





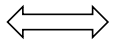
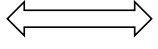
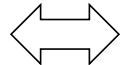


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			Impact	Like lihood	Risk Score	Impact	Like lihood	Risk Score		
1. Medium Term Financial Strategy										
1.1	ALL	If we fail to deliver the MTFS savings, have an unexpected loss in income and /or fail to control demand and cost pressures then this will put the Council's financial sustainability at risk with major implications for service delivery.	5	5	25	5	3	15	<p>The Council has an MTFS gap of circa £85m, and a budget approved for 2026/27 with a gap of £15m, to be funded from reserves. The Fair Funding and Spending Reviews have marginally increased the level of funding the Council receives, but it remains one of the lowest funding Councils in the country.</p> <p>The Council's High Needs Deficit remains a significant risk. Whilst the government has announced that it will fund 90% of SEND deficits as at 31st March 2026, that is subject to submisison and approval of a SEND Reform Plan to DFE. There is no clarity on how deficits built up from 1st April 2026 will be funded.</p> <p>The Council has commissioned an external efficiency review to review its current cost base and identify further opportunities for savings and increased income. The review is due to complete in early March and the savings identified so far have been included in the revised MTFS which was approved by Cabinet and Council in February.</p> <p>A&C</p> <p>The Direct Payment card supplier issue experienced earlier in the financial year is resolved and excess, surplus balances are being recovered, however a shortfall is likely to remain within this financial year to be recovered in 26-27.</p> <p>The Integrated Care Board (ICB) is actively working to manage their financial commitment including Continuing Health Care, joint funding and Section 117 funding agreements. ASC have a dedicated team to work with the ICB commissioned team completing their reviews.</p>	 <p>Expected to remain high/red</p>
1.5	C&FS	Children's Social Care IF the number and type 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.	5	4 (decrease from 5)	20	4	4	16	<p>3 young people have been placed in welfare secure. These placements are expensive.</p> <p>On a positive note actions to review additional staffing for children in residential care has seen some decrease from £120k to £50k. £50k has been a standard level for the past few months</p> <p>Work that is being done around costs increases in volume and expensive costs, average costs for residential placements is plateauing. Growth predictions for MTFS has been revised based on this.</p> <p>Fee uplift process is being done again, proactive reviews taken place, residential step downs (smarter commissioning workstream in MTFS) this is keeping the average unit costs stable</p>	 <p>Expected to remain high/red</p>




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1.6	C&FS	Special Educational Needs IF demand for and the complexity of Education Health and Care Plans (EHCP) continues to rise, and corrective action is not taken, there is a risk that the high needs block budget deficit will continue to increase and create a significant burden on the Council.	5	5	25	4	4	16	6 priority actions/areas have been identified and delivery plans are being developed.	 Expected to remain high/red
1.9	ALL	If the immigration status of refugees and asylum seekers (including 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, with the biggest cost and staffing impacts on C&FS.	4	4	16	4	3	12	No change in terms of impact or the score. Whilst there is a lot of political national noise, none of it is within the Council's control or influence.	 Expected to remain high/red
1.12	E&T	If housing and economic growth across Leicester and Leicestershire is not properly planned with effective funding mechanisms for essential infrastructure, services such as education, transport, waste, and libraries may not be delivered. This could lead to unsustainable development and harm existing communities. Where statutory duties like education or road safety are affected, the financial and delivery burden may fall on the County Council, exceeding current funding capacity.	5	4	20	4	3	12	The Council is seeking to introduce a coordinated risk management strategy to reduce the potential gap in services if development does not sufficiently contribute to the delivery of necessary infrastructure. This strategy will be developed across the relevant services and in the short to medium term includes: - * Ensuring robust responses to local plan consultations that provide a sound policy basis for seeking appropriate contributions and sufficient funding mechanisms such as CIL. * Reviewing and consulting on an updated developer contributions strategy * Clear prioritisation of infrastructure and developer contribution requirements to manage impact of viability shortfall on developments * Seeking delivery of key infrastructure through condition rather than s.106 wherever possible. * Further actions as identified through the work of the Growth Service In the longer-term opportunities to reduce conflict and maximise the extent to which development is delivered effectively and sustainably include LGR and the development of an Spatial Development Strategy. The Council will seek to prepare for these opportunities as far as possible in advance working effectively with partners and stakeholders. For schools, as well as a risk of insufficient developer contributions, the gap between capital allocation and sufficiency in school places (including SEND) is significant. Matter is going to challenge capital funding allocation.	 Expected to move to medium/amber




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			Impact	Like lihood	Risk Score	Impact	Like lihood	Risk Score		
1.13	C&FS	If suitable placements are unavailable for UASC (unaccompanied asylum-seeking children) who arrive in the County, either planned or unplanned, then there will be significant pressures meeting the department's statutory duties with regards to UASC as well as financial pressures in meeting their complex needs	5	4 (decrease from 5)	20	4	3	12	Able to secure suitable homes for UASC young people as and when required. Unit costs have reduced for UASC young people. Back out to the market for a mini-tender for UASC which means the Department can buy places at a lower price and will be able to buy blocks at a time to address the volume.	 Expected to remain high/red
1.14	CEx	If the East Midlands Gateway 2 (EMG2) Segro Development Consent Order (DCO) application is approved by the Secretary of State without mitigating infrastructure, then this could significantly impact the Council's services and responsibilities and could stifle wider growth in the International Gateway, including significantly impacting on the ability to deliver Local Plan growth in North West Leicestershire District Council	4	4	16	2	2	4	The East Midlands Gateway Development Consent Order application was accepted by the Planning Inspectorate in November 2025. The Relevant Representations of the County Council were submitted in January 2026 in line with statutory timeframes. It is anticipated that the Planning Inspectorate will shortly publish the date of a preliminary meeting which will set out the statutory timetable for examination of the application. Whilst Officers continue to work with the Applicant to resolve outstanding matters of concern, there currently remains no agreed scheme of highway and transport mitigation. It is hoped that agreement can be reached during the statutory 6-month examination period.	Expected to move to medium/amber
1.15	C&FS	If there is insufficient DfE capital funding then the Council could fail to meet its place planning requirements including SEND (NEW)	5	4	20	2	3	6	Capital shortfall of £105.1m against total cost of £231.2m for 17 new schools. Funding shortfall caused by changes in pupil yield and construction cost inflation. Change in methodology has seen DfE Basic Need funding significantly reduce. £21.7m required to fund 1,050 school places needed by 2028/29. In terms of mitigation, we are progressing with standardised designs and value engineering and phased delivery, refresh of Planning Obligations Policy, and considering alternative delivery methods to reduce place shortfall Ongoing review of funding offered by DfE in place of Farley Way C&I Special Free School, with conversations planned with academy trust and consideration of alternative options for use of funding	
1.16	C&FS	If maintained Primary Schools submit significant licensed deficit budgets over time creating a financial burden for the Local Authority; then individual schools may fail (NEW)	5	4	20	4	3	12	The School Sustainability Programme is leading a strategic review which will include the management of deficit budgets for maintained schools through a new Schools in Financial Difficulty Process. The programme will include wider considerations of school viability including financial, education quality and pupil numbers. A programme team is under development with further conversations ongoing to secure transformation funding to enable appropriate support to be provided to schools to recover from deficits	

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2. Health & Social Care Integration										
2.4	A&C C&FS PH	If health and care partners fail to work together to address the impact of system pressures effectively, there is a risk of an unsustainable demand for care services and a risk to the quality of those services to meet need	4	4	16	5	2	10	<p>A&C - Changes to NHS community and crisis services to avoid hospital admissions may impact on social care commissioning and provision. There has been a slight increase in discharge to assess placements following hospital discharge, beyond anticipated demand levels, however this is being managed within current resources. Discussions are in place with health, to identify ongoing demand and solutions</p> <p>C&FS - The implementation plan around changes to the ICB is now being consulted upon within the ICB. The partnership continues to meet to work through key areas such as SEND and safeguarding for children there remains an element of uncertainty whilst the consultation/implementation plan takes place.</p> <p>PH -No further update</p>	 Expected to remain high/red
3. ICT, Information Security										
3.7	CR	If the council does not effectively manage its exposure to cyber risk, then there's a substantial risk of a successful cyber-attack which could severely damage the Council's reputation and affect service delivery which might result in incurring significant costs, both in order to successfully recover systems (downtime, incident response and possible ransom payment) and potential personal liability claims and regulator fines.	5	5	25	5	4	20	<p>A recent review of Information Security & Acceptable Use Policy undertaken and approved by DMT - policy now enforces stricter controls for staff using corporate end user equipment i.e. laptops and smartphones.</p> <p>Work underway to prepare the submission to cabinet office to maintain PSN code of connection.</p>	 Expected to remain high/red
4. Commissioning & Procurement										
4.4	CR	If there is an actual or perceived breach of procurement guidelines then there may be a challenge which results in a financial penalty.	4	4	16	3	4	12	<p>In January 2026 the update to the contract procedure rules was passed through Corporate Governance Committee and the Constituion has been updated. The update helps mitigate risk by:</p> <ul style="list-style-type: none"> - Strengthening legal compliance with Procurement Act 2023 - Improving governance and oversight for higher-risk contracts - Reducing ambiguity, which is a major source of procedural breaches - Enhancing transparency, helping avoid challenge and reputational damage - Supporting consistent practice across departments - Enabling proportionate controls, matching risk levels to approval routes . <p>A report to the Director of Corporate Resources in December 2025 on the Target Operating Model, identified a cross over with the efficiency review, therefore this will be considered and will be worked through before the end of March 2026.</p>	 Expected to remain high/red

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4.5	E&T C&FS	If demand for bespoke placements for children and young people with EHCPs continues to rise, then the current E&T Transport Policy could become unsustainable and will need to be revised in order to avoid significant risks to finance, policy, operation, and public perception. (Re-defined)	4	4	16	3	3	9	For new EHCP assessments SENA are now working within statutory timescales and the total 'active' cases sits at around 5-600 at all times with an anticipated 40 plans per week needing finalising. These will naturally feed through to transport where there is a policy requirement for provision. This continual feed of finalised plans then requires a continual review of transport arrangements to ensure operational efficiency. The added challenge for CFS with now being within statutory timescales is the demand for special schools outweighs sufficiency of places, leading to an increase in bespoke packages for children and young people. These arrangements are often considerably more cost efficient from an education point of view, but considerably less so from a transport point of view. In addition, Transport Policy does not have provision for such arrangements. For the service areas to explore expected numbers in more detail in order to assess possible impacts and policy requirements.	↓ Expected to move to medium/amber
5. Safeguarding – category retired										
6. Category retired										
7. People										
7.1	CR (ALL)	If sickness absence is not effectively managed then staff costs, service delivery and staff wellbeing will be impacted	4	4	16	3	4	12	The absence rate continues to sit slightly higher than the Council's target, although continues to not have a significant impact on the delivery of most services. Line manager engagement planned in May 26 around return to work activity and tasks to support effective interviews, provision of support and management	↔
7.2	ALL	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.	5	3	15	3	5	15	Risks currently scoring 15 and above C&FS - Continue to wait for national guidance focused on the Assisted and Supported Year in Employment (ASY)E support offer that we have to implement, we are currently looking at the scope of our recruitment adverts and undertaking some work with our media teams to make sure our messages are picked up. CR - A corporate work experience scheme continues to be developed, designed to strengthen the future talent pipeline. Apprenticeship levy utilisation continues to be a priority, although it is important to note that government funding for new Level 7 was withdrawn from January 2026. The Council continues to await Government guidance, which will inform the next phase of development. Work is continuing to improve recruitment and retention practices as well as proving more data which will help inform future activity. E&T - No change to risk score. Further Market premia and retention payments agreed to help mitigate risk. A&C - Homecare Assessment and Reablement Team (HART) recruitment costings have been agreed. Work is now underway to develop updated terms and conditions of the service to increase HART's capacity.	↔ Expected to remain high/red
			4	4	16	3	3	9	Risks currently scoring below 15 CE - No update provided	
			4	4 (decrease from 5)	16	3	3	9	PH - Challenges remain low but we continue to recruit and develop our own workforce.	
			4	4	16	3	3	9		
			3	3	9	3	2	6		
			3	4	12	3	3	9		

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CRR Risk No.	Dept	Risk Description	Current Risk Score			*Target Risk Score			Update February/March 2026	** Direction of Travel (Residual Risk Score over the next 12 months)
			Impact	Like lihood	Risk Score	Impact	Like lihood	Risk Score		
7.3	A&C	If the Department fails to develop and maintain a stable, sustainable, and quality social care market to work with, then it may be unable to meet its statutory responsibilities.	5	3	15	5	2	10	Home Care procurement evaluation is in progress with a positive response from the market (numbers of providers) Community Life Choices (day service opportunities) tender to be published in late February / early March Supported Living programme has started to scope a new commission for late 2027 Ongoing work on Working Age Adults Step Through Model / Dementia Support Services / Carers Services in place Work with Newton on scoping commissioning approaches has commenced which includes Extra Care services	 Expected to remain high/red
7.5	A&C	If there is continuing increase in demand for assessments (care needs and financial) then it may not be met by existing capacity.	4	4	16	4	3	12	Artificial Intelligence pilot to support the completion of adult social care assessments has started. A temporary, agency social worker resource has led to a decrease in people waiting for assessments. Lead Practitioners in Adult Social Care are completing an analysis of demand in social care teams to support right staff in the right place. Redesign underway of the internal, safeguarding recording processes. Once approved, this aims to enhance the data reporting for Adult Safeguarding Enquiries.	 Expected to remain high/red
7.7	C&FS	If current demand for Education, Health and Care Needs Assessment and updating of EHCPs after annual review exceeds available capacity of staff within SEND Services (particularly educational psychology and SEN Officer) then this leaves the Council vulnerable to complaints of mal-administration. The situation is worsened by a lack of specialist placements which means that children with complex needs may not be placed in a timely way and hence may not receive the support to which they are entitled through their EHC Plan.	5	5	25	4	4	16	There are currently 411 children with EHCPs awaiting alternative placements Data indicates that around 90% of the 475 children and young people in Independent Specialist Placements (ISP's) are placed there due to insufficient specialist provision. The government published its long-awaited Schools White Paper including reforms to the SEND system on 23 February, and will now consult on its plans over the next twelve weeks.	 Expected to remain high/red
8. Business Continuity										

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8.1	ALL	<p>A) If there is a failure to restore services or maintain services in a major disruption e.g. pandemic, power outage, cyber incident, etc., then the Council is at risk of not being to deliver identified critical services</p> <p>B) If suppliers of external critical services do not have robust business continuity plans in place, then the Council may not be able to deliver services.</p>	5	3	15	5	2	10	<p>Internal Business Continuity (BC) arrangements</p> <p>Following on from the last report all of the Public Health, Law and Governance and E&T plans have now had their international standard (ISO 220301) capability assessments completed, with very little follow up. This means the review of Corporate Resources Tier 1 Critical BC plans can be started early (originally due to be started in April). Following sucessful completion of CR plans the two care directorates plans will be reviewed. There is still work to be undertaken regarding testing of plans and the BC officer responsible for the project is considering how this may be achieved however, testing of plans does sit with directorates and plan owners.</p> <p>External (Critical Service Provider) Business Continuity (BC) plans</p> <p>There are still a number of plans that require a final ISO assessment. Each Resilience Planning Group (RPG) member will take responsibility for their department plans, and will inform the Resilience & BC team as to whether these are still current and fall within the tier 1 and 2 definitions, or whether they are willing to accept the risk (with reasons) in writing - This is still ongoing however, a number of plans have been either withdrawn as they do not meet the definiton of a Tier 1 risk.</p> <p>Discussions continue with Commissioning Support Unit over assessing external critical service provider BC plans at procurement stage rather than after contracts are awarded - A job description has been completed for this role and inital approval has been provided but still awaiting final approval.</p> <p>Note - The review of the plans now takes into account IT disaster recovery plans in relation to Business Apps with a revised BC template.</p>	 <p>Expected to remain high/red</p>
9. Environment										
9.1	CR	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	5	3 (Down from 4)	15	5	2	10	<p>The infection rate has stabilised at approximately 62%, and established mitigation measures (e.g., cyclical survey programme and associated programmes of work, communicating with third-party land owners and raising awareness) have enabled a reduction in the risk probability to 3. The updated work programme, informed by the August 2025 survey data, commenced in December 2025 and will continue through Spring 2026 to align with the start of the nesting season.</p> <p>To date, around 500,000 trees have been planted, which will help mitigate the impact of the disease.</p>	 <p>Expected to remain high/red</p>
9.2	E&T	If there was a major issue which results in unplanned site closure (e.g. fire) then the Council may be unable to hold or dispose of waste	5	4	20	4	2	8	<p>The Whetstone Waste Transfer station (WTS) re-opened in January. However, further WTS works and closures will be required in 2026/27 which mean the risk cannot be lowered until these are completed.</p>	 <p>Expected to move to medium/amber</p>

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9.4	E&T	If services do not take into account current and future climate change in their planning, they may be unable to respond adequately to the predicted impacts, leading to significantly higher financial implications and service disruption, as well as making future adaptation more costly.	4	5	20	4	3	12	The Climate Resilience Delivery Plan (previously the Net Zero Action Plan) has been produced in accordance with the Cabinet's decision from July 2025 to change the focus of activities from carbon reduction to climate adaptation and respond to severe weather events and projects. The Delivery Plan includes actions reflecting the £2m programme of flood mitigation and climate adaptation and resilience, as agreed by the Cabinet in October 2025. It was approved by Cabinet at its meeting on 3 February 2026.	↔ Expected to remain high/red
9.5	E&T	If there are significant changes / clarifications to legislation, policy or guidance then performance could be impacted and cost increases.	5	3	15	4	4	16	Highways No further update - reorganising the inspection routes following the hierarchy review is in progress. Waste There are three main potential areas of legislative change: near elimination of biodegradable Municipal Waste from landfill, Deposit Return Scheme, and the Emissions Trading Scheme (ETS). These have been consulted on which could increase costs for waste management. The most significant risk remains around ETS which has already been identified within the current MTFS. Note considerations around risk of the impact from Local Government Reorganisation has not yet been quantified but could be a high impact.	↔ Expected to remain high/red
10. Category Retired										

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

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

*Target risk score - This is the desired score to be achieved after additional mitigation procedures/controls have taken place.

**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:

- o A horizontal arrow shows that not much movement is expected in the risk.
- o 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.
- o An upwards pointing arrow would be less likely, but possible, since it would show an already high scoring risk is likely to be greater