

**Corporate Risk Register - General Purposes & Audit Committee (17 March 2020)**

Directorate	Risk Ref	Assigned To	Risk	Impact	Existing Controls	Impact	L'hood	Total	Future Controls	Impact	L'hood	Total
Adult Social Care & All-Age Disability	ASC001	<b>Owner</b> Annette McPartland (Director)  <b>Lead Officer</b> Guy Van Dichele (Exec Director)	Social Care market supply disruption leading to market failure and inability to fulfil statutory requirements.  (Risk generated 24/08/2017)	<ul style="list-style-type: none"> <li>Reduction in choice.</li> <li>Failure to meet service user needs.</li> <li>Delayed discharge from hospital.</li> <li>Increase budget pressure.</li> <li>Reduced quality of provision.</li> <li>Increase in safeguarding concerns.</li> <li>Increase number of providers within the provider concerns process.</li> <li>Increase in delays or overpayments to providers.</li> <li>Increase pressure on all internal services.</li> </ul>	<ul style="list-style-type: none"> <li>Brokerage and Placements Quality Assurance.</li> <li>Market management by Contract monitoring team.</li> <li>Inflation strategy in place to manage fees paid.</li> <li>Pan London provider concern's process managed by safeguarding team.</li> <li>Integrated Framework Agreement extension in place.</li> <li>One Croydon Alliance Commissioning strategy ongoing implementation.</li> <li>ADASS Pan London minimum standards programme adopted.</li> <li>Croydon Dynamic Purchasing and e-market system commissioned September 2018.</li> </ul>	5	4	20	<ul style="list-style-type: none"> <li>Micro-commissioning arrangements via new DPS for Dom Care to be in place by April 20 and Residential/Nursing by Summer 2020.</li> <li>Refreshed Market position statement.</li> <li>Restructured contract &amp; market management function with increased number of monitors.</li> <li>Bring Services 'in-house' where appropriate. (enhance on case by case basis / review and ensure compatibility).</li> <li>Creation of more 'Supported Living' capacity. Completion December 2020.</li> <li>Reablement in South of borough - Review ability for provision within area. Completion December 2020.</li> <li>Insourcing commenced on 04/01/2020 to help improve services to residents.</li> <li>Ongoing participation with corporate Brexit Working Group to develop resilience (BCP's) to ensure continuity of service.</li> <li>Co-Production of new Placements and Brokerage Service to start Feb 20 and be in place by Summer 2020.</li> </ul>	5	3	15
Adult Social Care & All-Age Disability	ASC0012	<b>Owner</b> Annette McPartland (Director)  <b>Lead Officer</b> Guy Van Dichele (Exec Director)	Demand on social care exceeds available resources leading to the Council being unable to meet its statutory responsibilities.  *Where there has not been a real spending power increase in adult social care, non recurrent funding is being used to support budget(s). To mitigate these budgetary pressures in Adult Social Care in 2019/20, additional in year savings targets of £3.6m have been identified through the 2019 autumn Sprint sessions**.  (Risk generated 03/04/2017)	<ul style="list-style-type: none"> <li>Unable to meet statutory responsibilities.</li> <li>Financial loss.</li> <li>Reputational damage.</li> <li>Avoidable death or serious injury of older person under Council led care.</li> </ul>	<ul style="list-style-type: none"> <li>2% precept for social care. Better Care Fund (BCF).</li> <li>£1.3m investment through IBCF for Out of Hospital Business Case inc development of Discharge to Assess Model with further £2m in 19/20 and 20/21</li> <li>Clients are provided with more support earlier through Gateway provision.</li> </ul>	4	5	20	<ul style="list-style-type: none"> <li>Awaiting Government's White paper (no due date given).</li> <li>Need to identify funding to replace BCF.</li> <li>Clarification of 2020/21 funding.</li> <li>BCF 2019/20 agreed with CCG and in place.</li> <li>Implementation of Liquid Logic will ensure effective transition for client Case Management. 20 September 2020 target date.</li> <li>Implementation of 'Localities Working' will allow greater levels of service provision and support. 4 out of 6 localities operational financial year 2020/21. All older peoples will be completed by start of new financial year (2020/21).</li> <li>Risk Mitigation Methodology.</li> <li>Developing of ICN Plus supporting greater integration. Completion September 2020?</li> <li>Sprint &amp; Efficiency Programmes ongoing to identify efficiency savings for the current and next financial years.</li> <li>Moving towards locality working with Gateway &amp; Housing completion September 2020.</li> </ul>	4	3	12
Early Help & Childrens Social Care	EHSC0001	<b>Owner / Lead Officer</b> Robert Henderson (Exec Director)	The number of unaccompanied asylum seeking children looked after by Croydon remains significantly higher than the national average leading to significant financial pressure on the Council.  (Risk generated 25/06/2018)	<ul style="list-style-type: none"> <li>Significant service and staff resources pressures, with pressures on placement supply in-house and in the independent sector, and pressures on school places and LAC health services.</li> <li>Impact on Council revenue budgets as a result of insufficient funding.</li> <li>NTS continues to fail (transfer scheme).</li> <li>The total 2019/20 forecast cost of UASC for the Council is £8.2m, reported to Cabinet 24th Feb 2020 and includes Children's Social Care costs, along with costs associated with education and health.</li> </ul>	<ul style="list-style-type: none"> <li>Working with the Association of London Directors of Children's Services and the Department for Education and Home Office to collectively support the National Transfer Scheme and the work of the Pan London Protocol.</li> <li>Working with the Home Office to ensure that only appropriate young people are placed.</li> <li>Age Assessment Team, supported by the Controlling Migration Fund to fast track all age disputed cases.</li> <li>Emphasis on wider negotiation of fair funding arrangements for Croydon.</li> <li>Implementation of the National Transfer Scheme.</li> <li>Continued use of the rota to place young people in other boroughs.</li> <li>The Council continues to hold meetings with the Immigration Minister and others in Home Office. Ongoing correspondence, conversations and clarifications with Home Office taking place.</li> <li>Ensuring compliance and ensure opportunities are utilised through a formal system for dispersing unaccompanied child migrants as introduced by central government.</li> <li>Working with London Council's and the LGA to raise awareness of the specific UASC pressures facing 'Port of Entry' locations (such as Lunar House).</li> </ul>	5	5	25	<ul style="list-style-type: none"> <li>Further engagement with Home office and Association of Directors of Children Social Services.</li> <li>Ongoing lobbying of the Home office until response received.</li> <li>2020/21 Budget assumption of £9M</li> </ul>	5	4	20
Early Help & Childrens Social Care	EHSC0007	<b>Owner</b> Nick Pendry (Director)  <b>Lead Officer</b> Robert Henderson (Exec Director)	Dependency of Children's Services on interim resources. This includes the challenges of recruiting (particularly in Care Planning & Assessment Team) coupled with significant capacity and resourcing pressures and the impact of service reorganisations resulting in a lack of stable, high performing workforce.  **Permanent Social Workers as at 31 January 2020 is 61% (with a vacancy rate of 39% Agency). The financial establishment of social workers caseholding is 288 FTE. For the calendar year 1 January 2019 to 31st December 2019, 171 staff were recruited and commenced work within the Division; 63 Social Workers, 32 Social Work Managers and remaining Professionally Qualified staff undertaking direct work with children and families**.  (Risk generated 29/06/2018)	<ul style="list-style-type: none"> <li>Managers and staff working excessive hours / holding excessive caseloads.</li> <li>Loss of key members of staff and inability to recruit and retain good quality candidates for vacant posts and reduce reliance on agency personnel.</li> <li>Poor decision making, performance and inability to deliver service transformation.</li> </ul>	<ul style="list-style-type: none"> <li>Recruiting to vacancies: a detailed monthly analysis is identified by a workforce report. Recruitment campaigns are targeted to teams which identify unfilled vacancies and agency workers. Roles are advertised via Community Care which has a readership of social care professionals. In addition Croydon is holding a series of 'Excellence in Practice' recruitment seminars. - latest event held 29/03/2019.</li> <li>Further progress has been made in the conversion of locums to permanent staff - as at 28 June 2019, 23 locum staff had converted to permanently employed status. During the period 01/06/2018 to 31/05/2019 a total of 92 external staff were permanently recruited (of which 46 were social Workers).</li> <li>Exit interview process has been reviewed and structured to incorporate Director involvement and the ability to identify crucial management information / data to mitigate high attrition rates.</li> <li>New cohort of newly qualified Social Workers commenced May 2019.</li> <li>Social Worker housing scheme implemented.</li> <li>Overseas recruitment campaign inc S Africa to increase supply. Lower vacancy rates in final model excluding surge teams</li> </ul>	5	4	20	<ul style="list-style-type: none"> <li>Collaborative work with HR Business Partner and team to promote more strategic approach to recruitment Croydon experiencing significant difficulties recruiting and competing in London. This strategy is ongoing and continuously reviewed.</li> <li>Implement recruitment and retention policy: implementation of the recruitment &amp; retention policy is underway which includes learning and development career pathways, retention payment for Social Workers in hard to fill teams with payment in 2 instalments. There is a strategic approach to recruitment &amp; retention which including benchmarking against other Local authorities, analysing exit interview data as well as monitoring sickness absence and 1:1 supervisions. Target Date = 31/05/2020</li> <li>Completion Percentage = 60%</li> <li>Reviewing benchmarking and 'welcome payment' for Care Planning &amp; Assessment Teams. Target date = 31/05/2020</li> <li>Completion percentage = 60%</li> <li>Recruitment remains a key activity for Spring 2020 which includes recruiting the May 2020 cohort of Newly Qualified Social Workers (15 places), and new national and overseas recruitment campaigns.</li> </ul>	5	3	15

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Early Help & Childrens Social Care	EHCS0010	<b>Owner</b> Nick Pendry (Director)  <b>Lead Officer</b> Robert Henderson (Exec Director)	Exploitation of young people in the Borough particularly in relation to peer on peer and gang activities and children missing from home and care.  (Risk generated 20/02/2018)	<ul style="list-style-type: none"> <li>Children feeling and being unsafe/becoming victims or perpetrators of crime.</li> <li>Significant risk of harm to young people in the Borough through exploitation (sexual and criminal), being missing and/or trafficked or caught up in crime</li> <li>Risk of harm to Croydon children placed away from Croydon without prevention, disruption and protection activity.</li> </ul>	<ul style="list-style-type: none"> <li>Partnership working with the police and other agencies.</li> <li>Strategy meetings for children who are missing, Child Exploitation risk assessment and risk reduction plans, with risk management meetings introduced, MACE as strategic oversight (multi agency child exploitation panel).</li> <li>Panels have been realigned and Complex Adolescents Panel began on 5th June 2019 so children are only discussed in one forum. This will report into the Vulnerable Adolescent Workstream.</li> <li>Much improved single performance and data report available now.</li> <li>Robust and reliable data as well as children's feedback being analysed on a regular basis (to include: increase in Return Home Interviews, less repeat missing children, realistic National Referral Mechanism (NRM) referral rate, realistic number of children tracked at risk of criminal and sexual exploitation and risks reducing).</li> <li>Investment made in expanding the team to complete return home interviews.</li> <li>Investment in a data analyst to understand the underlying issues and themes emerging so targeted preventative working can be developed. Analyst liaises with police and gangs analysts.</li> <li>Focused work with our schools around gangs and County Lines.</li> <li>Adolescent Support Teams who work on statutory basis with adolescents where there is a risk outside of the home. Adolescent Services within Children's Social Care incorporate the Gangs Team, Youth Offending and Child Exploitation Team, along with two statutory social care teams for adolescents.</li> <li>Choose Life campaign implemented.</li> <li>The Public Health Approach to Reducing Violence which provides the framework to deliver the council's commitment to reducing violence, including serious youth violence and knife crime in the borough, (Adopted 10/06/2019).</li> <li>The Complex Adolescents Panel (CAP) is a weekly multi-agency panel with senior representatives from the police, health, CAMHS, Gateway, YOS, gangs, education in attendance.</li> <li>It is chaired by the Head of Adolescent Services. The panel oversees children who are being exposed to extra-familial harm such as going missing, being exploited or who are involved in offending behaviour.</li> <li>Social workers and team managers present cases and the panel share information and intelligence.</li> <li>Resources can be allocated and actions are agreed to manage the risk presented, this includes those of perpetrators.</li> <li>Croydon's MACE is incorporated into CAP and children who are being exploited are reviewed, dependent on level of risk ie high = monthly.</li> <li>This enables senior managers of all partner agencies to understand who are the most vulnerable children in the borough and the risks that they face. It enables management of those risks with multi-agency planning and reviewing.</li> </ul>	5	4	20	<ul style="list-style-type: none"> <li>Ongoing activity to ensure greater awareness and robust actions by all partners is promoted at all opportunities.</li> <li>Work with other local authorities to reduce placements of vulnerable children in Croydon. Negotiations are continuous and ongoing to reduce LBC's placement numbers.</li> <li>Assessment of the 'Glasgow Public Health' approach to managing violence. Completion April 2020.</li> <li>Robust and reliable data as well as children's feedback to be analysed on a regular basis (to include: increase in Return Home Interviews, less repeat missing children, realistic National Referral Mechanism (NRM) referral rate, realistic number of children tracked at risk of criminal and sexual exploitation and risks reducing). Completion date: 31/03/2020</li> <li>Percentage completed: 90%</li> <li>The Violence Reduction Network is taking a fundamentally different approach where all partners work together with communities to drive down violence and by preventing violence before it happens by focusing on the causes, as well as the impact of the offences. The plans include the development of trauma-based training for staff, the community and voluntary sectors, to enable people to identify and understand adverse childhood and adult experiences and ensure those who experience them are properly supported. Implementation period is significant as it involves the introduction of several strategic approaches to working practices.</li> <li>The Mayors Violence Reduction Unit expected to deliver further targeted services in this area.</li> </ul>	5	3	15
Early Help & Childrens Social Care	EHCS0012	<b>Owner / Lead Officer</b> Robert Henderson (Exec Director)	The achievement of the improvement plan outcomes and the journey to a rating of 'Good' is not achieved, following the recent OFSTED re-inspection of 'Services for children in need of help and protection and children looked after and care leavers' which had previously judged the Council's Children's Services as 'adequate'.  (Risk generated 19/12/2017)	<ul style="list-style-type: none"> <li>Reputational damage, which has a severe impact on the Council's ability to recruit and retain high quality, skilled staff</li> <li>Children and young people at risk of significant and serious harm, because children in need of help and protection and children looked after by the Local Authority do not have sufficiently robust care plans and services to meet their needs and keep them safe.</li> <li>Financial cost of implementing wide ranging changes</li> <li>Increased referrals to children's social care from across partners, leading to unacceptably high workloads, poor service and associated financial pressures.</li> <li>Media scrutiny.</li> <li>Political scrutiny and activity.</li> </ul>	<ul style="list-style-type: none"> <li>The Executive Director Children, Families and Education and Director of Early Help and Children's Social Care have analysed and evaluated the divisions strengths and weaknesses and translated these into a coherent set of sequenced priorities for action.</li> <li>Systemic leadership training for all managers has started with CSLT and will be mandatory for all service and team managers to ensure all have the skills, knowledge and ability to provide high support and high challenge to staff to achieve the best outcomes for children and families.</li> <li>Additional investment of £12m during 2019/20 in the base budget has resourced business support, learning and development and performance management, which create the conditions for good social work to flourish.</li> <li>Steady improvements in KPIs as reported to the Improvement Board indicate that the service improvement work is gaining traction, although the pace needs to speed up.</li> <li>Substantial engagement with staff has taken place across the whole department to plan and implement a locality working model across CFE, taking a risk-based approach to ensure this contributes to better services and improved outcomes for children.</li> <li>Sustained focus on recruitment and retention has led to the recruitment of five permanent service managers from good and outstanding authorities, reduced staff churn and seen staff returning to work in Croydon.</li> <li>Working with over 1000 children following implementation of transformation proposals.</li> <li>July 2019 - Monitoring Report Outcomes presented.</li> <li>Last two Ofsted visits have been positive and indicate a good direction of travel</li> </ul>	5	4	20	<ul style="list-style-type: none"> <li>Further develop locally based working as part of the transformation, bringing more services together around families and communities to make sure families get the right services at the right time. Target date = March 2020. Completion percentage = 50%</li> <li>Following the systemic practice training strengthened relationships will be built across children's services and schools, early years and voluntary sector providers to keep the journey of the child at the centre. Early help will continue to provide robust, effective support for families, expanding the offer so more cases step down from statutory services. Target date = March 2020. Completion percentage = less than 5% of Early Help Workforce.</li> </ul>	5	3	15

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Education	ED0001	<b>Owner</b> Shelley Davies (Director)  <b>Lead Officer</b> Robert Henderson (Exec Director)	Increasing population with complex learning needs and parental expectations leads to rising demand and financial pressure on SEN fixed budgets including pressure on High Needs DSG budget, which can't be funded from General Fund reserves.  ** The DfE has confirmed the provisions in The School and Early Years Finance (England) Regulations 2020 establishing a statutory requirement for any DSG deficit balance to be held within the local authority's overall DSG, meaning authorities cannot fund deficit from general fund without Secretary of State approval**.  (Risk generated 27/06/2017).	<ul style="list-style-type: none"> <li>Children and families do not receive the advice and support they would expect.</li> <li>Increased costs due to tribunals and complaints leading to reduced reputation.</li> <li>Inability to achieve outcomes for children and families in Croydon.</li> <li>LBC over reliance on 'independent sector'.</li> <li>Increase in Education, Health &amp; Care (EHC) Plans issued with no additional funding provided.</li> </ul>	<ul style="list-style-type: none"> <li>Further senior management review of existing plans.</li> <li>Implement strategies for managing demand for more effective mainstream school placements.</li> <li>High Needs Funding Review planned.</li> <li>Modelling of Locality Based Working &amp; Staged Approach supporting mainstream schools meeting SEN needs.</li> <li>Implementation of SL DPS to reduce placement costs.</li> <li>Improved forecasting and reporting of demand led spend to manage overall budget position.</li> <li>Improved projections for school places.</li> <li>New SEN strategy 2019 / 22 present to cabinet March 2019 following consultation. Plans to improve impact of service and measure to mitigate against cost.</li> <li>Provision of more Post 16 specialist placements in borough by Sept 2019 with a further 244 school placements to come on stream by Sept 2020.</li> <li>Continue to use Council Members / MPs to lobby Central Government for a review of the model that funds higher needs to reflect the actual demand for Croydon.</li> <li>July 2019 5 yr deficit recovery plan submitted to DfE.</li> <li>DSG Recovery Plan (balanced budget 2024/25) approved by Schools forum.</li> </ul>	5	4	20	<ul style="list-style-type: none"> <li>0-25 SEND Strategy Implementation Plan to deliver change across the system – in five areas below.</li> <li>The SEND Strategy implementation plan Governance is through SEND Working Group; which reports into Children &amp; Families Partnership Board.</li> <li>Review the Deficit Recovery Plan quarterly and expectation to be in a 'balanced budget' by 2023/24.</li> <li>Early Identification and Intervention –improved HV assessment, identify needs, work with families early. Support for EY education providers, personalised inclusion funding until the end of EY Foundation Stage.</li> <li>Review the Deficit Recovery Plan quarterly and expectation to be in a 'balanced budget' by 2023/24.</li> <li>Graduated response – right support, right time.</li> <li>Meeting needs locally in local schools at SEN Support level; reduced reliance on alternative education.</li> <li>Review the Deficit Recovery Plan quarterly and expectation to be in a 'balanced budget' by 2023/24.</li> <li>Joint Working – children's needs are met locally in Croydon (cost avoidance in inn sector), through co-ordinated and coherent pathways which are achieved through collaborative work with parents and YP; across education, health and care.</li> <li>Review the Deficit Recovery Plan quarterly and expectation to be in a 'balanced budget' by 2023/24.</li> <li>Post 16 pathway development so that there are effective local education, care and health pathways to adulthood, and EHC Plans are ceased in timely way (currently 40% HNB spend is post 16).</li> <li>Review the Deficit Recovery Plan quarterly and expectation to be in a 'balanced budget' by 2023/24.</li> <li>Workforce development – practitioners have the skills and knowledge to meet needs locally. Parents are confident.</li> <li>Review the Deficit Recovery Plan quarterly and expectation to be in a 'balanced budget' by 2023/24.</li> <li>South London Partnership SEN Commissioning Programme for commissioning residential and day placements for children and young people with Special Education Needs.</li> <li>Review the Deficit Recovery Plan quarterly and expectation to be in a 'balanced budget' by 2023/24.</li> <li>Free School being constructed which will relieve pressure in spend in non-mainstream sector.</li> <li>Review the Deficit Recovery Plan quarterly and expectation to be in a 'balanced budget' by 2023/24.</li> <li>Utilisation of the additional funding allocated in the 2019 'Spending Review'.</li> <li>Review the Deficit Recovery Plan quarterly and expectation to be in a 'balanced budget' by 2023/24.</li> </ul>	5	3	15
Education	ED0002	<b>Owner</b> Shelley Davies (Director)  <b>Lead Officer</b> Robert Henderson (Exec Director)	That a 'Local Area (OFSTED) Inspection' could issue a letter detailing improvement requirements / concerns in respect of the SEND Service.  The SEND Service is one element of the Ofsted Inspection curriculum which also includes Children's Social Care and Adult Social Care . LBC and the CCG have overall joint responsibility.  **The Education Directorate is co-ordinating the Council's approach but overall responsibility does not sit with the Directorate**  (Risk generated 05/01/2018).	<ul style="list-style-type: none"> <li>Reputational damage.</li> <li>Government intervention.</li> <li>Financial cost of implementing wide ranging changes</li> <li>Legislative action arising.</li> <li>Difficulty in recruiting and retaining experienced and effective workforce.</li> <li>Media scrutiny.</li> <li>Political scrutiny and activity.</li> <li>Increased referrals into SEND service and associated financial pressures.Af to update.</li> <li>Judicial Review.</li> </ul>	<ul style="list-style-type: none"> <li>SEN Improvement Board established &amp; meeting monthly to monitor SEN improvement plan and strategy.</li> <li>Governance structure introduced to oversee delivery and implementation of the Improvement Strategy.</li> </ul>	4	5	20	<ul style="list-style-type: none"> <li>Implementation of 0-25 SEND strategy.</li> <li>Implement plan to ensure 'Local Area' is inspection ready.</li> <li>The SEND strategy is a three year strategy, we have a five year DGS recovery plan and in terms of inspection readiness we are awaiting the inspection call in either the Summer or Autumn term(s) (2020).</li> </ul>	4	4	16
Education	ED0003	<b>Owner</b> Shelley Davies (Director)  <b>Lead Officer</b> Robert Henderson (Exec Director)	As at end of Q3 (2019/20) there are 11 of our 50 maintained schools in deficit potentially leading to default or an increase in arrears. The total deficit amounts to £5.4m (January 2020 returns figure) however two of the schools are in a loan arrangement with the LA.  **It is noted that approximately 72% (£3.9m ) of the deficit is attributable to two schools**.  (Risk generated 08/08/2017).	<ul style="list-style-type: none"> <li>Financial loss to LBC.</li> </ul>	<ul style="list-style-type: none"> <li>Schools are requested to set a licence deficit plan – this includes a 3 year budget plan as to how the school will return to a balanced position.</li> <li>Deficit schools are required to report financial outturn monthly.</li> <li>Schools are met with by senior finance and education officers to discuss their deficit and their action plan for setting a balanced budget in the future.</li> <li>We have input into the school's 3 year business plan to shape repayment terms and included a formal letter of agreement. Termly finance meetings for all maintained schools sharing best practice etc.</li> <li>Where appropriate the Council is using its statutory powers to investigate installing an Interim Executive Board (IEB). Powers are limited in terms of financial benefit to the LA but could steer the school towards a form of collaboration with another education body.</li> <li>Output from the independent Financial Review to inform the LA of next steps. Target date of September 2020.</li> <li>Regular update meetings with the Governing Body's / SLT's of schools with the highest levels of debt.</li> </ul>	4	5	20	<ul style="list-style-type: none"> <li>More enhanced benchmarking using tools currently under development with the DfE.</li> <li>Independent Financial Review of 'Schools in Deficit' funded from DSG schools block. Visits to 'Schools in Deficit' to commence by September 2020.</li> </ul>	4	5	20

Directorate	Risk Ref	Assigned To	Risk	Impact	Existing Controls	Impact	L'hood	Total	Future Controls	Impact	L'hood	Total
Resources Department / Corporate	RCS0018	<b>Owner / Lead Officer</b> Jacqueline Harris-Baker (Exec Director)	<p>The Council is unable to deliver services (including all of its statutory requirements) should the UK and the EU not reach a mutually acceptable 'trading arrangement' by the end of the withdrawal agreement period (31 December 2020).</p> <p>**This risk is closely monitored in terms of impact however the outcome of the trade negotiations and final settlement arrangements cannot be determined at an organisational level. The Council will continue to react to the issues arising as a result of the status of the ongoing negotiations**.</p> <p>(Risk generated 25/06/2016).</p>	<ul style="list-style-type: none"> <li>Wider uncertainties about the UK's economy and trade arrangements could potentially impact development plans and inward investment that are vital for the borough's regeneration.</li> <li>The UK Economic performance will impact local authority budgets and grants. Currently there are unknowns about whether further grant cuts will be imposed and how Croydon's budget may be affected.</li> <li>Croydon's business rates income could be impacted by any loss of confidence in investment in the UK economy.</li> <li>'A 'No-trade deal' has a high likelihood of causing disruption to supply chain with delays and higher costs which may impact on consumers. This may cause shortages in supplies, including critical areas such as medicines, food and fuel.</li> </ul>	<ul style="list-style-type: none"> <li>Cabinet have endorsed a statement to say that Croydon values and welcomes EU citizens and is open for business and plans are in place to safeguard our growth.</li> <li>The Council is working together with it's partners to be vigilant to identify any hate crime and take vigorous action against perpetrators.</li> <li>A cross-organisational Brexit Working Group (with SRO) to coordinate the Council's response in operation. The groups activities include the sharing of information / intel, the identification of risks and their impact, corporate resilience and scenario planning, communications strategies and a corporate action plan delivery. This work is being coordinated with partners.</li> <li>LBC is contributing to Regional Communications Structure through representation at London Council's.</li> <li>Using funding from MHCLG to ensure robust planning in place.</li> </ul>	5	4	20	<ul style="list-style-type: none"> <li>The Council will continue working with developers and investors to encourage and enable suitable projects within the borough</li> <li>The Council will continue to monitor pension fund investments, consider options and viability as volatility levels and markets change.</li> <li>The Council will continue to monitor resources to enable delivery utilising the MHCLG grant as appropriate.</li> </ul>	5	4	20
S151 Finance, Investment & Risk	FIR0018	<b>Owner</b> Lisa Taylor (Director)  <b>Lead Officer</b> Jacqueline Harris-Baker (Exec Director)	<p>The 2019/20 budget is not managed within allocated resources resulting in an overspend and therefore the need to implement additional cuts to services.</p> <p>Q3 (19/20) presented to Cabinet 24/02/2020 a forecast revenue overspend in 19/20 of £2.4M and work is taking place to reduce this.</p> <p>In year funding reductions are imposed whilst the Council experiences a continuous rising demand for service provision and growth in population. The continuing improvement of Children's Services following the OFSTED inspection (June / July 2017) has required greater investment in this service with over £10m having been invested in Children's Services during 2018/19. A further £12m investment has been allocated in the 2019/20 budget.</p> <p>2018/2019 year end overspend was £5.466m. This includes costs relating to UASC, which the Home Office are still not engaging with Croydon to resolve.</p> <p>(Risk generated 18/09/2018)</p>	<ul style="list-style-type: none"> <li>Insufficient resources will lead to inability to meet needs and political aspirations. Potential inability to meet statutory responsibilities in times of increasing demand through changing demographics, for example mental health services, older people's services, children's services and housing.</li> <li>Damage to reputation and service risk.</li> <li>Reduction in resources.</li> <li>Erosion of reserves.</li> <li>Risk of failure to balance Budget and failure to maintain capital investment strategy in infrastructure (Strategic objective alignment: Enabling).</li> <li>2019/20 Q3 monitoring has provided an indication of a forecast overspend. Action is being taken by all departments to reduce costs. This includes increased controls on all expenditure including Agency Staff, use of contractors and cost of high level placements.</li> <li>Use of General Fund Reserves</li> </ul>	<ul style="list-style-type: none"> <li>Immediate response to national consultations / questionnaires in conjunction with continued lobbying of central government.</li> <li>Corporate Plan aligned to MTFS to ensure priorities align with resources.</li> <li>Quarterly financial monitoring with additional controls in respect of Adult and Children Social care where the high risk areas are monitored monthly.</li> <li>Regular monitoring of all reserves including Transformation Projects for both service delivery and financial savings.</li> <li>Implementation of the Localities Project to deliver savings.</li> <li>MTFS 2018/22 presented to cabinet (September 2018), setting out future budget requirements.</li> <li>Continued implementation of the Children's Improvement Plan.</li> <li>SEN Transport - Continued development of the service operating model to drive efficiencies. This includes the continued use of independent travel.</li> <li>Development of a 5 year financial model to continue to manage SEN Transport costs.</li> <li>Continued delivery of Gateway &amp; Family Link Service.</li> <li>Recruitment pause commenced August 2019.</li> <li>Review of fees and charges.</li> <li>Implementation of High Needs Strategy.</li> </ul>	5	4	20	<ul style="list-style-type: none"> <li>Refresh the MTFS to aid setting the 2020/21 budget and identify at an early stage projects and programmes to do this working closely with CLT / ELT and Cabinet to achieve this.</li> <li>Regular review of all fees and charges.</li> <li>Continue to implement all Savings &amp; Transformation projects to ensure delivery.</li> <li>Focus on preventative measures and early intervention particularly with identified top high cost families, including the Localities Project model benefits (continuous review).</li> <li>Children's Social Care - continued implementation of The Improvement Plan.</li> <li>Adult Social Care - continued review of service delivery and review of all contracts.</li> <li>Continued active engagement in fair funding review.</li> <li>Continued Home Office lobbying for fair UASC funding.</li> </ul>	5	3	15

Directorate	Risk Ref	Assigned To	Risk	Impact	Existing Controls	Impact	L'hood	Total	Future Controls	Impact	L'hood	Total
S151 Finance, Investment & Risk	FIR0021	<p><b>Owner</b> Lisa Taylor (Director)</p> <p><b>Lead Officer</b> Jacqueline Harris-Baker (Exec Director)</p>	<p>Funding levels provided through the Government Grant are significantly lower than forecast or anticipated, resulting in severe limitations being placed on the Council's Medium Term Financial Strategy.</p> <p>**There has been great uncertainty in relation to the level of funding beyond 2020. Medium Term Financial Planning is taking place against a background of significant funding cuts for local government alongside government plans for major local government finance reforms and this uncertainty is making planning very difficult to manage. The Spending Review (2019) offered hope with additional funding being allocated in Local Government next year. The Local Government Finance Settlement has provided greater funding certainty for Croydon for one year 20/21. There remain a continued level of uncertainty beyond 20/21 as the settlement was only for 1 year.**</p> <p>(Risk generated 27/06/2019).</p>	<ul style="list-style-type: none"> <li>• Service disruptions or services ceased</li> <li>• Key manifesto / corporate objectives not achieved.</li> <li>• Resident dissatisfaction.</li> <li>• Media and political scrutiny.</li> <li>• Legal challenge and associated consequences.</li> <li>• Little time to strategically plan.</li> <li>• Staff reductions</li> <li>• Unable to manage a balanced budget</li> <li>• Issue Section 114 notice</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous monitoring / scrutiny of all budgets and commitments.</li> <li>• Continuing approach to organisational efficiency including smart commissioning &amp; procurement strategies, and recruitment controls. Targeted approach to early intervention and prevention strategies (children's and adult's social care / Gateway Strategy) and exploitation of opportunities for working in collaboration with our partners.</li> <li>• Diversification of organisational operating portfolio's (incl. asset investment / revenue generation opportunities.</li> <li>• Continued maintenance of general reserve at current levels, with an ambition to increase the minimum level of reserves to 5% of the net revenue budget to cover any major unforeseen expenditure.</li> <li>• Continued lobbying with Home Office on several occasions for fair funding.</li> </ul>	5	5	25	<ul style="list-style-type: none"> <li>• Strategies being developed to promote and stimulate new growth opportunities.</li> <li>• Continued focus / investigation into effective approaches to managing demand.</li> <li>• Continued strategic approach to identifying efficiencies and savings through changes to the way the Council works e.g. exploiting new technology, consolidation of buildings and processes.</li> <li>• Identification of new ways to strengthen the long term financial position through increasing income sources.</li> <li>• Refresh of MTFS over Spring 2020 for Cabinet in July 2020.</li> </ul>	5	4	20