

People Department - Risks

Department & Division	Short Description of Risk	Mitigation
Childrens and Education		
Education and SEND	Ringfenced Schools Budget - High Needs Dedicated Schools Grant (DSG)  Despite the success of the Council’s early intervention transformation programme, cost growth continues to outstrip funding allocation growth. There is subsequently a baseline DSG pressure. This reflects a National challenge, and the Department for Education has set out its intention to provide plans for reforming the SEND system early 2026, including how they will support local authorities to deal with their historic and accruing deficits.	Robust programme management oversight of transformation programme and mitigations. Continue to engage proactively with the Department for Education, London Councils and LiiA in relation to the SEND Reforms agenda.
Education and SEND	Sustained travel care growth across all client groups (Special Educational Needs and Disabilities and Children Looked After) in excess of current growth.	Robust assurance processes, route optimisations and transport sharing opportunities.
Education and SEND	London falling rolls pressures and schools funding under the National Funding Formula not keeping track of cost growth and inflation	Support and challenge to maintained schools with respect to financial planning, deficit recovery and medium to longer term sustainability.
Children and Young Peoples Services	Increased presentation of need / cost, and subsequent growth in referrals and staff capacity to meet need and respond to legislative or system reform.	Current additional fourth Contact and Assessment Team to support managing throughput of need, undertaking risk assessments, close monitoring of need.
Children and Young Peoples Services	Demand for high cost statutory or court led placements or non-placement support and expenditure	2025/26 investment in Family Support and Child Protection social work to support managing throughput of need, undertaking risk assessments, close monitoring of need.
People's Commissiong Service	In the medium to longer term, Impact of loss of grants and contributions from partners including Health.	Review of grants versus commitments over the medium term
Adult Social Care		
All SC Divisions	Increased numbers of older residents, and disabled residents including those with complex learning disabilities, supporting them to live independently in the community in line with local policy commitments.	Ensuring residents receive timely, comprehensive assessments and reviews to ensure support and packages of care and provided in line with our care act responsibilities. Through a strength based approach enabling residents to live as independently as they can and with choice and control over their care. Ensuring sufficient, local, high quality, cost effective provision to meet our statutory duties.
All SC Divisions	Care Provider inflation - We may see further cost pressures in the ASC care market to cover increases in London Living wages and the unquantified Employment Rights Bill will mean greater pressures than the 3.2% inflationary increase proposed in the budget in the context of a significant recommissioning programme.	Ensuring sufficient, local, high quality, cost effective provision to meet our statutory duties. Actively managing the market and commissioned provision to meet our local sufficiency requirements.
All SC Divisions	Resource requirements to support the implementation of the Adult Social Care Transformation programme to deliver the new operational service model.	2026/27 anticipated to be funded from Policy Contingencies and for future years to be discussed further.
People's Total		

**Place Department Risk/Challenges**

Division	Short Description of Risk	Mitigation
Public Realm	Hammersmith Bridge works undertaken at risk, pending confirmation of funding contributions from the Department for Transport and Transport for London. If the full strengthening and restoration project does not go ahead, some capital costs to date may need to be charged back to revenue. There may also be additional ongoing maintenance costs that will require funding	Continue to work with the Department for Transport and Transport for London
Climate Change	Significant funding requirements for addressing the Climate and Ecological Emergency and achieving the Council's net zero carbon target	Continue to maximise external funding opportunities
All divisions	Inflationary pressures impacting major service contracts and service spend (such as rising costs relating to staff, energy, fuel and materials)	Continue to work with service contractors to manage within existing budgets
Public Realm	Waste disposal costs may be more than allowed for in the budget (challenge of influencing waste disposal habits of all residents)	Continue to routinely monitor and assess performance against the Council's joint waste reduction strategy
Public Realm	Waste collection and street cleansing vehicles may not be available to purchase as planned, resulting in ongoing vehicle hire costs	Continue to work with the Council's waste services contractor to promptly source available vehicles
Public Realm	The garden waste service may not deliver within budget (insufficient take up and/or insufficient waste disposal savings)	Continue to promote, monitor and assess
Property	The Council's commercial property portfolio may not achieve budget. Property repairs and maintenance costs are likely to continue to rise	Review existing lease arrangements and the capital maintenance programme
Planning	Planning application fees income can be volatile and may be less than budget. Risk of planning appeals resulting in additional costs	Continue to pursue opportunities to maximise income through Planning Performance Agreements and review fees and charges to ensure full cost recovery
All divisions	Potential national public finance pressures impacting specific grant funded services (such as Transport for London funded highways projects) and other income streams	Plan for projects that can be scaled to match funding as far as possible
All divisions	Ongoing pressure and challenges to secure funding for the H&F Plan objectives	Continue to explore funding opportunities, both internally and externally to the council. Manage within existing resources as far as possible

## **Housing Solutions Department Risk/Challenges**

<b>Division</b>	<b>Short Description of Risk</b>	<b>Mitigation</b>
Housing Solutions	Overall Benefit Cap (OBC) and Discretionary Housing Payments (DHP)	Support and enable residents to gain exemption from the Benefit Cap or meet the shortfall through: <ul style="list-style-type: none"> <li>- Training and qualifying employment</li> <li>- Disability/Carers benefit where possible</li> <li>- Resettlement into affordable housing</li> <li>- Introduce hardship funds from Crisis Resilience Fund</li> </ul>
Housing Solutions	Risk of Tenancy Terminations following Renters' Rights Act	Help new TA tenants (PRS evictees) manage rent shortfalls from tapered income (non-BenCap) through: <ul style="list-style-type: none"> <li>- Provision of tenancy sustainment and landlord support</li> <li>- Welfare benefit advice</li> <li>- Introduce hardship funds from Crisis Resilience Fund</li> </ul>
Housing Solutions	Increase in bad debt provision on Temporary Accommodation (Bed & Breakfast and Private Sector Leasing) rent arrears because of reductions in personal income due to Cost of Living Crisis	Robust but sensitive TA Income collection processes post CoL
Housing Solutions	There is a risk of a further increase in the number of households in Temporary Accommodation - based on an additional 250 households this year above the current forecast	Increase access to private rented accommodation as outlined and agreed in recent changes to Council's Housing Allocation Scheme.
Housing Solutions	Inflationary pressures on Temporary Accommodation landlord costs, based on an extra 5% rental inflation above the current forecast	Reducing expensive Temporary Accommodation is likely to mean procuring additional units outside of this borough.
Housing Solutions	There is a risk of large families being accommodated in B&B due to unsuitable accommodation available	Procure Temporary Accommodation for larger families.
Housing Solutions	Housing Company Implementation	

## **Finance and Corporate Services Department Risk/Challenges**

<b>Department &amp; Division</b>	<b>Short Description of Risk</b>	<b>Mitigation</b>
<b>Corporate</b>		
Council wide	Reductions in funding as a result of Government's Fair Funding framework for the General Fund will have an impact on the organisation's ability to deliver all the functions it currently provides.	Continue to work proactively with our partners and highlight the major outcomes being achieved through the grant funded programmes. Develop alternative funding strategies as practical.
Council wide	The cyber security incident experienced in December 2025 has had an impact on service delivery.	The Council has been affected by a cyber security matter (through our joint working with neighbouring authorities) and the issues are being resolved. It is likely that there will be short and medium cost implications and these will be assessed and reported in the future.
Council wide	Abortive costs for development and other capital schemes which cannot be capitalised and therefore would need to be funded by revenue resources.	Continue to work with service contractors to manage within existing budgets.
Council wide	Contract and pay inflation in excess of current budget assumptions	The budget proposals include a retained contingency reserve for inflationary risk.
Council wide	Interest rate changes may result in higher borrowing costs for capital projects or reduced investment income.	Careful and regular monitoring of borrowing rates with tactical additional borrowing tranches when market at more favourable points.  Monitoring of whether HRA certainty rate for PWLB borrowing will be extended from April 2026, which gives a 0.4% favourable position over General Fund borrowing
Finance and Corporate Services	Insurance claim costs may increase as service budgets and resources are under pressure and external factors influence claim volumes.	Closer working with the insurance service to understand key drivers for claims and expediate focused service improvement to reduce claim volumes.