

From: Roger Gough, Cabinet Member for Children, Young People and Education
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To: Children's, Young People and Education Cabinet Committee
- 8 May 2018

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 directorate, in addition to risks featuring on the Corporate Risk Register for which the Corporate Director is the 'Risk Owner'. The paper also explains the management process for review of key risks.

Recommendation(s):

The Children's, Young People and Education Cabinet Committee is asked to **CONSIDER** and **COMMENT** on the directorate risk register and relevant corporate risks outlined in appendices 1 and 2.

1. Introduction

- 1.1 Directorate business plans are reported to Cabinet Committees each Spring as part of the Authority's business planning process. The plans include a high-level section relating to key directorate risks, which are set out in more detail in this paper.
- 1.2 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. The process of developing the registers is therefore important in underpinning business planning, performance management and service procedures. Risks outlined in risk registers are considered in the development of the Internal Audit programme for the year.
- 1.3 Directorate risk registers are reported to Cabinet Committees annually and contain strategic or cross-cutting risks that potentially affect several functions across the Children, Young People and Education (CYPE) directorate. These often have wider potential interdependencies with other services across the

Council and external parties. The CYPE directorate risk register is attached in appendix 1.

- 1.4 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. The Corporate Director for Children, Young People and Education directorate is the owner of the following corporate risks:
- Safeguarding – Protecting vulnerable children.
 - Integration of Early Help and Preventative Services and Specialist Children’s Services to improve outcomes and manage demand.
 - Potential implications associated with significant migration into Kent.
 - Delivery of new school places is constrained by capital budget pressures and dependency upon the Education and Skills Funding Agency (ESFA).

These risks are presented for comment in appendix 2.

- 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, considering 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. Financial Implications

- 2.1 Many of the strategic risks outlined have financial consequences, which highlight the importance of effective identification, assessment, evaluation and management of risk to ensure optimum value for money.

3. Policy Framework

- 3.1 Risks highlighted in the risk registers relate to strategic priorities and outcomes featured in KCC’s Strategic Statement 2015-2020, as well as the delivery of statutory responsibilities.
- 3.2 The presentation of risk registers to Cabinet Committees is a requirement of the County Council’s Risk Management Policy.

4. Risks relating to the Children, Young People and Education directorate

4.1 There are currently twelve directorate risks featured on the CYPE directorate risk register (appendix 1), three of which are rated as 'High'. Many of the risks highlighted on the register are discussed as part of regular items to Cabinet Committees.

4.2 Since last reported in March 2017, five risks have been removed from the risk register, namely:

- Schools going into category.
- Non-integrated data information systems.
- Lack of or difficulty accessing appropriate provision and lack of targeted support for young people not in Education, Employment or Training (NEET), across KCC.
- The ability of Community, Learning and Skills service (CLS) to generate sufficient income due to changes in the national funding scheme.
- Delivery of the 2017/18 budget (replaced by in-year budget risk below).

4.3 Four risks have been added to the register as follows:

- Management of the CYPE Directorate in year budget. (Amber risk).
- Interface between KCC and the Education Services Company. (Amber risk).
- Long term success of the Education Services Company. (Amber risk).
- Funding to support the number of former Unaccompanied Asylum-Seeking Children (UASC) into Kent. (Amber risk).

4.4 The Directorate risk "More schools will move into a potentially deficit budget position" has been re-assessed and reduced from a red score to amber since last year.

4.5 A number of mitigating actions are of a more ongoing and evolving nature, hence review dates are set at what is seen to present the best time to 'take stock' of progress. Risk and action owners review these actions regularly, and the Directorate Management Team monitors this as part of regular quarterly risk reviews.

4.6 Inclusion of risks on this register does not necessarily mean there is a problem. On the contrary, it can give reassurance that they have been properly identified and are being managed proactively.

4.7 Monitoring and review – risk registers should be regarded as 'living' documents to reflect the dynamic nature of risk management. Directorate Management Teams formally review their risk registers, including progress against mitigating actions, on a quarterly basis as a minimum, although individual risks can be identified and added to the register at any time. Key questions to be asked when reviewing risks are:

- Are the key risks still relevant?
- Have some risks become issues?
- Has anything occurred which could impact upon them?
- Has the risk appetite or tolerance levels changed?
- Are related performance / early warning indicators appropriate?
- Are the controls in place effective?
- Has the current risk level changed and if so is it decreasing or increasing?
- Has the “target” level of risk been achieved?
- If risk profiles are increasing what further actions might be needed?
- If risk profiles are decreasing can controls be relaxed?
- Are there risks that need to be discussed with or communicated to other functions across the Council or with other stakeholders?

5. Recommendation

Recommendation:

The Children’s, Young People and Education Cabinet Committee is asked to **CONSIDER** and **COMMENT** on the directorate risk register and relevant corporate risks outlined in appendices 1 and 2.

6. Background Documents

6.1 KCC Risk Management Policy on KNet intranet site.

7. Contact details

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