



APPENDIX 1

KCC Corporate Risk Register – Coronavirus (Covid-19) Impacts

**For presentation to Governance & Audit Committee
21st July 2020**

APPENDIX 1: Corporate Risk Register - Summary Risk Profile

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

Risk No.	Risk Title	Risk Rating as at February 2020	Risk Rating as at early July 2020	Direction of Travel
CRR0001	Safeguarding – protecting vulnerable children	Medium (15)	High (20)	↑
<p><u>Comment:</u> Risk level being raised to reflect the potential for ‘hidden harm’ and pent-up demand, with the majority of children out of school for an extended period and concerns regarding potential increased domestic abuse due to forced coexistence. ‘Front door’ referrals have been reducing during lockdown.</p>				
CRR0002	Safeguarding – protecting vulnerable adults	Medium (15)	High (20)	↑
<p><u>Comment:</u> Similar to the safeguarding children risk above, the risk level has been raised due to emerging evidence from statutory and voluntary agencies emphasising the increased risks of domestic abuse and safeguarding concerns for older vulnerable adults that live alone. Further information is being gathered on the local picture informed by the local Health and Social Care cell action plan.</p>				
CRR0003	Securing resources to aid economic recovery and enabling infrastructure	High (16)	High (16)	↔
<p><u>Comment:</u> Risk is being significantly revised as work takes place to fully understand both short and longer term Covid-19 impacts, as well as how the Authority can bid for and secure important funding in a timely fashion. Risk still likely to remain high.</p>				
CRR0004	Emergency Response and Resilience	High (20)	High (25)	↑
<p><u>Comment:</u> – Increased risk rating to the maximum of 25 to acknowledge the expected continued strain on council capacity and resources in the coming months, as we continue to run aspects of Covid-19 response and recovery in parallel, as well as standing up arrangements to prepare for the end of the UK/EU transition period in December 2020. This is in addition to any continuing work on the early 2020 flooding recovery and preparations for severe weather this winter.</p>				

CRR0005	Development of Integrated Care System (ICS) / Integrated Care Programmes (ICPs) in Kent and Medway NHS system	Medium (12)	Medium (12)	↔
<u>Comment:</u> It is positive that a single CCG has been created. It is yet to be seen whether the Covid-19 response could delay further alignment / integration, or perhaps provide opportunities for accelerated work in certain areas.				
CRR0006	Resourcing implications arising from increasing complex adult social care demand	High (20)	High (20)	↔
<u>Comment:</u> An Association of Directors of Adult Social Care Services (ADASS) national survey has indicated that Covid-19 has driven increased demand and mounting unmet need due to providers not accepting referrals, service closures and people declining services. Locally, there has been some fluctuation in demand, with regular monitoring of supply and demand, from which a view can be taken on the risk level going forward.				
CRR0007	Resourcing implications arising from children's services demand	Medium (15)	High (20)	↑
<u>Comment:</u> This risk links to the safeguarding risk CRR0001 above, with the current drop in demand with no obvious reduction in need raising concerns that there will be a demand 'spike' in the coming months, with consequent resourcing implications and impact on service. Modelling of pent-up demand is taking place in order to aid service planning.				
CRR0009	Future financial and operating environment for local government	High (20)	High (25)	↑
<u>Comment:</u> This risk underpins many of the risks on the corporate risk register and has been raised to the maximum level due to the projected shortfall in Government funding to cover additional Covid-19 related costs, lost income and delays to savings plans; as well as further delays to the Spending Review, Fair-Funding review and changes to the business rates system.				
CRR0014	Cyber-attack threats and their implications	High (16)	High (25)	↑
<u>Comment:</u> The Impact rating has been raised due to the increased dependency on ICT at this time (and potentially this will not reduce greatly as we adjust to a 'new normal'). The Likelihood rating has also been raised for now, due to the increase in volume of attempted attacks and until further enhanced security measures to deal with emerging threats are fully				

implemented.				
CRR0015	Managing and working with the social care market	High (20)	High (25)	↑
<p><u>Comment:</u> There is growing concern nationally about the viability of local care markets in the wake of the Covid-19 outbreak, which exacerbates existing challenges. Care home occupancy rates have fallen in some areas, in part due to deaths from coronavirus and possibly a reluctance on the part of families to see loved ones go into care homes.</p> <p>These factors are being reflected on locally, with the potential to further threaten market sustainability. This will include a need to revisit market position statements, otherwise KCC could be planning / commissioning on assumptions made on a very different market scenario.</p>				
CRR0016	Delivery of new school places constrained by dependency on the Basic Need grant allocation, Education and Skills Funding Agency and Coronavirus implications	High (20)	High (20)	↔
<p><u>Comment:</u> The impact of Covid-19 delays on school places for September 2020 and 2021 has been assessed, with some delays and additional cost pressures highlighted, although mitigations are being put in place.</p>				
CRR0022	Unaccompanied Asylum-Seeking Children (UASC) accommodation and funding risks	N/A	High (20)	RE-OPENED
<p><u>Comment:</u> The risk is being re-opened as a standalone corporate risk due to the strain on children's services from the increased number of UASC arriving in Kent, with urgent accommodation concerns, exacerbated by Government guidelines on social distancing, as well as the lack of a fully functioning National Transfer Scheme. However, while legacy funding concerns remain relating to care leavers, a recent announcement of additional Government funding for UASC is welcome and there are positive signs that it is helping to re-invigorate the National Transfer Scheme.</p>				
CRR0039	Information Governance	High (16)	High (20)	↑
<p><u>Comment:</u> Rating increased, as staff are adapting to far greater remote working, which can introduce new risks from working in new environments, and increased cyber threats referenced above also have the potential to lead to increased data breaches. Further awareness messaging for staff has been put in place during this period.</p>				

CRR0040	Financial, governance and service delivery risks associated with KCC's Local Authority Trading Companies	Medium (9)	High (20)	↑
<u>Comment:</u> the loss of income for these companies as a result of the disruption means that a significant loss in dividend income is likely this year and possibly next.				
CRR0044	High Needs Funding shortfall	High (20)	High (20)	↔
<u>Comment:</u> The increase in high needs funding in 2020-21 from Govt is welcome but insufficient to meet the expected demand and the cumulative deficit is expected to increase further during 2020-21. The latest position was reported to Cabinet on 22 nd June 2020.				
CRR0047	Adequacy of support for children with Special Educational Needs and Disabilities (SEND) – response to Written Statement of Action	High (20)	High (20)	↔
<u>Comment:</u> Recent progress has been made in implementing a new structure to add capacity to the programme team and improve integration between workstreams and delivery plans going forward. Therefore, at next review, consideration will be given to reducing the level of risk.				
CRR0048	Maintenance and modernisation of the KCC estate	High (16)	High (16)	↔
<u>Comment:</u> The risk may now be more focused on lack of an affordable capital programme, which could mean insufficient funds to undertake the required maintenance. However, there may an opportunity to accelerate certain projects in light of the increased speed of adoption of virtual solutions to service delivery.				
CRR0049	Fraud and Error	Medium (12)	High (16)	↑
<u>Comment:</u> The risk rating has been raised as a short-term measure due to the fraud threat posed during emergency situations being higher than at other times. Covid-19 related fraud risk assessments have been drafted by KCC Counter-Fraud Team for review by services. The responses will give an indication of aggregate level of risk for the Authority and lead to further review of the appropriateness of the increased risk rating. It is important to note that the risk rating does not necessarily relate to staff fraud/error, but other factors such as cyber-fraud, fraud within the supply chain and 'scams' against the Council and Kent residents.				

CRR0050	CBRNE and communicable diseases – Coronavirus response and recovery	N/A	High (25)	ESCALATED
<p><u>Comment:</u> This risk was escalated to the Corporate Risk Register by the Director of Public Health and relates to his and the organisation’s statutory responsibilities relating to planning, response and recovery from communicable diseases – in this instance Covid-19. A significant concern for KCC and partners relates to any potential future wave(s) of the virus impacting on existing response and recovery efforts.</p>				
CRR0051	Maintaining workforce health, wellbeing and productivity throughout Coronavirus response and recovery	N/A	Medium (12)	NEW
<p><u>Comment:</u> The Coronavirus pandemic has required the council’s workforce to substantially adapt the way it operates and delivers services at short notice. This brings with it opportunities to accelerate programmes of change, improve productivity, wellbeing and promote our employer brand, but also, in the short term at least, risks that require close monitoring and management. This risk replaces the generic workforce risk previously on the Corporate Risk Register.</p>				

Other risks being reviewed

- CRR0042 – Post-Brexit border systems, infrastructure and regulatory arrangements. Now that the deadline for the UK Government to apply for an extension to the UK/EU transition period has passed and local multi-agency arrangements are being stood up to prepare for the change at the end of December 2020, this risk is being revised to reflect the latest situation regarding potential implications for KCC.
- CRR0045 – Effectiveness of governance within a Member-led Authority. As currently drafted, it is expected that this risk will come off the register, but it may need to be re-cast alongside the KCC strategic reset.

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)