

Aberdeen City Welfare Reform Risks

Appendix 1

CORPORATE RISK REGISTER

An extract from the Corporate Risk Register taken 20th February 2013.

Title	Potential Impact	Current Risk	Residual Risk	Assigned To
Risk that planned welfare reform will negatively impact on the council and its communities (Hazard Risk)	See attached document. Further document attached detailing the management of this risk.			Fred McBride
Internal Controls				
Mitigating Actions	See attached document. There are now 5 work streams to the welfare reform project with a nominated leader for each stream. £1million has been set aside to support this work. This is built in to the budget setting process. A report to Council will evidence further work on welfare reform and will be uploaded to the risk when available.			
Business Plan Actions		Linked Risks		

Current Risk refers to the status of the risk at present, with mitigating actions still to be completed. So likelihood is Low and Impact serious.

Residual likelihood is very low and impact serious. This will be achieved when all mitigating actions have been concluded, ie through the PMO management of the programme.

This risk was reviewed with Fred McBride 21/12/12. Further programme management documents will be supplied to support the treatment of this risk over the coming months.

Aberdeen City Council
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WELFARE REFORM PROGRAMME RISKS

An extract from the Welfare Reform Programme Risk Register, taken 20th February 2013

ID	Description	Impact	Likelihood	Score	Counter-measure	Owner
P. 1	The details of Welfare Reform are still evolving from Scottish Government and DWP. The risk is that short-time scales for implementation will affect the quality of service.	3	4	12	Continue to maintain close relationship with key decision makers at DWP and Scottish Government.	Donald Urquhart
P. 2	Impact on the <u>Housing Revenue Account</u> (HRA) There will be an increase in rent arrears. This may accelerate from 2014 when Universal Credit is established. This is difficult to quantify.	3	3	9	10 new housing officer posts are in place. Early contact is made with Tenants in arrears and communication continues. This risk is likely to be mitigated in part by continued rental credit for some.	Donald Urquhart
P. 3	Impact on the <u>Housing Revenue Account</u> (HRA): Under occupation charge means £960K per annum is at risk.	3	4	12	Discussions are underway with all tenants affected to agree a way forward and explore options. (Also see P.4)	Donald Urquhart
P. 4	Lack of suitable housing to accommodate down sizing leads to debt for tenants.	3	4	12	Programme to address strategic issues regarding long term housing stock. A paper is going to H&E Committee seeking changes to existing down-sizing scheme.	Donald Urquhart

KEY:

Impact: Catastrophic 4, Serious 3, Material 2, Negligible 1.

Likelihood: Very high-6, High-5, Significant-4, Low-3, Very Low-2, Almost Impossible-1

Score: (Green1-7), (Amber 8-14), (Red 15-24)

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ID	Description	Impact	Likelihood	Score	Counter-measure	Owner
P. 5	Impact on the <u>General Fund</u> The Homelessness service income constrained through changes to Local Housing Allowance and benefit cap. Risk to Income Collection of up to £2- £2.5 million for 2013-14.	3	4	12	A review of costs to the Homelessness Service will be undertaken and Income Profile will be monitored throughout the year. This risk is being actively challenged by COSLA to the Scottish and UK Government	Donald Urquhart
P. 6	Impact on the <u>General Fund</u> with a Council Tax shortfall of £500k for 13/14. There is also uncertainty for 14/15 as this is a one year deal with Scottish Government.	3	4	12	This has been allowed for within contingency	Wayne Connell
P. 7	Increased demand for welfare rights advice and debt management services cannot currently be managed.	1	6	6	Currently monitoring demand with potential Business Case for re-aligned resource.	Donald Urquhart
P. 8	A risk that partners, including housing associations have serious cash flow issues and subsequent risk to ACC through loss of partners.	2	3	6	Partner organisations are developing their own plans and we will work in partnership to monitor this.	Donald Urquhart
P. 9	The pressure for implementation on Senior and Middle Managers could lead to delay in effective response.	1	4	4	Capacity continues to be monitored by CMT with a potential for additional management resource for financial inclusion.	Fred McBride & CMT

KEY:

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ID	Description	Impact	Likelihood	Score	Counter-measure	Owner
P.10	Political differences hinder development of a strategic response	2	2	4	Keeping Councillors updated and involved in ACC response to this programme and specifically the impact of those affected	Fred McBride & CMT
P.11	Failure to identify an operational budget restricts capacity to react in the time scales imposed.	3	2	6	Identify a budget to be authorised by CMT. Monitor spend as part of a Programme Budget and report on this spend to Sponsoring Group monthly.	Donald Urquhart
P.12	Potential TUPE issue relating to the possible transfer of DWP staff	1	1	1	No known transfers to date DWP to keep updated	Jeff Capstick
P.13	The Scottish Welfare Fund is insufficient to meet demand and results in pressure to increase funds from within existing Council Budgets	3	4	12	Continue to monitor the fund along with clear guidelines and criteria.	Wayne Connell
P.14	The discretionary Housing Payment is insufficient to meet demand and results in pressure to increase funds from within existing Council Budgets.	3	4	12	Continue to monitor the fund along with clear guidelines and criteria.	Donald Urquhart
P.15	Inadequate communication leads to reputational damage to ACC and inadequate Service.	3	3	9	Establishment of the Communications Project with a lead officer to coordinate and plan Communication responses.	Victoria Livingstone
P.16	Inadequate training and information for staff leads to inadequate service provision to citizens	3	2	6	Establishment of the Training Project with a lead officer to coordinate and deliver training.	Sara Braithwaite

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ID	Description	Impact	Likelihood	Score	Counter-measure	Owner
P.17	Applicants are able to receive multiple payments from different funding sources leading duplication of payment.	2	2	4	Working with partners to ensure sign-posting and clear guidelines/criteria.	Wayne Connell
P.18	Applicants making fraudulent claims to the Scottish Welfare Fund.	2	2	4	There are guidelines and criteria as well as checks for multiple claims in place. Project to discuss further with Internal Fraud Team.	Wayne Connell
WF01.6	<u>Project Risk</u> Within Revenues and Benefits there are many high profile-time dependent projects all due 1st April: Delivery of the Sherriff Officer New Tender commences Under Occupant commences Council Tax Annual Billing Non domestic Rates Year End Scottish Welfare Fund Commences Council Tax Reduction Scheme goes live Legislative change to Council Tax and NDR	3	4	12	Recognition that this department is prioritising work load. Additional resource are helping where it is relevant and can add value but much of this work has to be done by the same officers who will take these things forward.	Wayne Connell

KEY:

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