










CORPORATE RISK REGISTER – UPDATE ON RISKS JUNE 2019


Dept./ Function	CRR Risk No	Risk Description	Current Risk Score (incl. changes)	Update Based on risks discussed at department's management teams during June 2019	Direction of Travel ** (Residual Risk Score over the next 12 months)
1. Medium Term Strategy					
All	1.1	Risk around the MTFS including the ability to deliver savings through service redesign and Transformation as required in the MTFS, impact of the living wage and other demand/cost pressures including legal challenges.	25	<p><u>MTFS</u></p> <ul style="list-style-type: none"> • 2018/19 Outturn position reflects strong financial performance • Some challenges for individual savings, but overall target expected to be met. • Demand for funding of Capital Schemes continues to increase • Expectation is for a one-year settlement and a delay to Fair Funding reforms, subjecting Local Government to further uncertainty. • A four- month public consultation on the Council's future financial priorities will commence in June and the outcome will be used to inform the update of the MTFS in Autumn. <p><u>Transformation</u></p> <p>Transformation Unit is working with all departments to continue to deliver existing savings targets and to identify new opportunities for savings through the development of relevant business cases.</p>	 Expected to remain high/red
CE	1.3	If the Council fails to maximise developer contributions, then there could be a failure to fund corporate infrastructure projects	16	<p>Following the outcome of the recent consultation process, County Council's approval is being sought for the Council's revised planning obligations policy for developer contributions in July following approval by Cabinet in June.</p> <p>The Council is also setting up a new Growth Unit which will assist with securing developer contributions for major infrastructure projects</p>	 Expected to move to medium/ Amber
CR	1.4	If claims relating to uninsured risks materialise or continue to increase then LCC will need to find increased payments from reserves, impacting on funds available to support services	16	<p>Committee had previously been informed that on 17 April 2019, the Court of Appeal found in favour of Equitas in relation to the legal case over the allocation of claims to MMI's reinsurance programme. This meant that MMI's balance sheet was not in such a favourable position and the potential for a further levy on claims increased.</p> <p>However, on 8 May 2019, the Court of Appeal granted MMI permission to appeal the 17 April finding to the Supreme Court. It is anticipated that the case will be heard by the Supreme Court in the first half of next year.</p>	 Expected to remain high/red

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C&FS	1.5	<u>Social Care:</u> If the number of high cost social care placements (e.g. external fostering, residential and 16+ supported accommodation) increases (especially in relation to behavioural and CSE issues) then there may be significant pressures on the children's social care placement budget, which funds the care of vulnerable children.	25	Although the number of residential placements has reduced since December 2018 (58) to 54, the number of children with high cost care packages (to manage risk to young people's safety) remains high.	 Expected to remain high/red
C&FS	1.6	<u>Education: Risk reworded</u> The absence of a robust Development Plan that takes account of improvements in practice, systems & processes, funding & commissioning, partnership development and the successful delivery of the associated capital programme could lead to sufficiency issues and continued pressures on the High Needs Block budget.	20	<p>Progress has been made in identifying locations and providers for specialist resources provisions and new specialist schools in line with published plans. There is a clear plan, with timescales for the development of these provisions over the next 3 years, with some new places available from September 2019. Developments are in some cases subject to DFE consent and planning permissions and capital costs are subject to the available funding envelope.</p> <p>In the short term there is a continued demand for specialist placements that is greater than current LA place availability. Work is ongoing to manage this but at present this represents a continued financial risk.</p>	 Expected to remain high/red
CR	1.7	If the Council is not compliant with the HRMC IR35 regulations regarding the employment of self-employed personnel, then there is a risk of large financial penalties	20	Information and guidance on responsibilities has recently been issued to managers, with discussions being held with DMTs and then a review of existing appointments will be undertaken to ensure compliance.	 Expected to move to medium/ Amber


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CR	1.8	If public sector partners and major providers of services to the public sector get into financial difficulties, there could be an impact on both the Council's financial position and services.	16	No further update	 Expected to remain red/high
C&FS	1.9	If the immigration status of unaccompanied asylum-seeking children (UASC) who arrive in the County is not resolved, then the Council will have to meet additional long-term funding in relation to its housing and care duties.	16 (Decreased from 20)	The UASC numbers have increased over the last 6 months. The Council has 92 UASC in care. The financial risk has decreased slightly as Government funding for UASC will increase in the current financial year.	 Expected to remain red/high
2. Health & Social Care Integration					
All	2.2	Impact on County Council services and MTFs of the Better Care Together (medium term) transformation plan in Leicester, Leicestershire and Rutland (LLR), could lead to inability to deliver improved outcomes and financial sustainability.	16	<p>NHS England & NHS Improvement will be issuing their joint national implementation framework for the NHS Long Term Plan at the end of June/early July. This will set out their required structure and content for each STP or Integrated Care System (ICS) area to produce a local delivery plan by the autumn.</p> <p>During May and June partners have discussed how to define place within the LLR ICS, how best to develop joint working at the tier of place. Within Leicestershire there has been an externally facilitated Operational Development (OD) workshop to scope a refreshed approach to joint commissioning. Place based governance arrangements are being revised.</p>	 Expected to remain high/red



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				<p>The new accountable officer across the 3 LLR Clinical Commissioning Groups (CCGs) has been appointed, to start in post in the autumn, with some early involvement and induction on a part time basis over the summer period. Options for the future structure of local CCGs will be considered by CCG Boards in July, with reconfiguration and management of change expected to take 12 months.</p> <p>Financial delivery in 2019/20 is the top risk for NHS partners with a large Quality, Innovation, Productivity and Prevention (QIPP) programme to deliver, a proportion of which is still unidentified as at June 2019. LLR is already being escalated on the assurance of NHS financial control totals for 2019/20.</p>	
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

All	2.3	Challenges caused by the Welfare Reform Act 2012 and the Welfare Reform and Work Act 2016.	16	<p>The start of the Government's 'managed migration' process, to move existing claimants from the legacy benefits to Universal Credit has been delayed until January 2020. The Government plans to complete managed migration to Universal Credit by the end of 2023.</p> <p>The High Court has ruled (May 2019), that the draft rules proposed to compensate people who migrated to Universal Credit without transitional protection are unlawful. The Secretary of State is considering her response.</p>	 Expected to remain high/red
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3. ICT, Information Security

CR	3.2	If the Council fails to meet the information/cyber security and governance requirements, then there may be breach of the statutory obligations	16	<p>The Council has recruited a dedicated Technical Security Officer with a focus on cyber security.</p> <p>A report was taken to Chief Officers from the Data Protection Officer. As part of that report, increased reporting surrounding information security incidents will occur quarterly at DMTs, with a senior responsible officer</p>	 Expected to move to
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				<p>assigned in each department tasked with driving down major incidents. Regarding training on Information Security and Data Protection latest data on the Council's Learning Hub shows 85% compliance against a target of 90%. However, ongoing requirements to review training every 12 months could impact on the compliance rate.</p> <p>Further work is progressing under the Information Governance Board. This focuses on implementation of the Information Asset Register solution which is currently being built ready for trial during July/August, Surveillance Camera Systems and collaboration systems.</p>	medium/amber
All	3.5	If the Council fails to maintain robust records management processes to effectively manage information under its custodianship, personal data may not be processed in compliance with the Data Protection Act 1998 resulting in regulatory action and/or reputational damage.	15	Following an earlier report to Chief Officers in January 2019, the highest risks relating to hard copy files have been identified. Resources are being put in place to deal with these files. Further risk assessments will continue to be undertaken.	 Expected to move to medium/amber
CR	3.6	If a replacement (ERP) system is not implemented successfully the Council will not reap the benefits and the Council's financial and HR activity could be negatively impacted upon	20	The design of the new system is nearing completion with a target to resolve all critical and high gaps by July 2019. The focus then will be on the business change impact arising from this new solution, the testing of the final solution and shaping the go-live strategy. Due to certain gaps identified in the functionality of the ERP system, there might be additional time required to complete the design and go-live readiness activities. These are being discussed with the programme team and the implementation partner and the path forward is expected to be agreed in the July Board.	 Expected to remain high/red

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4. Commissioning & Procurement					
CR	4.1	If the Authority does not obtain the required value and level of performance from its providers and suppliers, then the cost of services will increase, and service delivery will be impacted.	15	No further update to the previously reported position	 Expected to move to medium/amber
E&T	4.2	If Arriva is successful in its concessionary travel appeal, then reimbursement costs for the total scheme could increase significantly.	15	<p>The 2017/18 Arriva appeal was unsuccessful. The 2018/19 scheme appeal response was submitted, and the position is similar to 2017/18 as there has been little new evidence from Arriva. Regarding 2019/20 scheme, the intention to appeal has been lodged by Arriva in May 2019, and a similar approach taken as little new evidence has been put forward by Arriva. The Council will consider new evidence if it is forthcoming.</p> <p>Currently analysing minimal new evidence which has not altered the view that the grounds for appeal are weak. However, now engaging specialist consultancy resource to support analysis and review approach to 2019/20 appeal. Support is not required for the 2018/19 appeal as no new evidence/data has been supplied.</p> <p>Department for Transport (DfT) have asked up to accede to Arriva's request for a stay in having to submit 2019/20 appeal details for two months which has been agreed to allow the consultancy work to be completed in a reasonable timescale. It is likely that the stay will still result in an appeal being formally submitted later this year against the 2019/20 scheme.</p>	 Expected to move to medium/amber

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5. Safeguarding



C&FS	5.1	<u>Historical:</u> If as a result of a concerted effort to explore abuse by the Independent Inquiry into Child Sexual Abuse (IICSA) and Police Operations, then evidence of previously unknown serious historical issues of child sexual exploitation (CSE) or abuse is identified	25	<p>The Inquiry announced (April 2019) that the Preliminary Hearing into institutional responses to allegations of child sexual abuse did not place on 23 May but will be held on 24th September. The Public Hearing for the Janner Investigation remains scheduled for February 2020.</p> <p>The Council, as a Core Participant to the Inquiry, continues to meet with the IICSA team to ensure they receive the information they require for their investigation in a timely and accurate manner. The Council has engaged experienced Barristers to advise during this phase and for the preparation for the public hearing scheduled for February 2020.</p>	 Expected to remain high/red
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


6. Brexit



All	6.1	Uncertainty and significant knock on consequences on public services (including potential legal, regulatory, economic and social implications), and the local economy as a result of the United Kingdom leaving the European Union.	16	Conversations are ongoing with Ministry of Housing, Communities and Local Government (MHCLG). Brexit Planning Group including the Council's sub-group Resilience Partnership Group to be re-established to plan for No Deal Brexit on 31/10/2019.	 Expected to remain high/red
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7. People

CR (ALL)	7.1	If sickness absence is not effectively managed then staff costs, service delivery and staff wellbeing will be impacted	16	<p>The Intensive Support Project is ongoing. Changes to the Attendance Management Policy have been agreed with the Trade Unions in principal and will now progress to formal agreement and implementation. Chief Officers will review the initial target of 8 days per FTE in Autumn 2019.</p> <p>The corporate target remains at 7.5 days FTE. Absence levels are decreasing consistently but still some distance from the corporate target.</p> <p>A Peer Review of attendance management has been scheduled with North Yorkshire County Council</p>	 Expected to move to medium/ Amber
All	7.2	<p>Recruitment and retention</p> <p>If departments are unable to recruit and retain skilled staff promptly then some services will be over-reliant on the use of agency staff resulting in budget overspends and poor service delivery</p>	15	<p>C&FS (risk score =15)</p> <p>The Department has made good progress against the recruitment and retention strategy and vacancy rates have dropped to 6% and below - there continues to be pressures around increasing workloads and staff absence due to illness or maternity that places pressure on the service. Concern that with high numbers of newly qualified staff, additional support for them and the service has been required and continues to be required for the next year. It is hoped that as the numbers of newly qualified staff reduce this will not have such a significant impact on the service as it currently does. There is national professional work ongoing about difficulties to the recruitment and retention of experienced social workers to further address the retention element the recruitment and retention strategy is currently being updated.</p> <p>A&C (risk score =12). The risk score has been reduced from 16 as the vacancy rate is currently low.</p>	 Expected to remain high/red

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A&C	7.3	If the department does not have a sustainable external workforce to work with it may be unable to meet its statutory responsibilities.	16	A detailed action is being developed for this risk	 Expected to move to medium/ Amber
8. Business Continuity					
CE	8.1	If suppliers of critical services do not have robust business continuity plans in place, the Council may not be able to deliver services	15	Structure for oversight and agreement of all contracts is not yet in place. Enforcement and rigor of guidance is not fully in place. Commissioning Support Unit are implementing a system in September to enable consistent flagging of Key Providers, at the point of Procurement, to the Resilience and Business Continuity Team. It is the responsibility of Commissioning Support Unit to inform Resilience and Business Continuity Team of the Key Providers who will then be assessed for criticality and compliance against industry standards. Resilience and Business Continuity Team will work with Contract Managers within departments for necessary improvements/ information.	 Expected to remain high/red
9. Environment					
E&T	9.1	If the ash dieback disease causes shedding branches or falling trees, then there is a possible risk to life and disruption to the transport network.	15	Development and implementation of cross departmental action plan is progressing. The risk to life is still fundamental – as the key unknown factor is when the majority of the Council's Ash stock will fail due to the disease. Work is underway across the Council to understand costs over time, deal with increasing sampling schedules / future increases in mitigation measures, consider communications/training linked to the Council as well as privately held Ash stock. The Business Intelligence Service team have also developed dashboard(s), improving the information available on our Ash stock and condition going forward.	 Expected to move to medium/ amber

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E&T	9.2	If there was a major incident which results in unplanned site closure (e.g. fire) then the Council may be unable to hold or dispose of waste.	15	No change to the previously reported position	 Expected to move to medium/ Amber
10. Partnerships					
C&FS	10.1	If the Local Authority and partners do not succeed in developing an inclusive culture across all schools, education providers and partner agencies (including the Parent Carer Forum), then it will be difficult to secure parental confidence in the ability of the 'whole system' to meet the needs of the large majority of children with SEND in a mainstream school context.	16	<p>Consultation with stakeholders on the new proposed provision has emphasised the importance of continued focus and capacity to support mainstream schools in being inclusive. This will be a continued feature of the high needs block development plan.</p> <p>There is a continued pressure upon school budgets due to austerity and, consequently, the demand for EHCP Needs Assessment and high needs block funding continues to be a significant issue. The High Needs Block Development Plan sets out a range of measures to mitigate and manage but as yet, the risk of budget overspend continues.</p>	 Expected to move to green

Department

A&C = Adults & Communities
 CE = Chief Executives
 CR = Corporate Resources
 C&FS= Children and Family Services

E&T = Environment and Transport
 PH = Public Health
 All = Consolidated risk

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** The arrows explain the direction of travel for the risk, i.e. where it is expected to be within the next twelve months after further mitigating actions, so that:

- A horizontal arrow shows that not much movement is expected in the risk;
- A downward pointing arrow shows that there is an expectation that the risk will be mitigated towards 'medium' and would likely be removed from the register;
- An upwards pointing arrow would be less likely, but is possible, since it would show that the already high scoring risk is likely to be greater.

RISK REMOVED

Dept.	CRR Risk No	Risk Description	Current Risk Score	Reason	Date of Removal
C&FS	3.7	If the quality of data in Children and Families (C&FS) Information Management System is too low to satisfy statutory requirements (e.g. data returns) this will impact upon service delivery	16	The current risk score has been downgraded from 16 to 12. - tableau reports have been embedded; and are now accessible to Team Managers and Business Support. This is led by two Heads of Service who jointly oversee quality meetings This risk has been removed from the Corporate Risk Register, but it will continue to be monitored through the Children & Family Services Departmental Risk Register	26 July 2019

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