

**Departmental Risk/Challenges**

Department & Division	Short Description of Risk	Risk	Risk	Risk	Risk	Mitigation
		2017/18 Value (£000's)	2018/19 Value (£000's)	2019/20 Value (£000's)	2020/21 Value (£000's)	
<b>Adult Social Care</b>						
Integrated Care	Demographic pressures on Adult Social Care services will continue to increase as the population gets older. We continue to experience increases in numbers during future financial years.	0	1,346	1,914	1,914	The Local Government settlement announced a new Adult Social Care support grant for 17/18 only and this will mitigate demographic pressures in year 1.
Integrated Care	Investment from health through the Better Care Fund has not yet been agreed for 2017/18. There is uncertainty about future years funding as Health budgets are also under significant financial pressures.	2,000	2,000	2,000	2,000	Negotiations have commenced with the Clinical Care Commissioning groups over the two year funding settlements (2017-19), and the local authorities are anticipating as a minimum the same level of health investment as previous years in order to deliver Better Care Fund Savings.
Integrated Care	Commissioners are continuing to receive requests for inflationary increases from providers above that which has already been built into the base budget	236	236	236	236	The Commercial and Innovation team will negotiate with providers on the inflationary increases to be awarded and this will need to be managed through this process. The Care Market is particularly fragile with a number of factors which are affecting the price-service delivery model.
All	Savings from Transformation Commissioning Programme to be delivered on a shared services platform as RAG rated red	400	980	980	980	The department has a transformational programme review group which will review all saving programmes and check progress on delivery.
<b>Adult Social Care Total</b>		<b>2,636</b>	<b>4,562</b>	<b>5,130</b>	<b>5,130</b>	
<b>Centrally Managed Budgets</b>						
Net Cost of Borrowing	Net Cost of Borrowing – Impact of Brexit on investment income earned.	750	750	750	750	Regular review of Investment Options.

Department & Division	Short Description of Risk	Risk	Risk	Risk	Risk	Mitigation
		2017/18 Value (£000's)	2018/19 Value (£000's)	2019/20 Value (£000's)	2020/21 Value (£000's)	
All	Inflation – Uplift in inflation following pound devaluation.	1,000	1,000	1,000	1,000	Regular Review of Contracts.
Other Corporate Items	Land Charges Income – Potential slow down in the property market.	400	400	400	400	Seek compensating underspends elsewhere within Centrally Managed Budgets
<b>Centrally Managed Budgets Total</b>		<b>2,150</b>	<b>2,150</b>	<b>2,150</b>	<b>2,150</b>	
<b>Children's' Services</b>						
LAC and Leaving Care	Housing provides support to Families with No recourse to Public Funds - NRPF status, on behalf of Children services, but demand for services in excess of what can be supported within existing budgets.	225	225	225	225	A joint working strategy has been agreed with Housing, in order to review these cases and take appropriate action
LAC and Leaving Care	Queens Speech - The introduction of the children and social work bill provides all care leavers up to the age of 25 with access to a personal adviser, who will guide and support them on anything from applying for jobs to finding a first place to live. This introduces a new duty of care towards young people who are 21+ and not in education.	216	313	403	403	As the changes in the Children and Social Work Bill is new primary legislation some central government funding is anticipated.  However previous grant funding to cover increased responsibilities for Care Leavers has fallen short of the full costs of implementing the service enhancements.  This risk will be reviewed once the announcement on a funding formula (anticipated spring 2017) for any new grant is made by the DFE.
Fostering and Adoption	Tower Hamlets - Risk of backdated claims following the court of appeal ruling that connected persons carers should receive payments on the same level as those of unrelated foster carers.	2,528	2,990	3,499	3,499	This risk is currently under review by the service, and individual cases are being resolved as they arise within current budgets. However, a review of policy may be required should risk materialise to a level which is deemed unmanageable.

Department & Division	Short Description of Risk	Risk	Risk	Risk	Risk	Mitigation
		2017/18 Value (£000's)	2018/19 Value (£000's)	2019/20 Value (£000's)	2020/21 Value (£000's)	
Special Educational Needs	Travel Care and Support - The reprocurement of the Travel Care and Support contract to increase the quality of travel provision in LBHF. Risk of increased demand & impact of expected minimum wage changes	72	584	653	717	<ul style="list-style-type: none"> <li>• Demand management – the review of the internal application of the travel assistance policy to ensure robust application and review processes in place</li> <li>• Establish clear process and mechanism for the identification of children and adults suitable for Independent Travel Training</li> <li>• The procurement of an effective Independent Travel Training contractor</li> <li>• Potential extension of the use of alternative travel options – e.g. personal transport budgets / mileage allowances – where more cost effective to do so.</li> <li>• Route optimisation</li> </ul>
<b>Children's' Services Total</b>		<b>3,041</b>	<b>4,112</b>	<b>4,780</b>	<b>4,844</b>	
<b>Corporate Services</b>						
Innovation and Change Management	Risk of achieving the commercial income target by selling Business Intelligence to other organisations	-	250	250	250	
<b>Corporate Services Total</b>		<b>-</b>	<b>250</b>	<b>250</b>	<b>250</b>	
<b>Environmental Services ( Inc CPA)</b>						
Buildings and Property Management	Increase in advertising revenue saving not feasible	100	100	100	100	Work with the Commercial Director to develop and implement plans. Review post planning permission decision and local consultation.
Buildings and Property Management	Fall in advertising revenue if economic conditions change	500	500	500	500	Ensure tender process is run effectively and according to schedule.
Environmental Services	Income falls in event of a drop in economic activity	500	500	500	500	Regular budget monitoring of income

Department & Division	Short Description of Risk	Risk	Risk	Risk	Risk	Mitigation
		2017/18 Value (£000's)	2018/19 Value (£000's)	2019/20 Value (£000's)	2020/21 Value (£000's)	
Cleaner, Greener & Cultural Services	Business case for new Events saving may not be viable	100	100	100	100	Work with the Commercial Director to develop and implement plans. Regular finance review and reporting through DMT and Commercial Board
Cleaner, Greener & Cultural Services	Increasing number of households may result in higher waste collection costs	298	411	519	626	Regular finance review and reporting through DMT. Continue to progress action plans to target reductions in general waste tonnages and increase recycling.
Safer Neighbourhoods	New deployable CCTV income target may not be met if demand does not materialise	100	100	100	100	Work with the Commercial Director to develop and implement plans. Regular finance review to monitor service demand. Report through DMT and Commercial Board
Other Commercial Services	Duct Asset Concession Contract income target not achieved	290	290	290	290	Work with the Commercial Director and concession holder to identify new large contracts. Regular finance review to monitor concession holder's performance. Set aside departmental reserves.
Various	Extra costs of apprenticeship levy may not be met from new savings	109	109	109	109	Use apprentices to fill existing and vacant roles where appropriate. Charge all appropriate training costs to the apprenticeship levy.
<b>Environmental Services (Inc CPA) Total</b>		<b>1,997</b>	<b>2,110</b>	<b>2,218</b>	<b>2,325</b>	
<b>Libraries &amp; Archives Shared Service</b>						
Libraries & Archives	Decision taken not to follow a Trust model which would have yielded up to £115k savings in NNDR, but had significant set-up costs	115	115	115	115	Increased use of volunteers, sponsorship and crowd-funding. Work will be undertaken with economic development officers to raise the profile of libraries with potential Corporate sponsors
Libraries & Archives	Commercial target – still ongoing discussions of how to achieve full target	100	100	100	100	Further review of commercial opportunities and use of Library space outside of opening hours
<b>Libraries &amp; Archives Shared Service Total</b>		<b>215</b>	<b>215</b>	<b>215</b>	<b>215</b>	

Department & Division	Short Description of Risk	Risk	Risk	Risk	Risk	Mitigation
		2017/18 Value (£000's)	2018/19 Value (£000's)	2019/20 Value (£000's)	2020/21 Value (£000's)	
<b>Housing Dept</b>						
1. Overall Benefit Cap		452	452	452	452	<p>The following activities will help mitigate the Housing Department risks:</p> <ul style="list-style-type: none"> <li>• A full service review, to be completed by April 2017, placing a greater emphasis on preventing homelessness, improved engagement with the third sector and reducing rough sleeping.</li> <li>• A focus on acquiring properties on longer term leases as well as exploring procuring different accommodation types – e.g. shared housing where suitable for under 35 year olds.</li> <li>• The Social Lettings Agency is intended to increase the supply of TA directly let accommodation and private rented accommodation, with the potential for revenue generation from providing management services, which can be used to subsidise other activity. However, any savings or income generation will only be realised after 2017/18 if it is successful.</li> <li>• Increasing the supply of social and affordable housing is crucial to the success of any strategic approach to managing the Temporary Accommodation process. The limited number of social homes has slowed the Temporary Accommodation move on process and resulted in more households remaining in Temporary Accommodation for longer periods – compounding the need for additional Temporary Accommodation units</li> <li>• Use of the Temporary Accommodation reserve (3.1m forecast reserve level at 1st April 2017)</li> </ul>
2. Direct Payment		560	1,233	1,653	1,811	
3. Increased B&B Costs		375	524	672	821	
4. subsidy entitlements (It may need to remove this one depend on the charging policy to tenant from April 2017)		830	857	884	922	
5. Inflationary pressures on TA landlord costs		1,087	1,517	1,959	2,415	
6. Increased number of homelessness acceptances		336	886	1,409	1,878	
7. Loss of Temporary Accommodation Management Fee (TAMF) on Housing Benefit Subsidy		1,872	1,872	1,872	1,872	
8. Homeless Reduction Bill (HRB)		3,700	3,700	3,700	3,700	
9. Expensive Void sell			106	213	319	
10. S106 funding		1,201	1,578	1,168	1,168	
11. SFA funding		174	174	174	174	
<b>Housing Dept Total</b>		<b>10,587</b>	<b>12,899</b>	<b>14,156</b>	<b>15,532</b>	
	<b>Grand Total</b>	<b>20,626</b>	<b>26,298</b>	<b>28,899</b>	<b>30,446</b>	