From:	Paul Carter, Leader and Cabinet Member for Business Strategy, Audit and Transformation
	Johns Simmonds, Deputy Leader and Cabinet Member for Finance & Procurement
	Gary Cooke, Cabinet Member for Corporate and Democratic Services
	Bryan Sweetland, Cabinet Member for Commercial and Traded Services
	David Cockburn, Corporate Director for Strategic and Corporate Services
To:	Policy & Resources Cabinet Committee – 22nd April 2015
Subject:	**Risk Management - Strategic Risk Register**
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 Strategic and Corporate Services directorate, in addition to the risks featuring on the corporate risk register for which a Strategic and Corporate Services Director is the designated 'Risk Owner'. The paper also explains the management process for review of key risks.

Recommendation(s):

The Cabinet Committee is asked to consider and comment on the risks presented.

1. Introduction

1.1 Directorate business plans are reported to Cabinet Committees each March / April 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 taken into account 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 Strategic & Corporate Services directorate, and often have wider potential interdependencies with other services across the Council and external parties.

1.4   Strategic and Corporate Services 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 Directors in the Strategic and Corporate Services directorate are designated 'Risk Owners' for several corporate risks, which are presented to the Committee for comment in appendix 1.

1.5   For information and awareness, the corporate risk profile as at end of March 2015 is outlined below:

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 2	Safeguarding	15	10
CRR 3	Access to resources to aid economic growth and enabling infrastructure	12	8
CRR 4	Civil Contingencies and Resilience	12	8
CRR 9	Better Care Fund (Health & Social Care Integration)	12	9
CRR 10(a)	Management of Adult Social Care Demand	20	12
CRR 10(b)	Management of Demand – Specialist Children's Services	20	12
CRR 12	Welfare Reform changes	12	9
CRR 14	Development of strategic commissioning authority governance arrangements	12	8
CRR 17	Future operating & financial environment for local government	20	10
CRR 18	PSN – Implications of compliance with Code of Connection security standards	6	4
CRR 19	Implications of the Care Act 2014	15	6
CRR 20	Banking Reform Act	8	4
CRR 21	Delivery of 2015/16 savings	12	2

1.6   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.

1.7 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. Strategic Priorities and Policy Framework

3.1 Risks highlighted in the risk registers relate to strategic priorities of the *Facing the Challenge* KCC transformation agenda, achievement of outcomes in KCC's Strategic Statement, 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 Strategic and Corporate Services directorate

4.1 There are currently four directorate risks featured on the Strategic and Corporate Services directorate risk register (appendix 2), none of which are rated as 'High', three are rated as 'Medium' risk and one is rated as 'Low' risk. Many of the risks highlighted on the register are discussed implicitly as part of regular items to Cabinet Committees.

4.2 Bearing in mind the potential establishment of several alternative service delivery models that would require appropriate client-side arrangements, a risk relating to development of these arrangements is to be included on the directorate risk register. Ensuring 'intelligent client' governance is important whether providers are internal or external.

4.3 Since last reported to Committee in July 2014, one risk has been closed (STCS 08 – failure of Contact Centre telephony system). The new cloud-based telephony system was 'switched on' in March, replacing the previous ageing system. The other risks listed have remained at the same risk level.

4.4 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.

4.5 Monitoring & 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 Policy & Resources 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

Report Author:

- Mark Scrivener
- 03000 416660
- Mark.scrivener@kent.gov.uk

Relevant Director:

- David Whittle
- 03000 416833
- David.whittle@kent.gov.uk

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	Change to Current Risk Rating since July 2014	Target Risk Rating
CRR 1	Data and Information Management	9 (Medium)	⇔	9 (Medium)
CRR 7	Governance & Internal Control		Risk closed	
CRR 13	Delivery of 2014/15 savings		Risk closed	
CRR 14	Development of strategic commissioning authority arrangements (formerly a narrower procurement-related risk)	12 (Medium)	Revised risk	8 (Medium)
CRR 17	Future operating & financial environment for local government	20 (High)	⇔	10 (Medium)
CRR 18	PSN – Implications of compliance with Code of Connection security standards	6 (Low)	⇩	4 (Low)
CRR 20	Banking Reform Act	8 (Medium)	New risk	4 (Low)
CRR 21	Delivery of 2015/16 Savings	12 (Medium)	New risk	2 (Low)

*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	CRR1	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.	Information security incidents resulting in loss of personal data or breach of privacy/confidentiality Data Subject complaint upheld by Information Commissioners Office (ICO) Failure to achieve either annual PSN or NHS Information Governance certification	ICO sanction (eg undertaking, assessment, improvement, enforcement or monetary penalty notice) issued against the Authority. Reputational damage. Damages claims. Cost of remediation. Access to PSN and/or NHS connected services revoked or restricted resulting in significant interruption to services.	On behalf of CMT: Geoff Wild, Director Governance & Law Rebecca Spore, Director Infrastructure **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 supported by Information Governance cross-directorate group.	David Cockburn, Corporate Director Strategic and Corporate Services
SIRO IG Action Plan and Information Risk Register in place and regularly reviewed	Geoff Wild, Director Governance & Law
Information Governance policies and procedures in place and monitored.	Geoff Wild, Director Governance & Law
Information Governance Management Framework in place	Geoff Wild, Director Governance & Law
Information Resilience and Transparency team providing business information governance support	Caroline Dodge, Team Leader-Information Resilience & Transparency team
Information Assurance maturity monitoring procedure in place.	Geoff Wild, Director Governance

	& Law/Director Infrastructure
Contractor information assurance procedure in place	Mark Lobban, Director Commissioning SCHWB
Corporate Director Social Care Health & Wellbeing is KCC Caldicott Guardian, protecting confidentiality of service user information and enabling appropriate information sharing. Caldicott Guardian Support Officers nominated in relevant services	Andrew Ireland, Corporate Director SCHWB
County wide protocols in place for information sharing between agencies and governed by Kent & Medway Information Governance Partnership Board. Information Sharing Designated Officers nominated in relevant services.	Charlie Beaumont, Education & Young People Services
ICT Security and Service Transition Team operational.	Paul Day, Interim Head of Profession for ICT
Electronic Communications User Policy, Virus reporting procedure and social media guidelines in place	Paul Day, Interim Head of Profession for ICT
Information Governance training completed by employees, contractors and temporary staff. Specialist training needs identified and training plan in place. Information Governance training plan in place and monitored.	Geoff Wild, Director Governance & Law
Discussions in place with Government regarding requirements of the Code of Connection (cross reference to CRR 18)	Paul Day, Interim Head of Profession for ICT
Corporate Information Asset Register established and risk assessments in progress.	Geoff Wild, Director Governance & Law
Information risk assessments completed for systems processing personal data and for new/change projects	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/ Director Infrastructure
Public Service Network (PSN) code of compliance information security standard achieved	Paul Day, Interim Head of Profession for ICT
NHS Information Governance Toolkit 'satisfactory' rating achieved	Paul Day, Interim Head of Profession for ICT

Action Title	Action Owner	Planned Completion Date
Targeting of those staff yet to complete Information Governance Training	Geoff Wild, Director Governance & Law	September 2015

Risk ID	CRR14	Risk Title	Development of strategic commissioning authority arrangements

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 effective procurement, commissioning and contract management arrangements and may also involve establishment of alternative service delivery models, for which KCC would need appropriate levels of oversight.	Lack of understanding of what a commissioning authority is and how it should operate Too much or too little KCC oversight of any alternative delivery models introduced. Ineffective contract management – KCC fails to act as an 'intelligent client'. Lack of appropriate skills to facilitate a commissioning approach	Failure to secure optimum value for money from service providers and/or failure to secure achievement of desired outcomes. Loss of confidence in the Council and/or financial loss.	All Corporate Directors **Responsible Cabinet Member(s):** Paul Carter, Business Strategy, Audit, Transformation	Possible (3) **Target Residual Likelihood** Unlikely (2)	Serious (4) **Target Residual Impact** Serious (4)

Control Title	Control Owner
KCC Procurement Strategy sets out the strategic approach to procurement across the Authority and Spending the Council's money – Code of Practice, sets out how strategic approach to procurement is to be achieved at operational level.	Henry Swan, Head of Procurement
Commissioning & 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
Procurement training for KCC managers, as part of the Kent Manager standard, in place	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
Governance & Audit Committee (inc. Trading Activities sub-group) and Internal Audit roles	Andy Wood, Corporate Director Finance & Procurement
Management Guide for Alternative Service Delivery Models produced	Neeta Major, Strategic Financial Advisor
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

Protocol relating to companies in which KCC has an interest in place – establishes processes and provides additional controls to ensure such companies are run according to rules of good governance	Geoff Wild, Director Governance & Law/Andy Wood, Corporate Director Finance & Procurement
"Guidance on Local Authority Companies" available to assist anyone with the Council wishing to set up a company	Andy Wood, Corporate Director Finance & Procurement/ Geoff Wild, Director Governance & Law
Cross-directorate Commissioning Support Working Group meets regularly to move the agenda forward	Olivia Crill, Transformation Manager
Commissioning Network established, drawing on expertise from across the Authority and facilitating sharing of best practice and learning.	Olivia Crill, Transformation Manager
KCC Commissioning Framework developed and approved by County Council in December 2014	David Whittle, Director Strategy, Policy, Relationships and Corporate Assurance
Member working group established to build understanding of the role of elected Members in a commissioning authority, with Commissioning Advisory Board in place	Councillor Hotson
Strategic Statement for KCC developed that has coherence with existing statutory outcomes frameworks – approved by County Council March 2015	David Whittle, Director Strategy, Policy, Relationships and Corporate Assurance
Procurement & Commissioning review undertaken	Andy Wood, Corporate Director Finance & Procurement
Contract Management training being rolled out to those involved in managing contracts across the Council	Henry Swan, Head of Procurement

Action Title	Action Owner	Planned Completion Date
Launch of commissioning toolkit – a single repository for commissioning related tools, guidance and best practice	Olivia Crill, Transformation Manager	April 2015
Review the Council's Leadership & Management Framework to ensure leadership of effective commissioning becomes an integral part	Amanda Beer, Corporate Director Corporate Director Engagement, Organisational Design & Development	March 2015
Ensure key governance & control mechanisms (e.g. KCC constitution) are refreshed and communicated as required if new operating models are introduced	Geoff Wild, Director Governance & Law/All of Corporate Management Team	June 2015 (review)
Develop decision making guidance and publish on KNet, promoting utilization of	Louise Whitaker, Democratic	March 2015

existing formal decision making mechanisms	Services Manager (Executive)	
Opportunities for potential savings from improved commissioning & procurement practice being explored	Andy Wood, Corporate Director Finance & Procurement	April 2015
Ensure implications of new 'Public Contracts Regulations 2015' are understood and communicated appropriately	Henry Swan, Head of Procurement/Lucinda MacKenzie-Ingle, Contracts & Procurement Team Leader, Legal Services	March 2015
Customer Service Policy is being consulted on, setting out the approach to our customers as we become a strategic commissioning authority	Jane Kendal, Head of Service, Customer Relationships	July 2015

Risk ID	CRR17	Risk Title	Future operating & financial 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. It is estimated that on top of significant savings already delivered, another £206m are required between 2015/16 and 2017/18. There is uncertainty for Local Government over the next spending round.	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. Quality of services suffers as financial situation continues to worsen. Financial settlement from Government is less than anticipated for 2015 onwards. Strain on management capacity and/or managers not being 'equipped' to meet the different demands of their roles in the new environment.	Unsustainable financial situation. Reduction in resident satisfaction and reputational damage. Potential implications for staff wellbeing morale and engagement.	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	Paul Leader, 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	Paul Carter, Leader of the Council/Transformation Advisory Group
Robust budgeting and financial planning in place via Medium Term Financial Planning (MTFP) process	Andy Wood, Corporate Director Finance & Procurement
Processes in place for monitoring delivery of savings and budget as a whole, including Budget Programme Board to scrutinise progress	Andy Wood, Corporate Director Finance & Procurement
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 and co-ordination of officer level programme management	Corporate Directors
Effective operation of Cross-party Advisory Board in order to gain wider engagement of political groups	Paul Carter, 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.	Paul Carter, Leader of the Council
Corporate Portfolio Office in place charged with identifying and managing dependencies across all programmes and projects	Elizabeth Beadle, Head of Corporate Portfolio Office
Communications and Engagement Strategy 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	Paul Carter, 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)
Staff development and Leadership & Management frameworks established to further develop key skills, including commercial acumen, project management and contract management, across the organisation as an essential enabler of transformation	Amanda Beer, Corporate Director Engagement, Organisational Design & Development
A range of support is available to all staff including an online tool to assess and increase resilience; training on how to recognize people showing signs of mental health issues; a Health Promotion Strategy that supports physical and mental wellbeing.	Amanda Beer, Corporate Director Engagement, Organisational Design & Development
A suite of performance information is regularly reviewed and monitored to identify potential issues regarding staff retention	Amanda Beer, Corporate Director Engagement, Organisational Design & Development
Three year cash limits allocated across the organisation to aid planning	Andy Wood, Corporate Director Finance and Procurement
Commissioning Framework for KCC developed and approved by County Council in December 2014	Olivia Crill, Transformation Manager
Strategic Statement for KCC developed that has coherence with existing statutory outcomes frameworks – approved by County Council March 2015	David Whittle, Director Strategy, Policy, Relationships and Corporate Assurance

Action Title	Action Owner	Planned Completion Date
Roll out of Project & Programme Management training	Julie Cudmore, Workforce Development Manager	April 2015 (review)
Launch of commissioning toolkit – a single repository for commissioning related tools, guidance and best practice	Olivia Crill, Transformation Manager	April 2015

Risk ID	CRR 18	Risk Title	Public Sector Network – Implications of Compliance with Code of Connection Security Standards

Source / Cause of Risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
The Public Services Network 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 PSN. 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. Ongoing compliance with the standard will have a number of potential impacts on KCC objectives.	Additional investment in technology required to meet standards without commensurate increase in productivity.	Impact on "Doing things Differently" objectives – less technology choices available. Financial implications	David Cockburn, Corporate Director Strategic & Corporate Services Rebecca Spore, Director Infrastructure **Responsible Cabinet Member(s):** Gary Cooke, Corporate & Democratic Services	Unlikely (2) **Target Residual Likelihood** Unlikely (2)	Significant (3) **Target Residual Impact** Moderate (2)

Control Title	Control Owner
Thorough analysis of potential impacts of satisfying the CoCo compliance conducted	Paul Day, Interim Head of Profession for ICT
Impact analysis conducted for adoption of Baseline Personnel Security Standards (BPSS)	Paul Day, Interim Head of Profession for ICT /Amanda Beer, Corporate Director Engagement, Organisational Design & Development
CMT commitment to comply communicated to Public Services Network Authority (PSNA)	Corporate Management Team
Project plan devised to achieve compliance	Paul Day, Interim Head of Profession for ICT
KCC compliant with current Code of Connection standards	Paul Day, Interim Head of Profession for ICT

Action Title	Action Owner	Planned Completion Date
Action plan to meet requirements for compliance in September 2015	Paul Day, Interim Head of Profession for ICT	April 2015 (review)
Continuing liaison with Government on evolving security standards to encourage risk-based, proportionate approach	Paul Day, Interim Head of Profession for ICT	April 2015 (review)

Risk ID	CRR 20	Risk Title	Banking Reform Act

Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
Bail in risk stemming from the enactment of the following legislation: - Banking Reform Act 2013 - Bank Recovery and Resolution Directive 2015 - Deposit Guarantee Scheme Directive 2015 Unsecured investments in a bank that fails are not protected. KCC may make unsecured deposits with various banks in accordance with its Treasury Strategy	KCC making an unsecured deposit is a financial risk. The Council losing a significant proportion of its unsecured deposits in the event of a bank failing is both a financial risk and reputational risk.	The immediate consequence for KCC of a bank failing could be illiquidity and KCC perhaps unable to pay its bills. It could borrow short term to cover its liquidity requirements but would be subject to interest rate exposure. This is a financing risk. The Council in due course could suffer a significant financial loss and possible reduction in its reserves. Potential impact on service delivery. Reputational damage.	Andy Wood, Corporate Director Finance & Procurement **Responsible Cabinet Member(s):** John Simmonds, Finance & Procurement	Unlikely (2) **Target Residual Likelihood** Unlikely (2)	Serious (4) **Target Residual Impact** Moderate (2)

Control Title	Control Owner
KCC receives expert advice from Arlingclose about banks' stability and viability and they will advise accordingly. The Council also takes account of credit ratings and other risk metrics.	Alison Mings, Treasury & Investments Manager
The Treasury Management Strategy provides for diversification into tradable assets, many of which are secured and therefore not subject to bail in, which may be sold to realise cash. The TMS also sets limits for unsecured deposits with a single bank, as well as group, sector and country limits.	Alison Mings, Treasury & Investments Manager
KCC has a Treasury Management Advisory Group to oversee the Treasury Strategy. The issue of Bail in has been on the agenda and plans agreed to mitigate the risks	Nick Vickers, Head of Financial Services

Action Title	Action Owner	Planned Completion Date
Treasury Strategy to be revised to limit the exposure to the Council.	Nick Vickers, Head of Financial Services	31 March 2015

Risk ID	CRR21	Risk Title	Delivery of 2015/16 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** Moderate (2)

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.	Elizabeth Beadle, 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
Savings PIDS are used 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**
Savings plans being devised and agreed.	Corporate Directors and Director Group.	April 2015

STRATEGIC AND CORPORATE SERVICES RISK REGISTER

MARCH 2015

Summary Risk Profile

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

Risk No.*	Risk Title	Current Risk Rating	Changes to Current Risk Level	Target Risk Rating
STCS 03	Maintain a healthy and effective workforce across STCS through significant change	8 (Medium)	⇔	8 (Medium)
STCS 04	Full utilisation of transactional and reporting systems	9 (Medium)	⇔	6 (Low)
STCS 05	Collaboration of corporate support services to support implementation of New Ways of Working	6 (Low)	⇔	4 (Low)
STCS 07	Capacity and capability challenges relating to corporate support functions	9 (Medium)	⇔	6 (Low)
STCS 08	Failure of Contact Centre telephony infrastructure	Risk closed		

*Each risk is allocated a unique code, which is retained even if a risk is transferred off the Directorate 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 STCS 03	Risk Title	Maintain a healthy and effective workforce across STCS through significant change				

Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
The STCS workforce plays a vital role in supporting the organisation to run effectively and efficiently. The staff across the directorate need to be healthy, motivated and have the right skills to help the organisation develop.	Low morale or stress related to organisational change or other factors. Increased sickness levels. Failure to develop the right skills in staff. Lack of depth/resilience in key staff. Ineffective workforce/succession planning.	Negative impact on organisational effectiveness and service levels.	Amanda Beer, Corporate Director Engagement, Organisational Design & Development	Unlikely (2) **Target Residual Likelihood** Unlikely (2)	Serious (4) **Target Residual Impact** Serious (4)

Control Title	Control Owner
Attendance management policies and training for managers in place.	Paul Royel, Head of Employment Strategy
Wellbeing initiatives and health promotions for staff	Paul Royel, Head of Employment Strategy
Employee Engagement Strategy	Paul Royel, Head of Employment Strategy
Staff Care Services	Helen Bale, Head of Health & Safety
Coaching and mentoring network in place	Jackie Turner-Robinson, Interim Head of Business Services Centre
Managing Stress at Work Policy	Helen Bale, Head of Health & Safety
Suite of KPIs being monitored as early warning indicators eg retention, absence	Amanda Beer, Corporate Director Engagement, Organisational Design & Development
iResilience tools	Amanda Beer, Corporate Director Engagement, Organisational Design & Development
Arrangements in place for active monitoring and response to absence	Paul Royel, Head of Employment Strategy

Directorate Organisational Development Group established	Nigel Fairburn, Organisation Effectiveness Manager
Directorate feeds in to KCC Training Plan	Nigel Fairburn, Organisation Effectiveness Manager
KCC Staff Health and Wellbeing Group in place	Nigel Fairburn, Organisation Effectiveness Manager
Public Health supporting and advising on the commissioning of Mental Health First Aid training.	Andrew Scott-Clark, Director Public Health
Attendance policy and practice reviewed, updated and communicated. Ongoing review as required	Paul Royel, Head of Employment Strategy
Action Title	**Action Owner**	**Planned Completion Date**

Risk ID STCS 04	Risk Title	Full Utilisation of transactional and reporting systems

Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
KCC is dependent on the ongoing development and use of systems, such as those on the Oracle platform, to maximise the efficiencies to be achieved from moving away from manual or less efficient processes and to aid the concept of the 'self-sufficient manager' in KCC. Effective systems are also necessary to extract and report on data for the purposes of making better, more informed decisions.	Key stakeholders do not engage with the processes supported by those systems and therefore the systems are not utilised.	Development will cease/be reduced which will limit opportunities to replace manual and other less efficient systems. This will result in more manual processes across the organisation limiting the potential to achieve efficiencies. The availability and reliability of the data used for business intelligence purposes could be compromised. KCC fails to improve efficiency of intelligence and makes poor decisions.	Amanda Beer, Corporate Director Engagement, Organisational Design & Development Rebecca Spore, Director Infrastructure Director Strategic Business Development & Intelligence Andy Wood, Corporate Director Finance & Procurement	Possible (3) **Target Residual Likelihood** Unlikely (2)	Significant (3) **Target Residual Impact** Significant (3)

Control Title	Control Owner
Refreshed training programme in place for OBI.	Natasha Walton, Programme Manager – BSC & ERP
Exalytics box purchased to improve performance of OBI and to support future mobile working.	Director Strategic Business Development & Intelligence
Framework contract in place to provide ad hoc technological support for OBI development.	Director Strategic Business Development & Intelligence
OBI 'enterprise' licences in place to allow county wide roll-out	Director Strategic Business Development & Intelligence

8905 HR self-service users, 1687 i-procurement users, 408 budget managers using Collaborative Planning, 900 managers with access to Oracle Business Intelligence and 8000 e-learning users, already in place	Amanda Beer, Corporate Director Engagement, Organisational Design & Development/ Director Strategic Business Development & Intelligence/ Andy Wood, Corporate Director Finance & Procurement
Action Title	**Action Owner**	**Planned Completion Date**
Further roll-out of i-procurement to achieve appropriate coverage	Andy Wood, Corporate Director Finance & Procurement	31st March 2016
Further roll-out of Collaborative Planning to achieve full coverage	Andy Wood, Corporate Director Finance & Procurement	31st March 2016
Executive Director Dashboards being developed via Oracle Business Intelligence	Natasha Walton, Programme Manager – BSC & ERP	30th May 2015

Risk ID STCS 05	Risk Title	Collaboration of corporate support services to support implementation of New Ways of Working

Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
The New Ways of Working Programme sets out to deliver refreshed office environments and smarter ways of working across the organisation, acting as an enabler to change. The programme also has significant savings attached.	The key interfaces across corporate support services are not identified or coherently brought together, which would make implementation across the Authority more challenging or prevent successful programme delivery. Interdependencies with other change programmes not identified and managed.	The organisation fails to engage with the programme. Programme objectives including asset rationalisation and allocated savings not met, or not met on time.	Amanda Beer, Corporate Director Engagement, Organisational Design & Development Rebecca Spore, Director Infrastructure	Possible (3) **Target Residual Likelihood** Unlikely (2)	Moderate (2) **Target Residual Impact** Moderate (2)

Control Title	Control Owner
Robust programme management mechanisms - Programme Board and dedicated Programme Manager in place.	Rebecca Spore, Director Infrastructure
Independent assurance being gained from monitoring Budget Programme Board.	Andy Wood, Corporate Director Finance & Procurement
Interdependencies with other programmes being mapped.	Bob Appleby, Programme Manager NWoW
Vision for New Ways of Working developed	Rebecca Spore, Director Infrastructure
Appropriate arrangements across the Strategy & Corporate Services directorate in place for the roll out of the programme, including interconnections to HR and ICT workstreams.	Rebecca Spore, Director Infrastructure
Ongoing engagement and communication work with KCC staff on the programme and its impact	Rebecca Spore, Director Infrastructure/Diane Trollope, Change/Engagement Manager
Management of the implications in place of any new governance arrangements required by the programme.	Rebecca Spore, Director Infrastructure
Portfolio Management arrangements established to identify and manage organisation wide interdependencies	Elizabeth Beadle, Portfolio Management Office
Suite of interventions introduced by HR function to support the programme	Nigel Fairburn, Organisation Effectiveness Manager

People Management workstream in place and reviewed monthly		Robert Semens, HR Business Partner
Action Title	**Action Owner**	**Planned Completion Date**
Following initial implementations carry out a review to address lessons learnt as part of future programme roll-out/implementations	Rebecca Spore, Director Infrastructure	31st March 2015
Review and revise integration and engagement plan including ICT and Contact Point	Bob Appleby, Programme Manager NWoW	31st August 2015

Risk ID STCS 07	Risk Title	Capacity and capability challenges relating to corporate support functions			

Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
Support services across the directorate are facing the challenge of achieving budget savings for 2014/15, maintaining day-to-day operations and playing a key role in helping the organisation through significant change. At the same time these services are subject to service review and market testing.	Insufficient capacity to maintain day-to-day delivery on top of 'Facing the Challenge' support. Lack of appropriate skills and competencies as the Directorate moves forward as part of the transformation agenda.	Levels of service drop or support for Facing the Challenge cannot be given in timescales.	STCS Directorate Management Team	Possible (3)	Significant (3)
				Target Residual Likelihood	**Target Residual Impact**
				Unlikely (2)	Significant (3)

Control Title	Control Owner
Impacts of transformation being monitored.	STCS Directorate Management Team
Bids put forward to transformation budget for additional resource	STCS Directorate Management Team
Project based approaches being adopted and resource mapping in place where required.	STCS Directorate Management Team
Property Transformation Group established	Rebecca Spore, Director Infrastructure
Resource requirements reviewed regularly in light of projected workload and Facing the Challenge	STCS Directorate Management Team

Action Title	Action Owner	Planned Completion Date
Development of appropriate skills and competencies for new strategic commissioning arrangements once requirements are clear	STCS Directorate Management Team	August 2015