



## Appendix 1

# Strategic and Corporate Services Led Corporate Risks

FOR PRESENTATION TO POLICY & RESOURCES CABINET COMMITTEE – 20<sup>th</sup> MARCH

## Corporate Risks - Summary Risk Profile

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

Risk No.	Risk Title	Current Risk Rating	Target Risk Rating	Direction of Travel since March 2019
CRR0009	Future financial and operating environment for local government	20	12	↔
CRR0014	Cyber-attack threats and their implications	16	12	↔
CRR0039	Information Governance	16	8	↑
CRR0040	Financial, governance and service delivery risks associated with KCC's Local Authority Trading Companies (LATCos)	9	4	↓
CRR0045	Effectiveness of governance within a Member-led Authority	10	5	↔
CRR0048	Maintenance and Modernisation of KCC Estate	16	12	NEW
CRR0049	Fraud and Error	12	6	NEW

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.

The overall risk score is derived from multiplying the likelihood and impact scores.

Likelihood & Impact Scales					
<b>Likelihood</b>	Very Unlikely (1)	Unlikely (2)	Possible (3)	Likely (4)	Very Likely (5)
<b>Impact</b>	Minor (1)	Moderate (2)	Significant (3)	Serious (4)	Major (5)

Risk ID	CRR0009	Risk Title	Future financial and operating environment for Local Government			
<p><b>Source / Cause of risk</b></p> <p>Uncertainty over the funding settlement beyond 2020-21 in the absence of Spending Review. Whilst some aspects of the revenue budget and medium term financial plan can be predicted with reasonable accuracy (particularly spending pressures, tax base, full year effect of current year savings and savings already identified in existing plan) the uncertainty over the funding settlement means that there are a wide range of scenarios regarding the unfunded gap. Some of the scenarios would require the council to make substantial savings in order to balance the budget posing a significant risk to the council's financial sustainability and robustness of reserves.</p> <p>The uncertainty also applies to services funded via ring-fenced specific grants. Of particular concern is the special educational needs and disability (SEND) provision funded by the Dedicated Schools Grant (DSG). The high</p>	<p><b>Risk Event</b></p> <p>Additional unfunded spending demands and continued real-terms funding reductions threaten the financial sustainability of KCC, its partners and service providers.</p> <p>In order to set a balanced budget, the council is likely to have to continue to make significant year on year savings. Quality of KCC commissioned / delivered services suffers as financial situation continues to worsen.</p> <p>Delays and uncertainty surrounding Spending / Fair Funding reviews impacts on KCC's medium term financial planning.</p>	<p><b>Consequence</b></p> <p>Unsustainable financial situation, ultimately resulting in s114 notice.</p> <p>Potential for partner or provider failure – including sufficiency gaps in provision.</p> <p>Reduction in resident satisfaction and reputational damage.</p>	<p><b>Risk Owner (s)</b></p> <p>On behalf of CMT:</p> <p>Zena Cooke, Corporate Director Finance (Section 151 Officer)</p> <p><b>Responsible Cabinet Member(s):</b></p> <p>All Cabinet Members</p>	<p><b>Current Likelihood</b></p> <p>Likely (4)</p> <p><b>Target Residual Likelihood</b></p> <p>Possible (3)</p>	<p><b>Current Impact</b></p> <p>Major (5)</p> <p><b>Target Residual Impact</b></p> <p>Serious (4)</p>	

<p>needs block of DSG has not kept pace with the substantial increase in demand for SEND (see CRR0044) despite additional injections savings resulting is deficit accruing on DSG spending.</p> <p>The uncertainty also applies to capital expenditure funded by grants. In particular, if the basic need grant is insufficient to provide the number of school places identified in the commissioning plan the authority may not have capacity to incur additional borrowing costs to make up for the shortfall.</p>	
<b>Control Title</b>	<b>Control Owner</b>
Robust budgeting and financial planning in place via Medium Term Financial Planning (MTFP) process, including stakeholder consultation	Zena Cooke, Corporate Director Finance (Section 151 Officer)
Processes in place for monitoring delivery of savings and budget as a whole	Zena Cooke, Corporate Director Finance (Section 151 Officer)
KCC Strategic Statement 2015-2020 and annual report outline key strategic outcomes that the Authority aims to achieve during this period	Roger Gough, Leader of the Council
KCC Quarterly Performance Report monitors key performance and activity information for KCC commissioned or delivered services. Regularly reported to Cabinet	Rachel Kennard, Chief Analyst
Ongoing oversight of implications relating to proposed Local Authority pension fund changes	Alison Mings, Treasury and Investments Manager

Financial analysis conducted after each budget statement	Dave Shipton, Head of Finance (Policy, Strategy and Planning)	
Engagement with CCN, other local authorities and Government of potential opportunities and issues around devolution and public reform	David Whittle, Director SPRCA	
Continued engagement with Government for a fair Basic Need allocation to meet the demand for school places	Keith Abbott, Director Education Planning and Access	
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Work proactively with Government regarding how the new business rate retention scheme can be most effectively implemented	Dave Shipton, Head of Finance (Policy, Strategy and Planning)	June 2020 (review)
Engage with Government for a fair-funding needs formula for Grant distribution and tariffs/top ups under business rate retention	Dave Shipton, Head of Finance (Policy, Strategy and Planning)	June 2020 (review)
Ensure appropriate response to Government Spending Review 2020	Dave Shipton, Head of Finance (Policy, Strategy and Planning)	September 2020
Assess impact of and respond to social care green paper	Penny Southern, Corporate Director ASCH	TBC – once paper is available
Assess implications arising from design of the UK Shared Prosperity Fund (cross-reference to CRR0003)	David Smith, Director Economic Development	TBC – once consultation is launched
Lobby Government for appropriate funding for KCC to cover the impacts of Brexit e.g. new burdens imposed.	Dave Shipton, Head of Finance (Policy, Strategy and Planning)	Ongoing
Lobby Government regarding High Needs funding concerns	Dave Shipton Head of Finance (Policy, Strategy and Planning)/ Matt Dunkley, Corporate Director CYPE	June 2020 (review)
Development of new KCC Strategic Statement 2020-2025, recognising the challenging environment and setting out refreshed strategic priorities.	David Whittle, Director SPRCA	March 2020

<b>Risk ID</b>	<b>CRR0014</b>	<b>Risk Title</b>	<b>Cyber-attack threats and their implications</b>			
<b>Source / Cause of Risk</b>	<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner(s)</b>	<b>Current Likelihood</b>	<b>Current Impact</b>	
<p>The Council has a duty to protect personal and other sensitive data that it holds on its staff, service users and residents of Kent.</p> <p>KCC repels a high number of cyber-attacks on a daily basis, although organisations across all sectors are experiencing an increasing threat in recent times and must ensure that all reasonable methods are employed to mitigate them (within resource constraints), both in terms of prevention and preparedness of response in the event of any successful attack.</p> <p>KCC's ICT Strategy will move the Authority's technology to cloud based services. It is important to harness these new capabilities in terms of both IT security and resilience, whilst emerging threats are understood and managed.</p> <p>In information terms the other factor is human. Technology can only provide a level of protection. Our staff must have a strong awareness of their responsibilities</p>	<p>Successful cyber-attack (e.g. 'phishing' scam) leading to loss or unauthorised access to sensitive business data.</p> <p>Significant business interruption caused by a successful attack.</p>	<p>Data Protection breach and consequent Information Commissioner's Office (ICO) sanction.</p> <p>Damages claims.</p> <p>Reputational Damage.</p> <p>Potential significant impact on business interruption if systems require shutdown until magnitude of issue is investigated.</p>	<p>Rebecca Spore, Director Infrastructure</p> <p>Ben Watts, General Counsel and KCC Data Protection Officer</p> <p>Amanda Beer, Corporate Director People and Communications</p> <p><b>Responsible Cabinet Member(s):</b></p> <p>Peter Oakford, Finance, Corporate and Traded Services</p> <p>Shellina Prendergast, Communications, Engagement and People</p> <p>Roger Gough,</p>	<p>Likely (4)</p> <p><b>Target Residual Likelihood</b></p> <p>Possible (3)</p>	<p>Serious (4)</p> <p><b>Target Residual Impact</b></p> <p>Serious (4)</p>	

in terms of IT and information security.	Leader
<b>Control Title</b>	<b>Control Owner</b>
Systems are configured in line with best practice security controls proportionate to the business information being handled. Systems are risk assessed and reviewed to ensure compliance is maintained	Kathy Stevens, ICT Compliance and Risk Manager
Staff are required to abide by IT policies that set out the required behaviour of staff in the use of the technology provided. These policies are reviewed on an annual basis for appropriateness	Kathy Stevens, ICT Compliance and Risk Manager
Continual awareness raising of key risks amongst the workforce and manager oversight	Internal Communications function / Rebecca Spore, Director Infrastructure / All Managers
Electronic Communications User Policy, Virus reporting procedure and social media guidelines in place	Andrew Cole, Head of ICT Strategy and Commissioning
External reviews of the Authority's security compliance are carried out to maintain accreditation and confirm best practice is applied	Kathy Stevens, ICT Compliance and Risk Manager
Persistent monitoring of threats, network behaviours and data transfers to seek out possible breaches and take necessary action	Kathy Stevens, ICT Compliance and Risk Manager
Data Protection and Information Governance training is mandatory and requires staff to refresh periodically. Progress rates monitored regularly	Ben Watts, General Counsel
Further training introduced relating to cyber-crime, cyber security and social engineering to raise staff awareness and knowledge	Kathy Stevens, Compliance and Risk Manager
Messages to encourage increased awareness of information security amongst staff are being communicated to align with key implementation milestones of the ICT Transformation Programme	Diane Trollope, Head of Engagement and Consultation
Procedures to address data breaches from KCC 'client side' perspective are covered within the Infrastructure business continuity plan	Kathy Stevens, ICT Compliance and Risk Manager
Monthly updated remediation plans produced for the Director of Infrastructure and Senior Information Risk	Kathy Stevens, ICT

Owner. Quarterly reporting to the Directorate Management Team	Compliance and Risk Manager	
A Cyber incident response and management policy has been developed which strengthens the responsibilities and accountabilities across the Authority	Kathy Stevens, ICT Compliance and Risk Manager	
Changes and additions to security controls remains an on-going theme as the Authority updates and embraces new technologies.	Andrew Cole, Head of ICT Strategy and Commissioning	
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Liaise with service partners / providers to ensure clarity regarding support available and respective responsibilities to address data breaches should they occur	Kathy Stevens, ICT Compliance and Risk Manager	March 2020
Implementation of action plan in response to findings of independent cyber-security and resilience review	Andrew Cole, Head of ICT Strategy and Commissioning	September 2020



Risk ID	CRR0039	Risk Title	Information Governance			
<p><b>Source / Cause of risk</b></p> <p>The Council is required to maintain the confidentiality, integrity and proper use, including disposal of data under the Data Protection Act 2018, which is particularly challenging given the volume of information handled by the authority on a daily basis.</p> <p>General Data Protection Regulations (GDPR) came into effect that have introduced significantly increased obligations on all data controllers, including the Council.</p> <p>There is insufficient resource available to undertake comprehensive oversight / assurance activity that provides assurance on compliance with existing information governance standards.</p> <p>There is a critical dependency on one of the Council's Local Authority Trading Companies (CBS) to support Information Governance compliance for the KCC systems and network.</p>	<p><b>Risk Event</b></p> <p>Failure to embed the appropriate processes and procedures to meet the new regulations.</p> <p>Information security incidents (caused by both human error and / or system compromise) resulting in loss of personal data or breach of privacy / confidentiality.</p> <p>Council accreditation for access to government and partner ICT data, systems and network is withdrawn.</p> <p>Cantium Business Solutions prioritises commercial work or does not undertake information governance compliance work in an appropriate and timely fashion.</p>	<p><b>Consequence</b></p> <p>Information Commissioner's Office sanction (e.g. undertaking, assessment, improvement, enforcement or monetary penalty notice issued against the Authority).</p> <p>Serious breaches under GDPR could attract a fine of €20m.</p> <p>Increased risk of litigation.</p> <p>Reputational damage.</p>	<p><b>Risk Owner</b></p> <p>Ben Watts, General Counsel and Data Protection Officer</p> <p>in collaboration with:</p> <p>David Whittle, Senior Information Risk Owner</p> <p><b>Responsible Cabinet Member(s):</b></p> <p>Roger Gough, Leader</p> <p>Shellina Prendergast, Communications, Engagement and People</p>	<p><b>Current Likelihood</b></p> <p>Likely (4)</p> <p><b>Target Residual Likelihood</b></p> <p>Unlikely (2)</p>	<p><b>Current Impact</b></p> <p>Serious (4)</p> <p><b>Target Residual Impact</b></p> <p>Serious (4)</p>	

KCC services' requirement for non-standard systems creates vulnerabilities.	
<b>Control Title</b>	<b>Control Owner</b>
Data Protection Officer in place to act as designated contact with the Information Commissioner's Office	Ben Watts, General Counsel
Caldicott Guardian appointed with training and support to undertake the role	Penny Southern, Corporate Director ASCH
Senior Information Risk Owner for the Council appointed with training and support to undertake the role	David Whittle, Director SPRCA
Corporate Information Governance group to allow for effective management of information governance risks and issues between the DPO, SIRO and Caldicott Guardian	Ben Watts, General Counsel
Management Guide / Operating Modules on Information Governance in place, highlighting key policies and procedures	Caroline Dodge, Team Leader Information Resilience & Transparency
A number of policies and procedures are in place including KCC Information Governance Policy; Information Governance Management Framework; Information Security Policy; Data Protection Policy; Freedom of Information Policy; and Environmental Information Regulations Policy all in place and reviewed regularly	Ben Watts, General Counsel
Staff are required to complete mandatory training on Information Governance and Data Protection and refresh their knowledge every two years as a minimum	Ben Watts, General Counsel / Amanda Beer, Corporate Director People and Communications
ICT Commissioning function has necessary working / contractual relationship with the Cantium Business Solutions to require support on KCC ICT compliance and audit	Rebecca Spore, Director of Infrastructure
Cantium Business Solutions required to adhere to information governance standards and have controls in place to mitigate information governance risks, e.g. accreditation attained against the ISO27001 Information security management standard, internal audit programme, mandatory staff training, business continuity and disaster recovery arrangements.	Andrew Cole, ICT Strategy and Commissioning Manager / Mark Scott, Chief Executive Officer, Cantium Business Solutions

Information Resilience and Transparency team in place, providing business information governance support	Caroline Dodge, Team Leader Information Resilience & Transparency	
Privacy notices as well as procedures/protocols for investigating and reporting data breaches reviewed and updated	Caroline Dodge, Team Leader Information Resilience & Transparency	
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Investigate the costs and benefits of introducing additional information governance controls utilising capabilities of Microsoft Office 365	David Whittle, Director SPRCA/Ben Watts, General Counsel	April 2020
Review methods of recording data breaches and identification / analysis of trends	Ben Watts, General Counsel	March 2020

Risk ID	CRR0040	Risk Title	Financial, governance and service delivery risks associated with KCC's Local Authority Trading Companies (LATCos)			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
<p>KCC has established a number of wholly-owned companies delivering a wide range of professional services that can bring benefits such as a change in culture and a more commercial approach to delivering services; more freedom to invest; the ability to secure new external clients; and the ability to grow the business and return a dividend to the Council as shareholder.</p> <p>As with any new company start up, there will also be risks to be managed.</p> <p>With the increased number of wholly-owned companies, the council has reached a cross-over point where the wider objectives of the shareholder (KCC) is of at least the same importance as the individual needs of the new companies.</p> <p>KCC does not make the necessary internal changes / decisions (e.g. internal commissioning arrangements)</p>	<p>Expected financial dividends not met or return on investment takes longer than planned to achieve.</p> <p>One or more company acts in a way that does not fit with KCC's values.</p> <p>Council attempts to manage or run individual companies rather than acting as shareholder to extract the maximum value and benefit for the council in terms of both financial return and delivery of our identified outcomes as the owner of the businesses.</p> <p>Insufficient quality of service from company to KCC 'client'.</p>	<p>Additional pressures on Council budget.</p> <p>Reputational damage.</p> <p>Companies may not be able to take advantage of commercial opportunities if decision-making is restricted.</p>	<p>Ben Watts, General Counsel</p> <p>Zena Cooke, Corporate Director Finance (Section 151 Officer)</p> <p><b>Responsible Cabinet Member(s):</b></p> <p>Peter Oakford, Finance, Corporate and Traded Services</p>	<p>Possible (3)</p> <p><b>Target Residual Likelihood</b></p> <p>Unlikely (2)</p>	<p>Significant (3)</p> <p><b>Target Residual Impact</b></p> <p>Moderate (2)</p>	

necessary to support the delivery of the agreed business plans of trading companies.		
<b>Control Title</b>	<b>Control Owner</b>	
Governance: shareholder and company boards exist for KCC-owned companies with respective roles, with matters reserved for shareholder decision outlined	Ben Watts, General Counsel	
Cultural and change factors are built into the planning for proposed creation of alternative service delivery models	Diane Trollope, Head of Engagement and Consultation	
KCC's Group Audit function conducts audits for KCC-owned companies	Francesca Chivers, Audit Manager	
Robust business cases developed for proposed new companies, subject to Member and Officer scrutiny – including consideration of market potential, governance arrangements etc.	Relevant Cabinet Member and Corporate Director.	
KCC company governance and ownership reviewed with regular updates given to Policy & Resources Cabinet Committee	Peter Oakford, Cabinet Member for Finance, Corporate and Traded Services / Ben Watts, General Counsel / Zena Cooke, Corporate Director Finance (Section 151 Officer)	
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Finalise implementation of holding arrangements for KCC's companies	Ben Watts, General Counsel	March 2020

<b>Risk ID</b>	<b>CRR0045</b>	<b>Risk Title</b>	<b>Effectiveness of governance within a Member-led Authority</b>			
<b>Source / Cause of risk</b>	<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner</b>	<b>Current Likelihood</b>	<b>Current Impact</b>	
<p>The continuation of a challenging financial and operating environment for Local Government (see risk CRR0009) will require difficult policy decisions to be made in a timely manner, which requires continued effective governance and robust internal control mechanisms.</p> <p>KCC's constitution explicitly references its Member-led / Officer managed demarcation, which consequently places dependency / risk on the effectiveness of the member governance of the Council. It is crucial that the Council avoids some of the inherent risks such as:</p> <p>Professional / statutory officers failing in their duty to provide robust professional advice needed by Members to effectively discharge their member leadership role, or unwillingness of elected Members to appropriately consider advice from professional / statutory</p>	<p>Members are unwilling or unable to agree necessary policy (service) decisions to deliver a legally balanced budget and sustainable medium-term financial plan (MFTP).</p>	<p>Decisions challenged under judicial review on the appropriateness of the decision-making within KCC.</p>	<p>Roger Gough, Leader of the Council</p>	<p>Unlikely (2)</p>	<p>Major (5)</p>	
	<p>Members agree a budget requiring unrealistic and undeliverable efficiency savings leading to significant in-year overspends.</p>	<p>Monitoring Officer / Head of Paid Service statutory report to Council.</p>	<p>David Cockburn, Head of Paid Service</p>	<p><b>Target Residual Likelihood</b></p> <p>Very Unlikely (1)</p>	<p><b>Target Residual Impact</b></p> <p>Major (5)</p>	
	<p>Officers act on direction from members which has no basis in statutory decision making or the Council's constitution.</p> <p>Statutory officers (S151, Monitoring Officer, Head of Paid Service) are required to use their powers to intervene or alert the Council to inappropriate/illegal decision-making.</p>	<p>Reputational damage to the Council.</p> <p>S114 Notice issued by the S151 Officer.</p>				

officers.

Over reliance on informal governance arrangements and political group meetings to direct officers and make decisions outside of formal statutory decision-making and scrutiny arrangements.

Policy options regarding the service offer of the Council are not adequately or appropriately considered within the budget development/approval process.

Failure of the governance structures of the council (Cabinet, Cabinet Committee, Full Council, Scrutiny Committee/Governance & Audit) to provide robust internal and external oversight, scrutiny and challenge of budget options and delivery of agreed MTFP savings programme.

<b>Control Title</b>	<b>Control Owner</b>
Strategic Statement agreed by County Council and published setting out medium-term objectives and priorities of the Council	Roger Gough, Leader of the Council
MTFP and Budget Book agreed by Full Council and support/briefing provided for all political groups by officers on budget development options	Zena Cooke, Corporate Director Finance (Section 151 Officer)
Key and significant decision-making process in place for Executive decisions and appropriately published	Ben Watts, General Counsel

Forward Plan of Executive Decisions	
Transformation plans and/or business cases for strategic change underpinning MTFP shared with non-executive members through Cabinet Committees as part of the executive decision-making arrangements	David Cockburn, Head of Paid Service
Member and Officer codes of conduct in place and robustly monitored and enforced	Ben Watts, General Counsel
Member development and training programme in place and overseen by Selection and Member Services Committee	Ben Watts, General Counsel
Appropriate officer development and training programme in place and overseen by CMT	Amanda Beer, Corporate Director People and Communications
Appropriately detailed and timely financial monitoring reports considered by Cabinet and Cabinet Committees	Zena Cooke, Corporate Director Finance (Section 151 Officer)
Appropriate performance reporting of service and corporate performance to Cabinet, Cabinet Committee and Full Council	David Cockburn, Head of Paid Service
Effective internal audit arrangements in place and robust monitoring arrangements for the delivery of internal audit recommendations to Governance & Audit Committee	Zena Cooke, Corporate Director Finance (Section 151 Officer)
Provision for Chief Officers to seek written direction from Executive Members within the KCC Constitution	Ben Watts, General Counsel
Annual Governance Statement (AGS) arrangements in place with returns made across both senior and statutory officers	Ben Watts, General Counsel
Appropriate and effective corporate risk management procedures in place for the Council	David Whittle, Director SPRCA
Democratic Services appropriately resourced to support effective Committee governance and scrutiny arrangements	Ben Watts, General Counsel
Informal governance arrangements authorised by the KCC Constitution have been published on KNet, as a practical guide for how officers work with elected Members to help them support effective decision making for our service users, residents and communities.	David Whittle, Director SPRCA



New operating standards for KCC officers that support KCC's constitution published on KNet, signposting officers to essential policy information and additional guidance on specific topics, to help officers discharge their responsibilities effectively.	David Whittle, Director SPRCA	
A single Strategic Delivery Plan for KCC has been developed	David Whittle, Director SPRCA	
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Further amendments to KCC's Constitution	Ben Watts, General Counsel	May 2020
Review of informal governance arrangements	David Whittle, Director SPRCA	March 2020
Review of KCC Operating Standards	David Whittle, Director SPRCA	March 2020
Ongoing review of effectiveness of Cabinet Committees and consideration of alternative arrangements	Roger Gough, Leader / David Whittle, Director SPRCA	June 2020 (review)

<b>Risk ID</b>	<b>CRR0048</b>	<b>Risk Title</b>	<b>Maintenance and modernisation of KCC Estate</b>				
<b>Source / Cause of risk</b>	<b>Risk Event</b>	<b>Consequence</b>	<b>Risk Owner</b>	<b>Current Likelihood</b>	<b>Current Impact</b>	<b>Target Residual Likelihood</b>	<b>Target Residual Impact</b>
<p>While there has been significant investment in parts of our estate over time, there will never be enough funding available to satisfy all aspirations relating to modernisation of our estate.</p> <p>It is becoming increasingly challenging to ensure that all of our property assets are maintained to a sufficient standard, so that they are safe and fit-for-purpose.</p> <p>As parts of our estate age (e.g. some of our schools and our corporate headquarters), maintenance and / or modernisation costs will increase, and will be sub-optimal in terms of our environmental footprint and supporting new working practices.</p> <p>Ongoing investment to maintain and modernise our estate continues to compete with the other priorities to protect frontline services from effects of public sector funding restraint.</p> <p>Property asset considerations need to be viewed as part of a strategic picture alongside</p>	<p>Insufficient investment in KCC estate to ensure it remains safe and fit-for-purpose.</p>	<p>Business interruption due to increasing level of reactive / emergency repairs required, or parts of the estate decommissioned (in whole or partially) if deemed unsafe.</p> <p>Adverse impact on achievement of environmental targets.</p> <p>Adverse impact on opportunities to rethink current working practices and adopt new ways of working.</p> <p>Impact on staff morale and productivity.</p>	<p>On behalf of CMT:</p> <p>Rebecca Spore, Director of Infrastructure</p> <p>Amanda Beer, Corporate Director People and Communications</p> <p><b>Responsible Cabinet Member(s):</b></p> <p>Peter Oakford, Finance, Corporate and Traded Services</p> <p>Shellina Prendergast, Communications, Engagement and People</p>	<p>Likely (4)</p> <p>Possible (3)</p>	<p>Serious (4)</p> <p>Serious (4)</p>		

technology and people strategies and the appetite for change tested.		
<b>Control Title</b>	<b>Control Owner</b>	
Service Asset Utilisation Board reviews how service strategies align with use of assets and potential for changes	Barbara Cooper, Corporate Director GET	
Safety factors associated with our assets are given priority during the budget setting process.	Zena Cooke, Corporate Director Finance (Section 151 Officer)	
An annual programme of planned preventative maintenance is undertaken at KCC sites by the relevant Facilities Management contract partners	Vikram Bhatia, Infrastructure Commissioning	
Property commissioning function takes a 'hands on' approach to building compliance management	Vikram Bhatia, Infrastructure Commissioning	
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Revisit KCC's Property Asset Strategy, reviewing the principles and ensuring an effective locality offer matched to need, in the context of financial constraints	Rebecca Spore, Director of Infrastructure	February 2020 (review)
Development of rolling 3-year Condition Programme in order to gain a clearer picture of long-term backlog of works	James Sanderson, Strategic Capital Programme Manager	March 2020 (review)
Consolidated lifecycle plan to be developed for properties	Lifecycle Programme Manager	March 2020 (review)

Risk ID	CRR0049	Risk Title	Fraud and Error			
<p><b>Source / Cause of risk</b></p> <p>As with any organisation, there is an inherent risk of fraud and/or error that must be acknowledged and proactively managed.</p> <p>It is critical that management implements a sound system of internal control and demonstrates commitment to it at all times, and that investment in fraud prevention and detection technology and resource is sufficient.</p> <p>This includes ensuring that new emerging fraud/error issues are sufficiently risk assessed.</p>	<p><b>Risk Event</b></p> <p>Failure to prevent or detect significant acts of fraud or error from either internal or external sources.</p>	<p><b>Consequence</b></p> <p>Financial Loss. Reputational damage.</p>	<p><b>Risk Owner</b></p> <p>Zena Cooke, Corporate Director Finance (Section 151 Officer)</p> <p><b>Responsible Cabinet Member(s):</b></p> <p>Peter Oakford, Finance, Corporate and Traded Services</p>	<p><b>Current Likelihood</b></p> <p>Possible (3)</p> <p><b>Target Residual Likelihood</b></p> <p>Unlikely (2)</p>	<p><b>Current Impact</b></p> <p>Serious (4)</p> <p><b>Target Residual Impact</b></p> <p>Significant (3)</p>	
<b>Control Title</b>			<b>Control Owner</b>			
Anti-fraud and corruption strategy in place and reviewed annually			James Flannery, Counter-Fraud Manager			
Systems of internal control which aim to prevent fraud and increase the likelihood of detection			Corporate Management Team/Statutory Officers			
Internal Audit includes proactive fraud work in its annual audit plan, identifying potential areas where frauds could take place and checking for fraudulent activity.			Jonathan Idle, Head of Internal Audit			
Training and awareness raising is conducted periodically			James Flannery, Counter-Fraud Manager / Amanda Beer, Corporate Director People and Communications			

Preventing Bribery Policy in place, presenting a clear and precise framework to understand and implement the arrangements required to comply with the Bribery Act 2010	James Flannery, Counter-Fraud Manager	
Whistleblowing Policy in place for the reporting of suspicions of fraud or financial irregularity	James Flannery, Counter-Fraud Manager	
KCC is part of the Kent Intelligence Network (KIN), a joint project between 12 district councils, Medway Council, Kent Fire & Rescue and Kent County Council which analyses and data matches financial and personal information to allow fraudulent activity in locally administered services to be detected more proactively within Kent	Nick Scott, Operations Manager, Kent Intelligence Network / James Flannery, Counter-Fraud Manager (KCC lead)	
An agreed Memorandum of Understanding is in effect with partners (District Councils, Police and Fire Service) outlining the minimum standards expected to be applied by collection authorities (District Councils) to address fraud and error relating to council tax and business rates. Additional work jointly funded to identify and investigate high risk cases based on each authority's share of the tax base.	Dave Shipton, Head of Finance (Policy, Strategy and Planning)	
<b>Action Title</b>	<b>Action Owner</b>	<b>Planned Completion Date</b>
Review levels of proactive and reactive counter-fraud work to ensure an optimum balance and address the impact of the scale of referrals received upon the team's ability to deliver preventative work and proactive fraud work, which returns savings and other benefits to the Council	James Flannery, Counter-Fraud Manager	Ongoing
Fraud risk assessments have been developed by the Counter-Fraud team and are being considered by service directorates to aid awareness and facilitate appropriate mitigations.	Directorate Management Teams	March 2020 (review)
Review existing arrangements for segregation of duties, with focus on high risk areas e.g. commissioning/procurement	James Flannery, Counter-Fraud Manager	March 2020 (review)