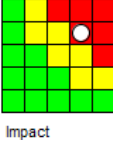



Finance and Corporate Resources Directorate Risk Register September 2021




Generated on: 24 September 2021

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
<p>FR AC 001 Budget Setting - Budgetary stability in relation to both budget setting and budgetary control and medium term financial planning INTERNAL & EXTERNAL RISK FUTURE RISK</p>	<p>Due to ineffective planning, (or external events) the Council spends more money than it can finance through planned income streams and the annual financial settlement from central government. This then results in a budget deficit or an unacceptable call on reserves. In the aftermath of the Coronavirus pandemic, this risk has seriously intensified with incomes reducing and costs dramatically increasing.</p>	<p>Finance & Corporate Resources</p>		<p style="text-align: center;"></p> <p>Updated and amended September 2021.</p> <p>COVID-19 continues to have a significant impact on the Council's finances both in terms of additional costs and income collection. For 2021-22, we have received £11m Emergency Covid Funding from the Government. However, the Sales Fees and Charges (SFC) compensation scheme that was live for the whole of the last financial year ceased at the end of June 2021.</p> <p>In October 2020 the Council was subject to a criminal cyber attack. The financial impact of the attack includes the additional costs incurred in respect of system recovery and additional work required to maintain service continuity and loss of income due to the impact on our ability to chase debt.</p> <p>Mainly as a result of Covid-19 and cyber-attack pressures, the July OFP reported to Cabinet in September forecasts a net overspend of £6.5m. The Acting CE and S151 is working with HMT to determine and implement measures to reduce this forecast. A further potential pressure coming to the fore in September 2021 concerns the sudden shortages and increased prices of natural gas, having a serious impact on the energy market. The impact of this emerging</p>

				<p>picture will be monitored and considered as part of budget-setting processes for 2022/23.</p> <p>The impending Fair Funding Review has over several years been reported as a risk to the finances of the Council. However in light of the current COVID-19 affected environment, it is unlikely that we will see the impact before 2023/24.. This review will ultimately affect how funding is allocated and redistributed between local authorities in the future. The main risk for the Council is that this results in a greater loss to funding than anticipated which could have a severe impact on overall service delivery and strategic objectives. In February 2020, the Communities Secretary said that it was "scaremongering" to say that the (now postponed) fair funding formula will see cash diverted from metropolitan councils to shire councils, but until allocations are known there is still uncertainty.</p> <p>Other consequences of the risk being discharged may include: • Adverse impact on future Council Tax levels in direct contradiction to Council policy. • Reductions in allocations to front-line services with consequent negative impact on service delivery. • Local community dissatisfaction with the overall financial management arrangements of the Council. Also continuing examples of the Council issuing Business rates relief, will further impact on finances.</p>	
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FR AC 001A Accuracy of corporate financial planning	<p>Long-term financial plans for capital and revenue are maintained by Central Accountancy function, which takes account of all known and material financial sources and changes for both income and expenditure (cost drivers), across all aspects of the Council (General Fund, HRA, HLT).</p> <p>. Medium-term financial plan is maintained by Central Accountancy function, and is reported to members regularly through appropriate forums (annual budget report)</p> <p>. Up to date Treasury Management Strategy is maintained and reported to members regularly through appropriate forums</p>	Jackie Moylan	James Newman	31-Oct-2021	Forecasts indicate the ongoing impact of Covid-19 to be in excess of Government funding allocated and the financial impact of the cyber attack is significant. Overall, as at the end of July an overspend of £6.5m is forecast.

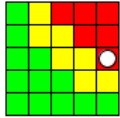

	. Senior financial managers ensure they are well informed on changes to key financial issues, e.g. business rates retention pilot.				
FR AC 001B Corporate savings delivery	The Accounting function provides accurate information to budget holders to inform appropriate decision making around corporate savings requirement.	Jackie Moylan	James Newman	31-Oct-2021	Control updated Sept 2021 Note the Council's main accounting system was not impacted by the cyber attack.
FR AC 001C Delivery of annual budget setting process	Corporate Accountancy manages and coordinates mechanics of budget setting process for the council, in conjunction with directorate finance teams, ensuring services are allocated budgets as agreed through full Council.	Jackie Moylan	James Newman	31-Oct-2021	Control updated Sept 2021
FR AC 001D Elected members are well informed on council's financial position both current and future	Members regularly informed and updated on financial position and landscape through both formal meetings and more informal channels (training sessions)	Jackie Moylan	James Newman	31 Oct 2021	Control updated Sept 2021. This ensures proper scrutiny is applied to all elements of the Council's finances.
FR AC 001E Changes to Prudential Code , and new Financial Management Code and also MRP guidance	Senior finance management keep themselves informed of changes to CIPFA Prudential Code, Also the new FMC was issued towards the end of 2019, and provides important guidance of the way forward with budget setting. CLG MRP guidance and ensure council's finances and processes take into account those changes which are formalised.	Jackie Moylan	James Newman	31 Oct 2021	Control updated Sept 2021. All senior officers are particularly aware of the new Financial Management Codes. The first full year of compliance will be 2021/22 and an assessment of the Council's position was reported as part of the Annual Budget Report 2021/22.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
FR AC 003 Accounts Closure INTERNAL RISK FUTURE RISK	Accounts are produced late, and the subsequent management of the audit then results in late production of the Council's accounts. The new deadlines introduced for 2017/18 closure of accounts have intensified this risk. Although this was a couple of years ago, it remains something to watch out for. If accounts are not closed on time, it would have legislative and reputational consequences and inhibit effective service delivery. Risk also applies to the (external) auditors not meeting their own challenging deadline at the end of July, with additional regulatory scrutiny adding to the pressure.	Finance & Corporate Resources		 Likelihood has risen so risk score has increased. Reviewed September 2021 - control ongoing. In the light of COVID-19, deadlines were relaxed for 2019/20 and 2020/21. Despite the accounts being

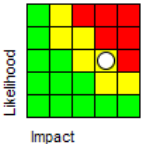

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				produced on time in 2019/20 the audit opinion remains outstanding primarily due to delays with the external audit service.	
				Closing for 2020/21 has been significantly hampered by the cyber attack. Although the main accounting system was unaffected, significant feeder systems such as Academy, Universal Housing and Mosaic were. The accounts production process has been delayed by several months. In some instances, a greater reliance is to be placed on estimates and where this is the case estimation techniques are being discussed in advance.	
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FR AC 003A Annual statement of accounts process meets new, shorter statutory deadlines (31 May for publication of draft accounts and 31 July for publication of audited accounts).	<ul style="list-style-type: none"> . Appropriate staff expertise and resource are in place to meet needs of process . Detailed plan which meets new statutory timetable is in place which covers all parts of process and all stakeholders . Audit timetable is agreed with key stakeholders and monitored through process, with appropriate escalation processes where necessary . External Auditors are involved throughout, and well before the beginning of, the process . Interim audit is planned and agreed with external audit . Audit timetable for closing is agreed with external auditors which reflects need and appropriate scheduling of tasks relative to complexity (i.e. complex items the sooner the better). Lessons learned exercise from previous year takes place and informs timetable and processes for the following year. 	Jackie Moylan	James Newman	31 Oct 2021	Controls updated September 2021- the accounts closing plan and timetable has been amended in light of the cyber attack.
FR AC 003C Annual statement of Accounts meet latest CIPFA accounting code guidance	The Central Accountancy function keeps up to date with CIPFA codes through subscription to the latest version, liaison with external audit and peers.	Jackie Moylan	James Newman	31 Oct 2021	Controls updated September 2021
FR AC 003D Production of wholly owned subsidiary accounts and group accounts	<p>Relevant officers given appropriate training Professional advice sought as necessary Appropriate accounting and audit processes, across LBH and subsidiaries are arranged well in advance of closing period, with any issues resolved in time. Relevant processes and interactions built into closing timetable.</p>	Jackie Moylan	James Newman	31 Oct 2021	Controls updated September 2021

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
<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.</p> <p>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 and Education; Adults, Health and Integration; Finance & Corporate Resources; Neighbourhoods & Housing</p>	 <p>Likelihood</p> <p>Impact</p>	<p style="text-align: center;"></p> <p>September 2021 - 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. In terms of this financial year, the capital programme for 2021/22 is currently £266m (non-Housing schemes totalling £108m and Housing schemes totalling £158m). The plans for Britannia of course, go beyond Housing, which makes this scheme all the more important, and one of the most ambitious in the programme. There are detailed separate risk registers for projects such as Britannia. Britannia has a commercial lead 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. This should also provide extra assurance about how a major project is being managed. All major projects (another example being the long term plans for the Tesco site on Morning Lane) contain detailed break clauses, which essentially provide guarantees that (even with the initial investment) the council cannot suffer serious losses.</p> <p>Because of the (recent) increased quantities of forward funding / borrowing here, the impact had to rise to a 5, however the likelihood decreased to a 3 as the controls (and previous experience) provided assurance that the Council was well positioned to manage this risk. Since April, the risk has remained stable.</p>

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
SRCR 0002A Management of Capital Programmes / Schemes	All capital schemes are subject to review via capital budget monitoring process. Slippages can be identified via this process and appropriate action taken. Following the Audit Committee Deep Dive, services have agreed to a target spend versus profile. 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.	Ian Williams; Ajman Ali; Jacqui Burke; Helen Woodland	Jackie Moylan	31-Aug-2022	September 2021 - Draft outturn position for 20/21 is £202m, against a revised budget of £222m. Reasons for the underspend against budget will be reviewed as part of our normal process. Capital budget profiling is a focus as it informs treasury decisions, and actuals v budget are being reported to Audit Committee accordingly.
SRCR 0002B Management of Major Capital Schemes	Major schemes are managed via project boards to ensure appropriate actions are taken to ensure delivery of scheme to expected standards.	Ian Williams; Ajman Ali; Jacqui Burke; Helen Woodland	Jackie Moylan	31-Aug-2022	September 2021 - ongoing.
SRCR 0002C Management of Major Capital Schemes	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.	Ian Williams; Ajman Ali; Jacqui Burke; Helen Woodland	Jackie Moylan	31-Aug-2022	September 2021 - ongoing. A full capital management review has now commenced. This will be reported back on in due course.

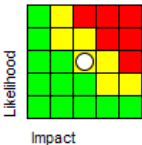

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
FR DR 0002 Failure and Poor Performance of Suppliers and Contractors / Partnerships EXTERNAL RISK CURRENT RISK	The Council's mixed-sourcing model includes provision of essential services by third party providers, and these are used within Finance and Corporate Resources, especially ICT. Non-delivery by these suppliers would negatively impact the services LBH can deliver. Also more generally, many bodies are closely associated with the Council but are subject to separate governance and management structures (eg CCGs / building contractors, IT suppliers). They play an important role directly or in support of the corporate objectives of the Council.	Finance & Corporate Resources		<p style="text-align: center;"></p> <p>September 2021 - The risk remains stable, but liable to change due to the ongoing pandemic. For ICT, the service contracts register and commissioning plan is helping to ensure that commissioned services are managed proactively. The strategic move to greater use of cloud and open source technology, with greater use of SMEs is mitigating the risk of supplier failure.</p> <p>Internal reintegrations (e.g. Hackney Homes coming back 'in-house' to become Hackney Housing in April 2016) have gone well and been</p>

	<p>If these contracting and / or partnering arrangements fail, it could have serious impacts re cost, service delivery, and reputation.</p> <p>The risk has intensified during the pandemic, as supply chains have been threatened by some organisations having to temporarily cease work or furlough staff. This could lead to an impact on service delivery for areas that are reliant on external contractors.</p>			<p>managed successfully providing good assurance as to how these relationships / arrangements are managed.</p> <p>The Council is also generally looking to Insource & bring more services back in-house, as a Manifesto commitment put forward by the Mayor in 2019. Council services worth nearly £12million every year are being reclaimed from private companies as part of a new strategy to deliver better, more reliable public services in-house rather than outsourcing them. More than 360 cleaning, maintenance and parking enforcement staff will be transferred to Council employment by March next year (2022), under a plan to bring in services from for-profit companies approved by the Council's Cabinet in Feb 2021. This reduces risks related to external reliances.</p> <p>Brexit has also added to the uncertainty and risks in this area, but things have settled a little since the UK's formal departure. Risk still remain however.</p> <p>In terms of the potential for financial risks –this could be serious since the Council is supported by many of these bodies, or is implicitly responsible for their financial soundness. Consequences of this risk being realised may include: • Financial loss – additional resources spent on rectification of areas of non-compliance • High costs associated with re-letting contract if re-tender required • Service delivery/reputation compromised • Legal challenge from contractors dissatisfied with Council processes and decisions.</p> <p>Across the Council, once Coronavirus became an urgent issue in March 2020 (and remains so 18 months later), Contract managers were advised to review and have a clear understanding of contractual terms and conditions, in particular the force majeure provisions their contracts, to ensure that they could adequately deal with potential disruption to service should suppliers choose to trigger this clause. Key suppliers will need to be considered by all. Contracts registers have been updated and reviewed by all, with training /support provided. Use of the UK Government Digital Marketplace and Technology Code of Practice continues to open up the Council's supplier base.</p>	
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FR IT 0002 Procurement to include definition of performance indicators and viability checks.	Ensure that all procurements include definition of required performance indicators for the contract and financial viability checks before contracts are entered into.	Rotimi Ajilore; Rob Miller	Stephen Addison	Ongoing	September 2021- : no further update or significant change - this is part of BAU. . Adoption of Technology Code of Practice provides a clear basis for assessment of future technology providers.

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	This will be an ongoing activity (no fixed end date).				
FR IT 0002b Carry out regular reviews of identified key suppliers, including reviewing their financial viability.	Ensure that supplier service reviews include supplier performance and independent validation of suppliers' financial viability (eg through credit checking). This should be used to identify any concerns re: the risk of supplier failure and poor performance so that appropriate mitigation plans can be made.	Rotimi Ajilore; Rob Miller	Stephen Addison	30 Oct 2021	September 2021- : No further significant change. The ICT contracts register and commissioning plan is being used to support contract managers in proactive management of their contracts.
FR IT 0002c Identify opportunities for joined up supplier management with other Council services and external partners.	Work with other Council services who share common suppliers and also with external partners to maximise the impact of supplier relationship management activity. This will be an ongoing activity (no fixed end date).	Rotimi Ajilore; Rob Miller	Stephen Addison	Ongoing	Ongoing – continues as business as usual. September 2021. No further significant change. The contracts register is being used as the basis for action to mitigate this risk.
FRDR 0015 A Contracting / partnering	Council's financial management procedures extended to partners where possible (e.g. financial regulations)	Ian Williams	Jackie Moylan	30 Oct 2022	Reviewed September 2021- ongoing.
FRDR 0015 B Contracting / partnering	Monitoring of financial position by Section151 Officer and Director (Fin Man)	Ian Williams	Jackie Moylan	30 Oct 2021	Reviewed September 2021- ongoing.
FRDR 0015 C Contracting / partnering	Post-implementation reviews carried out. Also a new Insourcing Guidance paper drafted.	Rotimi Ajilore	Procurement Manager	30 Oct 2021	Reviewed September 2021- ongoing. Substantial progress made across the Council at insourcing more services.
FRDR 0015 D Contracting / partnering	Compliance with Contract Standing Orders.	Rotimi Ajilore	Procurement Manager	30 Oct 2021	Reviewed September 2021- ongoing.
FRDR 0015 E Contracting / partnering	Substantial Legal Services input into contract formulation and on-going advice.	Rotimi Ajilore	Rotimi Ajilore; Legal services	30 Oct 2021	Reviewed September 2021- ongoing.
FRDR 0015 H Contracting / partnering	Improve and open information flows between the Council and its partners.	Rotimi Ajilore	Rotimi Ajilore	30 Oct 2021	Reviewed September 2021- ongoing.
FRDR 0015 I Contracting / partnering	Additional training on contract negotiation skills, contract management.	Rotimi Ajilore	Procurement	30 Oct 2021	Reviewed September 2021- ongoing.
FRDR0015J - Immediate Coronavirus response	Contract managers should review and have a clear understanding of contractual terms and conditions, in particular the force majeure provisions their contracts, to ensure that they can adequately deal with potential disruption to service should suppliers choose to trigger this clause	Rotimi Ajilore	All Contract Managers	30 Oct 2021	Reviewed September 2021- ongoing.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
<p>FR DR / AAF 015 Major fraud not identified INTERNAL RISK FUTURE RISK</p>	<p>The Council's response to a serious fraud is inadequate because either –</p> <p>(1) Management do not have adequate arrangements in place to identify irregularity in their service area;</p> <p>(2) Concerns are identified but they are not reported to AAF in accordance with the Anti-Fraud & Corruption Strategy; or</p> <p>(3) There is a failure in the investigation process.</p> <p>Any of the above could result in financial loss, severe reputational damage and an avoidable drain on resources through taking action to fix the problem.</p> <p>A failure to investigate a case in compliance with the prescribed legislation and Anti-Fraud & Corruption Policy could lead to damaging accusations against the Anti-Fraud Service and the possible prosecution of innocent parties or failure to prosecute fraudsters, which would negatively impact on the Council's reputation.</p> <p>There is also a risk in the wake of the Coronavirus, that criminals may capitalise on the disruption to public sector operations and plan fraudulent activities, leading to further loss of money for the Council.</p>	<p>Finance & Corporate Resources and Cross Council</p>	 <p>Likelihood</p> <p>Impact</p>	<p style="text-align: center;"></p> <p>September 2021</p> <p>The Covid pandemic has impacted on investigation work in two main areas. Firstly, there has been rapid change as new services have been delivered at short notice and existing services have been delivered in new ways. In particular, Hackney has administered high value business grants, investigators have been working closely with business rates officers to assist with enquiries where discrepancies arise and the outcomes of this work are monitored and reported back to central government. We have also made extensive use of data matching to verify claims to identify concerns.</p> <p>Secondly, some aspects of the investigation process have been suspended as a result of the pandemic. Some of these activities are being cautiously reintroduced following extensive risk assessments of the service and individuals.</p> <p>It is widely acknowledged that fraud is likely to increase at times of rapid change, as a result the likelihood score remains at a 3, albeit that evidence of specific new fraud cases is currently still low.</p> <p>The impact of the pandemic has been compounded by the cyber attack which was launched against LBH in October 2021. The continuing absence of data and systems has impacted on the enquiries that can be undertaken, and the control environment generally. Alternative mitigating arrangements are now in place where legacy systems continue to be unavailable.</p> <p>AAF are providing advice to services about sensible precautions and adjustments to procedures to ensure</p>

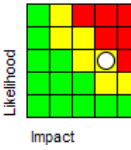

					continued effective service delivery in difficult circumstances, while still protecting the Council's resources.
					No single management or audit control is likely to completely mitigate against a serious fraud, instead the overarching control environment must function effectively. Hackney has invested in its Audit and Anti-Fraud resources which has led to some notable recent achievements to prevent and minimise the impact of fraud.
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FR AAF 015A – Cross organisation working & proactive approach of managers.	Fraud doesn't recognise geographical boundaries and the Council's approach to fraud equally relies upon robust working arrangements between other organisations, including the police, OLAs, Cabinet Office (NFI), Borders Agency, HMRC etc) SLAs are in place with RSLs. Also all managers need to be aware of their duties regarding suspicious activity, and how to comply with the Council's overall approach.	Cross Council / Partnerships	All relevant managers	1 Dec 2021	September 2021 – ongoing.
FR AAF 015B – Robust Policy framework	<p>The Council has in place a number of key policy documents setting out the Council's approach, standards and expectations when dealing with suspected fraudulent activity. These include:</p> <ul style="list-style-type: none"> • Anti-Fraud and Corruption Strategy • Whistleblowing Policy • Codes of Conduct (staff and members) • Anti-Money-Laundering Policy • ICT policies & procedures • Financial Procedure Rules <p>These are reviewed on a regular basis.</p> <p>In addition, Audit and Investigations teams have policy and procedure documents which map the specific methodologies with which they carry out their work.</p>	Ian Williams	Michael Sheffield	1 Dec 2021	<p>September 2020 - Recommendations arising from fraud reports are tracked in the same way as those arising from audit reviews, so that progress toward rectifying any areas of concern that are identified can be monitored.</p> <p>Additional reporting arrangements are being followed to inform central government of all outcomes from the business covid grant programme, including levels of fraud and proactive and reactive actions to deal with this.</p>
FR AAF 015C – Communication and awareness	Communication, both internally between teams and externally with other partners is crucial in developing a clear overall picture. This occurs through meetings and joint visits.	Ian Williams	Michael Sheffield	1 Dec 2021	September 2020

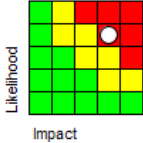

	<p>If procedural issues are identified through AAF reviews, they are reported as widely as necessary within Hackney. Staff induction stresses requirement to comply with Code of Conduct.</p> <p>Particularly close links are maintained between investigators and service areas that are targets for fraudsters, for example, housing, NRPF, contracts, etc. Specific high risk areas have received bespoke training.</p> <p>Notable investigation successes are reported to Committee and are advertised through the Comms team.</p>				<p>In light of COVID-19, AAF are providing advice to services about sensible precautions and adjustments to procedures to ensure continued effective service delivery in difficult circumstances, while still protecting the Council's resources.</p> <p>Fraud intelligence is shared with service departments to raise awareness and identify issues at the earliest opportunity.</p>
FR AAF 015D – Approach and training.	<p>Teams maintain a rigorous approach to their investigations, operating a clear system of diligently reviewing evidence and feeding back through the reporting framework.</p> <p>Performance in key areas is regularly reported to a senior level within the Council, including the Audit Committee. Investigators are all qualified. Team procedures are in place and casework is regularly reviewed and monitored by senior members of the team. Additional training is provided if a need is identified.</p>	Ian Williams	Michael Sheffield	1 Dec 2021	September 2021 – fraud awareness training has been provided in conjunction with the Procurement Team to services since the last update.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
FR AAF 002 - Audit Plan not completed	The Council has a predominantly in house audit service, which provides the benefits of auditors who are familiar with the Council, understand the environment and systems, and are able to work effectively with senior managers, adding value to audit work. However, there are risks associated with this model of service delivery which need to be recognised. The most notable is dealing with the impacts of the Pandemic and the effects it has had on services: in both staffing, resources and priorities. This has led to reduced responsiveness in the face of service demands, sickness and managerial priorities. These factors are increasing the risk of the Audit Plan not being completed, which would lead to insufficient assurance for the Council	Finance & Corporate Resources		September 2021 - Audit operations remain 'in house' (with the exception of ICT audits). Within the last year, delays have occurred as a result of COVID-19 and associated organisational restructures. For a significant period of time in 2020, numerous auditors were also redeployed. It has sometimes been difficult to get access or answers from relevant staff, due to changes in personnel and an

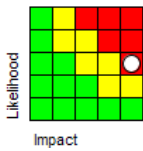
	<p>on the effectiveness of its control environment to mitigate principal risks. Also a lack of prioritisation or timely response from auditees could lead to a delay with an audit's progress. This is becoming more evident as Council staffing resources become more stretched (as the Pandemic continues), resulting in work piling up and deadlines being threatened.</p>			<p>increasing stretch on resources. This risk has been escalated back from Division level to the Directorate register.</p>
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Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FR AAF 002a - Audit Plan not completed	<p>A variety of controls are in place to help mitigate this risk:</p> <ul style="list-style-type: none"> • Suite of PIs reported on a regular basis to Audit Committee which includes completion of the Audit Plan. • Auditor performance monitoring system introduced in 2017 which projects forward anticipated audit completion dates. Regular one to ones with auditors • Maintain links with agencies to ensure in an emergency, audit resources can be brought in at short notice.. Also with professional service firms where specialist skills are required. • Communication between the auditors and auditees are carried out in a transparent and open manner to ensure full explanations and exchanges of views are communicated. • An Internal Audit Liaison Officer has been appointed for each Directorate in order to assist in communication and smoothing out any issues with auditees. The roles and responsibilities of the Liaison Officers have been clearly outlined in a document. • Forward planning of audit dates so that there is a commitment to audits 3 months ahead. • Regular reporting to Directorate Management Teams providing updates on Internal Audit work, both completed and scheduled. Audit plan is agreed with the DMTs, with senior officer input to the plan. • The Internal Audit Service have kept fully up to date with the mandatory requirements of the PSIAS and has a QAIP in place. Compliance is reviewed on a regular basis. • Whenever appropriate, training is delivered to the members of the Audit Committee. Possible future training needs might include Audit Planning, Anti-Fraud, Risk Management and role of Audit Committee. 	Ian Williams	Michael Sheffield, Tracy Barnett	April 2022	September 2021 - updated

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note	
FR DR 0001 Building Availability INTERNAL RISK FUTURE RISK	The Council is unable to conduct its business due to problems with the some buildings from which it operates. This could be caused by having to catch up on the historical lack of maintenance of buildings. This could result in incidents with severe financial or reputational impacts.	Finance & Corporate Resources		 September 2021 – Risk reviewed by Strategic Property Services Management team. Ongoing but less relevant due to the majority of the Council currently working from home.	
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FRDR 001 A: Building Availability	Rolling programme of building surveys initiated to identify condition and risks.	Ian Williams	Chris Pritchard; Karon West-Clarke	30 Oct 2021	August 2021 - ongoing. Also, testing and inspection works to civic buildings under the Directorate's financial control are ongoing, as well as 95% of voluntary sector properties.
FRDR 001 B: Building Availability	Funding for reactive maintenance included in the Capital Programme.	Ian Williams	Chris Pritchard; Karon West-Clarke	30 Oct 2021	August 2021 - ongoing. This is managed by Corporate Property & Asset Management, (CPAM), for buildings under the Directorates financial control, along with the management of buildings for some other directorates.
FRDR 001 C Building Availability	Planned maintenance arrangements for new campus covering whole building lifecycle has been introduced.	Ian Williams	Chris Pritchard; Karon West-Clarke	30 Oct 2021	Ongoing August 2021 - Planned maintenance contract now procured and on site. CPAM able to cater for all statutory inspections subject to funding availability.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note	
FR DR 0004 Commercial Rental Income INTERNAL RISK FUTURE RISK	As a result of a worsening economy and challenging economic conditions (particularly from the Coronavirus pandemic), rent from commercial properties is not received, leaving an income dependent service with a budgetary overspend. This creates a considerable risk of a higher incidence of tenant default, void properties, and lower rents being achieved for new lettings, rent reviews and lease renewals. This could have very damaging financial implications for the Council.	Finance & Corporate Resources		<p style="text-align: center;"></p> <p>September 2021 - Risk reviewed by the Head of Commercial Estate.</p> <p>Covid-19 is having a significant impact on rental income from the commercial property portfolio and the Council now has an agreed approach to what we are able to offer to tenants, which was agreed by the Mayor and Group Director of F&R. With the majority of tenants we are able to defer rent payments and agree repayment over an extended period. However, in many cases we are able to offer additional support in the form of rent free periods. We have revised our income forecasts which now assume that rental income will be very significantly affected by Covid-19. The rent forecasts are being updated on a regular basis and this information is being taken into account in assessing the Council's overall financial position".</p> <p>Although we have some estimates of what the impact on rental income is likely to be it is best not to provide the figures in the note at this stage because they are constantly changing. However, the latest financial figures clearly illustrate the constrained circumstances the Council is operating in.</p> <p>Already, there had(pre Covid) been a considerable toughening in the commercial property market over the last 24 months, which was adding to this risk and increasing the likelihood.</p> <p>The team constantly keep this under review and will ensure that the impact is taken into account in rental income forecasts. Also Universal Credit roll out is impacting on domestic rentals, and this is being carefully tracked.</p>	
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FRDR 004 A Rental Income (Commercial)	Cleansing historic debt as an ongoing process to address rental income	Chris Pritchard	Jonathan Angell	30-Nov-2021	Sept 2021 - this remains ongoing. The Council is continuing to chase historic debts and write off those considered as unrecoverable.
FRDR 004 B Rental Income (Commercial)	Debt collection function located within property service to chase debt and escalate where	Chris Pritchard	Jonathan Angell	30-Nov-2021	Sept 2021 - ongoing. We are continuing to chase

	necessary. Also current rent free periods being offered in light of Coronavirus.				debt as an ongoing function of commercial property management. Numerous rent concessions were agreed as part of our support for our Covid-19 support for tenants. In some cases rent was deferred and this is now being monitored through the debt recovery process.
FRDR 004 C Rental Income (Commercial)	Regular reporting as part of the OFP on income levels and historic debt.	Chris Pritchard	Jonathan Angell	30-Nov-2021	Sept 2021 - There is regular reporting of commercial property income and debt to the Head of Finance and this is reported periodically as part of the OFP.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
FR FSV 0040 Pensions - Assets Risk EXTERNAL RISK FUTURE & CURRENT RISK	<p>Asset risks include:</p> <ul style="list-style-type: none"> . Concentration - The risk that a significant allocation to any single asset category and its underperformance relative to expectation would result in difficulties in achieving funding objectives. . Illiquidity - The risk that the Fund cannot meet its immediate liabilities because it has insufficient liquid assets. . Currency risk - The risk that the currency of the Fund's assets underperforms relative to Sterling (i.e. the currency of the liabilities). . Environmental, social and governance ("ESG") - The risk that ESG related factors reduce the Fund's ability to generate long-term returns. 	Finance & Corporate Resources		<p style="text-align: center;">↓</p> <p>Reviewed September 2021 - ongoing. Asset risk includes a number of significant threats to the financial health of the fund. Likelihood reduced slightly, although conditions for investment markets over the long term remain uncertain, Impact remains high, given the potential threat to the Fund's ability to pay benefits as they fall due if any of these events did occur.</p>

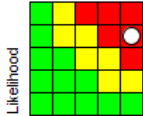

	. Manager underperformance - The failure by the fund managers to achieve the rate of investment return assumed in setting their mandates. Asset risks are covered in more detail in the Fund's Investment Strategy Statement.				
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FR FSV 0040 A Investment in a range of asset classes	. The Fund's strategic asset allocation benchmark invests in a diversified range of asset classes . Rebalancing arrangements in place to ensure the Fund's "actual allocation" does not deviate substantially from its target - The Fund invests in a range of investment mandates each of which has a defined objective, performance benchmark and manager process which, taken in aggregate, help reduce the Fund's asset concentration risk.	Jackie Moylan	Michael Honeysett	07-Dec-2021	Reviewed September 2021 - ongoing.
FR FSV 0040 B Regular cash flow monitoring	. Investment across a range of assets, including liquid quoted equities and bonds, as well as property . Majority of the Fund's assets realisable at short notice . Medium term future cash flow position assessed at least triennially to indicate likely future income requirements. - Actual cash flows monitored on a regular (quarterly) basis to provide early warning of any insufficient funds	Jackie Moylan	Michael Honeysett	07-Dec-2021	Reviewed August 2021 - ongoing. Also, cash flow monitoring is being aligned to business objectives.
FR FSV 0040 C Currency hedging	. Investment in a range of overseas markets, providing a diversified approach to currency markets. - Maintenance of a 30% hedge to USD, EUR and JPY exposures within relevant mandates reflecting changes made to the overall investment strategy	Jackie Moylan	Michael Honeysett	07-Dec-2021	Reviewed September 2021 - ongoing.
FR FSV 0040 D ESG Policy	The Fund has an ESG policy in place in its Investment Strategy Statement. More detail on the management of carbon specific ESG risks is provided in the 'Climate Change' risk section.	Jackie Moylan	Michael Honeysett	07-Dec-2021	Reviewed August 2021 - ongoing. Review of the Fund's Responsible Investment Strategy currently underway.
FR FSV 0040 E Multiple Managers & Performance assessment	. Appointment of more than one manager . Having a proportion of the Scheme's assets managed on a passive basis.	Jackie Moylan	Michael Honeysett	07-Dec-2021	Reviewed August 2021 - ongoing.

	. Regular assessment of performance - Replacement of managers if underperformance persists.				
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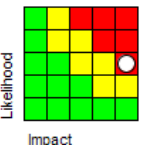
Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note	
FR FSV 0043 Pensions – Poor Membership Data Inaccurate or Late Pay Information Supplied to Hackney Pension Fund (LGPS)/Local Pensions Partnership (LGPS)/Teachers Pensions INTERNAL RISK CURRENT RISK	Inaccurate payroll data supplied to the Hackney Pension Fund results in poor membership data. This poor administration could result in inaccurate data giving rise to financial and reputational risks. Without the correct figures and information, actuaries may be unable to set contribution rates, which could result in higher contribution rates and overall member dissatisfaction. Inaccurate benefit statements might be produced, which could result in the overpayment of benefits. Enforcement action against the Council by the Pensions Regulator.	Finance & Corporate Resources		 Reviewed August 2021 – the likelihood of this risk remains high, although has slightly reduced given improved year-end data supplied over recent years. Significant problems with the payroll data being provided by the Council in the past has meant that the quality of membership data had deteriorated, particularly since the introduction of the 2014 CARE scheme. The complexity of the scheme has increased significantly and the Council’s payroll provider has previously been unable to respond to these changes, resulting in consistently poor provision of vital data across the Fund’s largest employer. A new payroll system was introduced in July 2017; although material progress has been made since the last review on developing pension reporting between the Council and Equiniti, there remain problems to work through. There are still issues on providing some data, but efforts at improving and obtaining better data for reports etc have started to be more successful, hence the slight improvement. A major project aimed at producing single source interface file for the current financial year has made significant progress with full test files having now been produced. These are currently being reconciled ahead of test runs into the pensions administration system.	
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note

F RTP 0043 A Monitoring of membership data	Annual monitoring of membership records, valuation checks, external data validations	Jackie Moylan	Michael Honeysett; Jacqueline King	30-Nov-2021	Reviewed September 2021
F RTP 0043 B Contributions monitoring	Monthly monitoring of contributions to ensure that employers paying across correct contributions along with membership data being supplied.	Jackie Moylan; Stuart Thorn	Michael Honeysett; Jacqueline King	30-Nov-2021	Reviewed September 2021 - Good communication with payroll, as accurate data is very important.
F RTP 0043 C Performance Monitoring	Service Level Agreement with external administrator and monthly monitoring of contract. Monitoring of employers and Pensions Administration Strategy which enables Fund to recoup additional administration costs for substandard performance.	Jackie Moylan	Michael Honeysett	30-Nov-2021	Reviewed September 2021-enhanced monitoring etc with implementation of new contract
F RTP 0043 D Support & Payroll development	<p>Provision of employer support to ensure employers have the knowledge and understanding necessary to provide correct information.</p> <p>Ongoing work with the Council's payroll team to assist in developing Business As Usual processes for iTrent (payroll system) which are then owned and run by the payroll team. The Council's payroll supplies data for the vast majority of the Fund – the Fund's involvement with the implementation helps ensure the importance of good quality pension reporting is recognised.</p>	Jackie Moylan; Stuart Thorn	Michael Honeysett; Jacqueline King	30-Nov-2021	<p>September 2021 - development of the employer portal continues with intention of being rolled out to all employees.</p> <p>Team is also liaising with Hackney payroll team to roll out a new contribution monitoring report.</p> <p>Also ensuring that Equiniti roll out the employer strategy in line with the contract.</p>
F RTP 0043 E Payroll data service	Ongoing project to develop single source interface from Midland Itrent payroll to the pensions system. All stakeholders for part of the project team with oversight/project management from governance and benefits advisers, Aon	Jackie Moylan; Stuart Thorn	Michael Honeysett; Lucy Patchell	30-Nov-21	September 2021 - the final spec for the interface was agreed at end March 2021 and files now produced for testing which is currently in progress. This project is nearing completion with consideration of process/ownership of

					running files as part of BAU now in progress
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Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note	
FR FSV 0053 Pension Funding Risk EXTERNAL RISK FUTURE RISK	<p>Funding risks include:</p> <ul style="list-style-type: none"> . Financial mismatch – The risk that Fund assets fail to grow in line with the developing cost of meeting the liabilities. . Inflation risk. The risk that price and pay inflation is significantly more than anticipated, increasing the value of pension benefits accrued by active and deferred members of the Fund as well as increasing the value of pensions in payment. . Changing demographics –The risk that longevity improves and other demographic factors change, increasing the cost of Fund benefits. . Systemic risk - The possibility of an interlinked and simultaneous failure of several asset classes and/or investment managers, possibly compounded by financial 'contagion', resulting in an increase in the cost of meeting the Fund's liabilities. <p>The sudden emergence of COVID-19 (hitting the UK in March 2020), had an immediate and seismic impact on finances worldwide, with stock markets immediately falling substantially and continuing to drop. whilst the stock markets have since recovered and outperformed recently, Long term, the risk here is that the economy fails to recover sufficiently and the fund suffers considerable losses.</p> <p>Further detail on the treatment of funding risks can be found within the Funding Strategy Statement</p>	Finance & Corporate Resources		 <p>Reviewed August 2021– likelihood of risk materialising remains high, given the continued volatility and uncertainty in investment markets and the ongoing impact of changing demographics. Ongoing uncertainty remains as Covid/Brexit impact lingers - although initial dramatic fall experienced at start of pandemic recovered. Uncertainty remains regarding the future.</p>	
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FRFSV 0053B Pension - Valuation Monitoring	<p>Assessment of liabilities at the triennial valuation and the roll-forward of liabilities between valuations helps identify:</p> <ul style="list-style-type: none"> . financial mismatch . falling risk free returns on government bonds higher than anticipated inflation. . Increasing fund maturity . Insufficient deficit reduction payments <p>Consistent monitoring of asset allocation and investment returns.</p>	Jackie Moylan	Michael Honeysett	30-Nov-2021	Reviewed August 2021 – ongoing. Currently reassessing liabilities and requirements for matching assets at the triennial valuation.

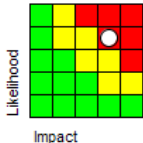

FRFSV 0053C Diversified Portfolio	The Fund seeks to mitigate systemic risk through a diversified portfolio but it is not possible to make specific provision for all possible eventualities that may arise under this heading. Some assessment in bonds assists in liability matching. Also, stabilisation modelling at whole fund level allows for the probability that risk free returns on government bonds will fail.	Jackie Moylan	Michael Honeysett	30-Nov-2021	Reviewed August 2021 – ongoing.
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Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note	
FR IT 004 Risks arising from the (October 2020) Cyberattack INTERNAL RISK FUTURE RISK	<p>In the aftermath of the recent cyberattack on the Council's legacy internally hosted systems, there are continued impacts on services where work to recover systems and data is not yet complete (potentially heightened by the ongoing pandemic).</p> <p>Substantial progress has been made with investigation and recovery, but this is still expected to take a significant period of time (at least many months). This presents significant risks in terms of service delivery and the ability of the Council's staff to carry out their roles in full.</p> <p>Data stolen by the attackers was published to the dark web in early January 2021, which presents a further risk.</p> <p>There is also the risk that recovery work may introduce new vulnerabilities / reintroduce vulnerabilities which existed at the time of the attack / retain elements of the attack which could be reused in future.</p>	Chief Executive's; Children and Education; Adults, Health and Integration; Finance & Corporate Resources; Neighbourhoods & Housing		<p>September 2021</p> <p>The Council is continuing to progress the recovery of the systems and data that were affected by the cyberattack of October 2020. While there remains significant work to fully restore services, progress has been made across all of the Council's recovery priorities.</p> <p>As recovery of systems and data continues, the Council's ICT team and service teams are working closely together to coordinate the planning and delivery of service recovery. In some of the affected service areas the recovery work to process operational backlogs is expected to continue for many months. The Council's Cyber GOLD group continues to meet to monitor and direct the recovery.</p> <p>Work is continuing to respond to the publication of stolen data in January 2021.</p> <p>The Council is continuing to cooperate closely with the Information Commissioner's Office to support their investigation into the attack.</p>	
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note

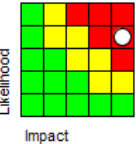

<p>FR IT 004a Recovering data</p>	<p>The cyber attack has resulted in all internally hosted legacy systems being unavailable. The recovery work is complex and extensive, so priority will need to be given in line with the Gold priorities.</p>	<p>Ian Williams; Ajman Ali; Jacqui Burke; Helen Woodland</p>	<p>Rob Miller</p>	<p>30 March - 2022</p>	<p>September 2021</p> <p>The recovery work is continuing in line with the priorities set by Cyber Gold. The most critical services are:</p> <ul style="list-style-type: none"> • Mosaic (social care) • Academy (benefits and revenues) • M3 (Planning and land charges) • Housing (delivery of modern digital tools to replace the legacy system) <p>In all cases progress has been made, but due to the severe and complex nature of the attack there is still further work needed to fully recover services.</p> <p>In some cases (eg Revenues and Benefits processing) system recovery work is sufficiently progressed that service teams are now able to progress the work to address backlogs that have accumulated as a result of the attack.</p> <p>In other services (eg social care) service teams have access to core data that has been recovered but do not yet have access to the full set of functions required to operate normally.</p> <p>There are some data sets where recovery work is still subject to technical investigation, so timelines for recovery are not yet clear.</p>
<p>FR IT 004b Service continuity</p>	<p>The systems that have been impacted by the cyber attack are essential for the delivery of many of the Council's critical services including: social care; housing benefits; Council Tax and Business Rates; land charges; and housing services.</p> <p>These systems and data sets being unavailable has a major impact on those services and business continuity and contingency arrangements will be essential to delivery of the most critical parts of those services.</p>	<p>Ian Williams; Ajman Ali; Jacqui Burke; Helen Woodland</p>	<p>James Groom</p>	<p>30 March - 2022</p>	<p>Sept 2021 [No change]</p> <p>The Council's Cyber Gold group is continuing to coordinate service continuity, risk management and recovery efforts.</p> <p>Fortnightly briefings are in place for Council Silver officers to make sure that services are kept up to date with the technical recovery work.</p>

<p>FR IT 004c Maximizing existing tools</p>	<p>While primary services systems are unavailable it is essential to explore alternative interim tools that can be made available to support service continuity arrangements. The Council has a number of tools it can deploy to provide this, including tools developed using the Amazon Web Services cloud platform and Google Workplace.</p>	<p>Ian Williams; Ajman Ali; Jacqui Burke; Helen Woodland</p>	<p>Rob Miller</p>	<p>30 March - 2022</p>	<p>[No change]</p> <p>The ongoing recovery work continues to include significant progress to recover data onto modern cloud technologies (which in many cases present a faster route to recovery and supports delivery of the Council's longer term strategy for technology and data).</p> <p>This includes migrating recovered data onto new cloud based systems which were already in progress, procurement of cloud based systems to replace legacy systems, and development of modern digital tools where that presents the best strategic fit.</p>
<p>FR IT 004d Communication to residents and staff</p>	<p>Many services that residents depend on have been impacted by the attack.</p>	<p>Ian Williams; Ajman Ali; Jacqui Burke; Helen Woodland</p>	<p>David Hardiman</p>	<p>30 March - 2022</p>	<p>Each service area is responsible for taking the lead on communicating impacts and change to their services.</p> <p>The Council's communications team are providing support to services in developing their proactive and reactive comms plans. A review of service status updates and communications is currently in progress (Sept 2021) to ensure that accurate and relevant information is provided to residents.</p> <p>Regular communications are being published online, through the Council's e-newsletter, social media channels, Hackney Today and Hackney Life which are used to deliver updates on service status, impacts on residents and mitigations.</p> <p>Fortnightly Council Silver briefings are taking place to ensure that senior managers across all services are updated on progress and are able to cascade relevant information to their teams. This is supported by updates on progress and key cyber updates as part of internal communications to all staff.</p>
<p>FR IT 004e Security of recovery work</p>	<p>The work to recover systems and deploy contingency tools needs to move at pace and involves a large number of pieces of work. This presents potential security risks from using tools in different ways and the pace of work.</p> <p>There are also potential security risks arising from restoring legacy systems, with the risk that</p>	<p>Rob Miller</p>	<p>Rob Miller</p>	<p>30 March - 2022</p>	<p>September 2021</p> <p>Following the cyberattack we have been working to recover our services to the cloud (inc vendor hosting and public cloud). We are currently working to decommission our legacy datacentre environment and will be operating a fully cloud environment once this completes.</p>

	pre-existing vulnerabilities and any remnants of this attack are returned into the operational environment.				The recovery work is being supported by careful security assessment (inc pen-tests) as we deploy new services, and in parallel to the recovery work our security assurance workstream is establishing our policies and processes for ongoing management and assurance of our systems and data. This includes compliance with NCSC guidance and other required standards.
FR IT 004f Data exfiltration risk	Alongside the significant disruption to the Council's services, data stolen by the attackers was published on the dark web in early January 2021. This presents a risk that the Council will need to control against for an extended period of time (years).	Rob Miller	Cate McLaurin	Ongoing	September 2021 The Council has established a data response team to manage the ongoing mitigation of risks relating to the theft of data and support services in their response. This work is continuing in line with the risk mitigation plans that have been developed.

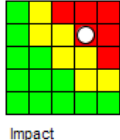

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note	
FR IT 0001 Information Assets INTERNAL RISK FUTURE RISK	The Council holds a wealth of information assets across its services. It is essential that this is managed in compliance with requirements such as the Data Protection Act, the NHS IG Toolkit and also the General Data Protection Regulation (which came into effect from May 2018). 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.	Finance & Corporate Resources		<p style="text-align: center;"></p> <p>September 2021</p> <p>Following the cyber attack on 11 October the Council took swift action to notify national Government and also the Information Commissioner's Office. The Council is continuing to work closely with the Information Commissioner's Office to support their investigation into the incident.</p> <p>The Council's preparations for GDPR have helped to support the incident response. Specifically, the Information Asset Register has been effective in providing the basis for assessing the risks of data exfiltration / publication to inform mitigation plans.</p> <p>Regular updates on management of information assets continue to be monitored by the Council's Information Governance Group.</p>	
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note

FR IT 0001a Information management	<p>Ensure effective information management policy and processes are in place so that the Council meets the 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>	Ian Williams	Cate McLaurin	01-Feb-2022	<p>September 2021 Following the cyber attack on 11 October the Council took swift action to notify national Government and also the Information Commissioner's Office. The Council is continuing to work closely with the Information Commissioner's Office to support their investigation into the incident.</p> <p>The Council's preparations for GDPR have helped to support the incident response. Specifically, the Information Asset Register has been effective in providing the basis for assessing the risks of data exfiltration / publication to inform mitigation plans.</p> <p>Regular updates on management of information assets continue to be monitored by the Council's Information Governance Group.</p>
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.</p> <p>It will be critical to ensure that 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 is an ongoing activity (no fixed end date).</p>	Ian Williams	Cate McLaurin	01-Feb-2022	<p>September 2021 - Review of third party information sharing is coordinated by the Information Management Team, who support services in applying the relevant Council policies to their information sharing arrangements.</p> <p>Regular updates on management of information assets continue to be monitored by the Council's Information Governance Group.</p>

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0021 Cyber / Information Security INTERNAL /EXTERNAL RISK FUTURE RISK	There is a risk that the security of Council's systems, network and devices could be compromised. This would have very damaging, widespread implications. Especially because reliance on these systems have	Finance & Corporate Resources		<p>September 2021</p> <p style="text-align: center;"></p> <p>Following the cyberattack of October 2020 we have been working to recover our services to the cloud (inc vendor hosting and public cloud). We are</p>

	increased in the aftermath of the COVID-19 crisis.				currently working to decommission our legacy datacentre environment and will be operating a fully cloud environment once this completes. Our recovery is consistent with the Council's pre-existing technology strategy, through which we have removed a number of underlying risk factors (eg replacement of Windows PCs with Chrome OS devices for over 95% of users). The recovery work is being supported by careful security assessment (inc pen-tests) as we deploy new services, and in parallel to the recovery work our security assurance workstream is establishing our policies and processes for ongoing management and assurance of our systems and data. This includes compliance with NCSC guidance and other required standards.
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 the Council has effective policies, guidance, training and measures to enforce compliance for all users (including Members). This will be an ongoing activity (no fixed end date). In the wake of Coronavirus emerging and the new need for most Council staff to home work, all the protocols have been reiterated to staff, to ensure that in the environment of home working, standards are upheld and any security risks continue to be minimised. Regular support is on hand to deal with any uncertainties. This will be an ongoing annual activity (no fixed end date).	Rob Miller; Ian Williams	Henry Lewis	30 March - 2022	September 2021 The Council has worked with the Cabinet Office to prepare our submission for PSN accreditation based on the new architecture for our recovered systems. This has now been submitted for PSN assessment.
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). This will be an ongoing activity (no fixed end date).	Rob Miller; Ian Williams	Henry Lewis	30 March - 2022	September 2021 The Council has worked with the Cabinet Office to prepare our submission for PSN accreditation based on the new architecture for our recovered systems. This has now been submitted for PSN assessment.

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; Ian Williams	Henry Lewis	30 March - 2022	<p>September 2021</p> <p>Our security assurance workstream is establishing our policies and processes for ongoing management and assurance of our systems and data. This includes compliance with NCSC guidance and other required standards.</p> <p>Regular updates on cyber security risk management continue to be monitored by the Council's Information Governance Group.</p>

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
<p>SRCR 0030 Pressures on Temporary Accommodation INTERNAL RISK CURRENT RISK</p>	<p>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. This all produce financial, reputational and legislative (in terms of abiding by the Homelessness Reduction Act) risks.</p>	<p>Finance and Corporate Resources</p>		<p style="text-align: center;"></p> <p>September 2021:</p> <p>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.</p> <p>The amount of temporary accommodation property needed to fulfill demand for homeless households continues to increase. The Council now houses the highest amount of households in temporary accommodation for a decade, at 3352 households, containing 3928 children.</p> <p>The number of households seeking advice and support with homelessness in borough has risen by 52% since March 2018 and the introduction of the Homeless Reduction Act.</p> <p>The sheer volume of units needed is expected to mean that the costs will continue to rise this year and next, especially in the aftermath of COVID-19 once the legal protection to private tenants expires in May 2021. Currently the Council has no way of knowing the amount of residents that are in rent arrears in the borough due to the</p>

			<p>economic downturn, who may present to the Council as homeless once the protection is lifted at the end of March.</p> <p>Despite 33 temporary accommodation hostels within the borough, demand far outstrips supply. Homeless households still present on the day and are placed wherever there is accommodation available, more often than not in Essex, Kent, Bedfordshire and Hertfordshire. It is impossible to source ground floor and mobility accessible TA within the borough.</p> <p>The majority of the Council's expenditure on temporary accommodation is on c.1400 households placed outside the borough and London in nightly paid accommodation. The Benefits and Housing Needs Service in conjunction with Strategic Property Services and Housing Strategy team continue to look at ways to boost more affordable temporary housing in borough by pursuing hostel leases with private landlords and developers, to reduce the reliance on nightly paid accommodation and contain expenditure.</p> <p>Another new 23 bed TA hostel in borough opened in July 2021 and a further report agreed at Cabinet to deliver five hostels over the next 2 years with a private developer and funding from MHCLG and GLA.</p> <p>Plans are also being worked up for another 7 bed hostel for high risk homeless residents to go live in 2022.</p> <p>Temporary accommodation income collection is currently unknown and is being forecasted as an estimate. However, since the cyber attack, rent accounts have not been available to view and the level of collection is impossible to determine. For new temporary accommodation residents, rent accounts have not been created and housing benefit and discretionary housing payments applied. Lock down rules and restrictions on bailiffs have further impeded the removal of those that refuse to pay. This situation should improve within the next two months.</p> <p>The Covid 19 Protect Hotel continues to offer accommodation, food, health care and support to 54 individuals who were rough sleeping under the 'In for Good' principles. This pathway hosts a mixture of clients some on a statutory and non statutory basis, including NRPF, most with high support needs that will require supported accommodation. Move on plans are in place for these individuals. Net expenditure on this scheme was covered in full via various government grants for 20/21 but there may be a net expenditure of c.£1m for 2021/22 based on current forecasting but this will be clarified once the above situation is resolved and some housing benefit is claimed and processed.</p>
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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	31-Dec-2021	September 2021- The Benefits and Housing Needs Service continues to utilise all Council owned regeneration void properties as temporary accommodation wherever possible and affordable to do so. The current figure is c.500 units. Work has been undertaken by the regeneration programme to further review the voids for economic viability and has resulted in a further 85 becoming available for us over the next 6 months.
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	31-Dec-2021	September 2021 - The Benefits and Housing Needs Service has formally discharged the Councils housing duty by securing tenancies for 156 households into the private rented sector for 2021/22. The joining of Capital Letters as a pan london provider of PRS properties in the last year has enabled this figure to increase and therefore containing the cost of temporary accommodation. As part of the cyber recovery work needed for the service, resources should be freed up possibly in 2022/23 if good progress is made and redistributed into the housing supply area to increase the number of properties that can be accepted from Capital Letters by the end of the financial year.
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	31-Dec-2021	Control ongoing Control ongoing Sept 2021. Reports issued quarterly to pan London Homeless group for monitoring purposes. Business as usual. The Home Office asylum seeker hotel dispersal threatens this position. They aim to resettle 90 households within Hackney during 2021/22 and should not be procuring prs properties at a rate above the Pan london cap. 56 households have been resettled in borough so far with 2 breaches of the pan London rate.

Risk Title *	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
Risk LR HR 1920 004 Workforce	There is a risk that after many years of austerity, the Council's workforce is not fit for the services that we deliver in the future or how we deliver them. There is also a risk that the Council's workforce does not reflect the diverse community that we serve.	HUMAN RESOURCES AND ELECTORAL SERVICES		The Chief Executive's Directorate now have responsibility for the workforce strategy and earlier in 2021 saw the launch of the Inclusive Management Toolkit, which was shared with all at the Council. These will need to be reviewed in light of the Covid pandemic.

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
LR HR 1920 004 A Workforce Strategy	A comprehensive workforce strategy addressing issues raised by Covid pandemic to be put into place and approved by HMT.	Polly Cziok	Polly Cziok	June 2022	September 2021 - workforce strategy to be reviewed in light of Covid pandemic. This has now been moved as a responsibility within the Chief Executive's Directorate
LR HR 1920 004 B Inclusive Leadership Action Plan	A specific and comprehensive action plan that addresses workforce diversity priorities and embeds and inclusive leadership culture to be put into place and delivered.	Sonia Khan	Sonia Khan	April 2022	September 2021 The majority of senior managers participated in inclusive leadership training, delivered by inclusive leadership champions, recruited from across the organisation. We are progressing actions on workforce diversity, having drawn on insight from focus groups and co-produced solutions with staff. These actions and priorities have been revised in the light of the pandemic.
LR HR 1920 004 C Enhanced Workforce Data	Workforce analysis capability to be enhanced, including analysis of pay gaps and a review of the data provided in the workforce profile.	Stuart Thorn	Stuart Thorn	April 2022	September 2021 Gender and Equalities Pay Gap reports are submitted to full Council in January each year. Gender Pay Gap Report is then published on the Council's Website. Annual Pay Statement is also approved by Full Council in January each year.
LR HR 1920 004 D Data	Work to be undertaken to collect demographic data of employees within HR processes, starting with the Grievance	Stuart Thorn	Stuart Thorn	April 2022	September 2021 - Because of the Cyber Attack ICT have not been able to focus resources on this.

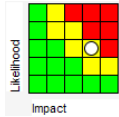
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monitoring of HR processes	process as a proof of concept.				
LR HR 1920 005 E Agency Spend	The Chief executive to task HMT with reducing agency spend in order to reduce the risk of an unstable workforce and excess spend	Mark Carroll	Mark Carroll	ongoing	Sept 2021 - this is ongoing and has been identified as a further opportunity for savings.
LR HR 1920 006 F Local Recruitment	The Council undertake a local recruitment campaign in order to attract local people to work for us.	Polly Cziok	Polly Cziok		September 2021 update: Campaign completed
LR HR 1920 004 G HMT	Workforce is a regular monthly item on the HMT agenda, where progress on the actions and controls outlined in this risk are discussed.	Mark Carroll	Mark Carroll	ongoing.	
LR HR 1920 004 H Technology Strategy	There is a technology plan in place to ensure the technology we operate keeps pace with the way we need to deliver services.	Rob Miller	Rob Miller	ongoing	
LR HR 1920 004 I Organisational Change Policy	There is a comprehensive and best practice organisational change policy and procedure in place to manage the changes that the Council needs to implement in the workforce.	Stuart Thorn	Stuart Thorn	ongoing	September 2021 - This Policy is deemed fit for purpose, however, additional management guidance was introduced to support managers during the COVID Pandemic. The Organisational Change Policy will be reviewed in accordance with the corporate guidelines or change in employment legislation

Risk Title *	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
LR HR 1516 002 Equalities	Equalities risks in the pay, grading and terms and conditions structure lead to grievances and/or claims alleging equal pay, equal value and/or discrimination	HR - Chief Executive's		This risk did increase at the last review as a result of potential issues in the Housing Fair Pay scheme

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
LR HR 1819 002 A	Reports to and decisions made by HMT in relation to Housing Fair Pay scheme to be progressed	Ajman Ali	Stuart Thorn	TBC	Ongoing. Project is being managed by Ajman Ali.
LR HR 1516 002 C Equalities	The legal landscape and equality in the pay and grading structure continue to be monitored ongoing	Stuart Thorn	Meryl Wade	Ongoing	This is a continuing activity
LR HR 1718 002 D Equalities	A control and monitoring system has been implemented for market supplements	Stuart Thorn	Meryl Wade	Ongoing	This is a continuing activity

Risk Title *	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
LR HR 1516 001 HR Systems	HR and payroll systems are critical to the operation of the Council. If these were to fail, the consequences would be severe.	HUMAN RESOURCES		<p>Risk reduces in severity and likelihood as new system now implemented. Incremental improvements being made. Following the COVID Pandemic a review needs to take place in respect of the process for BACS payment and options could include asking our Payroll Provider to undertake this role.</p>

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
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LR HR 1819 001 A HR systems	There is ongoing monitoring of system speed, resource issues and support issues by ICT	Rob Miller	Henry Lewis	June 2022	September 2021 - control updated
LR HR 1819 001 B HR systems	A project has been set up to manage improvements to the system and processes whilst maintaining core performance	Stuart Thorn/Rob Miller	Jacqueline King / Stuart Thorn	June 2022	September 2021 - control updated
LR HR 1819 001 C HR systems	Switch more resources into payroll and HR systems as this is where the issues currently are.	Stuart Thorn	Jacqueline Kingl	June 2022	A structure review of Payroll and HR Systems was planned. Unfortunately, the review cannot take place because a number of posts within Payroll and HR Systems are not funded