

CHILDREN AND EDUCATION DIRECTORATE RISK REGISTER	
Title of Report	CHILDREN AND EDUCATION DIRECTORATE RISK REGISTER
For Consideration By	Audit Committee
Meeting Date	19 April 2024
Classification	Open
Ward(s) Affected	All Wards
Group Director	Jacque Burke, Group Director of Children and Education Services

1. GROUP DIRECTOR'S INTRODUCTION

- 1.1 This report updates members on the corporate risks for the Children and Education 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 know, 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 we nevertheless 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 Children and Education Services Management Team in March 2024. Detailed risk registers for Children's Services and Hackney Education have been prepared and were reviewed by the Management Team and the high-level Directorate risks highlighted and included at Appendix one.

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 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. Separate risk registers for Children's Services and Hackney Education are maintained and sit beneath the Directorate Risk Register and are available for review.

Children and Education Risks

- 5.2 Further to the publication of the Local Child Safeguarding Practice Review relating to Child Q, a new directorate-wide risk was added to the risk register last year and remains on the register. This risk was added under the

management of partnership agencies in ensuring the well-being of children. A range of controls in place include taking a safeguarding first approach - with clear anti-racism values and identification training and a 'my child' mindset.

Children and Family Risks

- 5.3 There has been no overall change to the profile of most risks for Children and Families compared to those set out in the report to Audit Committee last year.

New risks:

- Following the publication of the Government reforms to Working Together 2023 and National Children's Social Care Framework 2023, a new risk was identified within Children's Services. A range of controls are in place, with the establishment of a Director-led 'task and finish' group to ensure the Council is able to meet the deadline for a published plan to outline any changes ahead of the December 2024 deadline set by the Department for Education.

Ongoing risks:

- Cyber attack impact on CFS Service Delivery and Delays responding to Subject Access Requests: The cyber attack in October 2020 has meant that there are significant challenges for the Children and Families Service in terms of accessing historical information about children. The ongoing impact of the cyber attack has meant that care leavers have continued to experience delays in receiving their records (Subject Access Requests). A Data Protection Officer joined the organisation towards the end of 2023 and works closely with the Head of Service for Corporate Parenting in CFS. IMT is also now making use of an external company to support a more timely resolution of SARs. CFS are exploring with IMT and IT new digital products on the market which support the real time capture of key documents, shared with children and young people, in the hope that this will reduce the demand for SARs from care experienced people over time.
- Reduction of the use of residential placements: Budget pressures in relation to looked after children care arrangements remain. The additional and complex needs of some children with autism and other associated conditions can result in high-cost care arrangements. Locally, the service is focused on increasing the number of in-house foster carers which will reduce the average unit cost of care arrangements. Looked after children numbers have fallen steadily over recent years, from 432 at March 2020 to 387 at March 2024. The decrease in the number of looked after children is linked to a number of factors including a focus within the service on Edge of Care work to support children where there is a risk of family breakdown as well as changes to the Children's Resource Panel where there is senior management oversight of decisions for children to enter care. Work is also currently underway to scope the feasibility of opening new local authority children's homes for Hackney's

looked after children, which could prove to be a long-term cost avoidance measure.

- Service demands exceed available resources: One of the main risks for the directorate is the cost of living and fuel crisis - exacerbated by the ongoing conflicts in Ukraine and Gaza - and the potential impact these will have on the cost of service delivery going forward. It is difficult to estimate the impact that the cost of living crisis will have across services, however we can expect care providers to seek greater inflationary uplifts to care placements than previously. Robust budget monitoring processes are in place. These have highlighted significant cost pressures primarily in relation to packages of care in looked after children placements, staffing across Children & Families Services and SEND cost pressures within Hackney Education Services.
- Child or young person suffers significant harm, injury or death: The CHSCP have robust measures in place to ensure that statutory safeguarding requirements are met across the partnership. Supervision arrangements are in place for staff to ensure there is regular management oversight of children's cases and this data is reported and scrutinised regularly by the Director of Children and Families.
- Increased call on resources in respect of No Recourse to Public Funds (NRPF) cases: Hackney, like many local authorities, has a number of individuals living within its boundaries who are subject to immigration controls as defined by the Immigration & Asylum Act 1999. Such individuals are excluded from access to welfare benefits, public housing and Home Office asylum support and are collectively known as having No Recourse to Public Funds (NRPF). This group includes individuals who have overstayed their visa entitlement in the UK, and those who have leave to remain without recourse including EU Nationals. Hackney's approach is effective in protecting resources and avoiding costs. In order to ensure the service is able to undertake comprehensive assessments of children's needs in a complex environment of law relating to housing, immigration, human rights and child safeguarding, the service works closely with other services including the UKBA, legal services, government embassies and anti-fraud to ensure that services are appropriately provided to those that are entitled to them and need them. This joined-up approach robustly mitigates against the risk of children in Hackney being exploited or trafficked for services. In August 2020, the Home Office commissioned beds at the Old Street Holiday Inn to disperse asylum seekers, some of whom applied to be age assessed as children. Due to their location, the duty to assess falls on Hackney. Since then, the Home Office has commissioned three other hotels in Hackney to accommodate asylum seekers. Over time, a significant number of young people living in these hotels have disputed the Home Office assumption that they are adults and requested additional assessments of their age from the UASC team. Where the UASC assessments similarly conclude that these young people are adults, we have experienced a number of challenges of our



decision-making through the judicial process. The costs of each legal challenge can be very significant.

Hackney Education Risks

New risks

- Introduction of new policies for SEND Transport results in significant challenge and judicial review: This risk is being proposed in the context of the LA's plan to consult on new policies for SEND transport services. The LA is seeking Cabinet approval to consult on these new policies, with implementation expected for September 2025. Changes to SEND Transport often results in judicial reviews of local areas.
- Elective home education arrangements not meeting statutory obligations: Current resourcing means statutory obligations are not able to be met with 1FTE to oversee a cohort of over 300 children (with rising levels of complexities in SEND and CSC). An interim recovery plan/control measure is in place for this, and currently the Head of Service and other senior managers in the service with teaching qualifications are undertaking EHE assessments.
- Sustainability of the Council's Children's Centres: The current model of childcare provision delivered within Hackney's Children's Centres is not financially sustainable. It has been identified as a high area of spend and budget pressure in the Council's Medium Term Financial Plan.
- Family Hubs Programme Timeline and Resource Capacity: The family hubs programme faces risks related to its timeline and resource capacity. The availability of three-year funding hinges on meeting specific spending deadlines, with potential clawbacks threatening the program's progress. Delays in procurement, capacity issues, and gaps in senior leadership contribute to these risks.
- Emergency closure of a school due to lack of pupils, staff or funding: 66% of primary schools are predicted to have an in-year deficit in 2023/24. Reception class demand is predicted to fall from 2,284 in 2023 (actual) to 2,146 in 2026; a reduction of 138 (4.6 classes) on top of the existing surplus of 21%
- Vulnerable families are not adequately supported through the transition process of school closures/amalgamations: School closures will impact the most vulnerable Hackney residents disproportionately with higher FSM rates and other measures of deprivation observed in a majority of the schools proposed for or at future risk of closure. The Council has a responsibility to provide financial and emotional support to pupils and families through this period of uncertainty and change, to ensure families and children have the best possible transition to a new school.

- Increased risk of falling rolls in Secondary schools: There is now a visible impact of falling rolls at secondary transfer this year - 169 fewer on-time 1st preferences have been expressed for Hackney secondary schools. Competition from neighbouring boroughs e.g. Tower Hamlets that has also announced FSM to all secondary schools from April 2024. Schools in the borough may become more appealing to families given the cost of living crisis.
- Lack of resources to support implementation of future school closures leads to protracted process and greater costs: It is likely that more schools will need to close/merge. The resources required to support the proposal and implementation process alongside the existing implementation programme is high. If the implementation of school closures is protracted this will lead to a greater cost to the Local Authority.
- Sustained failure of Education's case management system (Synergy) caused by fragile IT infrastructure, inadequate data security and chronic under-resourcing results in a failure to deliver statutory and core education services and/or a detrimental Ofsted inspection rating in the light of poor data quality: The Synergy case management system provides business critical support to Hackney Education's statutory and financial services including SEND (EHCP), Admissions, Early Year payments and Attendance. Implementation and business as usual operations are facing significant risk as a result of under resourcing, infrastructure fragility, ICT delays, migration and implementation issues. If the migration or system experiences a significant problem or issue this will impact service continuity, potentially ceasing service activity. This may result in reputational damage and financial loss.

5.7 Key on-going risks to Hackney Education

5.7.1 Outlined below are the risks identified that continue to present a particular challenge to Hackney Education's continued effectiveness and are reported on the attached register:

- **SEND** - The 3 risks relating to SEND remain high: meeting the statutory requirements of the Children & Families Act; escalating budget pressures; and insufficient provision to meet growing demand for SEND services.
- **Traded Services** - The long term viability of trading continues to be a significant risk, in relation to revenue spend and generation of surplus; this is particularly impacted by falling rolls across schools in Hackney, which can potentially lead to a long term decline in traded services.
- **Serious safeguarding failure in schools & settings** - A failure of safeguarding systems and processes, through a lack of coordination between partnership-wide services or professionals, could contribute to a serious

safeguarding issue, which would impact negatively on Hackney Education's reputation.

- **Risks posed to children not in school, particularly those attending unregistered schools and settings** - Safeguarding considerations for those pupils who are not registered at a school – Electively Home Educated (EHE) pupils, children missing from education (CME), children attending unregistered settings, children who are yet to be allocated a school place etc. remains an area of high importance. There are effective processes in place, which enable HEd to effectively carry out duties in relation to EHE, CME and pupils attending UES. The risks associated in these areas, continue to carry high reputational risks for the borough, with limited options to mitigate.
- **Exclusion from school** - This remains a high profile area where rates of exclusion from schools continue to be relatively high when compared nationally.
- **Outcome of the SEND Local Area Partnership Ofsted inspection shows widespread/systemic failings, leading to significant concerns about Hackney CYP with SEND** - On the 13th June 2022 Ofsted and the Care Quality Commission consulted on a new inspection framework to reflect the changing landscape of the SEND system. It is expected that Hackney Local Area will be inspected in 2024, six years since its last inspection. To “pass” the new framework the local area must demonstrate that the last inspection findings have been discharged and the new framework focusing on impact on children, young people and families has been met. Subgroups of the SEND Local Area have been established to lead and monitor the 3 year action plan.

5.8. School Performance (4 Ofsted judgements)

5.8.1 School Standards and Improvement manages the following risks:

- Performance and/or quality of provision in nursery and primary school
- Performance and/or quality of provision in secondary schools
- Performance and/or quality of provision in special schools
- Performance and/or quality of provision in Pupil Referral Units

5.8.2 School Performance and Improvement teams continue to provide support to schools. The current controls in place remain appropriate and the risk rating remains unchanged.

6. COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES

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.

7. COMMENTS OF THE 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 require 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 – Children & Education risk register.

 CHILDREN & EDUCATION DIRECTORATE RISK REGISTER MARCH 2024

BACKGROUND PAPERS

None

Report Author	Kathryn Lloyd Head of Education Operations kathryn.lloyd@hackney.gov.uk 020 8820 7715
Comments on behalf of the Interim Group Director, Finance	Vernon Strowbridge Interim Director of Finance (Services) vernon.strowbridge@hackney.gov.uk 020 8356 8408
Comments of the Acting Director of Legal, Democratic and Electoral Services	Louise Humphreys Acting Director of Legal, Democratic and Electoral Services louise.humphreys@hackney.gov.uk 020 8356 4817