attention - Potential for harm/injury/death - Qualified External Audit Opinion/Internal Audit Opinion - Regulatory non-compliance (GDPR, HSE) and potential for government intervention <p>Current Circumstances An internal audit review of housing compliance in March 2021 resulted in a negative opinion being provided, leading to the Council making a self-referral to the Regulator of Social Housing for breaches of the Homes Standard. An Improvement Plan, agreed with the Regulator, has been implemented to address the matters raised and the Council is now in a position of compliance in terms of landlord health and safety, continuous improvement across all compliance areas remains a key focus. The historic level of non-compliance led to an increased level of risk exposure. Work is ongoing to seek removal of the Regulatory Notice at the earliest opportunity.</p>	<p>A. Annual internal audit plan developed by senior officers and members is targeted at key risks areas and responsive to new areas of risk</p> <p>B. External/internal audit regime</p> <p>C. Development of staff training plan in connection with core responsibilities and duties ie data protection, financial rules, freedom of information etc</p> <p>D. Annual Assurance Statements compiled testing compliance with key business activities, supporting Annual Governance Statement compilation</p> <p>E. Maintenance of a range of policies that underpin the control framework – Financial Regulations, Counter Fraud Strategy, Risk Management Framework, Contract Procedure Rules coupled with staff training</p> <p>F. Regular reporting at Governance and Audit Committee</p> <p>G. Compliance with Transparency Code</p> <p>H. Compliance with Local Code of Corporate Governance</p> <p>I. Review and update of key policies completed in last 12 months with a view that these will be kept under review</p> <p>J. Key compliance roles identified and assigned ie Section 151 Officer, Monitoring Officer, Data Protection Officer, H&S etc</p> <p>K. Compliance with information governance including General Data Protection Rule</p> <p>L. Review and update of Business Continuity Plans</p> <p>M. Corporate Plan 2021-2023</p>	<p>Likelihood 2 x Impact 4 = High 8</p> 	<p>i. Completion of management Annual Assurance Statements and development of appropriate actions, tracked through to completion including evidence</p> <p style="color: red;">Mid-year assurance statements completed which will be reviewed alongside the Combined Assurance review.</p> <p>ii. Combined Assurance review to be undertaken by Assurance Lincolnshire</p> <p style="color: red;">Combined Assurance review commenced. Workshops with Assurance Lincolnshire being held mid-March. Combined Assurance Report will be presented to Governance and Audit Committee in June 2023.</p> <p>iii. Undertake actions required to address Social Housing Regulator non-compliance and validate those actions undertaken have been effective</p> <p style="color: red;">Ongoing with continued monthly engagement with the Regulator. There has been significant improvements across key performance areas and robust action plans are in place. External audit validation commenced December 2022 to support evidence to seek removal of the Notice.</p>

Risk Title, Risk Description, Effects of Risk Realisation and Current Circumstances	Risk Controls	Residual Risk Score	Actions Being Undertaken and Progress Update
2. Achieving Council transformation			
<p>Risk Description The Council has entered a period of significant change and transformation, from back office through to front end delivery.</p> <p>This transformation will include but not be limited to:</p> <ul style="list-style-type: none"> - harnessing better the use of technology and digital platforms - agile and flexible workforce that is managed by outcomes and delivery - physical changes ie buildings, assets usage etc as well as virtual interactions - working as part of a collaboration, partnership and joint venture involving other entities, both in the public sector, third sector and private sector <p>All for the purpose of making the Council viable and sustainable as well as efficient, effective and economic. This risk should be considered as a driver of innovation and opportunity to achieve continuous improvement rather than a risk that needs to be managed in such a way that transformation envisaged is not achieved.</p> <p>Effects of Risk Realisation</p> <ul style="list-style-type: none"> - New ways of working/service delivery models not adopted leading to increased inefficiency and ineffectiveness - Medium/long-term financial planning commitments not met - Failure to deliver Corporate Plan 2020-2023 objectives - Opportunities are not identified/ exploited - Staff disengagement <p>Current Circumstances The emergence of Covid-19 has identified that the Council can effectively respond to a change in circumstances to ensure continuous operations. This rigor now needs to be applied to ensure this momentum continues and that positive experiences and benefits achieved as a result of recent changes are not lost.</p>	<ul style="list-style-type: none"> A. New ways of working programme arrangements in place B. Communications plan (internal) allowing for regular staff engagement/progress updates C. Staff/union engagement D. Project management/capability E. Partnership lead F. ICT development roadmap and strategy G. Organisational change programme in place H. Commercial lead/capabilities in house to identify opportunities I. Regular reporting on transformation programme to Corporate Management Team J. Financial/budgetary monitoring by Cabinet K. Performance management and key performance indicators in place L. Staff/officer wellbeing and support M. Corporate Plan 2021-2023 N. Development of Workforce Strategy and enabling an agile workforce O. Hybrid working model P. Staff appraisal process 	<p>Likelihood 2 x Impact 2 = Medium 4</p> 	<ul style="list-style-type: none"> i. Review office accommodation and embed an agile approach to working by utilising cultural and technological changes Complete – The Council relocated to its new open-plan office on 9 January in a move that will improve business efficiency and working conditions and save an estimated £300,000 a year in running costs. ii. Allocate resource to support Corporate Plan ambitions The 2023/24 budget setting process has followed the Corporate Plan aims. Resources will be allocated appropriately to ensure actions will be delivered. The budget framework was approved by Council on 1 March 2023. iii. Review partnerships with other public sector partners to explore new and existing opportunities to deliver to residents and businesses Partnerships Register is being finalised subject to approval by Corporate Management Team in April 2023. iv. Review of ICT Strategy Complete – The ICT Strategy was approved by Finance, Economic Development and Corporate Services Overview and Scrutiny Committee on 27 September 2022.

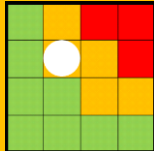
Risk Title, Risk Description, Effects of Risk Realisation and Current Circumstances	Risk Controls	Residual Risk Score	Actions Being Undertaken and Progress Update
3. Supporting communities			
<p>Risk Description Creating safe, vibrant, and supportive communities is a core role of the Council. The Council holds a unique position with the ability to act as a catalyst for this purpose drawing together individuals, neighbourhoods, agencies, and businesses to transform communities.</p> <p>The Council does not want to position itself solely as the provider of services but be the mechanism that drives others to do so and provides steerage via the role of Members who have a unique insight into the needs of the District's communities. This might be in a coordination, strategy, financing/ funding access role or a voice, as well as attracting investment, to name but just some of the enabling activities.</p> <p>This provides the Council the opportunity to think innovatively in conjunction with its communities to achieve a greater return through connectivity both physical, emotional, and technological. This risk should be considered as a driver of innovation and opportunity to achieve community improvement rather than a risk that needs to be managed in such a way that transformation envisaged is not achieved.</p> <p>Effects of Risk Realisation</p> <ul style="list-style-type: none"> - Failure to deliver the Corporate Plan 2020-2023 objectives - Contributes to community deterioration/lack of resilience - Reputation damage for the Council – negative media attention - Missed opportunities (to attract investment – generate income/improve quality of life for residents) - SKDC deliver services in a way that doesn't meet needs of residents - Unfavourable perception/reality that the Council (and Members) are out of touch <p>Current Circumstances Communities are likely to be negatively impacted due to Covid-19 further still as the national and local economy shrinks. This will create additional pressures on local businesses and job security.</p>	<p>A. Review and application of the Council's Local Plan, including active monitoring of the implementation</p> <p>B. Clear and agreed transformation objectives</p> <p>C. SK Community focussed initiatives and funding streams targeted at supporting voluntary and community sectors</p> <p>D. InvestSK supporting economy growth</p> <p>E. Corporate Plan 2021-2023</p> <p>F. Community liaison officers/leads</p> <p>G. Customer Experience Strategy (how they access services etc)</p> <p>H. ICT Strategy</p> <p>I. Customer satisfaction feedback monitored to drive change</p> <p>J. Close working partnership with the Police</p> <p>K. New cultural strategy</p>	<p>Likelihood 2 x Impact 3 = High 6</p> 	<p>i. Develop strategy to invest in high quality leisure facilities across the district</p> <p style="color: red;">As a result of the building condition surveys, improvement works have commenced at the leisure centres across the District. An update report was presented to Companies Committee on 1 December 2022.</p> <p>ii. Regeneration of Grantham Town Centre supported by the Future High Street fund</p> <p style="color: red;">A report was presented to Finance, Economic Development and Corporate Services Overview and Scrutiny Committee on 21 February 2023 providing progress on public realm projects; Strategic site acquisition; Station Approach Masterplan; Upper Floor Grants Programme; Grantham Town Team, Programme Support and Recruitment; and a summary of engagement with the Department for Levelling Up, Housing and Communities (DLUHC).</p> <p>iii. Identify funding and other opportunities to support development of Bourne, Stamford and Market Deeping town centres</p> <p style="color: red;">At Council meeting on 26 January 2023, a grant of £3.9m was accepted from the UK Shared Prosperity Fund (UKSPF) for financial years 2022/23, 2023/24 and 2024/25, along with a £20k revenue contribution towards development costs of the UKSPF Investment Plan.</p>

Risk Title, Risk Description, Effects of Risk Realisation and Current Circumstances	Risk Controls	Residual Risk Score	Actions Being Undertaken and Progress Update
			<p>The inaugural Member UKSPF Board met on 8 February 2023 to agree the Year One project list.</p> <p>iv. Implement key actions for future proofing waste service delivery in line with national waste collection changes introduced by Defra</p> <p>The Government response to the Consistency in Household Recycling Consultation is still awaited. This will provide the framework to implement the Environment Act 2021. The Government has responded to the consultation on Extended Producer Responsibility which will introduce payments to councils based on them being effective and efficient.</p> <p>The review of the waste collection rounds is almost complete. Modelling of scenarios will then be undertaken which would seek to improve efficiency and better inform future procurement needs will provide options for further consideration to restructure rounds.</p> <p>v. Undertake a housing review to provide highest quality service to tenants</p> <p>The Council has adopted an improvement plan, based on the regulatory framework, to improve services to Council tenants. A tenant-wide survey has been undertaken – the “Big Listen” – to inform service improvements. 30-year Housing Revenue Account Business Plan is being developed over the next six months. A restructure of the housing team has been completed and provides a fit for purpose structure moving forwards.</p>

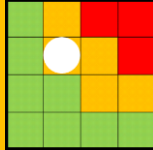
Risk Title, Risk Description, Effects of Risk Realisation and Current Circumstances	Risk Controls	Residual Risk Score	Actions Being Undertaken and Progress Update
			<p>vi. Continue to work in partnership with the police and the community in tackling crime by investing in the CCTV service</p> <p>Allocation has been made for the provision of free public Wi-Fi, having received agreement from the inaugural UKSPF Member Board, to upgrade the Council's network of CCTV cameras from analogue to digital. An Officer Delegated Decision has been prepared, along with contract award documents. These will be signed off once BT have submitted their final proposal. A proposal to relocate the CCTV function to within the police headquarters is being considered.</p> <p>vii. Implement key actions arising from the Arts, Culture and Events Service Review</p> <p>A consultancy firm were appointed to prepare the revised Cultural Strategy. A significant amount of consultation has been ongoing and will continue, which will be used to feed into a draft Cultural Strategy for South Kesteven District Council. The Cultural Strategy will pull together the Council's vision and ambition, backed by a clear (and measurable) action plan.</p> <p>viii. Review and application of the Council's Local Plan, including active monitoring of the implementation</p> <p>The Local Plan review rolls the Local Plan period forward by five years, from 2036 –2041 to ensure the Local Plan covers a 20-year period (2021-2041). Work on the Local Plan Review began in April 2020 in line with the adopted</p>

Risk Title, Risk Description, Effects of Risk Realisation and Current Circumstances	Risk Controls	Residual Risk Score	Actions Being Undertaken and Progress Update
			<p>Local Development Scheme (LDS) which sets out the timetable for delivery of the review. In line with the published timetable a consultation on the Regulation 18 Draft Local Plan was due to be carried out in March 2023. This has been delayed due to proposed amendments to the National Planning Policy Framework (NPPF) which has been published for consultation by the Department of Levelling Up, Housing and Communities. The proposed changes to the NPPF have implications for the Local Plan review and a short adjustment to the Local Plan Review timetable will allow Officers to fully consider and incorporate any changes necessary and ensure that the next Local Plan is compliant with National Policy. A revised LDS will be taken to Cabinet in May/June which will set out the new timetable.</p>

4. Achieving future financial resilience

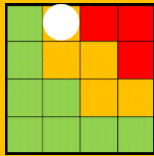
<p>Risk Description This risk relates to the Council being unable to properly execute and achieve its Medium Term Financial Plan (MTFP).</p> <p>The Council is developing a coherent and sustainable response to the forecasted reductions in funding over the medium term. The successful transformation of the Council will not only impact on the Council outlook and culture, ie a council that makes good evidenced based decisions and gets things done but will also have a significant impact on Council finances.</p> <p>The current budget incorporates budgeted savings and delivery of income streams which need to be managed and realised to ensure that balanced budgets can be achieved without any reliance on the use of reserves.</p>	<ul style="list-style-type: none"> A. Annual review of MTFP updating the three year horizon scan including reserve levels and future changes to funding B. Annual budget setting for revenue and capital including funding C. Utilisation of external financial support that provides support for funding modelling D. Regular budget monitoring reports and updates to senior officers and Members E. Treasury Management Strategy to ensure the Council are acting within the prudential indicators F. Development of savings plans and invest to save initiatives G. Maintain appropriate level of financial reserves as contingency arrangements to provide resilience over the medium term H. Development of capital plans in accordance with Capital Strategy with full financial appraisal and revenue implications I. Development of commercial opportunities and income generation proposals in order to build financial headroom 	<p>Likelihood 2 x Impact 3 = High 6</p> 	<ul style="list-style-type: none"> i. Continuation of the development of the strategic finance modelling under different scenarios <p>Complete – Financial modelling was undertaken alongside the development of the MTFP. Financial risk ratio analysis was presented to Members as part of developing the budget for 2023/24.</p> <ul style="list-style-type: none"> ii. Evaluation of capital scoring and appraisal methodology to ensure capital schemes support the outcomes of the Corporate Plan <p>Complete – This robust methodology formed part of the capital strategy with</p>
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Risk Title, Risk Description, Effects of Risk Realisation and Current Circumstances	Risk Controls	Residual Risk Score	Actions Being Undertaken and Progress Update
<p>This risk is also closely linked to the delivery of the Council transformation agenda and is reliant on ensuring that the Council has available suitable skills and experiences to support initiatives.</p> <p>Effects of Risk Realisation</p> <ul style="list-style-type: none"> - Reduction in cashflow position - breach banking/loan covenants - Reduced financial stability - Opportunities cannot be pursued – future reductions required (staff/non-statutory service provision) - Reputational damage resulting in negative media attention - Qualified External Audit Opinion/ Internal Audit Opinion - Increased scrutiny/intervention <p>Current Circumstances</p> <p>The current financial climate is causing pressure on specific costs such as energy costs and inflationary driven services. These rising costs are outside the direct control of the Council, but a range of responses are being developed to manage the Council’s exposure to the financial challenges that are being presented.</p> <p>The Housing Revenue Account Business Plan is being updated following the financial modelling arising from the 100% stock condition survey. A stock condition survey has been undertaken to allow a review of the business plan and development of a clear Asset Management Strategy.</p>			<p>all capital bids presented on a corporate template and scored alongside the Corporate Plan. Developed and presented to Council on 1 March 2023.</p> <p>iii. Review of Treasury Management Strategy – specifically borrowing proposals</p> <p>Complete – The 2023/24 Strategy has been updated in accordance with the Financial Management Code and was approved by Council on 1 March 2023. It will continue to be reviewed in response to the current financial climate.</p> <p>iv. Undertake asset management review and development of asset management plan</p> <p>Corporate assets are being reviewed to balance the Council’s operational needs of asset retention, holding costs and the disposal opportunity. To support this review an Asset Disposal Strategy was approved by Cabinet in December 2021. The Corporate Asset Management Strategy was approved by Cabinet on 22 September 2022.</p> <p>v. Undertake a review of Council assets that have a high dependency on utility consumption and introduce a range of energy efficiency initiatives to reduce consumption and associated costs (New action)</p> <p>vi. Undertake regular reviews of the MTFP in response to the changes in operational costs (New action)</p>

Risk Title, Risk Description, Effects of Risk Realisation and Current Circumstances	Risk Controls	Residual Risk Score	Actions Being Undertaken and Progress Update
5. Creating the right culture, capacity and capability			
<p>Risk Description This risk relates to the Council being unable to successfully achieve the level of change expected and required by Council leaders and stakeholders. In creating the change will come a new culture and outlook that is described as “agile” and “outcome focussed” ie we do what we say we will.</p> <p>Key to the above will be ensuring that:</p> <ul style="list-style-type: none"> - The Council keeps under close watch recruitment, talent development and retention, as well as use of external specialists where necessary - Partnership and collaborative working is optimised - An appropriate operating environment and culture is created that will enable the necessary changes to occur. This may require a review of constitutional policies and procedures and a re-assessment of risk appetite at all levels in the Council, specifically members - Member/officer mind sets are aligned regards the change initiatives enabling the appropriate cultural change <p>Effects of Risk Realisation</p> <ul style="list-style-type: none"> - Reduced staff motivation/morale/staff burn out resulting in high sickness/absences - Poor performance - High recruitment and agency costs - Lack of innovation - Skill gaps - Deterioration of service quality through loss of experienced staff - Reputation damage via social media <p>Current Circumstances Restructuring activity undertaken during 2022/23 has had a positive impact on creating a more optimal structure that is better aligned to deliver the Council’s goals.</p> <p>Whilst there are pockets of concerns relating to morale, performance, motivation etc, early indications from the 2023 Engagement Survey (just undertaken) indicate that overall, engagement has significantly improved this year.</p>	<ul style="list-style-type: none"> A. The staff requisition process (assessment of needs and business case re posts) B. Culture change workshops/action plan to enhance mindsets, encourage collaboration and engender a culture that enables change and innovation C. Mapping of talent to corporate strategy as part of resource determination D. Learning and development programme providing training, tools and techniques to develop the necessary skills E. Check-ins (PDRs) F. People and Organisational Development Strategy revised and issued G. Investigation and identification of further collaborations that will support building capacity and capability (and resilience) including both public and corporate business H. Corporate Plan 2021-2023 	<p>Likelihood 2 x Impact 3 = High 6</p> 	<ul style="list-style-type: none"> i. Review People and Organisational Development Strategy to include a pay review and agile working styles <p><i>New Ways of Working protocol has been developed, signed off and cascaded with flexible guidance on agile working that meets business, team, and individual’s needs. A working group developed direction of four strands of work in the pay review, each of which have been progressed including the introduction of career grades and revised job evaluation process.</i></p> <ul style="list-style-type: none"> ii. Undertake an assessment of Council corporate resilience with a view to creating a programme of learning and development that will strengthen individual coping strategies and performance <p><i>Annual appraisals were completed across the Council in 2022/23. The cycle will start again in March 2023.</i></p> <ul style="list-style-type: none"> iii. Undertake annual review of resources across the Council <p><i>Complete – A review was undertaken with Phase 2 of the restructure being completed.</i></p> <ul style="list-style-type: none"> iv. Develop action plan arising from employee survey <p><i>Action plan has been created and implemented with input from the People Panel and the wider Council. 2023 Survey has been conducted and responsive action plan will be created.</i></p>

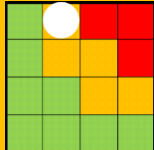
Risk Title, Risk Description, Effects of Risk Realisation and Current Circumstances	Risk Controls	Residual Risk Score	Actions Being Undertaken and Progress Update
			<ul style="list-style-type: none"> v. Undertake learning and development programmes including fostering leadership skills <p>Learning and development plan for 2022/23 has been deployed. Institute of Leadership & Management training is taking place during February and March 2023.</p> <ul style="list-style-type: none"> vi. Embed positive member/officer relationship <p>Political Awareness training session held in Quarter 3 and these will be ongoing. Member/Officer Protocol in place as part of the Constitution. Development sessions facilitated by the LGA held with the Corporate Management Team, Cabinet, the Administration and the Opposition Group regarding roles and responsibilities.</p>

6. Ability to be agile and shift focus in response to policy, national political change, and changes to the external environment

<p>Risk Description</p> <p>This risk relates to the Council being unable to identify, interpret and act on/respond to political, policy change and changes to the external environment, and therefore best position itself to maximise on opportunities that this may present or to mitigate risks that may emerge as a result and impact on existing plans and strategies.</p> <p>The UK is still transitioning through Brexit of which there is still large scale uncertainty at a macro level and how this may translate at a local level both economically and socially, for communities, business, and the Council itself. Similar is the outcomes of the recent election with the Government embarking on its future path which is intrinsically linked with Brexit. In addition, there are a number of changes in other public sector bodies which will or could impact on the Council/ Communities. The Council needs to be well positioned to have early sight of these and potential implications.</p>	<ul style="list-style-type: none"> A. Continuous monitoring of political landscape to allow for early indicators of policy change B. Prudent financial and strategy assumptions to allow for agile responses (see controls under Risk 4 re MTFP) C. Corporate Plan 2020-2023 reviewed and updated where appropriate as changes identified that could impact on the Council and its plans ie Covid-19 D. Section 151 Officer role providing advice to the Council on current/future financial challenges E. Monitoring Officer role providing advice to the Council on current/future legal challenges F. Reports to committee include explicit assessment of implications and therefore should identify/reflect current and future challenges G. Executive to undertake horizon scanning look out/forwards and identify possible challenges ahead 	<p>Likelihood 2 x Impact 4 = High 8</p> 	<ul style="list-style-type: none"> i. Develop stakeholder map/engagement plan to identify key individuals/organisations ii. Establish, maintain, and monitor a list of “emerging risks” and undertake scenario planning iii. CMT to attend professional events/forums and provide feedback <p>The Policy Officer provides updates on policy changes at a national level and identifies potential issues at a local level that may impact on the Council. A new policy control framework register has been implemented for the Council.</p>
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Risk Title, Risk Description, Effects of Risk Realisation and Current Circumstances	Risk Controls	Residual Risk Score	Actions Being Undertaken and Progress Update
<p>Effects of Risk Realisation</p> <ul style="list-style-type: none"> - Potential breach of regulation/legislation - Threat to future financial viability - Trigger regulator inspections/scrutiny - Missed opportunities/failure to exploit opportunities that may arise - Council becomes disconnected from residents/local businesses - Management has to spend increased resources on 'firefighting' - Negative media and press <p>Current Circumstances</p> <p>There are two dimensions that should be recognised at this point:</p> <ul style="list-style-type: none"> - The potential for a further economic financial crisis, including likely future austerity measures - The cost of living crisis which has been caused by unprecedented inflationary increases primarily related to the cost of utilities 	<ul style="list-style-type: none"> H. Membership of Local Government Association etc providing information/insights to the Council I. Members roles and responsibilities including involvement in local networks, County Council, other agencies, and national forums, enabling insight to be gained and shared with the Council J. Staff membership of professional bodies enabling own development and also providing for insights through membership of challenges that may present themselves to the Council K. Officer/member forums and networks including County Council, other Lincolnshire Councils, and wider agencies for purpose of collaboratively tackling issues etc 		<p>Work has commenced on the Corporate Plan refresh with swot analysis, operating environments, economic and political outlooks identified. State of District report being developed.</p> <p>iv. Establish cost of living response group The Group is focusing on assessing the impact on the vulnerable parts of the community to ensure that they receive the right level of support and assistance. In addition, those services involved ie Benefits, Housing and Revenues are coordinating support and advice to those requiring it. An action plan has been developed to support the community including residents and businesses. To help South Kesteven residents deal with the cost of living a Wellbeing Fair was held on 25 February.</p>

7. Ensuring robust security measures to protect the Council's data and assets from external threats

<p>Risk Description</p> <p>This risk relates to the Council's ability to defend itself against the constantly evolving threat from cyber based attack. The Council, in common with other public bodies, should be regarded as a high profile target given the impact and publicity a successful attack can have.</p> <p>The Council, through the measures in place, repels almost on a daily basis "attack vectors" launched by adversaries from across the globe. The risk to the Council of not maintaining these effective controls and it's continuing to invest in these countermeasures is very high.</p> <p>Officer education and vigilance in identifying suspicious contacts is as important as the security systems that are in place.</p> <p>Effects of Risk Realisation</p> <p>The consequences of a successful attack can have a number of consequences, not just operational but also reputational. The impact</p>	<ul style="list-style-type: none"> A. Physical enterprise level firewalls are in place on the Council's network. A default deny-all principle is adopted for the firewall rule base with a limited number of permitted connections to the network. B. Email is screened in the cloud before being delivered to end users. Outlook also checks on the device C. Antivirus software – Anti-virus installed on all network servers and computers. Definitions are updated daily and on access file scanning enabled on all laptop and daily full scans on servers. Any files identified as infected or suspicious are blocked and notification sent to IT staff D. Encryption – Encryption is used on all laptops issued. Any external devices such as USB drives must also be encrypted for use. This protects against online and physical theft E. Endpoint devices – Non approved devices cannot be used and are blocked F. Patches are set to be automatically downloaded and installed on all devices by policy 	<p>Likelihood 2 x Impact 4 = High 8</p> 	<ul style="list-style-type: none"> i. Carry out annual penetration test Annual penetration test will be undertaken by May 2023. ii. Annual refresher training on cyber risks for all staff Completion of annual training will be monitored to ensure that it is undertaken. iii. Scheduled review of policies Cyber Action Policy was approved in 2022. Acceptable Use of IT Policy is currently being reviewed.
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Risk Title, Risk Description, Effects of Risk Realisation and Current Circumstances	Risk Controls	Residual Risk Score	Actions Being Undertaken and Progress Update
<p>is not just an internal one, but it also has consequences for our customers if we cannot provide our essential services.</p> <p>Current Circumstances IT maintain a variety of security systems to ensure the continued protection of Council systems and data.</p> <p>Policies and procedures are in place to help ensure all necessary measures are taken by IT officers and Council staff to detect and prevent any malicious access attempts.</p> <p>Specialist cyber training has been delivered to relevant IT staff as well as cyber awareness training authority wide.</p> <p>A 2022 audit identified areas of potential weakness and a Cyber Treatment Plan was created. This is being actioned with a deadline of April 2023 for all actions to be completed. 90% of the actions have been implemented.</p> <p>East Midlands Cyber Security Network (EMGWARP) has reviewed the Council's email security and a rating of 94% was awarded.</p>	<p>G. Penetration testing is carried out by an external supplier to audit/test the effectiveness of the measures in place. A report is provided of any recommended actions. Active monitoring of external interfaces is in place and unusual activity is reported to IT officers</p> <p>H. A programme of familiarisation training is in place which simulates Malware attacks and provides training and support to re-enforce the messages</p> <p>I. Awareness training for officers and Members on the threats of cyber attacks is provided annually</p> <p>J. Continued reviewing and tightening of existing IT Security Policy to ensure measures adapt to the changing threat, including awareness, familiarisation and training</p> <p>K. Acceptable use of IT policy to ensure staff are using equipment safely and appropriately</p> <p>L. Relationships with other agencies, such as EMGWARP and National Security Council, to improve awareness of threats by alerts, bulletins and regular meetings</p>		<p>iv. Remove any end-of-life hardware and software from the domain</p> <p><i>Work continues to remove end of life devices and applications. Mitigation such as third party software tools and read only access are being added where necessary.</i></p> <p>v. Completion of the actions identified in the Cyber Treatment Plan</p> <p><i>18 of the 20 High risk recommendations complete (2 in progress) 8 of the 9 Medium risk recommendations complete (1 in progress) 3 Low risk recommendations complete</i></p>

Risk Matrix

Impact	Critical None or very low tolerance to the risk	4	4 Medium	8 High	12 Very High	16 Very High
	Major Some tolerance to the risk	3	3 Medium	6 High	9 High	12 Very High
	Moderate Risk can be tolerated in most cases	2	2 Low	4 Medium	6 High	8 High
	Minor Risk can be tolerated	1	1 Low	2 Low	3 Medium	4 Medium
			1	2	3	4
		Unlikely	Possible	Likely	Certain	
		Low but not impossible <20%	Fairly likely to occur 21% - 50%	More likely to occur than not 51% - 80%	Expected to occur in most circumstances >80%	
				1	2	3
				1	2	3
				Low	Low	Medium
				2	3	4
				Medium	High	High
				3	4	8
				High	High	High
				4	6	9
				Very High	Very High	Very High
				8	12	16
				High	High	High
				12	16	20
				Very High	Very High	Very High
				16	20	24
				Very High	Very High	Very High
				20	24	28
				High	High	High
				24	28	32
				High	High	High
				28	32	36
				High	High	High
				32	36	40
				High	High	High
				36	40	44
				High	High	High
				40	44	48
				High	High	High
				44	48	52
				High	High	High
				48	52	56
				High	High	High
				52	56	60
				High	High	High
				56	60	64
				High	High	High
				60	64	68
				High	High	High
				64	68	72
				High	High	High
				68	72	76
				High	High	High
				72	76	80
				High	High	High
				76	80	84
				High	High	High
				80	84	88
				High	High	High
				84	88	92
				High	High	High
				88	92	96
				High	High	High
				92	96	100
				High	High	High

Likelihood