

From: Rory Love, Cabinet Member for Education and Skills
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To: Children, Young People and Education Cabinet Committee –
6 March 2024

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 further detail 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>An Improvement Notice was issued by the then Minister in March 2023 requiring the development of an Accelerated Progress Plan (APP) from KCC and partners. The Department for Education (DfE) approved the final APP, which included 116 actions, in July 2023 and this was published in September.</p> <p>Since then, a six-month review of progress has been conducted by the DfE. The resulting letter acknowledged the collective determination to make sustainable improvements and their judgement of the evidence provided is that Kent is making progress in all areas of the APP. The next review will take place at the end of April 2024 and preparation is well underway to provide a robust evidence base of the further progress that is being made.</p> <p>There are comprehensive governance arrangements to oversee progress, including an independently chaired Kent SEND Strategic Improvement and Assurance Board, a Partnership Delivery Group and a KCC SEND Transformation Strategic Board. A</p>			

dedicated KCC SEND sub-committee provides targeted overview and scrutiny of KCC’s SEND provision in the county.

In 2022-23 the Council entered into a “Safety Valve” agreement with the Department for Education (DfE) to support the development of a sustainable plan for recovery; and the accumulated Dedicated Schools Grant (DSG) deficit will reduce from an estimated £174m to £73m as of 31st March 2024, as a result of contributions from the Council and DfE. The funding from the DfE is contingent on the Council demonstrating and delivering a credible plan to achieve an in-year breakeven position on its DSG. Most of the actions to achieve a balanced in-year position are reflected throughout the APP, where improvements to the SEN system and outcomes for children are expected to result in an improved financial outcome.

CRR0063	Capacity to Accommodate and care for Unaccompanied Asylum-Seeking Children (UASC)	High (25)	High (20)
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This risk re-entered the Corporate Risk Register in the summer of 2023 in light of a High Court Judgement meaning that a protocol between KCC and the Home Office to ensure KCC did not need to take more children than it could safely accommodate, could no longer be applied in its current form. This meant that the Council is required to accommodate and look after all UAS children arriving in the County, pending transfer to other local authorities under the National Transfer Scheme. This presents numerous pressures on an already stretched service.

A recent High Court ruling found that the Government’s National Transfer Scheme (NTS) and the management of the scheme by the Home Office was inadequate and for large periods was unlawful. The Home Office must now resolve the issues and ensure that it works fairly and sustainably in the future.

KCC is now working with the Home Office to ensure there is funding in place to secure sufficient temporary accommodation for all expected new UAS Children arrivals moving forwards. Several possible sites across the county have already been identified and local residents informed. While the funding aspect of the risk is likely to reduce, the operational risk is still high for several months until suitable accommodation is secured.

CRR0001	Safeguarding – protecting vulnerable children	15 (Medium)	15 (Medium)
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There will always be a need for vigilance and no complacency regarding this risk. However, there are comprehensive controls in place that have received independent assurance. Therefore, it is proposed that unless the recent events regarding UAS children (see CRR0063) adversely impact this risk, it can be delegated to directorate level, with the emphasis on the Director of Children’s Services to escalate to CMT if required. Ofsted recently conducted a Focused Visit of KCC’s Front Door Service in parts of the county. The findings are due to be published on 27th February 2024.

2.2 There was previously a corporate risk relating to Home To School Transport on the Corporate Risk Register that focused on operational concerns in the wake of a major re-tendering exercise, for which the Internal Audit function has conducted a lessons-learned review that has been followed by a management action plan, overseen by the Governance & Audit Committee. This has been removed as a

standalone corporate risk, as the predominant risk now relates to increases in costs for Home To School Transport (SEND and Mainstream). Therefore, the cost pressures and plans being progressed to mitigate them are to be included as part of the corporate budgetary and SEND delivery improvement and high needs funding shortfall risks. Any more operational risks on this topic are captured at directorate / divisional level.

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 2023	Current rating	Target rating
CY0030	Management of the CYPE Directorate in year budget	INCREASE	High (25)	Medium (12)
<p>A net forecast variance of £29.5m at end of November, was reported to Cabinet on 25th January 2024. The variances are primarily due to increases in the number and costs of looked after children and increases in demand and cost of school transport. Management action has been identified to reduce this variance, although it is likely that there will still be a significant variance at the end of the financial year.</p> <p>A multi-disciplinary team has been supporting key service areas where savings are required, in order to develop savings plans for 2024/25.</p>				
CY0042	Home to School Transport demand and cost pressures	REVISED RISK	High (25)	TBC
<p>This risk is now being revised by the Directorate Management Team to focus more specifically on the cost pressures and associated budgetary risks. Any operational risks of relevance to the previous corporate risk will be captured at divisional / service level.</p>				
CY0040	Availability of Specialist providers for Disabled Children and Children with Complex Needs	NO CHANGE	High (16)	Medium (12)
<p>There is a risk there will be insufficient specialist (Ofsted registered) 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. This is a multiple provider, complex supply market, however, the number of providers is extremely limited, and the costs associated with this level of care and support continues to rise year on year.</p> <p>This could lead to a practice risk relating to a lack of choice and delays in being able to access specialist provision, with insufficient placements being created. This could increase the likelihood of children being placed in higher cost placements. This risk is being mitigated through several actions such as a deep dive into spend and where community resources can be relied upon and reviewing alternative and sustainable</p>				

methods of support.				
CY0044	Use of unregulated providers for 16+ semi-independent living provision	NEW RISK	Medium (12)	Medium (9)
<p>New regulations were introduced in autumn 2023 that require any provider accommodating a looked after child or care leaver aged 16 or 17 to be registered with Ofsted. This gives rise to potential risks for the Authority, such as the potential need for further placement moves if providers are not registered, or that providers could be deemed unsuitable or under-skilled to support children into independent living, therefore requiring providers to exit the market and subsequent insufficient provision of registered accommodation.</p> <p>KCC has introduced a framework for Supported Accommodation, with terms and conditions being developed for any instances where placements into unregulated settings are currently unavoidable.</p>				
CY0009	Children not in full time education may not be receiving a suitable education	NO CHANGE	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>				
CY0045	Growing demand and limited supply of affordable accommodation – children’s services.	NEW RISK	Medium (12)	Low (6)
<p>There are challenges relating to increasing demand, changing needs and limited placement choice, with the potential for affordable demand to outweigh supply, particularly children with high complexity.</p> <p>The risk of insufficient provision available for individuals can then result in higher costs for placements or young people moving outside of the County.</p> <p>KCC is working with partners to identify areas for collaboration and joint commissioning. Plans for a Regional Care Cooperative are being developed.</p> <p>There is also close liaison with internal partners such as the Management Information Unit, Finance and Analytics functions, to ensure evidence is available to inform decision making.</p>				
CY0032	Information Governance. Management of personal data	REDUCED	Medium (9)	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 significant number of controls in place and UKGDPR processes are well established in the directorate, which led to a slight reduction in the risk rating during the past year. Work continues to reduce data breaches overall, including working with corporate colleagues on post review data breach processes and</p>				

clarification of guidance regarding employee movement between teams in the organisation.

CY0034	Business continuity and resilience	REDUCED	Medium (8)	Medium (8)
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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 well established and has coordinated comprehensive reviewing and refreshing of service continuity plans, with representation from corporate functions to consider interdependencies. The risk rating has been reduced to reflect the robust controls in place.

3.2 Since last year's Committee report, other changes are:

- CY0043 relating to support for Unaccompanied Asylum-Seeking Children has been re-escalated to the corporate register (see above).
- CY0039: Performance of the CYPE business applications has been removed from the directorate register, as key challenges to major systems had been overcome, with any residual risks being managed as part of business as usual.
- CY0038: Potential increase in NEETs following Covid-19 has been delegated to the Education and SEND divisional register, with numbers currently stable.

4. Recommendation

Recommendation:

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

5. Background Documents

- 5.1 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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