

Strategic Risk Report

13 August 2025

Risk Description

Ability to deliver the budget savings in 2025/26 and 2026/27 and the need to mitigate against the overspend in 2024/25. Accounting and monitoring practices have not been sufficiently strong and clear. This risk primarily arises from the significant reductions in funding from Central Government over many years whilst at the same time Government increasing the burden on Local Authorities, along with a low tax and fees policy at Hillingdon Council that lowers possible income whilst benefitting residents from a tax burden perspective. This is against a backdrop of increasing expectations from residents, the legacy impact of Covid-19, high baked in inflation and wider demand-led and demographic pressures on statutory and non statutory services. Inadequate supply in areas such as temporary housing are putting significant pressures on the Councils budget. The Council continues to prioritise universal services for the benefit of wider residents alongside significant provision of demand led adults and children’s services and housing. Asylum and asylum hotels have had a disproportionate impact on Hillingdon as it is a gateway authority, particularly post covid. All these factors significantly increase the potential that the Council will be unable to meet its statutory obligation to set and operate within a balanced budget and may require Exceptional Financial Support from Government, and therefore the Council must deliver significant transformation alongside and the Target Operating Model work to avoid this and resolve these significant challenges.

Service Strategy

Targets And RAG

- 1. Financial Modernisation and Improvement Program

Risk Description

Social care market conditions has resulted in inflated costs and lack of choice for residential and IFA care options for Looked After Children. This results in a significant risk to financial stability of Children's Services and the Council as a whole. It also poses a risk to regulatory outcomes for children.

In SEND, primary legislation promoting parental choice coupled with limited provision for ASD conditions increases reliance on INMSS which creates a financial risk.

Service Strategy

- 1. DSG Recovery Plan
- 2. SEND Improvement Plan
- 3. Fostering Transformation Programme
- 4. Charville Residential Project
- 5. CWD Respite Project
- 6. Care Offer
- 7. Social Work Delivery Model

Targets And RAG

High-Cost Residential Placements (Target <19)	
Mother & Baby Placements (Target <5)	
Final EHCP Issued in 20 weeks (Target >85%)	

HLBC0005: High Levels of Homelessness and Housing Needs Demand

Risk Rating:

C2

Risk Description

In line with the London picture, demand from homeless households in Hillingdon remains high and has increased by more than 50% since 2022/23. The unit cost of interim accommodation is rising by more than 30% per year. The rise in homelessness is due to the changing market conditions, the high purchase cost of homes and high rental costs combined with the Borough being a port authority with the associated infrastructure which leads to Hillingdon experiencing a higher relative level of need than many other Boroughs. The competing demands on social housing providers to improve the condition of their existing homes is also re-directing resources away from providing new housing supply.

The lack of affordable housing puts significant pressure on the Council's finances and ability to meet its statutory responsibilities in this area. Insufficient supply of affordable good quality housing in both the private and public sector can lead to a detrimental impact on the health, wellbeing and educational attainment of residents.

Service Strategy

1. increase proactive, homeless prevention actions with those evicting, to reduce levels of homeless presentations (reduce by 25 placements per month)
2. implement a price cap for all TA nightly charged placements
3. secure 100 new leases for use as TA in 2025/26
4. increase the supply of private rented accommodation by 25 units (total=349 units in 25/26 for general fund placements)
5. increase the supply of social rented homes available to homeless households, to include delivery of 245 new LBH properties in 2025/26.

Targets And RAG

By 31 March 2026, no more than 64 households in nightly charged temporary accommodation (baseline 31/03/25 = 725)	
No more than 50 new nightly charged TA placements per month (baseline = 75 in 2024/25)	
Zero temporary accommodation tenancies above the price cap (baseline = 327 March 2025)	

Risk Description

This risk arises from the increasing demand across Adult Social Care services due to changing demographics in the population, the transition of children into adult social care, and the raised expectations from residents for high quality social care services. This is all within the context of the major changes to the legislative framework including the Care Act, Better Care Fund and Deprivation of Liberty Safeguards. This increase in demand is impacting on the Council’s ability to provide the statutory services within the available resources and funding available.

Service Strategy

- 1. Progress the transformation of the front door, but increasing the capability and presence of third sector providers to support residents before they enter social care
- 2. Submit a fully complete BCF Assurance document within the required timelines
- 3. Implement and monitor the outputs of Intelligent lilli pilot

Targets And RAG

Residents in Home Care (Target <1300)	
Active Services (Target <5150)	
Average Cost of Placements (Target TBC)	

Risk Description

ICT systems becoming unfit to meet the Council's needs, due to insufficient momentum, collaboration or funding to implement the digital transformation programme. This impacts on service delivery, staff morale and governance arrangements due to poor data quality.

Outdated ICT architecture and poor security also increases the risk of ransomware, malware, viruses and external cyber-threats. These can lead to data breaches and potential reputational, operational, and financial damage if attacks to our network are successful and the Council's ICT systems are adversely affected for a significant time-period.

Service Strategy

- 1. Digital and Intelligence Directorate digital transformation programme.

Targets And RAG

Cyber Threats (Target <240)	
Phishing Threats (Target <3500)	