

**REPORT TO:** AUDIT AND GOVERNANCE COMMITTEE

**MEETING DATE:** 14 February 2023

**BY:** Chief Executive

**SUBJECT:** Education Risk Register

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## **1 PURPOSE**

- 1.1 To present to the Audit and Governance Committee the Education Risk Register (Appendix 1) for discussion, comment and noting.
- 1.2 The Education Risk Register is developed in keeping with the Council's Risk Management Strategy and is a live document, which is reviewed and refreshed on a regular basis, led by the Education Local Risk Working Group (LRWG).

## **2 RECOMMENDATIONS**

- 2.1 It is recommended that the Audit and Governance Committee notes the Education Risk Register and in doing so, the Committee is asked to note that:
  - the relevant risks have been identified and that the significance of each risk is appropriate to the current nature of the risk.
  - the total profile of the Education risks can be borne by the Council at this time in relation to the Council's appetite for risk.
  - although the risks presented are those requiring close monitoring and scrutiny over the next year, many are in fact longer-term risks for Education and are likely to be a feature of the risk register over a number of years.

## **3 BACKGROUND**

- 3.1 The Risk Register has been compiled by the Education LRWG. All risks have been evaluated using the standard (5x5) risk matrix (Appendix 2) producing an evaluation of risk as either 'low (1-4)', 'medium' (5-9), 'high' (10-19) or 'very high' (20-25).
- 3.2 The Council's response in relation to adverse risk or its risk appetite is such that:

- Very High risk is unacceptable and measures should be taken to reduce, transfer or treat the risk to a more tolerable position;
- High risk may be tolerable providing the Council is assured that adequate and effective control measures are in place;
- Medium risk is tolerable with control measures that are cost effective;
- Low risk is broadly acceptable without any further action to prevent or mitigate risk.

3.3 The current Education Risk Register includes 1 Very High, 5 High, 8 Medium and 1 Low risks. As per the Council’s Risk Strategy, only the Very High and High risks are being reported to the Committee.

#### **4 POLICY IMPLICATIONS**

4.1 In noting this report the Council will be ensuring that risk management principles, as detailed in the Corporate Risk Management Strategy are embedded across the Council.

#### **5 INTEGRATED IMPACT ASSESSMENT**

5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

#### **6 RESOURCE IMPLICATIONS**

6.1 Financial - It is the consideration of the Education LRWG that the recurring costs associated with the measures in place for each risk are proportionate to the level of risk. The financial requirements to support the Risk Register should be met within the proposed budget allocations. Any unplanned and unbudgeted costs that arise in relation to any of the corporate risks identified will be subject to review by the Corporate Management Team.

6.2 Personnel - There are no immediate implications.

6.3 Other - Effective implementation of this register will require the support and commitment of the Risk Owners identified within the register.

#### **7 BACKGROUND PAPERS**

7.1 Appendix 1 – Education Risk Register 2023

7.2 Appendix 2 – Risk Matrix

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<b>DATE</b>	02 February 2023	

# Education Service Risk Register 2023

Date reviewed: 02 February 2023

Risk ID	Risk Category	Risk Description (Threat/Opportunity to achievement of business objective)	Risk Control Measures (currently in place)	Assessment of Current Risk			Planned Risk Control Measures	Assessment of Residual Risk [With proposed control measures]			Planned Control Target Date	Evidence held of Regular Review
				Likelihood	Impact	Risk Rating		Likelihood	Impact	Residual Risk Rating		
				L	I	L x I		L	I	L x I		
E1	Reputation  Finance	<p><b>Additional Support Needs</b></p> <p>Increased pressure on specialist provision due to a rise in the numbers of children and young people with Additional Support Needs and an increase in numbers of children and young people through housing developments and growth will impact on increased service demand and have resource implications for Education. This has led to limited capacity within current specialist resources.</p> <p>Increased pressure on specialist provision has led to limited capacity within current specialist resources. This could lead to an increase in references to the ASN tribunal and increased financial pressures through the need for enhanced packaged of support and the use of external provision.</p> <p>Applications for Exceptional Needs has increased significantly over the past five years in line with national trends whilst the budget available to the service has not increased at the same rate. This has an impact on the learning and progression of young people with ASN.</p> <p>This is contributing to the need to place children out with East Lothian for care and education resulting in significant financial pressures in the External Residential Care and Education budget.</p>	<p>The Council continues to monitor and track the nature and level of need across all establishments in order to target resources effectively.</p> <p>Regular budget monitoring meetings with Education and Finance managers as well as school reviews to monitor and review compliance with policies and guidance.</p> <p>Key policies in place to reflect national guidance &amp; statutory duties in line with ASL Act 2009 and Equality Act 2010 and training in place to support the implementation of all new policies and guidance.</p> <p>The Educational Psychology Service resource allocation model operates across all educational establishments and is targeted at the children and young people with the greatest need.</p> <p>Monthly monitoring of attendance, exclusion and physical restraint data at school level.</p> <p>Senior officer resource group (SORG) has been established.</p> <p>Early Intervention Support Team (EIST) in place. This team will offer enhanced support to mainstream placements and mitigate against children and young people requiring to be placed externally at a later date.</p> <p>Revised multi-agency GIRFEC Pathway in place to ensure children's needs are identified at an early stage and intervention is effective in reducing risk and need.</p>	3	4	12	<p>Significant increase in capacity for severe and complex needs within the Secondary sector will be addressed through the new Wallyford Secondary school provision.</p> <p>Produce ASN projections data to help inform future estate planning.</p> <p>As part of the review of Devolved School Management the methodology for the allocation of Predictable Needs funding will be reviewed and consideration given to amending the process in order to achieve equity and fairness of distribution of resources.</p>	2	4	8	<p>August 2023</p> <p>August 2023</p> <p>April 2023</p>	<p>Risk reviewed by Head of Service, January 2023 with no changes to risk scores.</p> <p>Risk Reviewed by Principal Educational Psychologist, September 2022 with no change to risk scores.</p> <p>Risk reviewed December 2020 with current score reduced from 16 to 12 and residual score from 12 to 8.</p>
E2	Reputation  Financial	<p><b>East Lothian Works (ELW) – Impact of Brexit, changes to ESF (European Social Fund) and potential reductions in Scottish Government Employability Funding</b></p> <p>There is currently a challenging labour market in terms of recruitment and selection. Temporary funding is creating instability within the service, which in turn generates risk to the maintenance of services that we provide for the vulnerable cohorts that we serve.</p> <p>The Scottish Government grant offers and budget allocation for 2023/24, including details of the grant conditions, have not yet been received. This has a direct effect on our ability to sustain morale and momentum, as many of our temporary contracts end in March 2023.</p>	<p>UK government have progressed on to the UK Shared Prosperity Fund agenda, but the total amount of funding for employability (People &amp; Skills) carries a lower total investment than the previous ESF fund. UKSPF comes with additional responsibilities and KPI's, which is in addition to the existing ESF workload.</p> <p>Whilst the free bus pass is available for young people, this doesn't entirely meet the geographical needs of those participating in</p>	3	4	10	<p>The UK Government have transitioned from the European Social Fund to the Shared Prosperity Fund. This fund comprises of 3 work streams. The employability element comes under People &amp; Skills.</p> <p>No One Left Behind phase 3 devolvement has been postponed until 2024-25. This again comes with additional devolved responsibilities.</p>	2	4	8	<p>June 2023</p> <p>April 2025</p>	<p>Risk Reviewed by ELW Management Team and Head of Service, January 2023 with current risk score reduced from 16 to 12 and residual score from 12 to 8.</p>

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		<p>Indicative grant allocations suggest an overall reduction in funding levels.</p> <p>There is significant risk of losing key staff and being unable to recruit, due to an exceptionally challenging and shallow labour pool.</p> <p>An inability to deal with a major redundancy and job losses at key local employer could result in negative perception of Council input and impact on the reputation of the Council.</p>	<p>vocational courses. We will be transitioning to blended models of delivery, in partnership.</p> <p>There is ongoing monitoring of the implications of BREXIT/ESF funding via the Connected Economy Group. We continue to experience staffing shortages.</p> <p>Workforce for the Future was funded using Young Person's Guarantee. This funding stream is expected to be reduced.</p> <p>Agreement made with Finance to issue 3 month contract extensions beyond current March deadline. This mitigates the likelihood of staff leaving ELW.</p> <p>We are monitoring the impact of BREXIT on local businesses, through ongoing engagement and intelligence-gathering.</p> <p>Our early warning intelligence of potential redundancies through the PACE programme, led by Skills Development Scotland. Strong links between ELW and SDS to respond to business need inc recruitment, training and skills development advice and Business Gateway for start-up option.</p> <p>If redundancies become inevitable, support through PACE will be provided to enable individuals to seek and find alternative employment/training.</p>				<p>There is a requirement for increased levels of staffing capacity to manage the significantly increased number of contracts.</p> <p>Communication with Scottish Government, COSLA and SLAED in relation to funding and workload.</p> <p>Plans to utilise LACER funding to further support the delivery of Workforce for the Future.</p>				<p>February 2023</p> <p>March 2023</p> <p>March 2023</p>	
E3	<b>Legislation &amp; Regulatory</b>	<p><b>Statutory Requirements - Education</b></p> <p>Failure to deliver legislative requirements may put a child at significant risk or result in children and young people not receiving their entitlement to early learning and childcare/ school education.</p> <p>There would be an associated risk to reputation.</p> <p>This failure could be due to:</p> <ul style="list-style-type: none"> <li>Scottish Government requirements e.g. ASL, pupil/ teacher ratio, delivery of 1140 hours early learning and childcare</li> <li>to a lack of resources (financial, services or staffing)</li> <li>poor practice</li> <li>lack of training</li> <li>failure to prioritise</li> <li>non-compliance with procedures/guidance</li> <li>failing to intervene early enough.</li> </ul>	<p>Annual budget allocation is prioritised and monitored, while the Scheme of Devolved School Management determines allocation at school level.</p> <p>Detailed budget planning measures are in place together with monthly monitoring and validation in collaboration with finance colleagues and Head Teachers.</p> <p>Staffing is continually monitored to ensure the required pupil/teacher ratio at September Census point is met.</p> <p>Continual updating of SEEMIS records to ensure accurate and up to date information is held</p> <p>Ongoing budgetary work continues in relation to the cost of delivering Early Learning and Childcare.</p> <p>Additional Support Needs, Inclusion Policy, External Placement and GIRFEC processes are all in place and regularly monitored and reviewed by Education and Children's Services.</p>	3	4	12	<p>A review of all Education policies is planned to ensure compliance with all appropriate legislation. This will be a priority in the Education Service Plan and will be prioritised by level of risk, volume and subject of upheld complaints and compliance with new legislation.</p> <p>Two short life working groups have looked at primary management structures and ASN allocations as part of the recent review of DSM and will report the findings to the Education Committee in March 2023.</p> <p>Current work between the Early Years Team and the Scottish Government Improvement Service to assess supply and demand for Early Learning and Childcare is underway.</p>	3	3	9	<p>June 2023</p> <p>March 2023</p> <p>February 2023</p>	<p>Risk reviewed by Head of Service, January 2023 with no changes to risk scores.</p>

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E4	Legislation & Regulatory	<p><b>Raising Attainment and Achievement</b></p> <p>Failure to raise attainment and achievement for all, increase attendance and reduce exclusions will lead to a reduction in opportunities for young people to progress to a sustained positive destination.</p> <p>There would also be a risk of parental dissatisfaction and damage to reputation of individual schools and the Education service.</p> <p>A failure to report positive findings in relation to the five national priorities set out within the national improvement framework will lead to further scrutiny by external organisations such as Audit Scotland, Education Scotland and Scottish Government.</p> <p>There is a risk to the outcomes for learners living in Quintiles 1 and 2 through failure to close the poverty related attainment gap, and appropriately utilising Pupil and Strategic Equity Funding.</p> <p>Risk of not receiving positive inspections as there is insufficient evidence of impact on closing the attainment gap evaluated under QI 3.1 – Ensuring wellbeing, equality and inclusion. This could lead to increased scrutiny by external scrutiny bodies such as Education Scotland.</p>	<p>Each school has a School Improvement Plan, guided by the revised annual Education Progress and Improvement Plan with stretch aims set for raising attainment at authority and individual school level.</p> <p>More rigorous and robust approaches for quality assuring school performance have been implemented and take into account new national guidance e.g. Pupil Equity Fund and National Improvement Framework. This has been further strengthened in school session 2022/23, with a proportionate level of challenge in school service level agreements based on attainment/ achievement/ PEF impact/ attendance/ engagement</p> <p>Raising Attainment Strategy has been updated to align with Core and Core Plus Stretch Aims.</p> <p>The Aspire S2 Pilot Project is now live. This early intervention targets support towards pupils who are at greatest risk of disengagement from education.</p> <p>Continue to improve the transition of young people from mainstream education to work, training, further and higher education through working with secondary schools and East Lothian Works who are now part of the Education service.</p>	3	4	12	<p>Continue to develop an authority wide model for the Senior Phase that incorporates all elements of the curriculum.</p> <p>Continue to develop partnership arrangements with QMU and Edinburgh College to broaden the curriculum as part of the Developing Young Workforce recommendations.</p> <p>East Lothian Works to work with Early Learning and Childcare Team to develop a career path for potential future Early Years Practitioners.</p> <p>Recruitment is underway for a PT Equity for every secondary schools to ensure robust challenge in raising attainment and achievement for our most vulnerable young people.</p> <p>Recruitment is underway for four Family Support Workers for the four primary schools with the highest number of children living in Quintile 1, to ensure removal of barriers to attending school and holistic support for these children and their families.</p>	3	3	9	<p>June 2024</p> <p>February 2023</p> <p>August 2023</p> <p>August 2023</p>	Risk reviewed by Head of Service, January 2023 with no changes to risk scores.
E5	Reputation	<p><b>Impact of Changing Demographic on School Estate</b></p> <p>Proposed LDP housing development, population growth and subsequent need to expand the schools' estate risks failure to provide suitable school provision or sufficient capacity available in the short term.</p> <p>Risk to uncertainty with forward planning for new establishments where house development completion rates are slower than expected delaying the start date for new school buildings.</p>	<p>Strategic Asset and Capital Plan Management (SACPM) is responsible for the managing and planning for the Learning Estate and has recently made an appointment to the Schools' Estate Planning Officer to support this responsibility. Education feed into this activity by preparing pupil roll projections and class organisation profiles.</p> <p>Regular monitoring in place via the Learning Estate Implementation Board and in SACPM to review programme for school requirements. Changes which may impact on capital investment escalated to Education &amp; Finance to consider.</p> <p>Strong communication links with parent councils and wider parent forums.</p> <p>Regular Education Asset Management meetings are held to manage the impact of potential housing development on the schools' estate.</p>	3	4	12	<p>The Council is making provision for significant capital expenditure to provide sufficient capacity for the expansion of the schools estate. A capital programme of circa. £150 Million is identified for the period to 2024, substantially funded by S75 contributions from new housing development.</p> <p>A Learning Estate Strategy was created to reflect the Council's aspirations with a resulting improvement plan being created to set out a plan for the future sustainability and management of the whole School Estate. The strategy was approved at Council in December 2022.</p> <p>Additional specialist provision capacity is a key part of the learning estate review. Significant increase in capacity for severe and complex needs is included in the Wallyford Secondary school provision. The strategy for specialist provision is to be confirmed to stakeholders, including Strategic Asset &amp; Capital Plan</p>	3	3	9	<p>April 2024</p> <p>April 2023</p> <p>June 2023</p>	Risk refreshed by Service Manager – Strategic Asset & Capital Plan Management January 2023 with current risk score remaining high until Learning Estate Review concluded and approved by Council.

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			Revised pupil roll projections were prepared by Education and issued to the relevant stakeholders in November 2022. The effect on the capital programme has been assessed.				Management, in order to plan the required infrastructure accordingly.					
E6	Assets	<p><b>School Premises Security</b></p> <p>If our School Premises are not properly safeguarded there is a risk that unauthorised persons could gain entry and cause damage to children, young people and staff as well as property. This could lead to loss of lie in the most extreme cases. There is also a risk of assets being unavailable for use, facing potential closure and re-provision of care/teaching in alternative locations at increased cost to the Council and/or in need of repair in turn leading to adverse publicity.</p> <p>There are currently significant issues regarding school boundaries which require to be addressed.</p>	<p>Security and safety risk assessments are carried out regularly at all Education premises while each school has its own individual security arrangements such as fencing, building access, CCTV etc.</p> <p>Business Continuity Plans in place.</p> <p>Insurance Renewal Programme in place.</p> <p>Head Teachers briefed on importance of their role as Head of Establishment to ensure security of buildings and that business continuity plans are up-to-date.</p> <p>Finance approval received to make temporary staff permanent and to enhance the PPP team. Appointments to posts in the PPP Project team have progressed to enhance capacity.</p>	3	4	12	<p>School building security plans are under review by Education.</p> <p>Recruitment underway for Learning Estate Manager</p>	2	4	8	<p>April 2023</p> <p>March 2023</p>	Risk reviewed by Head of Service - Education, Head of Service - Infrastructure and Service Manager – SA & CPM, January 2023 with no changes to risk scores.

## East Lothian Council Risk Matrix

### Likelihood Description

Likelihood of Occurrence	Score	Description
Almost Certain	5	>90% chance of occurring
Probable	4	70%-90% chance of occurrence
Possible	3	30-70% chance of occurring
Unlikely	2	10-30% chance of occurring
Rare	1	<10% chance of occurring

### Impact Description

Impact of Occurrence	Score	Description							
		Impact on Service Objectives	Financial Impact	Physical and/or Psychological Impact on People	Impact on Time	Impact on Reputation	Impact on Assets	Business Continuity	Legal & Regulatory
Catastrophic	5	Catastrophic failure in service delivery and key service standards are not met, long-term catastrophic interruption to operations, several major partnerships are affected	Severe impacts on budgets (emergency Corporate measures to be taken to stabilise Council Finances. Consideration should be given as to whether this is an insured or uninsured risk and whether there may be reliance on reserves. The Council is expected to hold a reserve to budget ratio of 2%.	Single or Multiple fatality and or physiological impact, within council control, leading to fatal accident enquiry.	Serious - in excess of 2 years to recover pre-event position.	Highly damaging, severe loss of public confidence, Scottish Government or Audit Scotland involved. Prolonged regional and national condemnation.	Significant disruption to building, facilities, vehicles or equipment (Loss of building, vehicles, rebuilding required, temporary accommodation required, vital equipment lost without replacement capability available resulting in services being unable to be delivered).	Complete inability to provide service/system, prolonged downtime with no back-up in place.	Catastrophic legal, regulatory, or contractual breach likely to result in substantial fines or other sanctions, including substantial involvement from regulators.
Major	4	Major impact to service quality, multiple service standards are not met, long-term disruption to operations, multiple partnerships affected.	Major impact on budgets (need for Corporate solution to be identified to resolve funding difficulty). Consideration should be given as to whether this is an insured or uninsured risk and whether there may be reliance on reserves.	Number of extensive injuries (major permanent harm) or major physiological impact to employees, service users or public.	Major - between 1 & 2 years to recover pre-event position.	Serious negative national or regional criticism and publicity.	Major disruption to building, facilities, vehicles or equipment (Significant part of building unusable for prolonged period of time, alternative accommodation required, equipment or vehicles unavailable to provide significant elements of service delivery and no appropriate contingency arrangements in place).	Significant impact on service provision or loss of service.	Legal, regulatory, or contractual breach, severe impact to Council, fines and regulatory action publicly enforced.
Moderate	3	Significant fall in service quality, major partnership relationships strained, serious disruption in service standards.	Moderate impact on budgets (can be contained within overall directorate budget).	Serious injury requiring medical treatment or moderate physiological impact to employee, service user or public (semi-permanent harm up to 1yr), council liable.	Considerable - between 6 months and 1 year to recover pre-event position.	Adverse national media public attention with elected members becoming involved.	Moderate disruption to building, facilities, vehicles or equipment (loss of use of building for medium period, loss of equipment or vehicles requires contingency arrangements to be employed and has moderate impact on overall service delivery).	Security support and performance of service/system borderline.	Legal, regulatory, or contractual breach, moderate impact to Council, regulator action and or improvement required of the Council .
Minor	2	Minor impact to service quality, minor service standards are not met, short-term disruption to operations, minor impact on a partnerships	Minor impact on budgets (can be contained within service head's budget).	Non life changing injury or physiological impact to staff or member of the public requiring treatment.	Some - between 2 and 6 months to recover.	Minor adverse local, public or media attention and complaints.	Minor disruption to building, facilities, vehicles or equipment (alternative arrangements in place and covered by insurance, equipment or vehicles unavailable for small period of time minor impact on service).	Reasonable back-up arrangements, minor downtime of service/system.	Legal, regulatory, or contractual breach, minor impact to Council, regulator advice and improvement requested of the Council.
Minimal	1	No impact to service quality, limited disruption to operations.	Minimal impact on budgets (can be contained within unit's budget).	Minor injury or minor physiological impact to employee, service user or public.	Minimal - Up to 2 months to recover.	Public concern restricted to local complaints and of no interest to the media.	Minimal disruption to building, facilities, vehicles or equipment (alternative arrangements in place, equipment or vehicles alternative quickly available to replace or substitute).	No operational difficulties, back-up support in place and security level acceptable.	Legal, regulatory, or contractual breach, negligible impact to Council, regulator suggested improvements requested.

Risk	Impact				
Likelihood	Minimal (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	5	10	15	20	25
Likely (4)	4	8	12	16	20
Possible (3)	3	6	9	12	15
Unlikely (2)	2	4	6	8	10
Remote (1)	1	2	3	4	5

### Key

Risk	Low	Medium	High	Very High
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