

Title of Report	ADULTS, HEALTH AND INTEGRATION DIRECTORATE RISK REGISTER - COVERING REPORT
For Consideration By	Audit Committee
Meeting Date	17 April 2024
Classification	Open
Ward(s) Affected	All Wards
Group Director	Helen Woodland, Group Director Adults, Health and Integration.

1. GROUP DIRECTOR'S INTRODUCTION

- 1.1 This report updates members on the corporate risks for the Adults, Health and Integration Directorate as at March 2024. It also identifies how risks within the Directorate are identified and managed throughout the year and our approach to embedding risk management.

2. RECOMMENDATION

- 2.1 **There are no specific recommendations from this report. The Audit Committee is asked to note the contents of this report and the attached risk registers and controls in place.**

3. REASONS FOR DECISION

- 3.1 Risk management is fundamental to effective business management and it is vitally important that we understand and monitor the key risks and opportunities of the Council. Officers and members are then able to consider the potential impact of such risks and take appropriate actions to mitigate those as far as possible. Some risks are beyond the control of the Council but nevertheless, we need to manage the potential impact or likelihood to ensure we deliver our key objectives to the best of our ability. For other risks, we might decide to accept that we are exposed to a small level of risk because to reduce that risk to nil is either impossible or too expensive. The risk management process helps us to make such judgements, and as such it is important that the Audit Committee is aware of this.

4. BACKGROUND

- 4.1 The current Directorate risk profile was reviewed by the Directorate of Adult, Health and Integration Services Management Team in March 2024. Detailed risk registers for Adults Social Care and Public Health have been prepared and were reviewed by the Management Team and the high-level Directorate risks highlighted and included in Appendix 1.

Policy Context

- 4.2 All risk related reporting is in line with the Council's Risk Policy, ratified biennially by the Audit Committee, and also fully supports the framework and ideology set out in the Risk Strategy.

Equality Impact Assessment

- 4.3 For the purposes of this report, an Equality Impact Assessment is not applicable, although in the course of Risk Management (and associated duties) all work is carried out in adherence to the Council's Equality policies.

Sustainability

- 4.4 This report contains no new impacts on the physical and social environment.

Consultations

- 4.5 In order for Risk Registers to progress to the Audit Committee, they will already have been reviewed by the relevant Senior Management team within the corresponding Directorate. Any senior officer with any accountability for the risks will have been consulted in the course of their reporting.

Risk Assessment

- 4.6 The Risk Register is attached at Appendix one to this report.

5. DIRECTORATE RISK REVIEW

- 5.1. The Directorate Risk Register comprises those that represent the most significant risks faced by the Directorate.

Public Health

- 5.2. Sexual health services face mounting pressures with increased rates of STIs, unwanted pregnancies, and outbreaks (PH02). Budget constraints exacerbate the challenge of meeting local treatment and service provision needs. Control measures, including the adoption of a Sexual and Reproductive Health strategy and increased financial oversight, aim to mitigate these challenges.

However, overspending and inequitable vaccine uptake continue to pose significant risks to public health outcomes in this domain.

This poses a significant risk, particularly due to the increasing rates of STIs, unwanted pregnancies, and outbreaks, compounded by budget constraints and inequitable vaccine uptake, which could lead to detrimental impacts on public health outcomes.

- 5.3. There's a pressing concern regarding the capacity and capability of the public health workforce to effectively respond to infectious disease outbreaks, epidemics, and pandemics. Rising expectations post-COVID-19 from national bodies without additional resources exacerbate these challenges. Clear guidance and adequate funding are lacking, hindering the development of local pandemic preparedness plans (PH01).

Cases of measles are rising across London and an epidemic is emerging across the capital, with outbreaks expected in Hackney. Preparedness work has been undertaken and a Public Health Specialist in Health Protection has recently been recruited. Despite this, capacity to respond to a measles epidemic is an area of concern. The risk likelihood has increased to reflect the current challenges.

- 5.4. Budgetary challenges in public health expenditure pose risks of overspending and hinder the realisation of Medium-Term Financial Plan savings. Agenda for Change salary uplifts among service providers have the potential to further strain budgets, while uncertainties in funding arrangements add complexity.

Control measures include regular reporting and governance processes to ensure appropriate spending and monitoring of public health grants. Despite efforts to manage budgetary risks, uncertainties remain regarding future funding and financial sustainability (PH03).

Adult Social Care

- 5.5. The core Adult Social Care risks remain largely consistent with the risks highlighted to the Audit Committee last year. Whilst risks related to ongoing improvement of ICT systems following the cyber attack remain, the recovery of Mosaic and subsequent robust Follow-On project that is in progress means the overall risk has reduced. The most significant risk to the service is the growing demand and insufficient budget and resources to effectively meet it.

- 5.6. Financial risks continue to increase, as demand for and cost of care has continued to increase, and the funding settlement is widely thought to be insufficient to meet the current or future demands on social care. The demand for services is greater than the funding available, meaning budgetary pressures will continue to worsen. These financial and demographic pressures are being mitigated in part through our transformation programme.

- 5.7. Within the service there remains a risk about the resilience and sustainability of the social care provider market in the context of rising demand and increased complexity and acuity of need for service users. This risk is compounded by the challenges that Covid-19 has presented, both operationally and financially, and that cost of living pressures have further compounded. In 2017 the Government set expectations of a Green Paper on future long-term funding for social care but this has not yet been forthcoming. In March 2020 the Government announced that it would be consulting widely on ideas for future funding arrangements. The focus of previous announcements to date has focused on support and funding for older adults and so far makes little mention of working age adults which is a concern as this represents a large proportion of people currently supported by Adult Social Care in Hackney. Sustainable funding arrangements are critical for Adult Social Care and pose a significant risk which will continue to be monitored through monthly financial reporting.
- 5.8. There continues to be national concern about the sustainability of the provider market, including an increasing number of providers who are returning contracts to local authorities, and falling into administration. Work is continuing to support a healthy local provider market, as reflected in the risk register. This includes paying a fair but affordable rate to provide quality care, and a check of the financial health of organisations through the procurement process alongside robust, regular contract management and market development through provider networks.
- 5.9. A new risk has been highlighted in relation to the increasing number of refugees at risk of homelessness. With demand continuing in light of global conflict, the resources we have to support different cohorts of individuals is influenced by the government funding available, which is often uncertain. There is a risk around the ability to meet priority needs, due to demand pressures on our statutory homelessness services and shortage of accommodation. We are utilising multiple streams of activities to help mitigate these risks, including commissioning services to help those who receive refugee status to avoid rough sleeping and source interim and longer term accommodation.
- 5.10. Due to the cyber attack, the service was without a complete and fully functioning case management and payment system for two years. This provided significant challenges for monitoring service user risk, making payments in an accurate and timely way, and managing team performance. Mosaic was recovered in November 2022, and a significant follow-on project was necessary to restore full functionality. The Mosaic recovery work is now complete, with work now in progress to deliver future functional enhancements to the system to both functionality and data quality before the risk is fully mitigated.
- 5.11. Recruitment and retention of social workers remains a pan-London issue. In Hackney we have been successful in enabling locum/ agency staff to move to



permanent, an ongoing apprenticeship offer, and a team dedicated to a focus on workforce development. This remains an area to monitor however due to national shortages which will continue into the future.

Integrated Commissioning

- 5.12. This approach continues to develop through the City & Hackney Placed Based partnership, which serves as a collaborative endeavour, uniting health and social care organisations to enhance outcomes and mitigate inequalities for the local population. It operates as one of the seven pivotal Place Based Partnerships within the North East London Integrated Care System. The partnership is overseen by the City and Hackney Health and Care Board (formerly the Integrated Care Partnership Board) which has specific terms of reference, governance and risk management structures to enable the delivery of integrated health and care services for the system.
- 5.13. As we navigate the complexities of the Adults, Health, and Integration landscape, it is imperative to remain vigilant to emerging risks and opportunities. By fostering a culture of collaboration, innovation, and accountability, we can collectively strive towards our shared goal of enhancing outcomes and reducing inequalities for the City and Hackney population.

6. COMMENTS OF THE INTERIM GROUP DIRECTOR, FINANCE

- 6.1 Effective risk management is a key requirement for good financial management and stability. This becomes more significant as funds available to the Council are reduced and budget reductions are made.
- 6.2 The Directorate seeks to mitigate risks as they are identified. In some instances, where there are volatile external factors and uncertainty, this will be through seeking access to reserves maintained by the Group Director of Finance and Corporate Resources.
- 6.3 There are no direct costs arising from this report, however risks linked to increasing demand for services, cost of living, the legacy of the Covid-19 pandemic and the Cyber Attack will continue to be monitored through the monthly Overall Financial Report (OFP).

7. COMMENTS OF THE ACTING DIRECTOR OF LEGAL, DEMOCRATIC AND ELECTORAL SERVICES

- 7.1 This report recommends that the Audit Committee note the contents of this report with the attached appendices. In accordance with Article 9.1.2 of the Council's constitution, the Audit Committee is responsible for assisting the Council in discharging its functions in relation to its risk management framework. The Accounts and Audit Regulations 2011 also requires the



Council to have a sound system of control which includes arrangements for the management of risk. This report is part of those arrangements and is designed to ensure that the appropriate controls are effective.

7.2 There are no immediate legal implications arising from this report.

APPENDICES

Appendix 1 – Adults, Health and Integration risk register.

BACKGROUND PAPERS

None

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