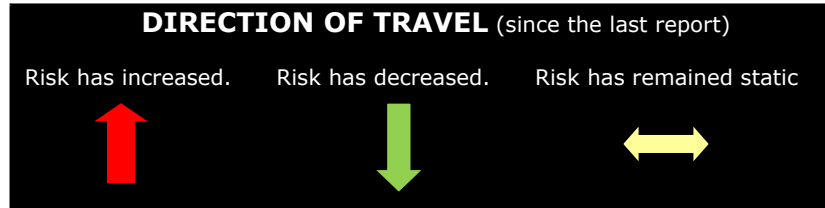


Hackney Corporate Risks June 2017

Report Type: Risks Report

Generated on: 15 June 2017



Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
<p>SRCR 0001 National and International Economic Downturn EXTERNAL RISK CURRENT & FUTURE RISK</p>	<p>There is an ongoing risk to the Council's finances arising from austerity measures that the Government are continuing to take. This is now likely to be compounded by the effects of the impending Brexit (and another general election in June 2017). There is the challenge of finding around a further £10/15m of efficiency savings up to 2019/20 and possibly more beyond that time. This poses a risk that as a result of reductions made to services and overall funding, the quality and outcome of work impacts adversely on stakeholders, leading to local dissatisfaction and damage to the Council's reputation. Tighter finances result in less capital, repossessions, and potential developments frozen, affecting potential economic development and social infrastructure. This all contributes to a risk of real poverty and inequality emerging in areas of the Borough.</p>	<p>Chief Executive's; Children, Adults & Community Health; Finance & Corporate Resources; Neighbourhoods & Housing</p>		<p style="text-align: center;"></p> <p>May 2017. Risk ongoing due to continuing and proposed cuts by the government. Recent revenue budgets and Capital Programmes have been put together against the backdrop of some of the most significant reductions in Central Government support to Local Government since World War Two. The result of the EU Referendum on June 23rd 2016 and the subsequent plans for Brexit (cemented by triggering Article 50 on 29/3/17), is already proving to have a negative financial impact, although not perhaps as severe as some economists predicted.</p> <p>2016/17 Central Government cuts mean that Hackney must work with £110 million less a year than in 2010, while rising costs and increased demand for services have added a further £42 million of expenditure for the Council to find each year. In fact local authority core funding has reduced by 35% over the period 2010/11 to 2016/17. The total budget for 2016/17 was £1091.85 million, down £2 million on the previous year. All these points illustrate the undeniably challenging financial predicament of the Council.</p> <p>Clearly, this risk is ongoing and the need for efficiency savings will not diminish in the foreseeable future (especially with Brexit). Therefore this will have an impact on the Council</p>

				which needs to be carefully managed. Proposals are being developed to manage an expected further reduction in resources of approximately £10/15m by 2019/20. This is underway with the Senior Management restructure, taking effect in April 2016. Score remains at 20 with no movement due to the extremely high impact of the financial consequences.
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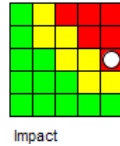

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
SRCR 0001B National and International Economic Downturn	There is a need to ensure that the Medium Term Financial Plan accurately reflects best estimates of future funding levels. Financial planning will be constantly diligent and reflect the changing circumstances of budgets available. Also, controls from other related risks are relevant, e.g. Regeneration projects and Recruitment and Retention [increasing access routes into the Council's employ].	Tim Shields; Ian Williams; Kim Wright; Anne Canning	Ian Williams	31-Oct-2017	May 2017 - action ongoing. Progress made in various areas should provide assurance that even in challenging circumstances, the Council is well placed to manage its duties.
SRCR 0001A National and International Economic Downturn	Whilst the overall risk is external and largely beyond control of the Council, there is a clear need to identify, implement, monitor and resource the delivery of significant reductions in expenditure and to ensure the services that continue to be provided are resourced adequately. Also, Officer's advice to members needs to be explicitly clear as to what can and cannot be delivered including the organisations ability to deliver and implement the commitments contained within the local manifesto.	Tim Shields; Ian Williams; Kim Wright; Anne Canning	Ian Williams	31-Oct-2017	May 2017 - action ongoing.
SRCR 0001D National and International Economic Downturn	Savings proposals were developed and agreed with members in order to bridge the forecast reduction in resources in 2017/2018 and subsequent financial years. At the same time, the capital programme is subject to review to ensure that available resources are used to deliver Council priorities. Several measures, including reduction in the use of agency staff and the introduction of a Corporate VR scheme have been used to reduce overall expenditure levels across the Council. As of April 2016, a Senior Management restructure had been finalised and then implemented. This is already resulting in considerable savings to help mitigate the risk of funding cuts.	Tim Shields; Ian Williams; Kim Wright; Anne Canning	Ian Williams	31-Oct-2017	May 2017 - ongoing. The Senior Management restructure has now been completed and the final transitional arrangements came to an end in April 2017.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0001A Brexit Implications EXTERNAL RISK CURRENT & FUTURE RISK	Following on from the UK's vote in favour of leaving the EU in June 2016, the fallout from this is likely to produce some serious risks to the Council and country as a whole. Financial issues (external to the Council) could impact massively on income levels, spending ability, and general resources across all areas. Also risk of hate crime occurring. Stock markets could fall significantly resulting in a serious impact to	Chief Executive's; Children, Adults & Community Health; Finance & Corporate Resources; Neighbourhoods		 May 2017 – Article 50 was triggered on March 29 th 2017, formally commencing the exit process. Risk has increased since last review a few months ago, as the process has become a reality

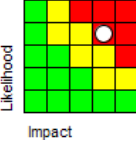

	<p>the Council's pension funds. The likelihood of an increased triennial valuation is much higher, and the risk of the need for increased general contributions emerges. Also with reduced interest rates, Brexit could continue to impact on treasury investments.</p> <p>The impact of Brexit on exchange rates for Sterling means that there is a risk of material cost increases due to the direct and indirect impact on pricing for software and hardware (the Council may see price rises as suppliers pass on increased costs affecting their own ICT services).</p>	& Housing		<p>and problems such as the pound's weakness have caused the Council some clear losses in purchasing (especially ICT equipment which is bought in dollars).</p> <p>In the immediate aftermath of Brexit, some of the more pessimistic outlooks were not realised, with the markets remaining steady, but economists suggest the outlook looks gloomy. Also an atmosphere of political unrest (especially with another forthcoming election) is present especially in areas like Hackney which were predominately in favour of remain. Thankfully, in Hackney, hate crime has not been an issue as yet (Safer Communities would monitor this).</p>
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Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
SRCR 0001A Brexit Implications	A separate Brexit Risk Register has been produced and all relevant parties have contributed to it. This is addressing the range of risks that have come about as a result of this referendum.	Tim Shields; Ian Williams; Kim Wright; Anne Canning	All	12-Sept-2017	Ongoing
FR DR 0007 Consider potential pricing fluctuations when planning purchases.	<p>The uncertainty of global currency markets and supplier responses to fluctuations means that it is extremely difficult to mitigate this risk. Where possible consideration will be given to the potential of pricing fluctuation when planning purchases and commissioning.</p> <p>This will be an ongoing activity (no fixed end date).</p>	Rob Miller	Glen Poulley	Ongoing	Updated May 2017
FR DR 0007b Brexit impact on Treasury and Pensions	Ongoing monitoring of financial markets and close communication with Pension Fund Investment managers/investment consultants. Additionally, there has been ongoing monitoring of financial markets and regular communication with treasury advisers. Monitoring of both interest rates/ yields as well as the impact on the credit risk of potential investment counterparties, especially UK based institutions.	Ian Williams; Michael Honeysett	Rachel Cowburn, Pradeep Waddon	Ongoing	<p>Following the leave vote, the Pension team was in immediate contact with fund managers and Investment consultants, receiving commentary from each fund.</p> <p>Pension Committee has received numerous updates and reports and, following the advice of the investment consultants, agreed not to take any immediate action and to monitor the impact on an ongoing basis.</p> <p>Also, UK gilts yields have already reached a record low and a reduction in UK base rate occurred last July.</p>

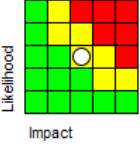

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
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<p>SRCR 0002 Management of Capital Programmes / Schemes EXTERNAL RISK FUTURE RISK</p>	<p>From a financial perspective, as a result of substantial external borrowing to fund the ambitious capital programme, the Council moves from a debt free position and become more vulnerable to changes in the market (potential volatility of the housing market affecting sales volumes / value and increasing building costs as a result of weaker GBP against other currencies). This could lead to financial pressures as unexpected costs of borrowing would be incurred. Additionally, Major Capital Schemes may not be managed or targeted effectively to maximise use of resources available and ensure delivery according to expectations. This poses a risk to the successful completion of such schemes, incurring losses and dissatisfied stakeholders.</p>	<p>Chief Executive's; Children, Adults & Community Health; Finance & Corporate Resources; Neighbourhoods & Housing</p>		<p style="text-align: center;"></p> <p>May 2017 - This risk is ongoing and intensifying somewhat in light of the quantity of high level programmes across the Council. Particularly in regards to property development, the ambitious capital programme requires forward funding, pending future sales of private residential units on completion of regeneration and other mixed use development schemes.</p> <p>This risk earlier in 2017 was scored as a 4 x 4. Because of the increased quantities of forward funding here the impact has had to rise to a 5, however the likelihood can drop to a 3 – as the Controls (and previous experience) should provide assurance that the Council is well positioned to manage this risk. Overall however, this means the overall score for this risk decreases from a 16 to a 15.</p>
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Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
<p>0809 SRCR 0002A Management of Capital Programmes / Schemes</p>	<p>All capital schemes are subject to review via capital budget monitoring process. Slippages can be identified via this process and appropriate action taken. The quarterly monitoring that is included in the regular Overall Financial Position (OFP) Report to Cabinet will also be included in future performance review report to Audit Committee. The Capital Monitoring Reports will include more discrete data regarding the actual delivery of the capital programme.</p>	<p>Tim Shields; Ian Williams; Kim Wright; Anne Canning</p>	<p>Michael Honeysett</p>	<p>31-Oct-2017</p>	<p>May 2017 – ongoing. The February Capital Programme monitoring report for the year 2016/17 shows that the revised capital programme for 2016/17 as at £214,265,000. Such regular report should provide increased assurance that everything is being astutely managed.</p>
<p>0809 SRCR 0002B Management of Major Capital Schemes</p>	<p>Major schemes are managed via project boards to ensure appropriate actions are taken to ensure delivery of scheme to expected standards</p>	<p>Tim Shields; Ian Williams; Kim Wright; Anne Canning</p>	<p>Michael Honeysett</p>	<p>31-Oct-2017</p>	<p>May 2017 - ongoing.</p>
<p>0809 SRCR 0002C Management of Major Capital Schemes</p>	<p>The Capital programme is currently subject to overall review in order to reduce the overall call on available resources and to ensure their use is prioritised in line with member decisions.</p>	<p>Tim Shields; Ian Williams; Kim Wright; Anne Canning</p>	<p>Michael Honeysett</p>	<p>31-Oct-2017</p>	<p>May 2017 - ongoing.</p>

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0003 Regeneration Programmes EXTERNAL RISK CURRENT & FUTURE RISK	<p>There are a number of key risks which require careful management between Regeneration and a range of services across the Council, including finance, procurement and planning. Major risks are associated with:</p> <ul style="list-style-type: none"> Risks around certainty of future funding, and the need to contain borrowing within the HRA Debt Cap. If this is not contained, there will be serious financial consequences. Procurement and performance related risks with developer/contractor partners Falls in property values could impact the viability of schemes. Managing increased risks to social cohesion associated with potential increased polarisation, greater transience and reduced housing affordability. <p>An uncertain economic environment, particularly as a result of Brexit, poses risks to projects that rely mainly or partly on disposal of assets or the subsequent sale of newly developed properties.</p>	Neighbourhoods & Housing		 <p>April 2017 - There are significant regeneration projects ongoing within the borough (including the nationally significant Woodberry Down programme), the borough-wide Estate Regeneration & Housing Supply Programme and the development of Hackney Sales with significant borrowing requirements which, if not carefully project managed, could adversely impact the Council's overall financial position. The plans for Britannia of course, go beyond Housing, which makes this scheme all the more important.</p>

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
NH DR 006a Regeneration Programmes	Application of sound programme and project management methodology for delivery of complex programmes and projects including reporting where agreed tolerances have been exceeded, and finance assessment of business cases including those that need to be revised.	Kim Wright	John Lumley	Ongoing	April 2017 - Risk reviewed and updated.
NH DR 006b Regeneration Programmes	Robust programme management and governance procedures in place for key capital projects and programmes with project sponsorship at Director Level. Major schemes are managed via project boards to ensure reputational issues managed and project/programme outcomes delivered to required standard, on time and within budget.	Kim Wright	John Lumley	Ongoing	April 2017 - Risk reviewed and updated.
NH DR 006c Britannia Programme	Britannia benefits from having a commercial lead on its senior Management Team and has contracted Arcadis to provide construction cost advice on the School, and financial viability advice for the project, and CoreFive to provide construction cost advice on the leisure centre and residential aspects of the project. This will provide greater financial certainty to Britannia, enabling more informed decision making by the Officer Steering Group and Project Board established to govern it.	Ian Williams	Michael Coleman	Ongoing	June 2017 – Risks reviewed and updated

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
<p>SRCR 0004 New Government policies affecting housing EXTERNAL RISK FUTURE RISK</p>	<p>As a result of the new policies affecting housing (mainly contained within the Housing & Planning Act 2016), the Council's financial position may be adversely affected, constraining its ability to invest in the development of new affordable homes. Many of these policies could also have damaging consequences for the local community and many people currently living in Hackney.</p>	<p>Neighbourhoods and Housing.</p>	 <p>Likelihood Impact</p>	<p style="text-align: center;"></p> <p>May 2017- The Government is introducing a number of policies affecting housing, mainly through the Housing & Planning Act 2016 and secondary legislation</p> <p>. Those likely to pose the greatest risk to the Council include:</p> <ul style="list-style-type: none"> - An annual 1% reduction must be applied to social housing rents up to 2020. This will have an impact in terms of the income that the Council receives to fund its housing activities and the level of housing management service offered, along with repairs and maintenance of our stock - for example potentially affecting the level of investment that can be made in building new homes. - Starter Homes: The Government is planning to relax its proscription on local planning authorities to promote the provision of Starter Homes on new housing developments. The proposed quota of 20 per cent of homes on all sites has also been replaced with a lesser requirement that 10 per cent of homes be built for 'affordable home ownership'. Starter Homes will be valued at a discount of 20% on local market values, but can be up to £450,000 in London. Eligibility for Starter Homes has now been restricted to those with an annual income of £90,000 or lower in London and cash buyers will not now be eligible. Buyers will not be able to sell their home on at full value for a period of 15 years. Given extremely high house prices in Hackney, the Council's view is that Starter Homes should not be defined as 'affordable housing' as, if they are, there could be a high risk that these could squeeze out the provision of genuinely affordable homes such as social housing and shared ownership on new developments. <p>The risk matrix will be updated as soon as further details of the Government's policies are known, and analysis of the impact has been completed. Post-election, there is even more uncertainty here, and a lot of dependent on the Queen's Speech.</p>

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
NH RG 008a New Government policies affecting housing	<p>Detailed analysis is being carried out regarding the likely impact of these policies, both internally and with other boroughs and representative organisations. In the case of the Forced Sales levy, this analysis is currently hampered by having few details about how the scheme will operate. However an assessment of the potential impacts is being carried out on a range of assumptions and scenarios.</p> <p>Individually and with other boroughs, the Council continues to actively making the case to Government for</p>	John Lumley	Nigel Minto	08-Nov-2017	Updated April 2017

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
	<p>flexibilities to mitigate the adverse effects of these policies.</p> <p>Once the detailed Statutory Instruments have been published (timescales still unclear), the likely impacts of the various policies can be more accurately be assessed and work can continue on preparations to implement the measures in a way that best mitigates the impacts on the Council and residents.</p> <p><i>1% reduction in rents:</i> The current HRA savings plan delivers a fully resourced HRA business plan and keeps HRA borrowing below the debt cap. The HRA business plan is monitored annually as part of the budget setting process, taking into account arising cost pressures, changes in government policy and legislation, and any service changes.</p> <p><i>Forced Sales Levy:</i> To mitigate the impact of this policy, the Council intends to develop a disposal and investment strategy that:</p> <ul style="list-style-type: none"> - minimises the impact on mixed communities and meets the highest priority housing needs; and - raises the funds necessary to both pay the levy and provide genuinely affordable replacements. <p><i>Starter Homes:</i> The Council has made and continues to make the case to Government that Starter Homes should not be included within the definition of 'affordable housing' in Hackney. We will work with the London Mayor to help make the case for a workable implementation of the initiative in London and, though the Local Plan review, ensure that this is addressed in local planning policy.</p> <p><i>Homelessness Reduction Bill:</i> The Homelessness Reduction Bill has been agreed by Parliament and is awaiting Royal Assent. The Council is awaiting a date for implementation but this is expected to be later in 2017. The impact of the Bill will be significant for the Council taking into account the impact of the 56 day 'nowhere safe to stay' duty, changes to s21 notices, the additional reviews anticipated and the additional resources required to carry out assessments and manage the necessary additional temporary accommodation. The total cost could amount to up to £11.4m in year 1, as well as placing significant additional strain on the Council's temporary accommodation estate.</p>				

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0009 Reputation Management INTERNAL RISK FUTURE RISK	Risk that (through press / media) perceptions about the Council's performance/image do not reflect relative levels of performance and the huge service improvements leading to public dissatisfaction or misunderstanding about the progress actually being made. Essentially, this risk is about not capitalising on the opportunity that the Council's positive progress presents us with.	Chief Executive's; Children, Adults & Community Health; Finance & Corporate Resources; Neighbourhoods & Housing		<div style="text-align: center;"> </div> <p>May 2017 – Risk has decreased slightly due to positive progress made.</p> <p>Although the scale of continuing funding reductions announced in the 15/16 settlement is sizeable, the risk has not increased due to careful mitigation. Impact remains steady, benefitted by an (external) website and (internal) intranet</p>

				<p>refresh. However, past MORI results and continued positive media coverage, prestigious events and other awards illustrate that this risk is being managed. Earlier in 2016, the Council was awarded the prize by the LGC for 'Best Council of the past 20 years". This clearly indicates positive progress. The latest MORI staff survey closed on November 11th 2016, with results pending.</p> <p>Also, more generally, the Olympics (and now their legacy) are an excellent example of something very major being communicated in a positive and effective way (an example of a risk - for things <i>could</i> have gone wrong - being turned into an opportunity). The Risk applies to all Directorates, but is centrally managed by Communications.</p>
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Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
SRCR 0009A Reputation Management	<p>Key ongoing activities include active press engagement, key stakeholders involvement, MORI and active media coverage. Corporate Communications are very proactive in managing this and always quick to respond to any issues. Media monitoring is carried out quarterly and examines coverage of Hackney as a Council and a Borough. Analysis of this informs communication work plans. Collection and use of robust performance and customer intelligence.</p> <p>A two pronged approach is taken to the specific risks associated with reduced funding: firstly communications associated with overarching budget setting and secondly communications associated with major changes to specific services. There is also a 6 weekly forward public affairs forward plan circulated to senior management and members.</p>	Tim Shields	Polly Cziok	30-Oct-2017	May 2017 - ongoing. Controls continue to be applied. Latest MORI survey was completed at end of 2016.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0010 Pension Fund EXTERNAL RISK CURRENT & FUTURE RISK	<p>General market volatility (especially resulting from the aftermath of the Brexit vote), and recent legislative changes (eg- the proposals for 'Freedom and Choice') poses risk to investment returns which underpin Fund performance and ability to meet future liabilities without additional financial burdens on taxpayer. If investment returns are poor with a post Brexit plummeting of stock markets, or the outflow of resources is much larger than expected, this will have serious financial implications for the Pension Fund and ultimately add cost pressures to the Council's budget via employer's pension</p>	Finance & Corporate Resources		<p style="text-align: center;">↓</p> <p>May 2017 - Risk ongoing. Risk remains high and ranked red, although likelihood has decreased from 4 to 3 due to the markets remaining relatively stable and therefore not impacting too much on increased liabilities. The impending Brexit continues to pose risks in</p>

	contributions.		<p>the future about meeting liabilities. In its immediate aftermath (June 2016), the initial impact on the markets was negative, but steadied in the following weeks, and has steadily gained strength since. The impact on the strength of the pound has been clearly negative however. In light of this, the economic climate remains very volatile.</p> <p>In Oct 2015, the Government called for the assets of the 89 LGPS funds in England and Wales to be pooled into 6 pools of approximately £25bn+ of assets. These proposals could clearly incur transition risks, as well as overall strategic ones so the whole process is being managed carefully, although the overall aim is to make efficiencies in investment costs.</p> <p>Also, the 'Freedom and Choice' in Pensions (available post LGPS 2014 reforms) offers the potential for scheme members to transfer all their benefits to a defined contributions (DC) scheme in order to access all their savings. This could result in a significant outflow of resources from the Council's fund and therefore have notable financial implications. This risk has not materialised though, at this stage. Further assurance supplied by recent (and favourable) internal audits on Pensions related work.</p> <p>Of course, an increase in the UK's interest rates could represent an opportunity of sorts for the Council, and Asset Pooling may lead to greater saving and efficiencies. All is being monitored closely.</p>
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Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
SRCR 0010D Pension Fund	The funding of the Pension Fund liabilities continues to be monitored although the 2016 actuarial valuation saw an overall increase in funding level and a decrease in the Council's employer contributions rates.	Michael Honeysett; Ian Williams	Rachel Cowburn	31-Oct-2017	May 2017 - ongoing
FRFSV 0052D Knowledge and Skills	Ensuring those charged with governance of the Fund and for managing the day to day operations have the requisite knowledge and skills to make informed decisions when managing the funding position. Regarding proposed (asset pooling) changes, all consultations and guidance from the Government are being monitored, and responded to where appropriate.	Michael Honeysett	Rachel Cowburn	31-Oct-2017	Updated May 2017 - ongoing
FRFSV 0053B	Triennial Valuation assesses the funding position, intervaluation	Michael Honeysett	Rachel	31-Oct-2017	Updated May 2017 - ongoing.

Pension - Valuation Monitoring	monitoring ensures that movements in the Funding position can be assessed and strategies to manage any deterioration are put in place.		Cowburn		
FRFSV 0053C Identifying the external risk factors that affect the funding position	Identifying the various risk factors, asset/liability, investment, longevity, interest rates, inflation, liquidity, etc and how the interaction of these impacts on the funding position and adapting the strategy and business plans to manage these risk where feasible. Also regarding future Asset Pooling, planning for transition is considered as part of the Investment Strategy development to ensure assets are transitioned efficiently and within the required timeframes.	Michael Honeysett	Rachel Cowburn	31-Oct-2017	Updated May 2017 - ongoing.
FRFSV 0042D Appropriate levels of knowledge and skills to make decisions	Use of external advisers to assist in making investment decisions and ensuring that decision takers understand the investments of the fund. There is ongoing monitoring of financial markets and close communication with Pension Fund Investment managers/consultants.	Michael Honeysett	Rachel Cowburn/ Pradeep Waddon	31-Oct-2017	May 2017 - In the wake of the BREXIT leave vote, the Pension team was in immediate contact with fund managers and investment consultants, receiving commentary from each fund. Subsequently, detailed reports have been taken to Pensions Committee at regular interval providing them with assurance that risks are being managed.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0013 Impact of New Legislation (and Welfare Reforms) EXTERNAL RISK FUTURE RISK	<p>The Council may not be able to respond to external influences on legislation and updated policies, thus risking the efficiency and effectiveness of service provision. Also if requirements of any new act are not met, there would be an adverse impact on the Council's legal and reputational standing.</p> <p>Additionally, the impact of new legislation - seen in areas such as Welfare Reform - could result in an increase in rent, service charge, arrears, higher legal costs, increased evictions and pressure on the vulnerable.</p> <p>Further effects of new legislation could be financial, legislative (with a failure to understand the breadth of responsibility) and reputational, directly affecting the local community. There could also be issues amongst the local community in terms of dissatisfaction, lack of understanding and increased financial difficulties.</p>	Chief Executive's; Children, Adults & Community Health; Finance & Corporate Resources; Neighbourhoods & Housing		<p style="text-align: center;"></p> <p>May 2017 - in the light of the recent EU Referendum, this risk is more relevant than ever and the overall score has increased due to the extremely high impacts of the consequences resulting from these changes. However, although Article 50 has been triggered (on 29/3/17) to commence the exit, Brexit will not stop the General Data Protection Regulation (GDPR) becoming the new reality for all in the UK in 2018. The changes within the Education Bill have not materialised as it was scrapped, however further legislative changes are anticipated in this area in the future.</p> <p>The Housing and Planning Act 2016 has introduced numerous changes to housing policy / planning and changed the current set up regarding social housing and the right to buy (enabling the</p>

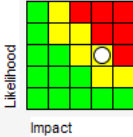

				<p>potential sale of higher value houses). This looks set to be a sensitive area in the borough so will need to be managed carefully.</p> <p>The 2014 Care Act introduced serious changes and new responsibilities for local authorities with broad changes in social care and delivery in tight timescales. Although the introduction of the cap on care costs has been deferred until 2020, the introduction of the national eligibility criteria is widening the responsibility of the Council in respect of care and support and increasing demand for services. Potential consequences of this risk could include a major adverse impact on the Council's financial health and Adult Social Care savings delivery plan. Additionally there would be a strong additional demand on services. Also if requirements of any new Act are not met, there would be an adverse impact on the Council's legal and reputational standing.</p> <p>Furthermore there are other forthcoming examples of proposed legislation that could impact on the carrying out of Council functions, and the risk that needs to be managed is the implementation process and the financial and human resources that may be required. This needs to be kept under review as each legislation is passed and implemented. Regarding welfare, the proposed tax credit changes were retracted.</p>
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Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
SRCR 0013 Impact of New Legislation	The Council continues to monitor and respond to consultations regarding service delivery and other innovations to ensure that it is fully aware of new and changed initiatives and can react accordingly. All managers keep up to date with external developments which may impact on their work. Careful project and programme management is undertaken to deal with any serious reforms and their implementation. There is a monthly Corporate Law Update outlining all the latest legal developments and their potential impact on the Council.	Tim Shields	Yinka Owa	31-Oct-2017	May 2017 - ongoing.
SRCR 0013B Care Act 2014	This Act has reformed the law relating to care and support for adults and the law relating to support for carers. Detailed work has been undertaken to ensure its effective implementation, and clear timescales and budgets which need to be adhered to. Adult Social Care managers have a robust monitoring system in place to track the impact of the Care Act which will inform service and financial planning.	Anne Canning		31-Oct-2017	Ongoing

SRCR 0013C BREXIT	A separate / stand-alone risk register has been developed specifically on the impacts of Brexit and this will look at the consequences of new legislation etc.	Ian Williams	Michael Sheffield	31-Oct-2017	May 2017 - This has been developed and is ongoing with the contents changing over time.
FR RV 1213 Impact of new Welfare Reforms	The risks have been / are being managed by detailed programmes of training and briefings for staff, DHP training for frontline staff, and letters explaining any changes. There has been a communication strategy specifically developed for this so that the public have everything explained and broken down as comprehensively as possible. Resident's briefings, 'surgeries', and online explanations are also further contributing to making transitions as smooth as possible.	Ian Williams	Kay Brown	31-Oct-2017	Control updated May 2017. Welfare Reforms (introduced in recent years and still continuing) include benefit caps, new rules on under occupancy, and changes to DLA, Council Tax Support and also Universal Credits. All these reforms could result in an increase in arrears, higher legal costs, increased evictions and pressure on the vulnerable.


Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note	
SRCR 0018 Workforce INTERNAL RISK FUTURE RISK	The Risk that amidst an atmosphere of financial reductions and redundancies, the Hackney workforce become demotivated, leading to a negative atmosphere amongst workers, impacting upon service delivery and leading to dissatisfied stakeholders. Also that restructures may cause temporary loss in efficiency as officers are unsure of how new reporting arrangements, responsibilities and service provisions are put into practice. Knowledge could be lost with a large number of experienced staff taking redundancies.	Chief Executive's; Children, Adults & Community Health; Finance & Corporate Resources; Neighbourhoods & Housing			
				May 2017 – Risk has reduced with likelihood going down. A major (Senior Management) restructure was completed in April 2016 (with final interim arrangements ending in April 2017) whilst further ones have occurred (or are continuing) due to ongoing Council cuts to funding. However, the new changes have generally been embedded effectively, so the likelihood of negative impacts to service delivery have reduced. Procedures are documented so arrangement in place not to lose knowledge.	
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
SRCR 0018 Staff Motivation / Commitment	There are detailed HR procedures and processes to deal with all HR areas (including problems/instability created by restructures) and these are carefully adhered to by teams involved. All communication is regular and carefully considered.	Tim Shields	Dan Paul	31-Oct-2017	May 2017 - ongoing. Brexit is further adding to the instability of the environment.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
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<p>SRCR 0018B Recruitment and Retention INTERNAL RISK CURRENT RISK</p>	<p>Services across the Council struggle to effectively and successfully recruit for certain positions, leading to a negative impact on service delivery.</p> <p>Also, with the Council needing an increasingly agile workforce (not constrained by traditional customs and practises), it may struggle to compete with other organisations to get the best candidates.</p>	<p>Chief Executive's; Children, Adults & Community Health; Finance & Corporate Resources; Neighbourhoods & Housing</p>		<p style="text-align: center;"></p> <p>May 2017 - Risk was recently broadened across the Council by HMT (from having been focused on ICT). Remains static, scored at 12, but hasn't escalated since last time.</p> <p>In a competitive market for skills the Council has experienced difficulties recruiting to a range of roles essential to delivery of services and planned service improvements (including ICT, Adult Social Care, Quantity Surveyors and Highway Engineers). This could impact seriously on the ability to develop and maintain effective service delivery due to difficulties with recruitment and retention.</p> <p>The recruitment risk is particularly acute within ICT. In a competitive market for technology skills the Council has experienced difficulties recruiting to a range of ICT roles essential to delivery of services and planned service improvements (including delivery of digital services). This is exacerbated by the imminent changes to IR35, which is having the effect of driving skilled specialist workers to the private sector (as many ICT skills are transferable across sectors). Risk ongoing with more positions needing to be filled and a cause for growing concern.</p>
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Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
<p>SRCR 0018B Recruitment and Retention</p>	<p>Service are continuing to work with HR / OD to carry out the following suggested mitigations:</p> <ul style="list-style-type: none"> - review recruitment strategy and identify other measures which can be taken to promote Hackney Council as a great place to work in technology and attract high quality candidates - review salary supplements to ensure that these are providing market competitive salaries and are also fair and transparent - review career development paths within the service and also ensure that apprenticeships / graduate trainee opportunities are being used effectively to develop internal talent. 	<p>Tim Shields; Ian Williams; Kim Wright; Anne Canning</p>	<p>All Service Managers</p>	<p>20-Nov-2017</p>	<p>May 2017 – This has been ongoing in ICT, and through the development of their restructure, these proposed controls are being implemented. The recent update to the Council's salary supplement scheme reflects the requirements of the ICT service.</p> <p>The design of the restructure proposals is on track for the planned start of consultation at the end of May 2017. This includes review of salary levels to ensure that Hackney is able to compete</p>

					for high quality ICT talent.
FR DR 007 A Training and development	Training and development needs for all staff have been captured from yearly appraisals and 1-2-1 documents. All HR procedures are followed correctly to ensure staff are valued and treated appropriately whilst at work. Where possible acting up and secondment opportunities are made available to staff. This helps contribute to an improved experience of working at Hackney and to an extent, mitigates the risks of absences and departures.	Tim Shields; Ian Williams; Kim Wright; Anne Canning	All managers	28-Oct-2017	Control reviewed and amended May 2017. If all these processes are followed, (with staff having opportunity for improved professional development) that should lead to a greater assurance that this risk won't materialise.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0021 Information Security EXTERNAL RISK POTENTIAL RISK	There is a risk that the security of Council's systems, network and devices could be compromised which could have very damaging, widespread implications.	Finance and Corporate Resources		 May 2017: The (global) cyber-attacks which occurred in May impacted primarily on the NHS and created serious problems. In light of this, moving the likelihood up one level is sensible. The way that this vulnerability became known and the fact that Windows 7 was the most widely affected version of Windows does suggest that we should increase the assessment of the level of risk.

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FR IT 0006a Ensure compliance with the PSN Code of Connection and other applicable standards (including the ICT security requirements for compliance with the NHS IGSoc).	Ensure that good security practice is reflected in the Council's technical architecture and operational practices, including annual PSN Code of Connection compliance assessment (supported by IT health check) This will be an ongoing annual activity (no fixed end date).	Rob Miller	[TBC]	Ongoing - annual	Updated May 2017
FR IT 0006b Ensure that all users of the Council's systems and data take appropriate measures to protect these.	Ensure that the Council has effective policies, guidance, training and measures to enforce compliance for all users (including Members).	Rob Miller	[TBC]	Ongoing	Following the attacks which were reported, a reminder was issued to all

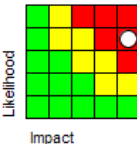
	This will be an ongoing activity (no fixed end date).				staff about the need to take care when clicking on links in emails and we have checked our systems to make sure that the specific patch which closes this vulnerability has been applied – May 2017.
FR IT 0006c Ensure that all hardware and software is supported for security updates.	Ensure that infrastructure and application lifecycle management practices are in place and functioning effectively so that the Council's systems remain supported. This will be an ongoing activity (no fixed end date).	Rob Miller	[TBC]	Ongoing	Updated May 2017
FR IT 0006d Plan for upgrade required to end use of Windows 7 ahead of the end of Microsoft support (January 2020).	Upgrading the Council's desktop environment is a major activity and this will require careful planning and preparation, as well as significant allocation of funding.	Rob Miller	[TBC]	14-Jan-2020	Updated May 2017

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0019 Information Assets INTERNAL RISK POTENTIAL RISK	<p>The Council holds a wealth of information assets across its services. It is essential that this is managed in compliance with requirements such as the Data Protection Act, the NHS IG Toolkit and also the forthcoming General Data Protection Regulation (which comes into effect from May 2018).</p> <p>It is also essential that the Council is able to use these information assets effectively to commission and deliver high quality services, reduce costs and work in partnership with other agencies and providers. Failure to do so will result in negative impacts.</p>	Finance & Corporate Resources		<p>April 2017: Mitigation of this risk, and harnessing the most of the significant opportunity presented by effective information management, is a joint responsibility across each service directorate and the corporate ICT service. At Hackney, these risks are currently overseen by the Information Governance Group (which meets quarterly).</p>

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FR IT 0001a Information management	Ensure effective information management policy and processes are in place so that the Council meets the	Ian Williams	Rob Miller	02-Oct-2017	Ongoing April 2017

	<p>requirements of the Data Protection Act / other legal and regulatory compliance arrangements.</p> <p>Ensure that the Council's information assets are managed robustly and used effectively to provide insight and to integrate Council and partner services, and deliver the maximum benefit to residents and businesses.</p> <p>This will be an ongoing activity (no fixed end date).</p>				
FR IT 0001b Compliance	<p>IGSoC: compliance with the NHS IG Toolkit. Ensure that the Council meets the compliance requirements for the NHS IG Toolkit to enable information sharing and partnership working with the NHS.</p> <p>This will include requirements for services across Public Health and Social Care.</p> <p>This will be an annual activity (no fixed end date).</p>	Ian Williams	Rob Miller	02-Nov-2017	Ongoing April 2017
FR IT 0001c EU General Data Protection Regulation: preparing for compliance from May 2018	<p>Establish a programme of preparatory activity to support Hackney's compliance with the GDPR in good time for its introduction in May 2018. This will include changes to the Council's information management arrangements, data retention, privacy provisions and practise across all Council teams who handle people's personal information.</p>	Ian Williams	Rob Miller	1 May 2018	Ongoing April 2017
FR IT 0001d Third party information sharing	<p>Ensure that we can do business efficiently and seamlessly by having appropriate data sharing agreements in place with our external partners.</p> <p>It will be critical to ensure that third parties control requirements are assessed and the implications for Hackney users are clear and proportionate (eg. some third parties require controls that would excessively restrict the Council's use of systems and buildings etc, and these may be barriers to information sharing).</p> <p>This will be an ongoing activity (no fixed end date).</p>	Ian Williams	Rob Miller	02-Nov-2017	Ongoing April 2017

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
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<p>SRCR 0020 Corporate Resilience INTERNAL RISK POTENTIAL RISK</p>	<p>The Council does not currently have a robust and tested corporate resilience plan in the light of a major incident affecting its business.</p> <p>There is also a risk that Business Continuity Plans across the Council's services do not accurately reflect the disaster recovery provision that is available. This could result in services not being able to invoke their continuity plans effectively due to incorrect assumptions.</p>	<p>Finance & Corporate Resources</p>		<p>NEW INTERATION OF RISK</p> <p>June 2017: It is essential for the Council to provide some assurance that we are suitably prepared to respond and adapt to incremental change and sudden disruptions. Clearly this could impact massively on our ability to effectively deliver services, so resilience is a critical part of future planning.</p> <p>DR provision is in place for critical systems and 400 <i>myoffice</i> desktop sessions in the event of the main datacentre being unavailable (this rises to 1200 <i>myoffice</i> desktop sessions in April 2017 as additional infrastructure capacity is added).</p> <p>Successful DR testing took place over Christmas 2016. Follow up actions are now being completed and a final report on the DR provision was completed for April 2017. A Business Continuity Management Group is due to start regular meetings as of June/ July 2017. The recent BA incident emphasises the importance of careful management within this area.</p>
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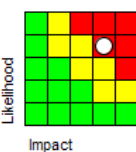

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
<p>SRCR 0020A Corporate Resilience Forum</p>	<p>A Corporate Resilience forum has been established and will take overall strategic lead reporting to HMT.</p>	<p>Kim Wright</p>	<p>Cross Council</p>	<p>Ongoing.</p>	<p>From paragraph 1.1-1.2 of the CRF report: 1:1 The CRF oversees the development of all systems and processes for Emergency Planning, Business Continuity Pandemic Planning and Resilience within Hackney Council. 1:2 This group will also</p>

					ensure that appropriate links are made to other stakeholders in relation to Emergency Planning and Resilience such as NHS, LFB, MPS, EA AND VCS.
FR IT 0003 Resilience of ICT systems / Disaster Recovery	<p>Work is currently in progress to commission resilient hosting arrangements in the Council's Stoke Newington offices. This will provide the facility to restore critical systems (based on a previously agreed list of corporate priority applications) so that priority Council services will have access to their systems within 4 hours of a major outage with loss of data limited to 15 minutes (Recovery Point Objective). A test on 1 key application has already proved successful.</p> <p>It must be noted that this provision will not give instant seamless failover for these services - so Council services must ensure that their Business Continuity Plans include plans in the event that ICT systems are not available - other services whose systems are not included in the resilience provision must ensure that their Business Continuity Plans include plans for extended unavailability of their ICT systems.</p>	Ian Williams	Rob Miller	31-Oct-2017	May 2017: DR provision is in place for critical systems and 1200 <i>myoffice</i> desktop sessions in the event of the main datacentre being unavailable.
FR IT 003 NEW CONTROL Review of Business Continuity Plans across the Council's services.	<p>The Corporate Business Continuity Manager is supporting service managers across the Council in carrying out a review of their Business Continuity Plans. This is designed to identify critical services and their continuity requirements, and will help ensure that their plans are based on accurate expectations of the provision available.</p> <p>It is planned to implement a rolling 18 month schedule of review for all the council's BCPs. This will be in place following the current review of BCPs across all services, which is expected to complete in the latter part of 2017.</p>	Business Continuity Team	Business Continuity Team	31-Dec-2017	New control ongoing – April 2017

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0023 Person suffers significant harm, injury or death EXTERNAL RISK FUTURE RISK	Children, young people and adults who use our care and support services are at higher than usual risk of harm, injury or death. If risks are not adequately assessed and protected a child, young person or adult could suffer significant injury or death attributable to the Directorate's failure to take appropriate safeguarding and risk management measures. Additionally, general members of the public or Hackney staff could suffer harm due to a lack of general health and safety measures being in place.	Children, Adults & Community Health		 Update April 2017 – This remains a high risk, and controls are in place to manage this, providing assurance. This was escalated to the Corporate Register last September.

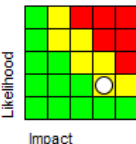

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
CYP 0910 006B Local Safeguarding Children Board (LSCB) reviewed and operating as an effective multi-agency forum.	The City & Hackney Safeguarding Children Board (CHSCB) has a remit to monitor safeguarding across all partner agencies, including the local authority.	Anne Canning	Rory McCallum	31-Oct-2017	Update April 2017 – A range of measures have been put in place to ensure the CHSCB is operating as an effective multi-agency forum. There is an Independent Chair in place, defined governance arrangements, regular attendance from partners at Board and relevant sub / working groups and Hackney-specific self-assessment. CHSCB also maintains a risk register covering all key statutory requirements; these actions and progress are regularly reviewed through the CHSCB Executive and full CHSCB. The July 2016 Ofsted inspection rated the CHSCB as 'Outstanding.'
CYP 0910 006D Ensure staff have the necessary skills to ensure risk and need are properly assessed	The Directorate as a whole understands areas of high risk and works together to mitigate risk in relation to individual children by joint training and development and joint monitoring of practices across the services.	Anne Canning	Sarah Wright	31-Oct-2017	April 2017 - Ofsted inspectors noted in July 2016 that "When children are at immediate risk of harm, referrals are dealt with swiftly and children are seen to complete effective child protection enquiries. Appropriate decisions are taken when risk is identified to safeguard children."
CYP 0910 006E Child Protection procedures in	Children subject to Child Protection Plans and Looked After Children are visited in line with statutory guidance and care	Anne Canning	Sarah Wright	31-Oct-2017	Update April 2017 - Ongoing, monitored through management oversight and audit,

place	plans are monitored, updated and amended as appropriate. Children are to be seen alone.				monthly, quarterly and annual performance reports, including statutory returns to DfE and by Child Protection Conference Chairs and Independent Reviewing Officers.
CYP 0910 006F Risk assessing activities for young people	All activities directly provided and commissioned by the directorate must be subject to rigorous risk assessments. These follow a consistent format. Also, the internal health and safety team conduct assessments and provide advice to mitigate risks of harm to staff in the course of work.	Anne Canning	Pauline Adams	31-Oct-2017	Update April 2017 - All providers of proposed activities, including the local authority, are required to submit a written risk assessment which is scrutinised and approved / not approved by the service area. Where a risk assessment is not approved, the activity is not able to proceed. Minimum ratios of adults to young people are required.
HCS ASC 0005 Implementing a robust safeguarding approach across adult services	The City & Hackney Safeguarding Adults Board, with a newly appointed independent chair, is monitoring the refreshed strategy for safeguarding adults to ensure the delivery of the strategic outcomes which includes embedding learning from Safeguarding Adult Reviews into practice through policies and training.	Anne Canning	Ilona Sarulakis	31-Oct-2017	April 2017 – As a stand-alone risk / control, this would be green, however in the overall context of the risk (especially relating to children), it remains red.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0024 Devolution INTERNAL RISK FUTURE RISK	The Council does not take advantage of the devolution powers on offer and therefore misses any potential benefits they could present. By not capitalising on this opportunity the Council could miss a genuine chance to increase revenues, streamline services and improve efficiencies.	Chief Executive's; Children, Adults & Community Health; Finance & Corporate Resources; Neighbourhoods & Housing		<p style="text-align: center;"></p> <p>May 2017 - This was mentioned earlier in 2016 at Audit Committee as being a good example of an 'opportunity' risk. The negative side of this lies in not capitalising on its potential. The opportunity is that by utilising the new powers / funding, savings and improved efficiencies occur, to the overall benefit of the Council.</p> <p>Hackney has already been at the forefront of taking part in a health and social care devolution. The integrated commissioning model which has now been approved by Cabinet will ensure that this innovative approach continues.</p>

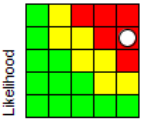
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
SRCR 0024 Devolution	Detailed talks (at Senior Management level) and preparation are ongoing to ensure all are best prepared to take advantage of what devolution can offer.	Tim Shields; Ian Williams; Kim Wright; Anne Canning		01-Sep-2017	April 2017. This work is clearly ongoing, and evidence of its success can be seen in the recent Cabinet approval of Integrated

					Commissioning across the borough with CCGs. There is significant opportunity connected to this risk in that serious opportunities could be missed if we do not take advantage of it.
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Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0025 Contract Procurement and Management (especially in Housing Services). INTERNAL RISK CURRENT RISK	As a result of Contract Management not being carried out properly or with regard to agreed parameters, revenue is lost or charges are levied which are not justified, leading to a poor level of resident's satisfaction (and general negative reputational impacts), unjustified cost and time overruns. Poor procurement decisions could result in non-viable contracts being awarded to non-viable contractors.	Chief Executive's; Children, Adults & Community Health; Finance & Corporate Resources; Neighbourhoods & Housing		 May 2017 - Risk has decreased from the last review, following latest review from Housing. This risk is currently being acutely demonstrated by some of the work the Pro-active Fraud team is undertaking. A major investigation is well underway into external contractors and how their relationship with Hackney Homes has been managed, and whether the work actually completed accurately corresponds to the charges which have been levied. Also scrutiny is being applied to the quality and accuracy of their work. All this ultimately relates to the Council ensuring it gets the best deal for its money.

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
NH DR 007 Detailed Council guidance in place for Procurement, Partnership and overall Contract Management	There is detailed supporting guidance available for all elements of the procurement process, including detailed Risk Assessment tools and specialised Partnership guidance.	Rotimi Ajilore	Rotimi Ajilore	02-Nov-2017	June 2017 - ongoing
NH DR 007a Contract Specification in place	Contracts clearly define the requirements of the business.	Stuart Davis	Stuart Davis	02-Nov-2017	April 2017 - Risk reviewed and updated.
NH DR 007b Tender Stage process followed	Robust tender process in line with EU procurement law and council standing orders.	Stuart Davis	Each Contract Manager	02-Nov-2017	April 2017 - Risk reviewed and updated.
NH DR 007c Contract Monitoring and Fraud Prevention	Restructure of Asset Management Team is based around the new contracts and clarity of responsibility for the contract managers in line with the contract manual. Key performance indicators in placed and used to manage the contracts.	Michael Scorer Stuart Davis	Stuart Davis Contract Managers	02-Nov-2017	April 2017 - Risk reviewed and updated.

	Final accounts prepared in a timely manner. Regular contract audit.	Stuart Davis Michael Sheffield	Contract Managers Michael Sheffield		
NH DR 007d Review of form of Contract	The Contract options are being reconsidered to ensure that the contract form is fit for Hackney's purpose.	Michael Scorer / Rotimi Ajilore	Stuart Davis	02-Nov-2017	April 2017 - Risk reviewed and updated.
SRCR 0025 Contract Procurement and Management (especially in Housing Services).	Major investigation is ongoing with dedicated team (Proactive Anti-Fraud Team) of 3 staff.	Ian Williams	Michael Sheffield	23-Nov-2017	Progress is confidential at this stage.

Risk Title	Description of Risk	Current Risk Matrix	Risk - Latest Note
SRCR 0027 **New Risk** Impact of the government reforms on education service delivery. EXTERNAL RISK FUTURE RISK	Government policy impacting on the role of LAs and the academisation of schools ends the role of LAs in school improvement and exercising the mediating layer.		<p>NEW ENTRY - April 2017 - The uncertainty around the government's reforms places pressure on the timing and nature of decisions about the future model of education services in Hackney. This is considered to be one of the highest risks HLT currently faces and is not possible to fully mitigate.</p> <p>Options open to the LA regarding Alternative Education Delivery Models are being developed. The Risk Review Group notes the importance of ongoing staff engagement during this time of uncertainty.</p> <p>At Corporate level, this risk previously referred to the proposed Education Bill which didn't materialise. We recommend maintaining the risk at Likelihood 4, Impact 5 to take account of the severity of this situation. It is likely that this risk will increase in the future.</p>

Control Title	Control Description	Service Manager	Control - Latest Note
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Control Title	Control Description	Service Manager	Control - Latest Note
SRCR 0027A**New Risk Control** Development of an alternative service delivery model that provides a governance structure for the local schools system.	An alternative model for the governance of the Hackney school system is developed that retains the capacity for the strategic provision of school improvement and enables the continuation of a local mediating layer.	Anne Canning; Frank O'Donoghue	April 2017: Recent funding announcements, speeches by the National RSC and proposals emerging from the Westminster Diocesan Board for schools in Hackney (as well as London more generally) all point to the increasing likelihood of schools choosing to convert to academy status outside any collective arrangement involving the local authority. This significantly increases the risk of losing both the Hackney SRAS process and the ability of the Council to continue to work in partnership with schools. Officers believe there is a limited opportunity to prevent this happening and a need for continued discussion with schools on the future of the Hackney education system.
New Risk Control Staffing challenges – Developing a strategy that retains staff with key skills knowledge and ability; identifying new talent and encouraging people to work for HLT.	Ongoing contraction of the public sector means it is not easy to encourage skilled and talented people into the public sector. The risk of being unable to retain talented people over time is also a challenge. HLT will need to maintain an innovative approach by: Retaining current talented employees; identifying and encouraging new talent and changing the culture of long serving staff to meet the new challenges we face.	Anne Canning; Ollly Cochrane	April 2017: Following the workshop for WLG members in June 2016 on resilience, a second workshop was delivered in December. This focussed on managers taking responsibility for making change happen. This feeds into the Council's strategic approach "Change for Everyone" to meet the challenge of retaining key staff and developing talent that takes account of the continuing financial circumstances in the public sector. Further work to continue encouraging the engagement of HLT middle managers will continue through WLG.

Risk Title	Description of Risk	Current Risk Matrix	Risk - Latest Note
SRCR 0028 **New Risk** SEND funding – Escalating SEND spend has an adverse impact on HLT budgets. EXTERNAL RISK FUTURE RISK	The number of pupils eligible for SEN statements continues to increase at a significant rate exceeding the population growth in the Borough, the effect of which is to place the SEND budget in deficit.		NEW ENTRY - April 2017 – A draft options paper recommending new ways of managing EHCP and reducing spend was reviewed initially at SLT on 7 October. Further modelling and review of other activities to reduce budget pressure are being pursued. SEND options for cost reductions have been cleared by SLT on the 13 January, CACH SMT on 18th January and finally HMT on 24th January and are awaiting final clearance.

Control Title	Control Description	Service Manager	Control - Latest Note
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Control Title	Control Description	Service Manager	Control - Latest Note
SRCR 0028A**New Risk Control** The action plan to address SEND budget pressure and reduce overspend is in place and its effectiveness is regularly monitored by SLT.	SLT has approved an action plan to address the pressures placed on the SEND budget by increasing numbers of children and young people being eligible for SEN statements. This action plan introduces new oversight and challenge into the process, with a view to controlling expenditure and making sure resources are distributed fairly.	Anne Canning; Toni Dawodu	April 2017 A draft options paper recommending new ways of managing EHCP and reducing spend was reviewed initially at SLT on 7th October. Further modelling and review of other activities to reduce budget pressure are being pursued. SEND options for cost reductions have been cleared by SLT on the 13 January, CACH SMT on 18 th January and finally HMT on 24th January and are awaiting final clearance.
SRCR 0028B**New Risk Control** Management of financial impact of SEND budget pressures.	Rapid, significant short term reductions in SEND costs and outlays will be difficult to achieve. Ensuring that the policy changes in the action plan result in medium term cost savings that relieve the pressures on the SEND budget, whilst ensuring the operational effectiveness of HLT is not detrimentally affected by the overspend, is imperative.	Anne Canning; Yusuf Erol	New risk control – April 2017
SRCR 0028A**New Risk Control** Changing the culture of SEND in schools and HLT to implement the action plan.	If the action plan is to control expenditure and distribute resources fairly, changes in the existing culture in HLT teams and schools must also change to critical assessment and the equitable distribution of limited resources. Collaborative working with schools will be necessary to ensure pupils SEND needs are met from delegated SEND resources, with EHCP referral only for exceptional needs.	Anne Canning; Toni Dawodu	New risk control – April 2017

Risk Title	Description of Risk	Current Risk Matrix	Risk - Latest Note
SRCR 0029 **New Risk** Risks posed by unregistered schools and settings EXTERNAL RISK FUTURE RISK	Unregistered centres are neither known to, nor inspected by Ofsted, raising potential issues relating to the wellbeing and safeguarding of children and young people in the borough. HLT does not have any statutory powers or reporting requirements in regard to the registration of independent schools. As well as the potential risk around safeguarding and lack of knowledge and intervention in regard to those young people attending such settings, there are clear reputational risks for HLT in this area. Despite the fact that HLT holds no powers in regard to either registration or closure, there remains the perception that the Local Authority has not presented sufficient challenge to the status of such settings.		NEW ENTRY - April 2017 – Risk Review Group notes that the current legal powers available to Local Authorities over unregulated settings are not sufficient to address a potentially catastrophic event. This presents a very high reputational risk for the borough, although there are limited options to mitigate this risk. We recommend that the risk rating remains unchanged to take account of this.

Control Title	Control Description	Service Manager	Control - Latest Note
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Control Title	Control Description	Service Manager	Control - Latest Note
SRCR 0029A**New Risk Control** Co-ordinating multiagency responses, HLT escalates any issues relating to the safeguarding of children or young people attending unregistered schools or settings.	HLT are aware of the unregistered schools and settings within the borough, escalating to the appropriate authorities any issues of concern reported to them. HLT co-ordinates multi-agency responses in regard to those settings that do not comply with Ofsted registration requirements.	Anne Canning; Paul Kelly	March 2017 – Inspections jointly undertaken to 2 unregistered schools in September 2016, followed by visits from FAST.
SRCR 0029B**New Risk Control** Continuing attempts at engagement with unregistered settings are made by HLT to reduce the likelihood of pupils being put at risk.	In the absence of clearly defined statutory responsibility and given the numbers of CYP in such settings, the LA is seeking to raise awareness of safeguarding with all community groups through regular dialogue.	Anne Canning; Paul Kelly	March 2017 – Inspections jointly undertaken to 2 unregistered schools in September 2016, followed by visits from FAST.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0030 Pressures on Temporary Accommodation INTERNAL RISK CURRENT RISK	The demand on temporary accommodation (TA) for homeless households exceeds the supply of property suitable for use, and also causes a clear shortfall between the subsidy provided and the actual cost of meeting TA need. This could result in serious difficulties in providing an effective provision for the accommodation of vulnerable children and adults, and also impact adversely on available budgets.	Finance and Corporate Resources		June 2017 – NEW RISK Local authorities have a statutory duty to provide accommodation for homeless households that have been defined as being in priority need and unintentionally homeless, and are obliged to secure temporary accommodation (TA) for that household as an interim measure whilst a longer-term alternative becomes available. Councils in Britain have spent more than £3.5bn on temporary accommodation for homeless families in the last five years, with the annual cost rising 43% in that time. The Local Government Association has commented that these costs are “unsustainable”. It should be noted that the implementation of the Homeless Reduction Act in 2018/19 will drive further demand for TA provision.

Control Title	Control Description	Responsible Group Director / Officer	Service Manager	Due Date	Control - Latest Note
SRCR 0030a Utilising all available accommodation	Utilise 100% of all regeneration voids as additional temporary accommodation reducing the need for costly nightly paid TA provision.	Ian Williams	Jennifer Wynter	02-Oct-2017	Control ongoing June 2017
SRCR 0030b Make best use of the provision of discharge of duty into the private rented sector	Additional duty afforded LA's to discharge our homeless duty with provision of an affordable 1 year monthly PRS let, albeit if further homelessness within 2 years we retain the duty. TA strategy in place and agreed way forward with Mayor & Members on OOL placements.	Ian Williams	Jennifer Wynter	02-Oct-2017	Control ongoing June 2017
SRCR 0030c Observe pan London cap on nightly paid accommodation procurement	Maintain influence on the rental market by continued observation and no breaches (except emergency disabled accommodation) of the agreed Pan London TA rent cap	Ian Williams	Jennifer Wynter	02-Oct-2017	Control ongoing June 2017