

From: Brian Collins, Deputy Leader
Amanda Beer, Chief Executive Officer

To: Governance and Audit Committee – 3rd November 2026

Subject: **CORPORATE RISK REGISTER UPDATE**

Classification: Unrestricted

Summary: Governance & Audit Committee is receiving an update report on the Corporate Risk Register as it goes through its more formal, annual refresh, ahead of a full report to the next meeting of this Committee.

FOR ASSURANCE

1. Background

- 1.1 The Corporate Risk Register is regularly reviewed and updated to reflect any significant new risks or changes in risk exposure that arise due to internal or external events; and to track progress against mitigating actions.
- 1.2 The Governance & Audit Committee receives updates on the Council's Corporate Risk Register throughout the year for assurance purposes.
- 1.3 The risk landscape is always evolving, particularly as the Council, along with the local government sector, continues to operate in a challenging and uncertain operating environment.
- 1.4 In addition to regular review throughout the year, there is a more structured annual refresh process for the Corporate Risk Register that takes place each autumn. The next meeting of this Committee will receive the updated register for assurance, after presentation to Cabinet.

2. Corporate Risk Register summary

- 2.1 The Corporate Risk Register was last presented to Governance & Audit Committee for assurance in January 2026. Regular risk updates have continued throughout the year to senior management forums.
- 2.2 Changes to risk ratings on the register since last reported to this Committee are:

INCREASED RISK RATING

2.2.1 CRR0042: Border fluidity, infrastructure and resilience. The EU's Entry / Exit System (EES) was introduced on 12th October 2025. KCC has been working with partners at a local and national level to assess potential implications for the county and prepare for various scenarios. The risk rating has fluctuated between Medium and High from planning to implementation and continues to be reviewed regularly. The risk most recently had a slight reduction in rating from 20 to 16 due to the likelihood reducing from 5 (very likely) to 4 (likely) but remains High currently. The Summer peak period had minimal impacts from EES border checks due to additional traffic management, revised arrangements between ports and the Police aux Frontieres and dynamic local flexibilities. The risk remains high due to potential for disruption once 100% checks commence.

RISK RATING REDUCTION

2.2.2 CRR0015: Social Care Market - Inability of the Council to obtain the right kind of provider supply at affordable prices. This risk was previously titled, "Sustainability of the social care market", and was refreshed in early 2026 to provide more appropriate focus on the council's ability to obtain the right kind of provider supply at affordable prices. The risk rating was reduced from the maximum rating of 25 down to 20, due to the recommissioning activity so far suggesting that market capacity is sufficient, and recent conversations relating to fee uplifts not yet leading to significant hand backs or provider failure. However, there are still pockets of challenges where provider failure remains a concern and KCC needs to be robust in its oversight even if response options can be limited.

2.2.3 CRR0059: Risk of significant adverse variance to the level of savings and income agreed in KCC's budget. Any overspend is a concern for the authority and presents a risk to the Council's future financial sustainability and it is essential that the need to draw down from reserves is reduced as far as possible, as drawdowns from reserves weaken the Council's financial resilience and increase the requirement to replenish reserves in future years. However, the risk rating has been reduced from High to Medium after recent review, due to latest forecast information and projected reduced impact on reserves.

PROPOSALS UNDER DISCUSSION

2.3 CRR0009: Future financial and operating environment for Local Government. This is a longstanding risk on KCC's Corporate Risk Register that has historically taken several factors into account, including uncertainty relating to one-year funding settlements from government, sufficiency of resource and spending growth pressures. There are proposals currently under discussion to

narrow the scope of this risk due to various elements now being captured as part of other KCC corporate risks.

- 2.3.1 A new risk relating to critical importance of delivering the SEND Reform Plan is being developed, to replace the previous risk relating to the Safety Valve agreement, which has now ended, as well as taking into consideration outcomes from the recent SEND inspection.
- 2.3.2 The Council's Oracle Cloud Programme has been undergoing an intensive period of review and refinement, with a revised programme plan developed ahead of planned system implementation in Spring 2027. The corporate risk relating to system implementation is being reviewed in light of these revisions.

RISK ON HOLD

- 2.4 CRR0069: Implementation of Local Government Reorganisation (LGR). On the 7th September, the Minister for Local Government, Devolution and Regional Growth wrote to council leaders in local government reorganisation areas to request that work ceases on implementing the decisions that were announced in July 2026, until a review of the LGR programme has concluded. On this basis, the corporate risk relating to KCC's implementation of LGR has been withdrawn from the corporate risk register until further information is available. Consideration is being given to how any risks relating to the pausing of the programme should be highlighted if the situation continues to remain unclarified.

3. Monitoring and Review

- 3.1 In addition to periodic presentation of corporate risks to Cabinet, Cabinet Committees and Governance & Audit Committee, the risks within the Corporate Risk Register, their current risk level and progress against mitigating actions are reported to Cabinet quarterly via the KCC Quarterly Performance Report.

4. Recommendation

- 4.1 The Governance and Audit Committee is asked to:
 - a) NOTE the update report for assurance, ahead of a more comprehensive report at its next meeting.

Report Author:

Mark Scrivener, Head of Risk and Delivery Assurance

Email: mark.scrivener@kent.gov.uk

Relevant Director

David Whittle, Director of Strategy, Policy, Relationships and Corporate Assurance

Email: David.whittle@kent.gov.uk

Corporate Risk Register - Summary Risk Profile – Snapshot as at October 2026

Low = 1-6 Medium = 8-15 High =16-25

Risk No.*	Risk Title	Current Risk Rating	Target Risk Rating	Direction of Travel since January 2026
CRR0053	Asset Management and Degradation and associated impacts, linked to Capital Programme affordability.	High (25)	High (16)	↔
CRR0015	Social care market – inability of the council to obtain the right kind of provider supply at affordable prices.	High (20)	Medium (15)	Decrease
CRR0068	Delivery against Safety Valve Agreement	RISK WITHDRAWN – to be replaced by delivery of SEND Reform Plan risk		
CRR0014	Cyber and information security resilience	High (20)	High (20)	↔
CRR0009	Future financial and operating environment for local government	High (20)	High (16)	↔
CRR0003	Securing resources to aid economic recovery and enabling infrastructure	High (20)	High (16)	↔
CRR0064	Risk of failing to deliver effective Adult Social Care Services in line with statutory and regulatory requirements.	High (20)	Medium (15)	↔
CRR0052	Adaptation of KCC Services to the impacts of a changing climate	High (16)	Medium (12)	↔
CRR0058	Capacity and capability of the workforce	High (16)	Medium (9)	↔

CRR0066	Adult Social Care recommissioning programme	High (16)	Medium (8)	↔
CRR0045	Maintaining effective governance and decision making in a challenging financial and operating environment	High (16)	Medium (8)	↔
CRR0039	Information Governance	Medium (15)	Medium (9)	↔
CRR0059	Risk of significant adverse variance to the level of savings and income agreed in KCC's budget.	Medium (12)	Medium (9)	Decrease
CRR0067	SEND Delivery Improvement	RISK WITHDRAWN – to be replaced by delivery of SEND Reform Plan risk		
CRR0049	Fraud and Error	Medium (10)	Low (5)	↔
CRR0065	Implementation of fit-for-purpose Oracle Cloud System	Medium (10)	Low (5)	↔
CRR0042	Border fluidity, infrastructure, and regulatory arrangements	High (16)	Medium (8)	Increase then Decrease
CRR0069	Implementation of Local Government Reorganisation	RISK ON HOLD pending further information		

*Each risk is allocated a unique code, which is retained even if a risk is transferred off the Corporate Register. Therefore, there will be some 'gaps' between risk IDs.

NB: Current & Target risk ratings: The 'current' risk rating refers to the current level of risk taking into account any mitigating controls already in place. The 'target residual' rating represents what is deemed to be a realistic level of risk to be achieved once any additional actions have been put in place. On some occasions the aim will be to contain risk at current level.

Likelihood & Impact Scales					
Likelihood	Very Unlikely (1)	Unlikely (2)	Possible (3)	Likely (4)	Very Likely (5)
Impact	Minor (1)	Moderate (2)	Significant (3)	Serious (4)	Major (5)