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To: Children, Young People and Education Cabinet Committee –
8 March 2023

Subject: **Risk Management: Children, Young People and Education**

Classification: **Unrestricted**

Past Pathway of Paper: None

Future Pathway of Paper: None

Electoral Division: All

Summary:

This paper presents the strategic risks relating to the Children, Young People and Education Cabinet Committee, comprising of three risks featuring on the Corporate Risk Register which fall within the relevant Cabinet portfolios, and for which the Corporate Director is the designated "Risk Owner" on behalf of the Corporate Management Team: plus, a summary of key risks within the directorate.

Recommendation(s):

The Cabinet Committee is asked to consider and comment on the risks presented.

1. Introduction

- 1.1 Risk management is a key element of the Council's internal control framework and the requirement to maintain risk registers ensures that potential risks that may prevent the Authority from achieving its objectives are identified and controlled.
- 1.2 Directorate risks are reported to this Cabinet Committee annually and comprise of strategic or cross-cutting risks that potentially affect several functions across the Children, Young People and Education directorate, and often have wider potential interdependencies with other services across the Council and external parties.

- 1.3 Corporate Directors also lead or coordinate mitigating actions in conjunction with other Directors across the organisation to manage risks featuring on the Corporate Risk Register.
- 1.4 The majority of these risks, or at least aspects of them, will have been discussed in depth at the relevant Cabinet Committee(s) and other forums throughout the year, demonstrating that risk considerations are embedded within core business.
- 1.5 A standard reporting format is used to facilitate the gathering of consistent risk information and a 5x5 matrix is used to rank the scale of risk in terms of likelihood of occurrence and impact. Firstly, the current level of risk is assessed, taking into account any controls already in place to mitigate the risk. If the current level of risk is deemed unacceptable, a ‘target’ risk level is set, and further mitigating actions introduced with the aim of reducing the risk to a tolerable and realistic level.
- 1.6 The numeric score in itself is less significant than its importance in enabling categorisation of risks and prioritisation of any management action. Further information on KCC risk management methodologies can be found in the risk management guide on the KNet intranet site.

2. CYPE led Corporate Risks

- 2.1 The Corporate Director for the Children, Young People and Education directorate is the lead Director for three of the council’s corporate risks. A brief summary of changes over the past year are outlined below, with full details contained in the risk register attached at Appendix 1.

Risk reference	Risk description	Current Rating	Target Rating
CRR0056	SEND Delivery Improvement and High Needs Funding shortfall	High (25)	High (16)
<p>The separate risks on High Needs Funding shortfall and the SEND Written Statement of Action were combined in-year due to the intrinsic link between the two. Following the revisit inspection in September 2022, it was found that the area had not made sufficient progress in addressing any of the significant weaknesses. The local response includes the delivery of a SEND Transformation Programme, including revised governance arrangements. A dedicated SEND sub-committee of KCC Scrutiny Committee has been formed.</p> <p>The significant deficit on the Dedicated Schools Grant reserve has continued to grow, with a forecast deficit of £147m up to March 2023. It is proposed that KCC enters into the “Safety Valve” agreement with the Department for Education (DfE), enabling Kent County Council (KCC) to receive funding over a 5-year period to substantially fund the accumulated deficit on the Dedicated Schools Grant (DSG) High Needs Block (HNB).</p>			

CRR0057	Home to School Transport	High (16)	Low (6)
<p>This risk was added as a standalone corporate risk in-year, following the Internal Audit SEND Transport Lessons Learned Review Report. Demand for Home to School Transport has continued to grow over the year, whilst the market capacity has contracted. An action plan has been developed following the Lessons Learned Review which continues to be implemented.</p> <p>A public consultation on KCC's proposed new Home To School Transport Policy and Post 16 Transport Policy Statement has been launched, with findings to be discussed at Cabinet Committees in the summer of 2023.</p>			
CRR0001	Safeguarding – protecting vulnerable children	15 (Medium)	15 (Medium)
<p>The risk rating for this risk was reduced from High to the current medium score following the assurance from Ofsted via the outcome of 'Outstanding' for Children's Services, although it is recognised that there is a significant level of risk inherent in this area. Work is in progress to address an area for development from the Ofsted inspection relating to social worker caseloads.</p>			

3. Children, Young People and Education risk profile

3.1 In addition to regular review of CYPE-led corporate risks, the Directorate Management Team regularly reviews risks at directorate level. The current risks in the CYPE directorate risk register are summarised below.

Risk reference	Risk description	Direction of travel since 2022	Current score	Target score
CY0030	Management of the CYPE Directorate in year budget	↔	High (20)	Medium (12)
<p>Recent revenue and capital budget monitoring presented to Cabinet on 1st December 2022 showed the CYPE directorate projected revenue variance as £33.9m, due predominantly to significant inflationary pressures in school transport services along with higher costs of supporting both looked after children and disabled children and young people.</p>				
CY0040	Availability of Specialist providers for Disabled Children and Children with Complex Needs	↔	High (16)	Medium (12)
<p>There is a risk that there will be insufficient specialist providers and services to meet the needs of children and young people, and personalised care and support for families to live as independently as possible. A new iteration of 'NEST' (a positive behaviour support service) is being developed as an example of mitigation against this risk.</p>				

CY0009	Children not in full time education may not be receiving a suitable education	↔	Medium (12)	Low (6)
<p>This risk relates to the duty for the local authority to make arrangements to enable it to establish (so far as it is possible to do so) the identities of children in the area who are not receiving a suitable education and monitor those identified, the risk being that the relevant professionals involved are not aware of such children. The Government has signalled its intention to create a national register for children not in school.</p>				
CY0032	Information Governance. Management of personal data	↑	Medium (12)	Medium (9)
<p>There is significant inherent information governance risk in the directorate due to the large volume of personal data held in order to conduct its business effectively and the potential for increased risk linked to staff working remotely, including from home. However, there are a number of controls in place and GDPR processes are well established in the directorate. Work continues to reduce data breaches overall, including working with corporate colleagues on post review data breach processes and clarification of guidance regarding employee movement between teams in the organisation.</p>				
CY0042	Home to School Transport	NEW RISK	Medium (12)	Low (6)
<p>This risk covers the CYPE-specific elements of the corporate risk, particularly relating to the capacity and financial risk associated with provision of Home to School Transport.</p>				
CY0034	Business continuity and resilience	↔	Medium (12)	Medium (8)
<p>The CYPE Directorate must ensure its services have robust contingency plans to reduce the impact of high impact incidents and emergencies that take place in the County. A directorate resilience group is in place and has coordinated comprehensive reviewing and refreshing of service continuity plans, with representation from corporate functions to consider interdependencies. Consideration is being given to reducing the risk to its target residual level, considering the High assurance opinion received for the audit of business continuity arrangements in the directorate.</p>				
CY0038	Potential increase in NEETs following Covid-19	↓	Medium (9)	Medium (9)
<p>Current levels of NEETs are fairly stable due to work being undertaken by schools with young people identified as at risk. Controls are in place which include work being undertaken by The Education People and also support being put in place to support mental health and wellbeing for young people.</p>				

CY0043	Suitable provision for Unaccompanied Asylum-Seeking Children	NEW RISK	Medium (9)	Low (6)
This risk was de-escalated from the Corporate Risk Register as the National Transfer Scheme continues, meaning that while Kent still looks after significant numbers of UASC (with particular challenges over the summer period), this is more manageable now. Intakes continue to be monitored and timelines kept under review.				
CY0039	Performance of the CYPE business applications	↔	Medium (8)	Medium (8)
This risk has been amended to focus on all CYPE business applications and relates to reporting and data quality, as well as potential system downtime.				

4. Divisional Risks

4.1 The corporate and directorate risks are underpinned by risks at a divisional level that receive regular Directorate and Divisional Management Team oversight. In CYPE, a summary of these relate to:

- Increased mainstream school applications outside normal points of entry.
- Costs associated with Children in Care placements.
- Social worker recruitment and retention.
- Unaccompanied children entering the country.
- Education, Health and Care Plan demand and capacity
- Lack of funded health services to support statutory assessment process and specialist intervention.

5. Recommendation

Recommendation:

The Committee is asked to **consider** and **comment** on the risks presented in this report.

6. Background Documents

6.1 KCC Risk Management Policy and associated risk management toolkit on KNet intranet site.
<https://kentcountycouncil.sharepoint.com/sites/KNet/Pages/managing-risk.aspx>

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