KCC Corporate Risk Register

CORPORATE RISKS LED BY OFFICERS IN THE STRATEGIC & CORPORATE SERVICES DIRECTORATE

Corporate Risks led by Officers in the Strategic & Corporate Services Directorate
Summary Risk Profile

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

Risk No.*	Risk Title	Current Risk Rating	Target Risk Rating
CRR 1	Data and Information Management	9	9
CRR 7	Governance & Internal Control	12	8
CRR 13	Delivery of 2014/15 savings	12	4
CRR 14	Procurement	9	6
CRR 17	Future operating environment for local government	20	10
CRR 18	PSN – Non-compliance with Code of Connection	8	4

.

*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)

Risk ID CRR 1	Risk Title Data and Information Management

Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
The Council is reliant on vast amounts of good quality data and information to determine sound decisions and plans, conduct operations and deliver services. It is also required by the Data Protection Act and Government's Code of Connection (CoCo) to maintain confidentiality, integrity and proper use of the data. With the Government's 'Open' agenda, increased flexible working patterns of staff, and increased partnership working and use of multiple information repositories, controls on data management and security have become complex and important.	Poor decision making due to ineffective use of or insufficient availability of data and information sharing. Loss, misrepresentation or unauthorised disclosure of sensitive data. KCC falls victim to cyber attacks or sabotage	Under performance. Breach of Data Protection Act leading to legal actions, fines, adverse publicity, and additional remedial and data protection costs. Significant interruption of vital services leading to failure to meet duties and to protect people, finances and assets Potential damage to KCC's reputation	On behalf of CMT: Geoff Wild, Director Governance & Law **Responsible Cabinet Member(s):** Gary Cooke, Corporate & Democratic Services	Possible (3) **Target Residual Likelihood** Possible (3)	Significant (3) **Target Residual Impact** Significant (3)

Control Title	Control Owner
Senior Information Risk Officer in place. Revised SIRO action plan and risk register in place and regularly reviewed	David Cockburn, Corporate Director Strategic & Corporate Services
Information Security Policy in place	Geoff Wild, Director Governance & Law
Centralised resilience and transparency team in place.	Caroline Dodge, Team Leader-Information Resilience & Transparency team
ICT Security and Service Transition Team in place	Peter Bole, Director ICT
Corporate Director SCHWB nominated as KCC Caldicott Guardian, protecting confidentiality of service user information and enabling appropriate information sharing	Andrew Ireland, Corporate Director SCHWB
Coherent county wide strategy and protocols on sharing information between agencies. Kent & Medway Information Governance Programme Board's Information sharing agreement in place.	Charlie Beaumont, Integrated Youth Services Effective Practice & Performance Manager

Risk ID CRR 1	Risk Title Data and Information Management contd	
ICT Strategy in place.		Peter Bole, Director ICT
Electronic Communications User Policy, Virus reporting procedure and social media guidelines in place		Peter Bole, Director ICT
Information Governance e-Learning package available to all staff		Geoff Wild, Director Governance & Law
Discussions in place with Government regarding requirements of the Code of Connection (cross reference to CRR 18)		Peter Bole, Director ICT
Information Asset Register established including identification of information asset owners		Geoff Wild, Director Governance & Law
Information Security & Information Risk Management supporting procedures and processes are monitored to ensure realisation of benefits		Andrew Ireland, Corporate Director SCHWB/ Geoff Wild, Director Governance & Law / Peter Bole, Director ICT
Action Title	**Action Owner**	**Planned Completion Date**
All staff to complete Information Governance e-learning training	Geoff Wild, Director Governance & Law	July 2014

Risk ID CRR 7			Risk Title Governance and Internal Control		
Source / cause of risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
The Council has legal responsibilities to ensure that adequate governance arrangements are in place to help the Council achieve its statutory responsibilities and to protect the Council's assets and finances. This is particularly important during the current period of significant change.	Major governance and internal control failure within the Council and / or its key suppliers e.g.: Appropriate decision making processes not followed. Significant fraud activity undetected Governance models do not keep pace with changes to operating models	Reputational damage and financial loss Fail external inspection/audit Loss of confidence in the Council and possible government intervention.	Andy Wood, Corporate Director Finance & Procurement (Geoff Wild, Director Governance & Law) **Responsible Cabinet Member(s):** Gary Cooke, Corporate & Democratic Services John Simmonds, Finance & Procurement	Possible (3) **Target Residual Likelihood** Unlikely (2)	Serious (4) **Target Residual Impact** Serious (4)

Control Title	Control Owner
KCC Constitution Incorporating: Articles of the Constitution; Statement of Executive Arrangements; Allocation and Delegation of Functions and Responsibilities; Policy Framework; Procedure Rules; Resource Management Responsibilities Statement; Ethical Behavior Codes and Protocols; Members' Allowances Scheme; Management Structure; Member Details and Code of Corporate Governance	Geoff Wild, Director Governance & Law
Code of Corporate Governance in place in line with CIPFA/SOLACE guidelines. References evidence of KCC operating controls, procedures, practices, policies, rules, regulatory rules, schemes, systems of internal control, plans, strategies, etc.	Geoff Wild, Director Governance & Law
Blue Book – Kent Scheme manual sets out the detail of Kent Scheme terms and conditions of employment, legal references and other relevant links for all staff.	Amanda Beer, Corporate Director Human Resources

Risk ID CRR 7	Risk Title Governance and Internal Control contd.
Kent Manager - defines managers' role clearly, setting out exactly what is required of KCC managers	Amanda Beer, Corporate Director Human Resources
Governance and Audit Committee & Internal Audit roles	Andy Wood, Corporate Director Finance & Procurement
Standards Committee, Scrutiny Committee & Cabinet Committee roles	Geoff Wild, Director Governance & Law
Scheme of delegation to officers approved by Cabinet.	Geoff Wild, Director Governance & Law
Counter Fraud Team – anti-fraud strategy in place	Andy Wood, Corporate Director Finance & Procurement
Annual Governance Statement Process	Geoff Wild, Director Governance & Law
Management guide for Alternative Service Delivery Models produced	Neeta Major, Head of Internal Audit
Joint Accountability protocol revised to take into account the top tier realignment	Kent Integrated Children's Board (KICSB)
	Geoff Wild, Director Governance & Law

Action Title	Action Owner	Planned Completion Date
Additional training on decision making processes where required	Geoff Wild, Director Governance & Law	May 2014 (review)
Managers to seek guidance from Democratic Services officers at an early stage to ascertain the appropriate route for decisions.	Relevant Managers	May 2014 (review)
Develop decision making guidance and publish on KNet	Louise Whitaker, Democratic Services Manager (Executive)	May 2014

Risk ID CRR 13		Risk Title Delivery of 2014/15 savings				

Source / Cause of Risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
The ongoing difficult economic climate has led to significant reductions in funding to the public sector and Local Government in particular. KCC has already made significant cost savings and still needs to make ongoing year-on-year savings in order to "balance its books."	The required savings from key programmes or efficiency initiatives are not achieved.	Urgent alternative savings need to be found which could have an adverse impact on service users and/or residents of Kent Potential adverse impact on whole-council transformation plans. Reputational damage to the council.	On behalf of CMT: Andy Wood, Corporate Director Finance & Procurement **Responsible Cabinet Member(s):** John Simmonds, Finance & Procurement	Possible (3) **Target Residual Likelihood** Very unlikely (1)	Serious (4) **Target Residual Impact** Serious (4)

Control Title	Control Owner
Robust budgeting and financial planning in place via Medium Term Financial Planning (MTFP) process	Andy Wood, Corporate Director Finance & Procurement
Process for monitoring delivery of savings is in place, including a Budget Programme Board to scrutinise progress.	Andy Wood, Corporate Director Finance & Procurement
Robust monitoring and forecasting of arrangements in place relating to the KCC budget as a whole	Andy Wood, Corporate Director Finance & Procurement
Corporate Portfolio Office in place providing independent assurance of significant transformational programme and project management across KCC to ensure appropriate benefits realisation, including delivery of savings. Reports to Corporate Board and Budget Programme Board as appropriate.	Paul McCallum, Head of Corporate Portfolio Office
Procedures for appropriate consultation in place (including Equality Impact Assessments) when decisions relating to changes in services are being considered	Steve Charman, Head of Consultation & Engagement
Arrangements for localisation of council tax agreed with District Councils (cross reference to Risk 12 Welfare Reform)	Dave Shipton, Head of Financial Strategy

Risk ID CRR 13	Risk Title Delivery of 2014/15 savings cont.	
Re-introduction of savings PIDS to ensure personal accountability for delivery of savings		Andy Wood, Corporate Director Finance & Procurement
Controls and mechanisms remain robust		Andy Wood, Corporate Director Finance & Procurement
Action Title	**Action Owner**	**Planned Completion Date**
Risk is to be mitigated to target level via existing controls outlined above		
Management action plan being devised to address potential 2014/15 budget issues in children's services	Mairead McNeil, Director Specialist Children's Services	August 2014

Risk ID CRR 14		Risk Title Procurement			
Source / Cause of Risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
As part of KCC's whole-council transformation programme the Authority is moving towards more strategic commissioning arrangements. This will put even greater emphasis on the importance of robust procurement and commissioning arrangements and contract management.	Commercial or contractual failure of suppliers	Providers fail to deliver expected benefits. Service users / residents of Kent suffer – potential legal, financial and reputational implications.	On behalf of CMT:	Possible (3)	Significant (3)
	A procurement process is challenged because it is considered to be discriminatory or to have failed to adhere to procedures set out in procurement law.	Procurement processes may have to be halted / restarted, which has service and financial implications	David Cockburn, Corporate Director Strategy & Corporate Services	**Target Residual Likelihood**	**Target Residual Impact**
	Potential conflict between best price and *Bold Steps for Kent* objectives	Failure to secure optimum value for money from service providers.	Andy Wood, Corporate Director Finance & Procurement	Unlikely (2)	Significant (3)
	Non-delivery of procurement savings		**Responsible Cabinet Member(s):**		
	Ineffective contract management – KCC fails to act as a strong enough 'client'.		Paul Carter, Business Strategy, Audit, Transformation		
	Procurement and commissioning functions not appropriately aligned.		John Simmonds, Finance & Procurement		

Control Title	Control Owner
KCC Procurement Strategy sets out the strategic approach to procurement across the Authority	Henry Swan, Head of Procurement
Spending the Council's Money – Code of Practice setting out how strategic approach to procurement is to be achieved at operational level.	Henry Swan, Head of Procurement

Procurement Board in place, establishing clear agreed relationships, support, information flow, governance structures and accountability between different levels of commissioning and procurement.	Henry Swan, Head of Procurement

iProcurement rolled out, as an online way of making and managing requisitions and purchases	Henry Swan, Head of Procurement
Procurement training for KCC managers, as part of the Kent Manager standard, in place	Henry Swan, Head of Procurement
Category Management approach established	Henry Swan, Head of Procurement
Procedures for appropriate consultation in place (including Equality Impact Assessments) where procurement and commissioning decisions are being considered	Steve Charman, Head of Consultation & Engagement
Procurement and Legal Services joint protocol in place to clarify the respective responsibilities of these two functions and service managers	Henry Swan, Head of Procurement/Geoff Wild, Director Governance & Law

Action Title	Action Owner	Planned Completion Date
Review of commissioning and procurement arrangements in KCC to ensure appropriate alignment	Andy Wood, Corporate Director Finance & Procurement/Andrew Ireland, Corporate Director SCHWB	June 2014

Risk ID CRR 17		Risk Title	Future operating environment for local government			

Source / Cause of Risk	Risk Event	Consequence	Risk Owner(s)	Current Likelihood	Current Impact
The extension of public sector austerity beyond the current Parliament, the continuing growth in pressures and a radical public service reform agenda being pursued by the Coalition Government means that KCC, like many local authorities, is faced with significant uncertainty and enormous challenges.	Failure to respond appropriately to the challenges faced and to be able to shape a new resilient and financially sustainable fit-for-purpose Authority in the timescales required.	Services of insufficient quality to support the needs of the people of Kent. Unsustainable financial overspend. Reduction in resident satisfaction and reputational damage.	Corporate Directors **Responsible Cabinet Member(s):** Paul Carter, Business Strategy, Audit & Transformation	Likely (4) **Target Residual Likelihood** Unlikely (2)	Major (5) **Target Residual Impact** Major (5)

Control Title	Control Owner
"Facing the Challenge: Whole-Council Transformation" paper approved at County Council – sets out how the Authority will position itself to meet the anticipated financial challenges, outlines a future vision for the Council and a whole-council transformation approach	Leader of the Council
Version 1 of Transformation Plan (Facing the Challenge: Delivering Better Outcomes) presented to County Council outlining a phased roadmap for transformation	Leader of the Council/Transformation Advisory Group
Corporate Directors are providing managerial leadership for the transformation agenda and ensuring resources for delivering transformation are adequate and appropriate to ensure successful delivery, alongside maintaining focus on 'business as usual' activity, and meeting regularly to ensure effective oversight of programme management	Corporate Directors
Director of Transformation appointed to support delivery of the transformation agenda	Leader of the Council
Corporate Directors meet regularly to ensure effective coordination of officer level programme coordination	Corporate Directors
Effective operation of Transformation Board in order to gain wider engagement of political groups	Leader of the Council/ Transformation Advisory Group
Effective operation of Transformation Advisory Group as the vehicle through which strategic management and oversight of delivery takes place.	Leader of the Council

Resources plan developed to ensure sufficiency of apparatus to deliver Facing the Challenge agenda	John Burr, Director Transformation

Framework for engagement developed to support the transformation agenda.	Diane Trollope, Change/Engagement Manager
Corporate Portfolio Office in place charged with identifying and managing dependencies across all programmes and projects	Paul McCallum, Head of Corporate Portfolio Office
Service Review model developed to flexibly deliver both in-depth reviews challenging fundamental assumptions about how and why we deliver services and provide a 'troubleshooting' function for the Leader.	John Burr, Director Transformation
Communications and Engagement plan for Facing the Challenge developed	Diane Trollope, Change/Engagement Manager
Change Portfolio arrangements established	Portfolio Senior Responsible Officers (SROs)
Top-tier posts realigned to support transformation	Leader of the Council
Agreed approach with Democratic Services on decision making, governance and approval routes for Facing the Challenge programme	John Burr, Director Transformation/Portfolio Senior Responsible Officers (SROs)

Action Title	Action Owner	Planned Completion Date
Development of interventions to improve professional capacity and capability of project and programme delivery as a distinct skill set within KCC	Janet Hawkes, Professional Development Adviser	July 2014 (review)
Establishment of Staff development and Leadership & Management Frameworks to further develop key skills across the organization as an essential enabler of transformation, including commercial acumen and contract management	Amanda Beer, Corporate Director Human Resources	June 2014
Further financial modelling required ascertaining savings attributable to change portfolios once Blueprints have been established – 3 year spending plan being devised.	Andy Wood, Corporate Director Finance & Procurement	June 2014 (review)
Further development of Change Portfolio arrangements	Portfolio Senior Responsible Officers (SROs)	July 2014 (review)

Risk ID CRR 18		Risk Title	Public Services Network - Compliance with Code of Connection			

Source / Cause of Risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
The Public Services Network is the successor to the Government Connect Secure Extranet (GCSx) and Government Secure Intranet (GSi). The PSN is a UK government Wide Area Network, whose main purpose is to enable connected organisations, including local authorities and central government, to communicate electronically and securely at low protective marking levels. The customer Code of Connection (CoCo) provides a minimum set of security standards that organisations must adhere to when joining the PSN.	Short Term: KCC judged to be non-compliant with Government's Code of Connection	Short Term: Reputational damage	David Cockburn, Corporate Director Strategy & Corporate Services	Unlikely (2)	Serious (4)
	Longer Term: Additional investment in technology required to meet standards without commensurate increase in productivity.	Longer Term:		**Target Residual Likelihood**	**Target Residual Impact**
		Impact on "Doing things Differently" objectives – less technology choices available.	Peter Bole, Director ICT	V. Unlikely (1)	Serious (4)
		Financial implications			
Due to the Government's zero-tolerance approach a number of local authorities need to make changes to current policies/ways of working that requires additional investment.			**Responsible Cabinet Member(s):**		
Ongoing compliance with the standard will have a number of potential impacts on KCC			Gary Cooke, Corporate & Democratic Services		

Control Title	Control Owner
Thorough analysis of potential impacts of satisfying the CoCo compliance conducted	Peter Bole, Director ICT
Impact analysis conducted for adoption of Baseline Personnel Security Standards (BPSS)	Peter Bole, Director ICT/Amanda Beer, Corporate Director HR
CMT commitment to comply communicated to Public Services Network Authority (PSNA)	Corporate Management Team
Project plan devised to achieve compliance	Peter Bole, Director ICT
KCC compliant with current Code of Connections standards	Peter Bole, Director ICT

Risk ID CRR 18	Risk Title Public Services Network - Compliance with Code of Connection	cont.
Action Title	**Action Owner**	**Planned Completion Date**
CMT to reconsider options on conclusion of LGA/Cabinet Office discussions	Corporate Management Team	Complete
Action plan to meet requirements for compliance in April 2015	Peter Bole, Director of ICT	September 2014 (review)