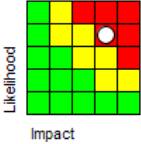



# Finance and Corporate Resources Directorate Risk Register

## October 2023



Generated on: 23 September 2023

Risk Title	Description of Risk	Directorate	Current Risk Matrix (score after mitigations)	Risk - Latest Note
<p><b>FR AC 001 Budget Setting</b> - Budgetary stability in relation to both budget setting and budgetary control and medium term financial planning  <b>INTERNAL &amp; EXTERNAL RISK</b>  <b>FUTURE RISK</b></p>	<p>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..</p>	<p>Finance &amp; Corporate Resources</p>		<p style="text-align: center;"></p> <p>Updated and amended September 2023.</p> <p>Continued demand pressures in social care, the absence of a long-term solution for the funding of Adults Social Care and the cost of living crisis (with inflation still at 6.7%) continues to have an extremely significant impact on the Council's finances both in terms of additional costs and income collection. This is further compounded by the continuing impacts of the pandemic and the criminal cyber attack of October 2020. Additionally, the 23/24 pay offer (yet to be accepted) will place a further strain on finances.</p> <p>The July OFP reported to Cabinet in September forecasts a net overspend of £13.7m for 2023/24 after the application of reserves but before the application of the set aside provisions as provided for in the budget. The application of provisions and the additional in-year savings reduces the overspend to £9.1m.</p> <p>The pending pay award for the current year will exceed the provision made for in the budget. The Corporate Leadership Team will continue to consider further measures to reduce spend and report back in</p>

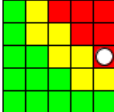

				<p>future OFPs. It is noted, for example, that specific measures have been identified in the high-spending areas of Adult's and Children's to bring down costs and the impacts will be factored into the forecast as and when then these materialise. Furthermore, additional one-off provisions were made as part of the budget setting process in relation to demand-led pressures and pressure on suppliers. At this stage these have not been applied in their entirety to the overspend position. Further consideration will be given to this as we get a better picture of the forecast as the year progresses</p> <p>The impending Fair Funding Review and a Business Rates Reset has over several years been reported as a risk to the finances of the Council as in its originally proposed form, it would almost certainly involve us in a loss to funding (possibly significant) which could in turn have a severe impact on overall service delivery and strategic objectives. It was originally planned to be introduced in April 2020 but postponed because of Covid. It was then planned to be introduced in 2021/22 but was again postponed and is now very unlikely to be introduced until 2025/26 at the earliest. Further it is not clear what impact a change of Government will have on its form and content. However, it must continue to be recognised as a longer term risk as any kind of Business Rates Reset will inevitably reduce our funding, all else being equal. 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.</p>	
<b>Control Title</b>	<b>Control Description</b>	<b>Responsible Officer</b>	<b>Service Manager</b>	<b>Due Date</b>	<b>Control - Latest Note</b>
FR AC 001A Accuracy of corporate financial planning	<p>A medium-term financial plan is maintained and planning assumptions regularly reviewed, updated and also tested through London-wide networks.</p> <p>The MTFP is reported to members as part of the annual budget report.</p> <p>An up to date Treasury Management Strategy is maintained and reported to members regularly through appropriate forums.</p>	Jackie Moylan	Mizanur Rahman	Ongoing	As at the end of July the Council's budget is forecast to be £9.1m overspent. Finance are working with the services to mitigate this pressure, however, a significant overspend is likely to remain and will impact on the Councils reserves.

	<p>An up-to-date capital programme is maintained with clear links through to the MTFP.</p> <p>A 30 year HRA business plan is in place and regularly reviewed.</p> <p>Senior financial managers ensure they are well informed on changes to key financial issues,</p>				
FR AC 001B Corporate savings delivery	The Directorate Finance Support team provide accurate information to budget holders to inform appropriate decision making around corporate savings requirement.	Jackie Moylan	Deirdre Worrell/ Mizanur Rahman	Ongoing	<p>Control updated Sept 2023</p> <p>Finance provides ongoing support to budget holders in developing budget proposals and are embedded in directorate management teams.</p>
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	Deirdre Worrell/Mizanur Rahman	Ongoing	<p>Control updated Sept 2023</p> <p>The budget setting process for 2024/25 is well underway . This includes significant increases in budget in some areas to meet demand pressures. Budget proposals to meet the Gap for 2024/25 are in train and focus is also on the medium term where a significant gap remains. Inevitably the Council will have difficult decisions to make.</p>
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	Deirdre Worrell/Mizanur Rahman	Ongoing	<p>Control updated Sept 2023.</p> <p>Monthly reports to Cabinet (the OFP). Regular catch up meetings held between the S151 officer and the Mayor and the Lead Member for Finance as well as routine finance updates to Scrutiny and the Audit Committee.</p> <p>Overview of all budgets provided by Group Directors to Scrutiny Panel in July 2023 in advance of budget scrutiny by individual commissions.</p>

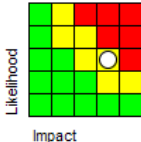

FR AC 001E Changes to Prudential Code , and new Financial Management Code and also MRP guidance	Senior finance management keep themselves informed of changes to CIPFA Prudential Code, the FM Code & MRP Guidance.	Jackie Moylan	Deirdre/Worrell/Mizanur Rahman	Ongoing	Control updated Sept 2023. Key officers are aware of changes to guidance and these are reflected in financial planning and the statutory accounts. Members are also kept informed throughout the Capital Asset Steering Board.
FR AC 001E Council reserves in respect of the General Fund & the HRA are adequate to provide financial resilience.	The adequacy of reserves are formally reviewed and reported on by the S151 officer as part of the annual budget report. Earmarked reserves are held to mitigate against specific risks. Reserves are reviewed on an ongoing basis throughout the financial year in the context of emerging pressures.	Jackie Moylan	Deirdre Worrell/Mizanur	Ongoing	New control added Oct 2023 This year unearmarked General Fund reserve was increased from £15m to £17m. A deep dive on the Council's reserves were reported to Audit Committee in April 2023 which noted comparative picture and use of reserves as a result of the cyber attack and demand pressures.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
FR AC 003 Accounts Closure <b>INTERNAL RISK</b> <b>FUTURE RISK</b>	The risk that accounts are produced late, and the subsequent management of the audit then results in late publication of the Council's accounts. If accounts are not closed on time, it would have legislative and reputational consequences. Risk also applies to the (external) auditors not meeting their own challenging deadline at the end of September, with additional regulatory scrutiny adding to the pressure.	Finance & Corporate Resources		<p>Risk score has stabilised after the likelihood having risen at the last review.</p> <p>Reviewed September 2023 - control ongoing. In the light of COVID-19, deadlines were relaxed for 2019/20, 2020/21 and 2021/22. The Accounts were produced late for 2020/21 due to the cyber attack. The 2020/21 audit has been successfully completed, and we have been issued with an unqualified opinion</p> <p>The draft accounts for 2021/22 were published in line with the statutory deadline of the end of July 2022. The Audit is substantially complete, and the main area outstanding is</p>

					<p>further testing on the assets and liabilities in relation to the Pension Fund, a requirement which has been entirely driven by delays to the audit.</p> <p>The draft accounts for 2022/23 were published in line with the statutory deadline of the end of May 2023. The audit for 2022/23 has commenced in July. However, the audit opinion will not be given by the end of September deadline due to issues in the external audit market.</p>
<b>Control Title</b>	<b>Control Description</b>	<b>Responsible Officer</b>	<b>Service Manager</b>	<b>Due Date</b>	<b>Control - Latest Note</b>
FR AC 003A Annual statement of accounts process meets new, shorter statutory deadlines (31 May for publication of draft accounts and 30 Sep for publication of audited accounts).	<ul style="list-style-type: none"> <li>. Appropriate staff expertise and resource are in place to meet needs of process</li> <li>. Detailed plan which meets new statutory timetable is in place which covers all parts of process and all stakeholders</li> <li>. Audit timetable is agreed with key stakeholders and monitored through process, with appropriate escalation processes where necessary</li> <li>. External Auditors are involved throughout, and well before the beginning of, the process</li> <li>. Interim audit is planned and agreed with external audit</li> <li>. 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.</li> </ul>	Jackie Moylan	Mizanur Rahman	Ongoing	Controls updated September 2023- Statutory deadline for publication was met for 2022/23. Risk remains re the audit as set out above.
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	Mizanur Rahman	Ongoing	Controls updated September 2023 Note, no significant issues raised with the 2021/22 audit to date, other than sector-wide pensions liability issue.
FR AC 003D Production of wholly owned subsidiary accounts and group accounts	<p>Relevant officers given appropriate training. Professional advice sought as necessary.</p> <p>Appropriate accounting and audit processes, across LBH and subsidiaries are arranged well in advance of closing period, with any issues resolved in time.</p> <p>Relevant processes and interactions built into closing timetable.</p>	Jackie Moylan	Mizanur Rahman	Ongoing	Controls updated September 2023 Note, no significant issues raised with 2021/22 audit to date, other than sector-wide pensions liability issue.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
<p><b>SRCR 0002</b> Management of Capital Programmes / Schemes <b>EXTERNAL RISK</b> <b>FUTURE RISK</b></p>	<p>From a financial perspective, as a result of substantial external borrowing to fund the ambitious capital programme, the Council moves from a low external debt position and becomes more vulnerable to changes in the market (interest rates. 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 &amp; Corporate Resources; Neighbourhoods &amp; Housing</p>	 <p>Likelihood Impact</p>	<p style="text-align: center;"></p> <p><b>September 2023</b> - This risk is ongoing in light of the quantity of high level programmes across the Council and increases in interest rates. 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 revised capital programme for 2023/24 is currently £250.0m (non-Housing schemes totalling £136.2m and Housing schemes totalling £113.8m). A commitment to building affordable homes is part of the Mayor's priorities, so multiple building projects will be required to achieve this.</p> <p>There are detailed separate risk registers for major projects such as Britannia. Britannia has a commercial lead and has contracted construction specialist cost advice and financial viability advice for the project. This has meant that phase one (the school and leisure centre) have been delivered on budget. This approach will continue for phase two of the project, enabling more informed decision making by the Officer Steering Group and Project Board established to govern it. This risk has remained the same since the last period as there are no major changes to the project profile.</p>

Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
<b>SRCR 0002A</b> Management of Capital Programmes / Schemes	All capital schemes are subject to review via the capital budget monitoring process which is reported through to Cabinet and also reviewed by Audit Committee on a quarterly basis.	Jackie Moylan	Mizanur Rahman	Feb -2024	September 2023 - The capital budget for 2023/24 is £248.1m (Non-Housing budget £134.3m and Housing budget £113.8m). Following the Capital Management Review, the Capital Asset Steering Board (CASB), is now in place and will strengthen monitoring of the overall capital programme at Cabinet member and Chief Officer level (see <b>SRCR 0002C</b> below). Thematic and area-based reporting formats in terms of outcomes and costs are being developed and timetabled for implementation in the current financial year.
<b>SRCR 0002B</b> 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.	Jackie Moylan	Mizanur Rahman	Feb - 2024	September 2023 - Governance for major projects include next step gateway processes which ensure affordability of projects are subject to periodic review which is a significant risk in a time of high construction inflation.
<b>SRCR 0002C</b> Management of Major Capital Schemes	Following the completion of a capital management review the Capital Asset Steering Board (CASB), a joint Cabinet member and Chief Officer board is now in place and has oversight of the capital programme as a whole. The purpose of the board includes to review new project proposals, including their affordability and make recommendations to Cabinet on their inclusion on the Capital Programme & monitoring the delivery and development of the Capital Programme, Strategic Asset Management Strategy and the HRA Asset Management Plan.	Jackie Moylan	Mizanur Rahman	Mar - 2024	September 2023 -The CASB was established in October 2022 and to date has input into the capital strategy approved as part of the budget report and reviewed and recommended new capital investment to go forward to Cabinet. In the current financial year, as well as the enhanced monitoring arrangements referred to at <b>SRCR 0002A</b> above the CASB will also oversee the development of a 10 year capital programme (currently three) linked into the MTFP.
<b>SRCR 0002D</b> Management of Major Capital Schemes	The Council has a Treasury Management Strategy (TMS) in place which incorporates the authorised borrowing limit and borrowing strategy. The TMS is reviewed by Audit Committee and approved by Full Council on an annual basis with the Audit Committee receiving quarterly updates on treasury management activities including any new borrowings. The Council also has treasury management advisors in place who support us in making borrowing and investment decisions.	Jackie Moylan	Mizanur Rahman	May 2024	September 2023 - This is not a new control but is now recorded on the risk register in relation to Major Capital Schemes due to increased borrowing requirement and heightened interest rates.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note	
FR DR 0002 Failure and Poor Performance of Suppliers and Contractors / Partnerships <b>EXTERNAL RISK</b> <b>CURRENT RISK</b>	<p>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.</p> <p>This could also result in notable financial losses for the Council (with additional resources spent on rectification of areas of non-compliance); also there would be high costs associated with re-letting contract if re-tender required. There is also the potential for there to be legal challenges from contractors dissatisfied with Council processes and decisions. All these risks are serious for the Council as it is supported by many of these bodies, or it is implicitly responsible for their financial soundness.</p> <p>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. If these contracting and / or partnering arrangements fail, it could have serious impacts re cost, service delivery, and reputation.</p> <p>The risk intensified during the pandemic, as supply chains were threatened by some organisations having to temporarily cease work or furlough staff. This could have led to an impact on service delivery for areas that are reliant on external contractors.</p>	Finance & Corporate Resources		 <b>September 2023 -</b> <p>The risk remains stable, but liable to change due to challenging and continuing external events (notably the cost of living crisis). 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>The Council is continuing the delivery of its plan to insource and bring more services back in-house, as a Manifesto commitment put forward by the Mayor in 2022. Council services worth nearly £12 million every year have been reclaimed from private companies as part of a new strategy to deliver better, more reliable public services in-house rather than outsourcing them. Hundreds of cleaning, maintenance and parking enforcement staff were transferred to Council employment between January 2020 and March 2022, under a plan to bring in services from for-profit companies approved by the Council's Cabinet. This included over 130 parking wardens being brought back "in house" after previously having to contract for an external company (APCOA). This reduces risks related to external reliances.</p> <p>Brexit and COVID-19 has had an impact on the workforce availability to deliver our procurement activities and we have continued to adapt to the changing market to ensure that we effectively resource our procurement function. We have continued to work with Key suppliers to improve service delivery and achieve savings particularly to contribute to the Council's savings targets. 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	Service Managers	Ongoing	September 2023- : 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.





	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	Service Managers	30 Oct 2024	September 2023- : 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	Service Managers	Ongoing	Ongoing – continues as business as usual. September 2023. 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)	Jackie Moylan	Deirdre Worrell	30 Oct 2024	Reviewed September 2023- ongoing.
FRDR 0015 B Contracting / partnering	Monitoring of financial position by Section151 Officer and Director (Fin Man)	Jackie Moylan	Jackie Moylan	30 Oct 2024	Reviewed September 2023- ongoing.
FRDR 0015 C Contracting / partnering	Post-implementation reviews carried out. Also a new Insourcing Guidance paper drafted.	Jackie Moylan	Rotimi Ajilore	30 Oct 2024	Reviewed September 2023- ongoing. Substantial progress made across the Council at insourcing more services.
FRDR 0015 D Contracting / partnering	Compliance with Contract Standing Orders.	Jackie Moylan	Rotimi Ajilore	30 Oct 2024	Reviewed September 2023- ongoing.
FRDR 0015 E Contracting / partnering	Substantial Legal Services input into contract formulation and on-going advice.	Jackie Moylan	Rotimi Ajilore; Legal services	30 Oct 2024	Reviewed September 2023- ongoing.
FRDR 0015 H Contracting / partnering	Improve and open information flows between the Council and its partners.	Jackie Moylan	Rotimi Ajilore	30 Oct 2024	Reviewed September 2023- ongoing.
FRDR 0015 I Contracting / partnering	Additional training on contract negotiation skills, contract management.	Jackie Moylan	Rotimi Ajilore	30 Oct 2024	Reviewed September 2023- ongoing.
FRDR0015J - Immediate Coronavirus response - but continued good practice 2 years later.	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	Jackie Moylan; Rotimi Ajilore	All Contract Managers	30 Oct 2024	Reviewed September 2023- ongoing.

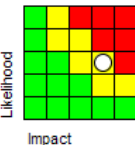
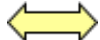
Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note	
FR DR / AAF 015 Major fraud not identified <b>INTERNAL RISK</b> <b>FUTURE RISK</b>	<p>The Council's response to a serious fraud is inadequate because either –</p> <p>(1) Management do not have adequate arrangements in 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 &amp; Corruption Strategy; or</p> <p>(3) There is a failure in the investigation process. This has not happened previously but it continues to be a risk we must guard against.</p> <p>Regarding the impact to the Council, 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 &amp; 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>	Finance & Corporate Resources and Cross Council		<div style="text-align: center;">↔</div> <p>September 2023</p> <p>The response to the cost of living crisis and cyber attack resulted in new services being delivered at short notice and existing services being delivered in new ways. 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, although the fraud response arrangements are considered to be effective and have been enhanced since the risk register was last updated.</p> <p>New business systems have been introduced following the cyber attack, resulting in new processes and ways of working. Despite this progress there continue to be some legacy data issues which impact on multiple services, including AAF.</p> <p>AAF continues to provide advice to services about sensible precautions and adjustments to procedures to ensure effective service delivery in difficult circumstances, while still protecting the Council's resources.</p> <p>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.</p>	
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 is supported by good working arrangements between other organisations, including the police, local authorities, Cabinet Office (NFI), Borders Agency, HMRC etc.	Cross Council / Partnerships	All relevant managers	Ongoing	September 2023 – ongoing.

	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.				
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"> <li>• Anti-Fraud and Corruption Strategy</li> <li>• Whistleblowing Policy</li> <li>• Codes of Conduct (staff and members)</li> <li>• Anti-Money-Laundering Policy</li> <li>• Surveillance and Communications Data Policy</li> <li>• ICT policies &amp; procedures</li> <li>• Financial Procedure Rules</li> </ul> <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>	Jackie Moylan	Michael Sheffield	Ongoing	<p>September 2023 - 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>The Anti-Fraud &amp; Corruption Policy and the Surveillance and Communications Data Policy and Procedures have both been updated during summer 2023 and will be presented to the Audit Committee to approve in October. Following this they will be re-advertised to all relevant staff.</p>
FR AAF 015C – Communication and awareness	<p>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. If procedural issues are identified through AAF reviews, they are reported as widely as necessary within Hackney. Staff induction stresses the requirement to comply with the Code of Conduct.</p> <p>Particularly close links are maintained between investigators and service areas that are targets for fraudsters, for example, parking, housing, NRPF, contracts, etc. Specific high risk areas have received bespoke training.</p> <p>Notable investigation successes are reported to the Audit Committee and are advertised through the Comms team.</p>	Jackie Moylan	Michael Sheffield	Ongoing	<p>September 2023</p> <p>AAF regularly works with services where change is happening to advise on sensible precautions and adjustments to procedures to minimise the risk of fraud. Fraud intelligence is shared with service departments to raise awareness and identify issues at the earliest opportunity.</p> <p>High profile casework that has been publicised in-year includes the recovery of the 1,000th misused housing tenancy and proceeds of crime act powers to recover criminal benefit following unlawful development.</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</p>	Jackie Moylan	Michael Sheffield	Ongoing	<p>September 2023</p> <p>A new case management system was introduced in April 2022 following the cyber attack, providing greater capacity to interrogate investigation data and improved case management.</p> <p>Audit Investigation Team procedures have been comprehensively updated in recent months.</p>

	members of the team. Additional training is provided if a need is identified.				Training has been provided to all investigators in-year covering interview skills and surveillance and communications data powers.
NEW AAF 015E - Proactive Anti-Fraud Plan	A proactive anti-fraud plan has been developed and was introduced in April 2023. This identifies council operations which may be at higher risk of fraud and targets counter-fraud resources proactively to establish if the perceived threat is real, and to take preventative action if it is.	Jackie Moylan	Michael Sheffield	Ongoing	Sept 2023 - The proactive plan has been agreed and proactive investigations are taking place.
NEW AAF 015F - Fraud Risk Register	A risk register which identifies the Council's fraud risks has been developed and will be consulted on with service areas shortly. This will inform future proactive counter-fraud work and the audit planning process, and will also help service areas to improve their consideration of these types of risk.	Jackie Moylan	Michael Sheffield	March 2024	Sept 2023 - The register has been developed and consultation with investigation and audit stakeholders has been completed.

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note	
FR DR 0001 Building Availability <b>INTERNAL RISK</b> <b>FUTURE RISK</b>	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 2023 – Risk reviewed by Strategic Property Services Management team. An important development is that Stoke Newington Town Hall and Municipal Offices are now beyond reasonable repair and urgent refurbishment is needed. Discussions are underway to move remaining current occupiers to alternative locations, whilst full surveying and solutions are carried out. Full surveying is due to be completed in the next month. Analysis and recommendations will follow. It is important that no further bookings for this building should be taken.	
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.	Jackie Moylan	Chris Pritchard; Karon West-Clarke	31 August 2023	September 2023 - 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. As the above update shows, Stoke Newington Town Hall's building risks have been identified.
FRDR 001 B: Building Availability	Funding for reactive maintenance included in the Capital Programme.	Jackie Moylan	Chris Pritchard; Karon West-Clarke	31 August 2023	September 2023 - 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.	Jackie Moylan	Chris Pritchard; Karon West-Clarke	31 August 2023	Ongoing September 2023 - 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 <b>INTERNAL RISK</b> <b>FUTURE RISK</b>	As a result of a worsening economy and challenging economic conditions (particularly from the pandemic, and now cost of living crisis), 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><b>Sept 2023</b> - Risk reviewed by the Acting Head of Commercial Estates.</p> <p>The commercial property market remains vulnerable while wider economic challenges and the impact of global developments persist. The office and retail sectors, which comprise a large proportion of the Council's portfolio, face particular difficulties with high office vacancy rates and the continued decline of retail due to online shopping.</p> <p>Void costs are also increasing, such as utilities and security; as are pre-letting costs with increasing MEES requirements kicking in prior to letting. The government has launched a consultation about Empty Property Rates Relied, which would further increase the financial burden of void assets. Once new occupiers are identified, tenants are expecting much longer rent free periods and incentives; rent-free packages that are currently available in the marketplace generally equate to two months' rent free per year term certain. All of this increases the necessity for landlords to consider rent reductions and deferrals in order to retain tenants in some circumstances.</p> <p>Against this backdrop, the identified risk remains applicable to the Council's estate.</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	David Rice-Oxley	30-March-2024	<b>Sept 2023</b> - 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 necessary. Also current rent free periods being offered in light of Coronavirus.	Chris Pritchard	David Rice-Oxley	30-March-2024	<b>Sept 2023</b> - ongoing. We are continuing to chase debt as an ongoing function of commercial property management. Numerous rent concessions were agreed as part of our pandemic support for tenants. In some cases rent was deferred and was then monitored through the debt recovery process. Cost of living crisis is further having to be considered within this now.
FRDR 004 C Rental Income (Commercial)	Regular reporting as part of the OFP on income levels and historic debt.	Chris Pritchard	David Rice-Oxley	30-March-2024	<b>Sept 2023</b> - 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 <b>EXTERNAL RISK FUTURE &amp; CURRENT RISK</b>	<p>Asset risks (which would be the failure to meet overall objectives through poor asset performance) include:</p> <ul style="list-style-type: none"> <li>. 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.</li> <li>. Illiquidity - The risk that the Fund cannot meet its immediate liabilities because it has insufficient liquid assets.</li> <li>. Currency risk – The risk that the currency of the Fund’s assets underperforms relative to Sterling (i.e. the currency of the liabilities).</li> <li>. Environmental, social and governance (“ESG”) – The risk that ESG related factors reduce the Fund’s ability to generate long-term returns.</li> <li>. Manager underperformance - The failure by the fund managers to achieve the rate of investment return assumed in setting their mandates.</li> <li>. Asset Pooling risk - that pooling prevents the Fund achieving its objectives. Excessive cost in the transition might contribute to this, as well as the potential of an excessive concentration of assets amongst relatively few large institutions. Also Central Government changes could destabilise things.</li> </ul>	Finance & Corporate Resources			
				Reviewed September 2023 - 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. 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	<ul style="list-style-type: none"> <li>. The Fund's strategic asset allocation benchmark invests in a diversified range of asset classes</li> <li>. Rebalancing arrangements in place to ensure the Fund's "actual allocation" does not deviate substantially from its target</li> <li>- 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.</li> </ul>	Jackie Moylan	Rachel Cowburn	31-Mar-2024	Reviewed September 2023 - ongoing.
FR FSV 0040 B Regular cash flow monitoring	<ul style="list-style-type: none"> <li>. Investment across a range of assets, including liquid quoted equities and bonds, as well as property</li> <li>. Majority of the Fund's assets realisable at short notice</li> <li>. Medium term future cash flow position assessed at least triennially to indicate likely future income requirements.</li> <li>- Actual cash flows monitored on a regular (quarterly) basis to provide early warning of any insufficient funds</li> </ul>	Jackie Moylan	Rachel Cowburn	31-Mar-2024	Reviewed September 2023 - ongoing.
FR FSV 0040 C Currency hedging	<ul style="list-style-type: none"> <li>. Investment in a range of overseas markets, providing a diversified approach to currency markets.</li> <li>- Maintenance of a currency hedged equity mandate (USD, EUR and JPY ) - this is due to be reviewed reviewed following the investment strategy review.</li> </ul>	Jackie Moylan	Rachel Cowburn	31-Mar-2024	Reviewed September 2023 - ongoing.
FR FSV 0040 D ESG Policy	The Fund has an RI policy in place and is currently reviewing its engagement approach. More detail on the management of carbon specific ESG risks is provided in the 'Climate Change' risk section.	Jackie Moylan	Rachel Cowburn	31-Mar-2024	Reviewed September 2023 - ongoing. Work on new engagement framework now underway.
FR FSV 0040 E Multiple Managers & Performance assessment	<ul style="list-style-type: none"> <li>. Appointment of more than one manager</li> <li>. Having a proportion of the Scheme's assets managed on a passive basis.</li> <li>. Regular assessment of performance</li> <li>- Replacement of managers if underperformance persists.</li> </ul> <p>With Asset Pooling, the Council needs to monitor development / respond to consultations - responding where appropriate to influence outcomes. Also relationship management is key with the Fund being fully aware of developments at the pool level, and the pool being aware of and responding to the Fund's strategic requirements.</p>	Jackie Moylan	Rachel Cowburn	31-Mar-2024	Reviewed September 2023- ongoing.

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	<p>Inaccurate payroll data supplied to the Hackney Pension Fund results in poor membership data.</p> <p>This poor administration (or inaccurate provision of data) could result in inaccurate data giving rise to financial and reputational</p>	Finance & Corporate Resources		<p style="text-align: center;"></p> <p>Reviewed September 2023 – No substantive change. The introduction of the Council's automated interface file has significantly improved the reliability of data collection,</p>

Partnership (LGPS)/Teachers Pensions <b>INTERNAL RISK</b> <b>CURRENT RISK</b>	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. Inaccurate data could be submitted for valuation, and there could be inaccurate McCloud reconciliation. Data provided late also impacts on the Fund's ability to pay correct benefits and set accurate contribution rates. There also remains the risk of enforcement action against the Council by the Pensions Regulator.  A related risk lies with the reliance on external systems. That the Fund's assets, systems or data are compromised including financial / data loss or systems downtime.  Finally, other external factors (including regulatory changes) could impact the administration of the Fund - eg - changes from the McCloud case could impact the quality / timeliness of administration of the Fund.				although some issues remain around submission of timely leaver information to confirm membership status changes.  The risk rating has not been adjusted at present due to the likely impact of the McCloud programme and associated increase in administrative work required to maintain good quality data.
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FRTP 0043 A Monitoring of membership data	Annual monitoring of membership records, valuation checks, external data validations.	Jackie Moylan	Rachel Cowburn; Lucy Patchell	31-Mar-2024	Reviewed September 2023
FRTP 0043 B Contributions monitoring	Monthly monitoring of contributions to ensure that employers are paying across correct contributions along with membership data being supplied (done by a third party).	Jackie Moylan;	Rachel Cowburn; Morgan Williams	31-Mar-2024	Reviewed September 2023 - Good communication with payroll, as accurate data is very important.
FRTP 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	Rachel Cowburn; Lucy Patchell	31-Mar-2024	Reviewed September 2023 -enhanced monitoring etc with implementation of new contract
FRTP 0043 D Support & Payroll development	Provision of employer support to ensure employers have the knowledge and understanding necessary to provide correct information.  Ongoing work with the Council's payroll team to support with iTrent processes and ensure these are maintained. The Council's payroll supplies data for the vast majority of the Fund – the Fund's involvement helps ensure the importance of good quality pension reporting is recognised.	Jackie Moylan; Sandra Farquharson	Rachel Cowburn; Lucy Patchell; Jacqueline King	31-Mar-2024	September 2023 - development of the employer portal continues with intention of being rolled out to all employees. Also ensuring that Equiniti roll out the employer strategy in line with the contract.





FRTP 0043 E Payroll data service	Single source interface from iTrent to deliver automated payroll data	Jackie Moylan; Sandra Farquharson	Rachel Cowburn; Lucy Patchell	31-Mar-2024	September 2023 - Development project completed- now BAU for payroll. Ongoing monitoring needed to ensure issues resolved e.g. provision of leaver info and failures to address exceptions.
FRTP 0043 F - Reliance on external systems	All teams complete a Business Impact Analysis to assess timescales and impact of system failure. Also, the Pension Investments and Pensions Administration Business Continuity detail actions to take in the event of a system failure. Finally, assurances of system security are sought from third parties, along with suitable firewalls.	Jackie Moylan	Rachel Cowburn	31-Mar-2024	September 2023 - this is ongoing.
FRTP 0043 G - McCloud Programme management	1 - Programme management - Programme planning for McCloud has will continue until end of project 2 - Employers engaged with and data collection commenced 3 - engaging with Equiniti re dashboard reporting	Jackie Moylan	Rachel Cowburn; Lucy Patchell	31-Mar-2024	Reviewed September 2023

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note	
FR FSV 0053 Pension Funding Experience Risk <b>EXTERNAL RISK</b> <b>FUTURE RISK</b>	Funding risks to the Council's finances include:  <ul style="list-style-type: none"> <li>. Financial mismatch – The risk that Fund assets fail to grow in line with the developing cost of meeting the liabilities.</li> <li>. 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.</li> <li>. Changing demographics –The risk that longevity improves and other demographic factors change, increasing the cost of Fund benefits.</li> <li>. 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.</li> </ul>	Finance & Corporate Resources		 Reviewed September 2023– Asset liability modelling shows likelihood of meeting objectives of 74% as at 2022 valuation.	
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FRFSV 0053B Pension - Valuation Monitoring	<ul style="list-style-type: none"> <li>1 - Asset liability modelling shows low likelihood of not meeting objectives</li> <li>2 - Assessment of liabilities at the triennial valuation and the roll-forward of liabilities between valuations</li> <li>3 - Contribution rates assessed by actuary as having a low likelihood of not meeting objectives</li> <li>4 - Actuary sets evidence-based assumptions using analysis of experience</li> </ul>	Jackie Moylan	Rachel Cowburn	31-Mar-24	Reviewed September 2023 – ongoing.

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	Rachel Cowburn	31-Mar-24	Reviewed September 2023 – ongoing.
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Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note	
FR FSV 0054 Pension - Poor Delivery of administration Service <b>(NEW DR)</b> <b>EXTERNAL RISK</b> <b>FUTURE RISK</b>	Poor member experience and/or breaches of legislation including inaccurate payments and failing to meet Service Level Agreements.  Risk currently exacerbated by required system upgrade to Compendia Touch, which increases the likelihood of inaccurate or late calculations, processes and communications	Finance & Corporate Resources		NEW Directorate risk - added September 2023	
Control Title	Control Description	Responsible Officer	Service Manager	Due Date	Control - Latest Note
FR FSV 0054a Pension - Poor Delivery of administration Service	Strict service standards and SLAs in place 2 - 3 - Expert contract management team in place 4 - Regular service review meetings 5 - Pensions Administration Strategy sets out expected service levels	Jackie Moylan	Rachel Cowburn; Lucy Patchell	31-Mar-24	NEW - added September 2023
FR FSV 0054b Pension - Poor Delivery of administration Service	Appointment through robust procurement exercise	Jackie Moylan	Rachel Cowburn; Lucy Patchell	31-Mar-24	NEW - added September 2023
FR FSV 0054c Pension - Poor Delivery of administration Service	Expert contract management team in place	Jackie Moylan	Rachel Cowburn; Lucy Patchell	31-Mar-24	NEW - added September 2023
FR FSV 0054d Pension - Poor Delivery of administration Service	Regular service review meetings	Jackie Moylan	Rachel Cowburn; Lucy Patchell	31-Mar-24	NEW - added September 2023
FR FSV 0054e Pension - Poor Delivery of administration Service	Pensions Administration Strategy sets out expected service levels	Jackie Moylan	Rachel Cowburn; Lucy Patchell	31-Mar-24	NEW - added September 2023
FR FSV 0054f Pension - Poor Delivery of administration Service	1- Revised contract covers Compendia Touch migration 2- Project team within Equiniti to manage the deliverables including implementation timeframes	Jackie Moylan	Rachel Cowburn; Lucy Patchell	31-Mar-24	NEW - added September 2023

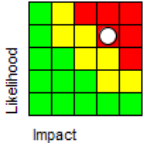

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
<p><b>SRCR 0030</b> Pressures on Temporary Accommodation <b>INTERNAL RISK</b> <b>CURRENT RISK</b></p>	<p>The demand on temporary accommodation (TA) for homeless households exceeds the supply of property suitable for use, 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 produces financial, reputational and legislative (in terms of abiding by the Homelessness Reduction Act) risks. The risk is currently heightened by high numbers of homeless singles with multiple, complex and high risk needs, and often a dual diagnosis with no suitable accommodation offer of housing with support.</p>	<p>Finance and Corporate Resources</p>		<p style="text-align: center;"></p> <p><b>October 2023 Context</b></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 number of households seeking advice and support with homelessness in the borough has risen by 52% since March 2018 and the introduction of the Homeless Reduction Act. The YTD figure shows that for 2022/23 the total number of approaches is up by 2% on the previous year, which was at an all time high.</p> <p>Overall for 2022/23 we have seen successful homelessness and relief outcomes achieved by the Council fall by 22%, this has been exacerbated by the cost of living crisis, shrinking of the private rented sector and the lack of affordable housing.</p> <p>Family and friend exclusions are still the highest reason for approaches accounting for 40% of all approaches, followed by end of private tenant tenancy at 22%, with those fleeing from domestic abuse being the third highest reason for approaches at 8%.</p> <p><b>Update</b></p> <p>London Local Authorities have made it very clear that we are now experiencing a temporary accommodation crisis as well as a housing crisis.</p> <p>The amount of temporary accommodation needed to fulfil demand for homeless households in Hackney continues to increase. Currently 3020 households are placed in TA, with 1000 placed outside the borough despite the use of all void regeneration properties, the creation of a number of new TA hostels and RTB buy back programmes to boost social housing availability. Despite c.2000 temporary accommodation units within the borough, demand far outstrips supply.</p>

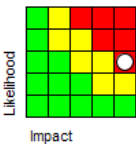
			<p>We can reasonably predict that the demand for temporary accommodation will grow at around 8% per year in the short to medium term; The council will potentially need to place 1440+ households over the next 12 months, 1550+ in 2023-24, 1670+ in 2024-25, and 1810+ in 2025-26.</p> <p>We have seen major changes this quarter:</p> <ol style="list-style-type: none"> <li>1. We have been forced to utilise bed and breakfast hotels for families to accommodate them. We currently have eight families in this type of accommodation with nowhere to move them to.</li> <li>2. The number of households that are waiting for temporary accommodation continues to grow, with c.25 households awaiting a placement to be found.</li> <li>3. Homeless households are still presenting on the day and are placed where there is accommodation available, currently Leicester.</li> <li>4. Approaches from people with successful asylum applications who have been asked to leave Home Office hotels and are now homeless have started to increase with nine households in the last month.</li> <li>5. Temporary Accommodation providers are leaving the market with currently 207 properties requested back from the Council. This has increased from 147 properties since the last update. There is no alternative temporary accommodation available to move these families into and therefore the Council is being pursued legally for these properties to be returned.</li> <li>6. The number of children living in TA continues to grow, with 4000 children currently housed.</li> </ol> <p>The Temporary Accommodation Delivery Group continue to look at ways to boost more affordable temporary housing in borough by pursuing lease and purchase deals with landlords, as well as exploring the possibility of development. To date 1x 3 bed unit is progressing to purchase and 1 x 3 bed unit has been found amongst the Councils portfolio and is undergoing works.</p> <p>However, this programme is no longer enough and an urgent injection of stable temporary accommodation is needed. Purchasing of properties and negotiations with investment companies is progressing. Alternatively, investment in supported accommodation schemes would free up temporary accommodation and return it to its original purpose.</p> <p>The sheer volume of TA units, the increasing rates of providers, an increase in utilities and repairs and maintenance costs means that temporary accommodation expenditure will continue to rise this year and next. The score has now risen to the maximum reflecting the intense pressures.</p>
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Control Title	Control Description	Lead Responsible Officer(s)	Service Manager	Due Date	Control - Latest Note
<b>SRCR 0030a</b> Utilising all available accommodation	Utilise 100% of all regeneration voids as additional temporary accommodation reducing the need for costly nightly paid TA provision.	Jackie Moylan	Jennifer Wynter	Sept 2023	<b>September 2023-</b> 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.634 units. There are no further regeneration voids available as the surplus that were unusable for TA were brought into use for the Council Afghanistan refugees programme. Additionally, Phase 4 of the WDE regeneration project means the rehousing of 100+ TA households in the next year to provide for demolition.
<b>SRCR 0030b</b> 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.	Jackie Moylan	Jennifer Wynter	Sept 2023	<p><b>September 2023</b> - The Benefits and Housing Needs Service has formally discharged the Councils housing duty by securing tenancies for 175 households into the private rented sector for 2022/23.</p> <p>For the first time we are starting to see the constriction of the private rented sector in Hackney and the ability to secure affordable rented properties is virtually impossible.</p> <p>The number of private rented sector (PRS) lets achievable are dependant on three variables:</p> <ul style="list-style-type: none"> <li>• Resident willingness to move into the PRS</li> <li>• Number of staff available with the right tools, including finance, to support the individual and the landlord with a move</li> <li>• rental market buoyancy.</li> <li>•</li> </ul> <p>The number of staff and tools to support residents moving has been boosted by the creation of a new team, Prevention to PRS ( funded by Homeless Prevention Grant monies) to assist residents during the prevention stage of the statutory duty to move into the PRS and thereby avoid the usage of costly TA.</p> <p>Capital Letters (pan London provider of PRS properties) is also struggling to secure properties and Central Government has reduced their procurement targets from 4000 units pa to 1000 pa in recognition of the tough market and they have now allowed them to pursue out of London procurement for Privately Rented Properties.</p> <p>Capital Letters are averaging the provision of two properties per month to the Council.</p> <p>Previous out turn is below:  2018-19 = 88  2019-20 = 118  2020-21 = 466  2021-22 = 391  2022-23= 175  2023-24= 65 YTD</p>

<p><b>SRCR 0030c</b> Observe pan London cap on nightly paid accommodation procurement</p>	<p>Maintain influence on the rental market by continued observation and no breaches (except emergency disabled accommodation) of the agreed Pan London TA rent cap.</p>	<p>Jackie Moylan</p>	<p>Jennifer Wynter</p>	<p>Sept 2023</p>	<p><b>September 2023</b> - The Inter Borough Area Agreement has been in place for more than a decade. Data is collected and shared on a quarterly basis to all London Boroughs. Due to the level of breaches of the cap, this has been revised and an allowance of up to a 10% increase granted. This has enabled Hackney to retain some providers of TA and is negotiated on an individual property and landlord basis.</p>
<p><b>SRCR 0030d</b> Provide appropriate accommodation with support for mental and physical needs</p>	<p>C.40% of all single homeless residents that approach for help have a support need and 19% of these have multiple and complex needs. Large supported schemes, rough sleeping pathway, general needs housing do not work for this client group and do nothing to mitigate the risk of further deterioration and suicide and in some cases increase the risk. Look to provide a housing option and support that suits mental, physical and behavioural needs - ie dual diagnosis specialist schemes and additional housing first. First chance, last chance saloon assessment model needed in addition.</p>	<p>Jackie Moylan</p>	<p>Jennifer Wynter</p>	<p>Sept 2023</p>	<p><b>September 2023</b> - This function has now transferred to the Benefits and Housing Needs Service from Adult Social Care on 27/08/23.</p> <p>Demand modelling undertaken shows a need for 451 units of supported accommodation split across a number of schemes. Ranging from small schemes to large ones. Differing levels of need to cater for complex needs and risk with a variety of providers delivering support, including culturally specific, gender specific, and psychologically informed. A suggested pathway model to satisfy demand is shown below:</p> <ul style="list-style-type: none"> <li>• Stages 1,3 and 4: 'Generic' Complex Needs (including holding/EBS beds)</li> <li>• Stage 2 Specialist: Continued Use - SMU/Complex Needs</li> <li>• Stage 2 Specialist: VCN - High level complex needs (multiply excluded)</li> <li>• Stage 2 Specialist: Women with high level complex needs</li> <li>• Stage 2 Specialist: Older RS (alcohol - longer term)</li> <li>• Stage 2 Specialist: Culturally specific high level complex needs</li> <li>• Stage 2 Specialist: Housing First (longer term )</li> </ul> <p>Costing work is underway to inform decision making.</p>

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
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<p>FR IT 0001 Information Assets <b>INTERNAL RISK</b> <b>FUTURE RISK</b></p>	<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 General Data Protection Regulation (which came into effect from May 2018). Failure to do this creates serious regulatory / legislative risks for the Council.</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.</p>	<p>Finance and Corporate Resources</p>		 <p><b>September 2023</b> No substantive change to the risk. The Council continues to work to apply its information management policies and follow the requirements of the GDPR and other regulatory / partner requirements.</p> <p>The Council is continuing to work closely with the Information Commissioner's Office to support their investigation into the criminal cyberattack on the Council in October 2020. With the emergence of Generative AI technologies over the last few years, detailed guidance has been issued on the Council's approach to this.</p>	
Control Title	Control Description	Lead Responsible Officer(s)	Service Manager	Due Date	Control - Latest Note
<p>FR IT 0001a Information management</p>	<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>	<p>Rob Miller</p>	<p>All Officers</p>	<p>May 2024</p>	<p><b>September 2023</b> The Council continues to work to apply its information management policies and follow the requirements of the GDPR and other regulatory / partner requirements. With regards to Generative AI, clear Guidance has been issued to all staff that any sensitive or personal information should never be submitted to these tools (as they are not private).</p>
<p>FR IT 0001d Third party information sharing</p>	<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>	<p>Rob Miller</p>	<p>All Officers</p>	<p>May 2024</p>	<p><b>September 2023</b> Responsibility for appropriate information sharing is the responsibility of Information Asset Owners, supported by the Information Management Team who provide advice on the application of the relevant Council policies to services' information sharing arrangements.</p>

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
SRCR 0021 Cyber / Information Security <b>INTERNAL /EXTERNAL RISK</b> <b>FUTURE RISK</b>	<p>Cyber threats continue to rise rapidly, with a growing number of large businesses and public sector organisations experiencing cyberattacks similar to the criminal cyberattack on the Council in October 2020.</p> <p>Recent victims include the Post Office, Capita, the system provider for NHS 111 (Advanced), schools, care providers and a wide range of other organisations.</p> <p>There are direct risks to the systems used by the Council's services, including those which are externally hosted, and also risks relating to data that the Council is responsible for which is processed by third parties contracted by the Council or other partners.</p> <p>There is also ongoing risk relating to data stolen in cyberattacks ('exfiltration' of data). This can remain in the possession of cyberattackers and beyond the control of the Council.</p> <p>Whilst AI presents some positive opportunities for the Council, it also needs to be used legally, responsibly, ethically and safely. Anything which jeopardises this will be a risk.</p>	Chief Executive's; Children and Education; Adults, Health and Integration; Finance & Corporate Resources; Climate, Homes and Economy		<p>↔ <b>September 2023</b></p> <p>Recovery of systems and data affected by the cyberattack is ongoing, with the majority of services now operating normally. Some workaround processes remain while recovery / rebuild of systems and clearing of backlogs caused by the cyberattack continues, and there are also services where some functionality is not yet fully recovered and ongoing service impacts continue.</p> <p>The overall recovery (from the Cyberattack) is in line with our pre-existing plans for migration to modern, cloud services and provides the best possible cyber protections for the Council's systems and data. Our recovery is consistent with the Council's pre-existing technology strategy, through which we have removed a number of underlying risk factors (e.g. replacement of Windows PCs with Chrome OS devices for almost all users).</p> <p>Work is continuing to respond to the publication of stolen data in January 2021. The Council is continuing to cooperate closely with the Information Commissioner's Office to support their investigation into the attack.</p> <p>The Council has also responded where needed following cyberattacks on partners which might present a risk to data processed on behalf of the Council.</p>

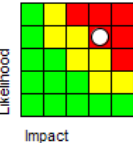
Control Title	Control Description	Lead Responsible Officer(s)	Service Manager	Due Date	Control - Latest Note
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<p><b>FR IT 0006a</b> Ensure compliance with the PSN Code of Connection and other applicable standards (including the ICT security requirements for compliance with the NHS IGSoC).</p>	<p>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).</p> <p>This will be an ongoing annual activity (no fixed end date).</p>	Rob Miller	ICT Officers	April 2024	<p><b>September 2023</b> The Council has a current PSN compliance certificate, valid to February 2024.</p>
<p><b>FR IT 0006b</b> Ensure that all users of the Council's systems and data take appropriate measures to protect these.</p>	<p>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).</p>	Rob Miller	ICT Officers	April 2024	<p><b>September 2023</b> The Council's Data Awareness Training continues to be managed as a Business As Usual process for all users (including Members). Users are required to complete the training and access is removed if it is not completed.</p>
<p><b>FR IT 0006c</b> Ensure that all hardware and software is supported for security updates.</p>	<p>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).</p>	Rob Miller	ICT Officers	April 2024	<p><b>September 2023</b> 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. by the Council's Information Governance Group.</p>
<p><b>SRCR 0041a</b> Modern cloud services</p>	<p>Continued use of the most modern cloud services available, underpinned by the 'web first' and 'zero trust' security model.</p>	Rob Miller	ICT Officers	April 2024	<p><b>September 2023</b> The overall recovery (from the Cyberattack) is in line with our pre-existing plans for migration to modern, cloud services and provides the best possible cyber protections for the Council's systems and data. 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 almost all users).</p>
<p><b>SRCR 0041a</b> Recovering data</p>	<p>The cyber attack resulted in all internally hosted legacy systems being unavailable. The recovery work for this has been complex and extensive, so priority needed to be given in line with the Gold priorities. This work has continued over the last year with significant progress being made.</p>	Rob Miller	ICT Officers	April 2024	<p><b>September 2023</b> Recovery work has continued, including go live of Mosaic for adults' social care at the end of 2022. Some workaround processes remain while recovery / rebuild of systems and clearing of backlogs caused by the cyberattack continues, and there are also services where some functionality is not yet fully recovered and ongoing service impacts continue.</p>
<p><b>SRCR 0041b</b> 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;</p>	Rob Miller	Aled Richards / James Groom	April 2024	<p><b>September 2023</b></p>

	<p>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>Coordination of service continuity and recovery continues and is led by the Corporate Leadership Team / directorate leadership teams.</p>
<p><b>SRCR 0041c</b> Maximising 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>	Rob Miller	ICT Officers	April 2024	<p><b>September 2023</b> Where practical the Council's existing investments have continued to be used to provide interim solutions for service continuity and longer term migration of data and services to the cloud.</p>
<p><b>SRCR 0041d</b> Communication to residents and staff</p>	<p>Many services that residents depend on were impacted by the attack, and would equally be affected by any future attack</p>	Rob Miller	Comms team	April 2024	<p><b>September 2023</b> Services are continuing to maintain updated information about the recovery of their services on the Council website. Progress updates have been provided to Members and the Council is continuing to engage positively with media enquiries about the continued impacts of the attack.</p>
<p><b>SRCR 0041e</b> Guidance for safely using Generative AI at work.</p>	<p>Corporate ICT have issued clear guidance on the Council's approach towards AI. It has been made very clear that staff must never give personal or sensitive information to these tools, as they are ultimately not private. Also, answers returned by Generative AI must always be checked and verified to mitigate against the risk of 'fake news', erroneous information and bias.</p>	Rob Miller	Council Officers	April 2024	<p><b>September 2023</b> This guidance was issued to all staff via the weekly newsletter and is also being supported by some information sessions (for all to attend) to ensure staff have the correct understanding about AI, its risks and potential benefits. An update will also be provided to the Senior Manager Network in September 2023 and the review of the Council's Data Awareness Training that is in progress will include adding content relating to this guidance</p>

Risk Title	Description of Risk	Directorate	Current Risk Matrix	Risk - Latest Note
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<p><b>SRCR 0043</b> Recruitment and Retention / Workforce. <b>EXTERNAL / INTERNAL RISK</b> <b>CURRENT RISK</b></p>	<p>Within a competitive market, numerous Service Areas (particularly ICT) are struggling to successfully recruit for important positions, and seeing a high turnover adding to recruitment pressures. Failure to successfully tackle this could seriously impact service delivery.</p> <p>Also, with various restructures within the Directorate planned or ongoing, there is a period of uncertainty and adjustment which may affect the quality of service delivery and impact on overall objectives and targets.</p> <p>Additionally, the ability to carry out work efficiently, on time and in compliance with applicable standards could be affected by the loss of experienced staff following the Corporate level restructure and the possible long term absence of key staff.</p>	<p>Finance &amp; Corporate Resources</p>	 <p>Likelihood</p> <p>Impact</p>	<p><b>September 2023</b> This remains on the Corporate register, reflecting its severity. Previously, it had been recorded as a risk at Service level but was taken off this register following the successful completion of the ICT restructure in 2020.</p> <p>Significant market pressures and demand for digital skills, with high turnover within the Council (particularly at Senior level) and other employers who need similar skills, have necessitated its inclusion again. There are also similar pressures in other areas such as social work, highway engineers, school nurses and auditors.</p>	
<b>Control Title</b>	<b>Control Description</b>	<b>Lead Responsible Officer(s)</b>	<b>Service Manager</b>	<b>Due Date</b>	<b>Control - Latest Note</b>
<p><b>SRCR 0043a</b> Recruitment and Retention (ICT)</p>	<p>The ICT service will work with HR / OD to carry out the following suggested mitigations:</p> <ul style="list-style-type: none"> <li>- 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</li> <li>- review salary supplements to ensure that these are providing market competitive salaries and are also fair and transparent</li> <li>- review career development paths within the service and also ensure that apprenticeships / graduate trainee opportunities are being used effectively to develop internal talent.</li> </ul>	<p>Rob Miller</p>	<p>ICT Managers</p>	<p>31-March-2024</p>	<p><b>September 2023</b> The ICT restructure has completed and is in the final stages of implementation. This has included benchmarking of roles against the market and comparator councils and continuing the Council's substantial commitment to apprenticeships and career progression.</p> <p>The Council is continuing to work with the London Office of Technology &amp; Innovation to develop a pan-London approach to developing digital skills and teams, including collaborative recruitment (<a href="https://loti.london/jobs/">https://loti.london/jobs/</a>) and shared approaches to service development and career progression (<a href="https://loti.london/resources/jd-library/">https://loti.london/resources/jd-library/</a>).</p> <p>Recruitment to vacant roles following the completion</p>

					of the restructure is anticipated in late spring / early summer.
<b>SRCR 0043b</b> Training and development	<p>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.</p> <p>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.</p>	Group Directors	All managers	31-March-2024	<p><b>September 2023</b></p> <p>Staff training and development needs will be assessed as part of the work to deliver and embed the new service structure for ICT.</p>