

**Departmental Risk/Challenges**

Department & Division	Short Description of Risk	Risk				Mitigation
		2018/19 Value (£000's)	2019/20 Value (£000's)	2020/21 Value (£000's)	2021/22 Value (£000's)	
<b>Adult Social Care</b>						
Integrated Care	Demographic pressures on Adult Social Care services continue to increase as the population gets older. We continue to experience increases in numbers during future financial years.	1,321	1,321	1,321	1,321	The March 17 Local Government settlement announced a new improved Better Care Fund (iBCF) support for Adult Social Care. We will aim to mitigate the pressures from this funding.
Integrated Care	There is an estimated shortfall in the s.75 Health Commissioning budgets which are under significant financial pressures. Following discussions with Health, the LA have been advised the financial liability will rest with the organisation responsible for the resident.	1,800	1,800	1,800	1,800	The department has commissioned a piece of work to explore the health requirements of local residents to ensure these are being met and funded by the appropriate body.
Integrated Care	Commissioners are continuing to receive requests for inflationary increases from providers above that which has already been built into the base budget	190	190	190	190	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	Year on year savings from Transformation Commissioning Programme are increasingly difficult to deliver	900	900	900	900	The department has a transformational programme review group which will review all saving programmes and check progress on delivery.
Integrated Care	Increased costs associated with the payment of the London and National Minimum Wage for care workers who work sleep-in shifts in the social care sector.	200	200	200	200	There is a risk that providers will require extra monies in order to cover the backdating of these payments. It is expected that backdating could go back as far as 6 years, costing ASC c. £200k - £1 million. In order to mitigate this we have made clear that ASC will not consider backdating any payments from before this financial year. We would, however, be happy to support providers lobbying position that central Govt who decided on this policy should make funding available to address the issue.
<b>Adult Social Care Total</b>		<b>4,411</b>	<b>4,411</b>	<b>4,411</b>	<b>4,411</b>	

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<b>Centrally Managed Budgets</b>						
Land Charge Income	Land Charge income is dependant on housing market activity. If this continues to be depressed in 2018/19 there is a risk that income may be under budget	250	250	250	250	The Land Charge team is a small team so there isn't scope to reduce costs to compensate for reduced activity. Therefore compensatory underspends elsewhere in Centrally managed budgets will be looked at to mitigate this risk.
Pay award contingency	Pay award increases to 2.5% rather than the 2% offered by the employers	425	425	425	425	This is a council wide budget so a wide range of options will be looked at if this risk materialises
Net Cost of Borrowing	Interest rates remain low and income from investing cash balances are under budget.	500	500	500	500	Investment opportunities will be investigated by the treasury management team.
<b>Centrally Managed Budgets Total</b>		<b>1,175</b>	<b>1,175</b>	<b>1,175</b>	<b>1,175</b>	
<b>Children's' Services</b>						
Tower Hamlets related claims	The likely liability, should all connected carers apply for re-imburement of carers fees (in line with the Tower Hamlets judgement), as far back as 2011, has been estimated to be in the region of £2.1m. Three families (6 children) have now brought claims via the same solicitors totalling £141k, but we continue to hold the risk.	2,100	2,100	2,100	2,100	
Looked After Children	New high cost placements. Recent cases have occurred in 2017-18 with annual costs of up to £0.360m.	1,000	1,000	1,000	1,000	
Children with disabilities	New high cost placements.	tbc	tbc	tbc	tbc	
<b>Children's' Services Total</b>		<b>3,100</b>	<b>3,100</b>	<b>3,100</b>	<b>3,100</b>	
<b>Corporate Services</b>						
H&F Direct	Loss of court cost income (element previously collected by enforcement agents)	10	100	100	100	Work closely with 1st Credit
H&F Direct	Unknown operational cost of ethical debt collection replacing nil operational cost of enforcement agents	tbc	tbc	tbc	tbc	Workshops being held with 1st Credit to understand costing model and a request has been made for these costs to be centralised.
Commercial Directorate	Underachievement of income target	0	200	200	200	Marketing plan, advertising, networking, joint sales approach with the Ethical Debt Collection Joint Venture, dynamic supply/demand assessment, continual product development, training/coaching, collaboration with internal departments and weekly sales forecasting

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ICT Services	Savings from contracts less than anticipated	tbc	tbc	tbc	tbc	Ensure tender process is run effectively and risks of delay in delivery are managed. Consider use of reserves.
<b>Corporate Services Total</b>		<b>10</b>	<b>300</b>	<b>300</b>	<b>300</b>	
<b>Environmental Services ( Inc CPA)</b>						
Highways & Projects	WIFI income budget will not be achieved	133	133	133	133	Currently working closely with Arqiva on new initiatives to increase revenue for the Council.
Highways & Projects	Bay Media Advertising Contract	59	59	59	59	Highways have recently taken this over and working with BayMedia to increase advertising including introducing monthly contract management meetings.
Highways & Projects	2015/16 MTFS - Sponsored information boards on the highway	50	50	50	50	Combined project with Cycling Initiative. Currently working on designs for both and going to LDG for approval. Are working to develop marketing strategy and have attend industry seminars were there is a great interest in this proposal.
Highways & Projects	2017-18 MTFS - TTS15 - Cycle street furniture initiative	75	75	75	75	as above
Parks & Open Spaces	Reactive Repairs – Grounds Maintenance – The budget of £110k may prove inadequate	50	50	50	50	Other funding sources are being considered, with Building Property Management colleagues, to fund additional costs of infrastructural assets, which need replacing.
Transport & Highways	Staff time recharges to projects fail to cover salaries expenditure in full	200	200	200	200	Managers will ensure prompt logging of new projects and that officers update time sheets in good time
Transport Planning & Development	Street works/Highways license Fixed Penalty Notice (FPN) income changes due to changes in the law	90	90	90	90	SW FPN's income is down because of operational guidance issued by DfT rather than change in law. Highway FPN income is down due to us being more robust in our inspection regime. Income is directly linked to amount of work carried out and how utilities perform so income could be more or less than budget
Transport Planning & Development	Transport Planning Consultancy income will not be achieved	65	65	65	65	Work is underway to generate revenue
Parking	Parking suspensions income may fall if the wider economy slows, leading to reduce property development activity and reduced demand for parking bay suspensions.	1,000	1,000	1,000	1,000	Parking fees not set to raise income, so no mitigation proposed

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Parking	Receipts from moving traffic offence penalty charge notices will fall if driver behaviour improves.	1,000	1,000	1,000	1,000	Reducing offences is the object of moving traffic penalties, so a reduced income would be a sign of success
Parking	Risk of delay in introducing call-back function	45	45	45	45	The service would consider making other adjustments to its staffing.
Asset Strategy and Portfolio Management	Unfunded revenue costs incurred in appropriation of General Fund assets to HRA as well as transactions costs for transfer of assets for community benefits.	50	50	50	50	Housing colleagues will agree to ongoing revenue funds for assets transferring from General Fund to HRA
Building Control	There is an income shortfall on Building Control. This is primarily due to the current recession in the construction industry as a result of the uncertainties surrounding Brexit and the increased competition from the private approved inspectors.	150	150	150	150	Further opportunities being explored to identify new commissions (internal and external)
Facilities Management	There is a project that is being planned which is designed to increase the overall specification for all Health and Safety and Compliance works across the Hammersmith and Fulham Estates. The costs for these works are not contained within the existing TFM budget.	500	250	150	100	There is a short life programme that will report to senior officers and ensure it is understood the ongoing liability and some of this work may be picked up as part of Corporate Planned maintenance programme
Rent and Other Properties	Lyric Theatre - Unfunded repairs and maintenance costs above the agreed cap of £50k	100	100	100	100	A monitoring programme will be put in place for this figure
EH Private Housing - Selective/Additional Licensing	New private housing licensing income does not cover the additional administration costs in full	300	300	300	300	Closely monitor to ensure that expenditure is reduced in line with any reductions in income. Report progress on this Commercial business case to the Commercial Board
Registrars	Loss of Nationality Checking Service income, resulting from Home Office shift to online digital services	45	45	45	45	Identify alternative income generating potential within the service area, although this may be limited (look to other boroughs for opportunities). Seek support from the Commercial Team to increase income as far as possible.
Events and Lettings	Filming income budgets not delivered in full	125	125	125	125	Fully mobilise and exploit new filming and events location library. Work with the Commercial Team to maximise sales.

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Waste Disposal	Waste disposal rates and tonnages increase by more than budgeted	-	645	1,014	1,383	Regular finance review and reporting through DMT. Continue to progress action plans to target reductions in general waste tonnages and increase recycling.
Ducting Contract	Risk that the current ducting concession contract terminates/reduces at the February 2018 contract review point, with no alternative provider or substitution	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	Loss of commercial income due to refurbishment of Hammersmith Town Hall	794	794	794	794	Continue to raise with the project lead and Strategic Director for Finance to ensure that any financial losses are provided for in the project business case and costings
Various	Commercial income savings not achievable due to market conditions	220	220	220	220	Work with the Commercial Director to develop and implement plans. Regular finance review to monitor service demand. Report through DMT and Commercial Board
<b>Environmental Services (Inc CPA) Total</b>		<b>5,341</b>	<b>5,736</b>	<b>6,005</b>	<b>6,324</b>	
<b>Libraries &amp; Archives Shared Service</b>						
Libraries	Due to the need for a consultation and the lead in time to introduce technology there is a possibility that this will not achieve a full year saving in 2018/19.	50	-	-	-	
<b>Libraries &amp; Archives Shared Service Total</b>		<b>50</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Public Health Services</b>						
None to report						
<b>Public Health Services Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Regeneration, Planning &amp; Housing Services</b>						
Temporary Accommodation	Overall Benefit Cap	278	278	278	278	
Temporary Accommodation	Direct Payments (Universal Credit)	998	1,551	2,137	2,367	
Temporary Accommodation	Increase in the number of households in Temporary Accommodation - based on current forecast	-	391	782	1,173	

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Temporary Accommodation	Increase in the number of households in Temporary Accommodation - extra 100 each year above current forecast	651	1,421	2,257	3,009	
Temporary Accommodation	Loss of Temporary Accommodation Management Fee on Housing Benefit Subsidy - the Flexible Homelessness Support Grant will be received in 2018/19 but Government has not confirmed whether funding will be available from 2019/20 onwards.	-	1,930	2,022	2,115	
Temporary Accommodation	Inflationary pressures on Temporary Accommodation landlord costs, based on an extra 1.5% rental inflation	270	545	824	1,107	
Temporary Accommodation	Large families in B&B	258	482	707	931	
Temporary Accommodation	Direct Lettings Incentive payments - risk in future years (the incentive payments will be funded from the Temporary Accommodation earmarked reserve in 18/19 as no growth has been granted)		600	600	600	
Temporary Accommodation	Homelessness Reduction Bill - increase in households in temporary accommodation - extra 70 each year	506	1,095	1,692	2,256	
Temporary Accommodation	The Governments High value void sales policy as legislated for in Housing & Planning Act 2016 - based on a reduction of available accommodation of 10 homes per year as an illustrative number	-	106	213	213	
Economic Development Learning and Skills (EDLS)	Section 106 funding for Economic Development - no formal confirmation, Cabinet report in January, receipt of funds. Investment team, Work Matters, One Place	750	750	750	750	
EDLS	Devolution of Adult Education Budget to London Mayor	-	unknown	unknown	unknown	
EDLS	Affordable housing and regeneration projects - feasibility studies on GF land	450	100	100	100	

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EDLS	New Homes Bonus funding for Economic Development, contingent on extension of NHB contract to December 2019. Consists of £342k for Investment Team staffing and Brilliant Business Awards and other activities; Work Matters (£280k) for staffing, activities relating to employment disability, employment hub, estate skills audit, job fayre, community employment outreach; £18k for One Place running costs including IT software.	640	640	640	640	
EDLS	Skills Funding Agency grant reduction (the grant is £2.7m in 2017/18)	TBC	TBC	TBC	TBC	
EDLS	Adult Learning: Recharge for repairs costs from Amey (£88k)	88	88	88	88	
EDLS	Adult Learning: A recommendation from OFSTED to increase staffing levels (£23k)	23	23	23	23	
EDLS	Adult Learning: A historical correction to sessional staff pay increases (£15k)	15	15	15	15	
EDLS	Adult Learning: MTFs saving of £95k - contingent on extension of NHB grant	95	95	95	95	
EDLS	Adult Learning: Rent increase at Normand Croft	13	13	13	13	
EDLS	Adult Learning: Provision for unexpected events	100	100	100	100	
Regeneration, Planning & Housing Services	Risk of abortive costs from affordable housing feasibility studies on General Fund land not being pursued	100	100	100	100	
<b>Regeneration, Planning &amp; Housing Services</b>		<b>5,235</b>	<b>10,323</b>	<b>13,436</b>	<b>15,973</b>	
<b>Grand Total</b>		<b>19,322</b>	<b>25,045</b>	<b>28,427</b>	<b>31,283</b>	