












CORPORATE RISK REGISTER – UPDATE ON RISKS



APPENDIX A




Dept./ Function	CRR Risk No	Risk Description	Current Risk Score (incl. changes)	Update Based on risks discussed at department’s management teams during June 2021	** Direction of Travel (Residual Risk Score over the next 12 months)
Coronavirus – COVID-19					
All	1	If the Council does not on an ongoing basis plan for, prepare and respond to current and future consequences of the COVID 19 pandemic, the Council and its communities could suffer long lasting economic, environmental, societal, technological challenges and missed opportunities.	20 15/L4	The degree of risk is likely to change due to external factors but will be kept under review.	 Expected to remain red/high
1. Medium Term Financial 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, legal challenges, and importantly demand/cost pressures especially those arising in Adults and Children’s Social Care.	25 15/L5	<p><u>MTFS</u> New campaign approach being developed to lobby for fair funding, including additional focus on capital funding.</p> <p>The Council has a Covid-19 budget in place to mitigate the major 2021/22 risks with an assessment in Autumn with a view to redirecting resources to the Council’s priorities subject to the pandemic. However, this provision is only one-off, and any ongoing costs will exacerbate LCC’s financial position.</p> <p>Work is underway to produce the MTFS 2022-26 with a report to Cabinet (September) to set the scene for the challenge.</p> <p>Increasing demand for capital schemes (e.g. local plans) and the expected cost (e.g. cost of materials) is increasing the financial shortfall for the programme.</p> <p>MTFS savings continue to be progressed, as does the development of the Savings Under Development.</p>	 Expected to remain high/red



Dept./ Function	CRR Risk No	Risk Description	Current Risk Score (incl. changes)	Update Based on risks discussed at department's management teams during June 2021	** Direction of Travel (Residual Risk Score over the next 12 months)
CE	1.3	If the Council fails to maximise developer contributions, then there could be a failure to fund corporate infrastructure projects.	16 14/L4	Improvement project began in January 2021 which will lead to new processes, ways of storing data and monitoring obligations. It will also allow better monitoring of spend against projects. The project is expected to be completed by December 2021.	 Expected to move to Medium/Amber
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 15/L5	No update to previously reported position	 Expected to remain high/red
C&FS	1.6	<u>Education</u> If demand for Education Health and Care Plans (EHCP) continues to rise, and corrective action is not taken, there is a risk that the high needs deficit will continue to increase.	25	<p>Leicestershire Special Educational Needs has seen 12.7% growth in EHCP numbers (above the national average) compared to this time last year. However, less referrals are entering the system, but the net result is that cost pressures are increasing.</p> <p>Leicestershire currently has 393 Independent placements which is 27 above target.</p> <p>Given the levels of growth and underdelivering on forecasted savings around independent placements and annual reviews, the financial outlook has worsened. Uncertainty remains on the impact of Covid-19 and central government Special Educational Needs review is still pending.</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 15/L4	No change to previously reported position.	 Expected to move to Medium/Amber




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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 14/L4	A new voluntary rota has now been introduced that will manage the number of children who are allocated to a region and local authority to place and provide care. The Home Office new funding arrangements mean that there is now no funding gap for UASC age 0-17 and the UASC care leaver funding has been increased. It is too early however to fully understand how the new rota and funding will fully mitigate the risk.	 Expected to move to Medium/Amber
CE	1.10	The Council is unable to meet the financial investment required to deliver infrastructure in support of housing development committed in districts Local Plans and that where this contribution can be recouped through s106 agreements secured by District Councils, the funding doesn't meet the full cost and is secured long after the commitment is made.	25 15/L5	The scale of the financial risk to the Council associated with the delivery of growth is significant. Internal governance is in place to manage this risk and additional staff resources have been allocated to strengthen collaboration with district councils where possible. Leicestershire County Council has proposed an Infrastructure Policy that would formalise a consistent, shared response to the management of this risk with district councils.	 Expected to remain high/red
CE	1.11	The Freeport requires designation by Government to be operational. That is dependent on approval of the business case. The outline case has to be submitted by 10 th September 2021 and will be subject to a 'gateway review'. If designation is not achieved there will be serious reputational consequences for the East Midlands region and partners in the Freeport proposal.	16 14/L4 (New)	In Spring 2021 the Council took on the role of lead authority/ accountable body for the East Midlands Global Gateway Freeport proposal. It has worked with partners to establish a Freeport Board in line with Government guidance and has provided programme management support to the Board. The opportunity to establish a Freeport, in order to attract investment, stimulate innovation and economic growth, and create jobs, has been offered to local areas by the Government, and this East Midlands proposal has been invited to submit a detailed business case to Government later in 2021. The proposed Freeport has sites in Leicestershire (at and near East Midlands Airport) as well as in Nottinghamshire and Derbyshire. The development of a robust business case is a challenge given the complexity both of the Freeport geography (across three counties) and land ownership, and of an understanding of the measures which make a Freeport attractive (e.g. relating to tax, customs, and planning).	 Expected to move to Medium/Amber




Dept./ Function	CRR Risk No	Risk Description	Current Risk Score (incl. changes)	Update Based on risks discussed at department's management teams during June 2021	** Direction of Travel (Residual Risk Score over the next 12 months)
2. Health & Social Care Integration					
All	2.3	Challenges caused by the Welfare Reform Act 2012 and the Welfare Reform and Work Act 2016.	16 14/L4	<p>The Government has confirmed that universal credit advances will be included within the Breathing Space debt respite scheme 'as soon as possible'.</p> <p>The Department for Work and Pensions (DWP) is working with health assessment providers, for personal Independence Payment, to deliver audio recording service for face-to-face assessments 'as soon as practically possible'.</p> <p>The Universal Credit uplift (£20 per week) will end at the end of September 2021.</p> <p>The DWP has confirmed that it has started a phased reintroduction of claimant commitments for all employment and support allowance claimants.</p>	 Expected to remain high/red
C&FS A&C PH	2.4	If the Council and its partners do not deliver a sustainable health and social care system which results in vulnerable people not having their health and social care needs met, there is a potential that increased demand on social care services will lead to the escalation of vulnerable people's needs.	16 14/L4 (New)	<p>As part of its Health & Care Bill 2021-22, the Government is legislating to introduce Integrated Care Systems (ICS) across England from April 2022. Locally, this will mean a ICS covering Leicester, Leicestershire and Rutland (LLR). There are ongoing discussions at member and officer level with the NHS and the other two councils with social care and public health responsibilities to manage jointly the transition to an ICS which involves complex governance issues. These discussions are also providing opportunities to discuss with the NHS ways in which additional costs to the Council from NHS responsibilities affecting both children's and adults social care can be mitigated.</p> <p>Increased demand on acute and hospital services could lead to increased demand on social care services, particularly in relation to SEND and complex care. The overall risk is associated with potential lack of understanding and implementation of a system and place-based strategy to deliver prevention, population health management, promote independence and manage demand.</p>	 Expected to remain high/red
3. ICT, Information Security					
CR	3.6	If the ERP system cannot accommodate all of the Council's requirements, then it may delay implementation and	15 15/L3	<p>Continue engagement with Oracle and Evosys to reduce outstanding incidents post the system go-live.</p> <p>It is anticipated that the primary risk of business disruption and</p>	

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		extra resources will be required to develop work arounds		<p>delays will reduce now significantly, as the key modules are now live and only risks from the other go-lives (for Nottingham City Council and External customers) remain.</p> <p>Review of the project benefits to plan delivery of those that are outstanding is underway.</p>	 Expected to move to Medium/Amber
CR	3.7	If the Council does not manage its exposure to cyber risk, then decisions and controls cannot be taken to mitigate the threat of a successful cyber-attack.	16 I4/L4	<p>A Cyber-attack simulation exercise is planned for September (Information & Technology Incident Response Team). Work is also underway to review incident response support services available from external suppliers.</p> <p>A vulnerability assessment was conducted by external security partners to assess the Council's backup technology. The report has highlighted areas for improvement – an action plan is being developed. Robust backup technology and procedures mitigate the impact of ransomware.</p> <p>A Security Roadmap has been developed that sets out a timeline of security improvements for the next 18 months.</p> <p>PSN certification submission was sent to the Cabinet Office on 25th February. Status of "Informal Assurance" provided by the Cabinet Office – indicates no concerns with the Council's submission. Eight issues remain outstanding on the action plan – work is planned to close these by the end of July.</p> <p>The number and sophistication of cyber-attacks is increasing.</p>	 Expected to remain high/red

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4. Commissioning & Procurement					
E&T	4.2	If Arriva is successful in its concessionary travel appeals and the method of apportioning between the City and the County is changed then reimbursement costs for the total scheme could increase.	15 I5/L3	Work on County Council's apportionment methodology is ongoing.	 Expected to move to Medium/ Amber
E&T	4.3	If as a result of the impacts of the coronavirus pandemic bus operators significantly change their services, then there could be substantial impacts on communities accessing essential services and lead to required intervention under our Passenger Transport Policy and Strategy	20 I5/L4	<p>The Council is currently complying with the steps as set out in the Governments National Bus Strategy (NBS), which will assist in mitigating this risk.</p> <p>The first step was for the Council to confirm its commitment to entering into enhanced partnerships with bus operators. Cabinet approved this commitment at its meeting on 22nd June and the required Statutory Notice was published. Continued eligibility for government Covid -19 support funding and NBS funding will be dependent on the publishing of this notice of intent.</p> <p>Work is already underway on developing the Council's Bus Service Improvement Plan (BSIP) in continued liaison and engagement with bus operators and a wider public engagement exercise which commenced on 15th June and will run to 31st July. The BSIP will be presented to Cabinet for approval on 26th October and published at the end of October following which, the enhanced partnership formulation process will start with bus operators with a view to them being in place by 1st April 2022.</p>	 Expected to remain high/red
CE/CR	4.4	Risk of challenge and/or financial penalty due to either an actual or perceived breach of procurement guidelines.	16 I4/L4	<p>A number of actions are underway:</p> <ul style="list-style-type: none"> • Guidance available via Commissioning Support Unit (CSU) for procurement activity across the Council. • Current spend control processes increase CSU involvement • Identify approach to Capital Programmes. • Manage approach in line with the new legislation "Transforming Public Procurement" 	 Expected to remain high/red

Dept./ Function	CRR Risk No	Risk Description	Current Risk Score (incl. changes)	Update Based on risks discussed at department's management teams during June 2021	** Direction of Travel (Residual Risk Score over the next 12 months)
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 15/L5	The County Council is awaiting the IICSA report due early Autumn this year. It is anticipated there will be some findings levied at the Council within the final report.	 Expected move to Medium/ Amber
6. Category retired					
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 14/L4	No change to previously reported position.	 Expected move to Medium/ Amber

Dept./ Function	CRR Risk No	Risk Description	Current Risk Score (incl. changes)	Update Based on risks discussed at department's management teams during June 2021	** Direction of Travel (Residual Risk Score over the next 12 months)
All	7.2	If departments are unable to promptly recruit and retain staff with the right skills and values and in the numbers required to fill the roles needed, then the required/expected level and standard of service may not be delivered, and some services will be over reliant on the use of agency staff resulting in budget overspends and lower service delivery.	16 14/L4 15 15/L3	<u>A&C</u> No change to previously reported position <u>C&FS</u> C&FS continues to have some success in recruitment; however, this is generally in relation to Assessed and Supported Year in Employment and newly qualified posts which continues to create risk around the experience in the workforce. The Department has strengthened its offer at exit interviews, so that it can understand more around its intention to staff and link this into Senior Management Team for any learning and action. The work to focus on recruitment in Wigston, is continuing and leading to positives as there is now a cohort of permanent managers. However, recruitment to SEN practitioner posts seems to be out of step with the Department as a whole. More recently turnover off staff in the DCS has been identified as an issue.	 Expected to move to Amber /Medium
A&C	7.3	If the Department fails to develop and maintain a stable, sustainable, and quality social care market to work with it may be unable to meet its statutory responsibilities.	16 Reduced from 20 14/L4	The likelihood reduced from 5 to 4 and the overall risk score reduced from 20 to 16 but RAG rating remains Red. This is due to the following factors: <ul style="list-style-type: none"> • The Department for Health and Social Care has confirmed additional funding. • Funding of additional PPE requirements beyond the end of free PPE portal entitlement is open until March 2022. 	 Expected to move to Amber /Medium
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 15/L3	Business continuity (BC) arrangements have been kept under review. All Departments and the Commissioning Support Unit have looked at key supplier BC arrangements in light of Covid-19.	 Expected to remain high/red

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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	20 15/L4	Results of the 2020 surveys indicate that levels of ash dieback are higher than in previous years. The Ash Dieback Board are leading on coordinating the response for Leicestershire.	 Expected move to Medium/ Amber
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.	20 15/L4	The demand for all County Council waste disposal, recycling and treatment services remains higher than at pre-covid levels. The booking system is successfully managing demand at the Recycling and Household Waste Sites and avoiding disruption to service users. The waste transfer station infrastructure is still under pressure and plans are underway for the use of contingency facilities this year to maintain disposal/treatment capacity for the Districts. Preparation of the Bardon site is underway to enable construction of the Waste Transfer Station to commence imminently.	 Expected move to Medium/ Amber
E&T	9.4	If climate change impacts happen more frequently or at a greater intensity than anticipated, then there is the risk that County Council services will be negatively affected	16 14/L4	This risk will be presented to the Committee at its meeting on 23 July Climate change risk registers are being reviewed. An interim report was considered by the Environment Strategy Delivery Board in May and a final report will be presented in September. Mitigation measures are being identified as part of the Climate Change Risk Register review that will seek to the reduce impact on the Council services.	 Expected move to Medium/ Amber
10. Category retired					

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

**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 possible, since it would show an already high scoring risk is likely to be greater

RISKS REMOVED SINCE JULY 2019

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
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	The level of reserves is sufficient to reduce the current risk score from 16 to 12 and the risk will be managed and monitored at Departmental level via the Risk Register - Corporate Resources.	1 November 2019
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	Resources to address highest assessed physical record risks now being put in place (priorities agreed with Chief Officers in summer 2019). Risk levels regularly monitored by central team. Email storage / destruction approach agreed at Information Governance Board (September 2019). The current risk score has been reduced from 15 to 12 and the risk will be managed and monitored at Departmental level via the Risk Register -Corporate Resources.	1 November 2019
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	A review of the risk has resulted in the current risk score reduced from 15 to 12 and the risk will be managed and monitored at Departmental level (Corporate Resources).	1 November 2019

Dept.	CRR Risk No	Risk Description	Current Risk Score	Reason	Date of Removal
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	The Department has reviewed the risk and reduced the current risk score from 16 to 12. Planning and timescales for action further progressed with domiciliary care to be re-commissioned in 2021 and residential care fee increase coming into effect from 2019/20. The risk will continue to be monitored as part of the A&C Departmental Risk Register.	Removed 1 November 2019 Re-instated 31 January 2020
CR	3.2	If the Council has a GDPR breach, then there could be a risk of significant liability claims	15	Significant work has taken place to mitigate the risks around GDPR. Compliance continues to be monitored and strengthened governance arrangements are now fully implemented to monitor and identify any emerging risks. The Current Risk Score has been reduced from 15 to 12 and the risk will continue to be monitored through the Corporate Resources Departmental Register.	31 January 2020
E&T	4.2	If Arriva is successful in its concessionary travel appeal, then reimbursement costs for the total scheme could increase significantly.	15	Discussions with Arriva are ongoing. The risk will continue to be monitored as part of the E&T Departmental Risk Register.	31 January 2020
All	6.1	EU Transition – If a formal trade agreement between the UK and EU is not in place at the end of the transition period, the UK will be treated by the EU as a third country. Trade arrangements will differ, and goods will be subject to full third country controls and a variety of border checks.	16	The Assistant Chief Executive is satisfied that the risks identified in the Reasonable Worst-Case Scenario did not materialise on transition as the UK and EU reached a trade deal	29 January 2021
C&FS	10.1	If the Local Authority and its 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	The context of this risk is deemed to be covered within corporate risk 1.6 - If demand for Education Health and Care Plans continues to rise, and corrective action is not taken, there is a risk that the high needs deficit will continue to increase.	29 January 2021

Dept.	CRR Risk No	Risk Description	Current Risk Score	Reason	Date of Removal
E&T	9.3	If the Council is not able to deliver on the commitments it has made in its climate emergency declaration due to the complexity and difficulty of some of the decisions and actions that will need to be made, then this will impact on the Council's ability to fulfil its leadership role and have financial and reputational consequences.	15 I5/L3	An updated Environment Strategy and Action Plan was agreed by the Council on 8 July 2020. The Council now has an up to date statement of its environmental priorities and objectives which is aligned with its climate emergency declaration and its framework for action to achieve the commitments on the Council's own carbon emissions and against which its performance can be objectively assessed. The current risk score has been reduced from 15 to 12 and the and the risk will continue to be monitored through the E&T Dept Register.	29 January 2021
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 I4/L4	Existing risk is obsolete and has been replaced by new risks which will be monitored in via the A&C, PH Departmental Risk Registers. These new risks are currently rated Amber.	4 June 2021

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