

Corporate Risk Register

Risk Ref	Risk Scenario		Exec Director	Existing Controls	Current			Future Controls	Future Risk Rating		
	Risk	Impact			Impact	L'hood	Total		Impact	L'hood	Total
FIR0021 Taylor, Lisa	<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. (Updated for Draft Settlement 20/12/19).</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 Draft Local Government Finance Settlement announced on the 20/12/19 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>Updated by S151 Officer 08/01/2020.</p> <p>(Risk generated 27/06/2019).</p>	<ul style="list-style-type: none"> - Service disruptions. - Key manifesto / corporate objectives not achieved. - Resident dissatisfaction. - Media and political scrutiny. - Legal challenge and associated consequences. - Little time to strategically plan. 	<p>Harris-Baker, Jacqueline</p> <p>Resources Department / Corporate</p>	<ul style="list-style-type: none"> a. - Continuous monitoring / scrutiny of all budgets and commitments. b. Continuing approach to organisational efficiency including smart commissioning & 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. c. Diversification of organisational operating portfolio's (incl. asset investment / revenue generation opportunities. d. 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. e. Continued lobbying with Home Office on several occasions for fair funding. 	5	5	25	<ul style="list-style-type: none"> a. - Strategies being developed to promote and stimulate new growth opportunities. b. Continued focus / investigation into effective approaches to managing demand. c. 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. d. Identification of new ways to strengthen the long term financial position through increasing income sources. e. Refresh of MTFS over Spring 2020 for Cabinet in July 2020. 	5	5	25

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FIR0018 Taylor, Lisa	<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>Q2 (19/20) presented to Cabinet 16/12/2019 a forecast revenue overspend in 19/20 of £10.4M 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>Updated by S151 Officer 08/01/2020. (Risk generated 18/09/2018)</p>	<p>- 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.</p> <p>- Damage to reputation and service risk.</p> <p>- Reduction in resources.</p> <p>- Erosion of reserves.</p> <p>- Risk of failure to balance Budget and failure to maintain capital investment strategy in infrastructure (Strategic objective alignment: Enabling).</p> <p>- 2019/20 Q2 monitoring has provided an indication of a forecast overspend. Action is being taken by all departments to reduce costs.</p> <p>This includes increased controls on all expenditure including Agency Staff, use of contractors and cost of high level placements.</p>	Harris-Baker, Jacqueline Resources Department / Corporate	<p>a. Corporate Plan aligned to MTFS to ensure priorities align with resources</p> <p>b. MTFS 2018/22 presented to cabinet (September 2018), setting out future budget requirements.</p> <p>c. Quarterly financial monitoring with additional controls in respect of Adult and Children Social care, where the high risk areas are monitored monthly.</p> <p>d. Regular monitoring of all reserves including Transformation Projects for both service delivery and financial savings.</p> <p>e. Immediate response to national consultations / questionnaires in conjunction with continued lobbying of central government.</p> <p>f. Implementation of the Localities Project to deliver savings.</p> <p>g. Continued implementation of the Children's Improvement Plan.</p>	5	4	20	<p>a. Continue to implement all Savings & Transformation projects to ensure delivery.</p> <p>b. Refresh the MTFS to balance 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.</p> <p>c. Focus on preventative measures and early intervention particularly with identified top high cost families, including the Localities Project model benefits (continuous review).</p> <p>d. Children's Social Care - continued implementation of The Improvement Plan.</p> <p>e. Adult Social Care - continued review of service delivery and review of all contracts.</p> <p>f. Regular review of all fees and charges.</p> <p>g. Continued active engagement in fair funding review.</p> <p>h. Continued Home Office lobbying for fair UASC funding.</p>	5	3	15

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				<p>h. SEN Transport - Continued development of the service operating model to drive efficiencies. This includes the continued use of independent travel.</p> <p>i. Development of a 5 year financial model to continue to manage SEN Transport costs.</p> <p>j. Continued delivery of Gateway & Family Link Service.</p> <p>k. Recruitment pause commenced August 2019.</p> <p>l. Review of fees and charges.</p> <p>m. Implementation of High Needs Strategy.</p>							