











## Issues Register ~ Key Strategic Issues ~ Quarter 2 2019

Risk Owner	Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequence(s)	Impact code	Matrix	Current Score & Review History	Control Actions	Date provided
John Dimmer; Rachael Wardell	CPI41 / KSR53 Equalities duties	Key Strategic Issue	We may be in breach of Equalities legislation regarding new policy development, designing services and decision making (formerly RE11)	- insufficient evidence to demonstrate how equalities implications have been considered	- reputational impact for council - risk of judicial review & litigation - negative impact on service users - loss of savings.	R		12  11-Sep-2019		07 Oct 2019
								12  17-Jun-2019		
								12  17-Jun-2019		
								12  17-Dec-2018		
<b>Control Actions</b>										
The key concerns still relate to service changes as a result of austerity. We continue to need to reduce or reconfigure services which could impact on vulnerable people. We have updated the equalities guidance to managers and a managers bulletin will go out in early October. The recent changes to parking charges was called in and further consultation was undertaken. It is important that managers understand the need for good quality engagement with those affected by potential changes to services. Following the additional consultation Cabinet have approved the parking changes.										
Page 157 Rachael Wardell	CSF04 / KSR55 Demographic changes	Key Strategic Issue	We may fail to respond adequately to increasing children's social care demands	Due to changing borough demographics including: - an increase in the total population in the borough - a particular increase in families with young children - a change in the mix of the population with respect to ethnicity, disability & deprivation - an increase in children with special educational needs and disabilities. Growth in demand taking place in context of pressures on budgets - specifically savings targets of £2.8m for 19/20.	This will lead to: - Additional demand for services for children with special educational needs & disabilities - pressure for growth in children's social care & child protection interventions - increasing level of support for families with no recourse to public funds. - Budget pressures	SP		15  24-Sep-2019		14 Oct 2019
								15  01-Jul-2019		
								12  18-Mar-2019		
								12  23-Jan-2019		
<b>Control Actions</b> Right size budgets in areas with demand pressure that cannot be met. (NB: This mitigating action has not taken place). UASC numbers have reached their limit under the National Transfer Scheme (although care leaver numbers will keep rising). CSF Service Plans identify current control measures, including: reviewing and strengthening the eligibility criteria; step up step down process; and consistently managing demand. A project is in train to try to improve prediction of future demand. Review of Early Help Services taking place now (and will go live early 2020) with the aim of identifying and meeting need earlier and therefore preventing the need for late and potentially high-cost interventions. CSF is in the process of developing a growth bid as a means to meet rising numbers of EHCP plans.										

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Jane McSherry	CSF05 / KSR34 Insufficient school places	Key Strategic Issue	Risk that there are insufficient special school places in the borough to meet need.	This is because: - EHCP numbers are increasing significantly and we are reaching the limits on our in-borough capacity in ARPs and special schools	Insufficient special school places provided will result in: - inability to meet statutory duty to children with additional needs through local provision and more children needing to travel out of borough for their education - increased costs in independent sector special school places - increase transport costs to placements outside the borough - increased scrutiny - reputational damage	R		12  24-Sep-2019	Work in hand to deliver expansion of places at Cricket Green School.  Proposals to the capital programme to increase places for SEMH and ASD through ARP and new special school places.  We are working to ensure that as many children's needs are met effectively at SEND support with the aim of preventing escalation of need.	18 Jul 2019
								12  01-Jul-2019		
9  18-Mar-2019										
6  23-Jan-2019										
Children, Schools & Families	CSF06 / KSR56 CSF funding & statutory services	Key Strategic Issue	CSF funding changes, budget savings & resource management may impact on our ability to provide statutory services, and this is exacerbated by the overspend on the DSG.	Causes include: - Right sizing of budgets has not taken place. Savings for 20/21 have not yet been found. - Move to national funding formula for DSG and implications for overspends - continued uncertainty regarding changes to funding regimes & external grants - concurrent additional statutory duties - demographic pressures - the impact of maintained schools becoming academies - Insufficient funding for new burdens: C&F Act; NRPF; Leaving Care and housing for care leavers.	Leading to: - DSG overspend would impact on council general fund budget - Negative impact on our ability to provide statutory services - undermining of the Merton Model, causing additional spend pressures in targeted services. - Low staff morale - Difficulties in managing the impact of the Workforce Management Strategy - Time & effort required to manage change & meet expectations of members & central government may lead to failures in the management of ongoing operational	FI		24  24-Sep-2019	Assessment of likely impact of changes through Government funding proposals. Additional burdens reported on monthly and demographic pressures identified. Feeds into the MTFs, TOM, Service Planning work and relevant strategies to deliver the required savings without adversely impacting on performance. Early help and prevention a key theme of our TOM coupled with our continued focus on our statutory services. Right sizing of budgets to enable unfunded service demands to be met. (NB: This has not been implemented).	18 Jul 2019
								24  01-Jul-2019		
								20  18-Mar-2019		
								16  23-Jan-2019		

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				<ul style="list-style-type: none"> <li>- Requirement to make significant savings over the next 3-4 years</li> <li>- Need to balance competing &amp; increasing demands at a time of contracting resources &amp; extensive change.</li> <li>- High needs funding is not keeping track with demand and changes to rules on DSG overspend increase potential impact.</li> </ul>	<ul style="list-style-type: none"> <li>- High Needs Block national funding formula allocated £5.5m through the funding floor factor for 2018/19 which means that Merton will not receive the required growth as EHCP numbers increase</li> </ul>				Lobbying of central government by London Councils, Society of London Treasurers and National Audit Office around insufficient funding. CSF contribution to Cipfa and Children's Commissioner lobbying work. Independent review of CSF finances has been undertaken by Impower, and presented to CMT. Current DSG recovery plan shows that position cannot be recovered within 3 years.	
Page 159 Rachael Wardell	CSF09 / KSR62 Intervention/ prevention commissioning	Key Strategic Issue	We may fail to re-commission appropriate intervention and prevention services	Due to: <ul style="list-style-type: none"> <li>- reduction in contracting with local third sector</li> <li>- change in delivery reports of CSF</li> </ul>	Resulting in: <ul style="list-style-type: none"> <li>- Destabilisation of the Local Strategic Partnership &amp; Children's Trust Board partnership arrangements</li> <li>- reduced service delivery</li> <li>- an increase in reactive, rather than pro-active, services</li> <li>- adverse reputational impact</li> <li>- political impact</li> </ul>	R		12  24-Sep-2019 15  01-Jul-2019 15  18-Mar-2019 15  23-Jan-2019	The integrated commissioning group is working well and re-commissioning activity is well underway.  The integration of existing council services as part of the review of Early Help in Merton will enable us to commission more effectively.	24 Sep 2019

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