



Title of Report	Adults, Health and Integration Directorate Risk Register
For Consideration By	Audit Committee
Meeting Date	16 April 2026
Classification	Open
Ward(s) Affected	All Wards
Group Director	Jacquie Burke, Interim Group Director Adults, Health and Integration.

1. GROUP DIRECTOR'S INTRODUCTION

- 1.1 This report provides an update on the corporate risks facing the Adults, Health and Integration Directorate as of March 2026. It outlines how risks are identified, monitored, and managed across the Directorate throughout the year, and highlights our approach to embedding a strong risk management culture.

2. RECOMMENDATION

- 2.1 The Audit Committee is asked to note the contents of this report, including the attached risk registers and associated controls in place. There are no specific decisions required.

3. REASONS FOR DECISION

- 3.1 Effective risk management is essential to sound governance and business management. It enables officers and members to understand and monitor key risks and opportunities across the Council, assess their potential impacts, and determine appropriate responses. Some risks may be outside of the Council's direct control, but their likelihood or potential impact can still be managed. In other instances, we may accept a degree of risk where mitigation is either not feasible or disproportionately costly. The structured risk management process supports these judgments and is therefore a key area of oversight for the Audit Committee.

4. BACKGROUND

- 4.1 The Directorate Management Team reviewed the current Adults, Health and Integration risk profile in March 2026 at a Directorate Leadership team meeting. Individual risk registers for Adult Services and Public Health were reviewed in detail, and key high-level risks have been summarised in Appendix 1.

Policy Context

- 4.2 This report aligns with the Council's Risk Policy (ratified biennially by the Audit Committee) and supports the approach set out in the Risk Strategy.

Equality Impact Assessment

- 4.3 An Equality Impact Assessment is not applicable for this report. However, all risk management activity adheres to the Council's equality policies and statutory responsibilities.

Sustainability

- 4.4 There are no new or material impacts on the physical or social environment arising from this report.

Consultations

- 4.5 All risks reported to the Audit Committee have been reviewed by the relevant senior management teams. Officers with accountability for individual risks are consulted as part of the Directorate's risk management process.

Risk Assessment

- 4.6 The Directorates Risk Register is attached at Appendix 1 to this report.

5. DIRECTORATE RISK REVIEW

5.1 Public Health

- **Sexual Health Pressures:** Rising STI rates and outbreaks, compounded by budget constraints, place a continued strain on sexual health services. Overspending and pressure on Medium Term Financial Plan (MTFP) savings are exacerbated by rising demand and pay uplifts through Agenda for Change (AfC). Despite recent national grant increases and service redesign efforts, close oversight remains essential to maintain public health outcomes.

- **Health Protection Capacity:** There is a risk that Public Health has insufficient capacity to effectively manage infectious disease outbreaks or pandemics. This is exacerbated by reduced capacity across the health protection system, including within UKHSA and NEL NHS ICB. Consequently there is a risk of heightened expectations on Local Authority Public Health teams to meet this capacity shortfall without corresponding resource increases. While a Health Protection Specialist is in post leading preparedness efforts, the risk of a measles resurgence remains high in areas with low vaccination coverage. This risk is further compounded by a lack of clear national guidance and consistent long-term funding.
- **Financial risks:** Budgetary challenges, including potential overspending and difficulties realising MTFP savings, pose significant risks to Public Health, Adult Social Care, and the wider local authority. These risks are driven by AfC salary uplifts for NHS-commissioned services and uncertainties in national funding. Despite control measures such as regular financial reporting and agreed City of London grant contributions, ongoing monitoring is essential to prevent service disruptions.
- **Mortuary Service:** The Hackney Mortuary is experiencing operational and financial pressures, exacerbated by an insecure staffing structure consisting of only two core roles. With one role currently covered by a locum, there is a significant single point of failure risk; however, work is underway with HR to release this post for permanent recruitment. These pressures are further strained by the resumption of in-house forensic examinations, which has increased the workload on the limited team. As these costs fall outside the Public Health grant's scope, they present a growing budgetary and service-delivery risk.
- **Integrated Care Partnership (IPC):** The stability of the City and Hackney Population Health Hub is under significant threat due to a projected 50% reduction in the ICB workforce. This creates a high risk of losing essential roles, long-term institutional knowledge, and established partnership history. Such fragmentation directly impacts the delivery of Long Term Condition (LTC) prevention, mental health and healthy weight pathways. To mitigate this, focus is being placed on maintaining Public Health staffing stability, exploring alternative hosting models for critical functions outside the ICB, and implementing formal knowledge management processes to preserve relationship intelligence.

5.2 **Adult Services**

- **Demand vs Budget:** The most significant ongoing risk remains the growing demand for care, including new requests for assessment and care and support to enable hospital discharge, coupled with insufficient

funding. These financial and demographic pressures are being mitigated in part through our transformation programme.

- **Provider Market Fragility:** Rising care complexity, cost of living pressures, and insufficient national reform on long-term social care funding continue to impact the resilience of the provider market, particularly for working-age adults. Work is ongoing to support a healthy local provider market, as reflected in the risk register. This includes paying a fair but affordable rate to provide quality care, and a check of the financial health of organisations through the procurement process alongside robust, regular contract management and market development through provider networks.
- **Recruitment Challenges:** Like other London boroughs, Hackney faces workforce shortages in adult social care. Progress has been made in transitioning agency workers to permanent roles and investing in apprenticeships, but national shortages remain a risk.
- **Refugee Homelessness:** A growing risk relates to refugees facing homelessness. Demand pressures, combined with uncertain funding and limited accommodation, threaten the ability to meet statutory duties. Mitigation includes commissioned services to reduce rough sleeping and support resettlement.

5.3 Integrated Commissioning

- **City and Hackney's Place-Based Partnership**—one of seven within the North East London Integrated Care System—continues to evolve. It provides a shared governance and risk framework that enables integrated working across health and care systems, focusing on improved outcomes and reduced inequalities. Continued partnership collaboration remains central to managing system-level risks.
- As we navigate the complexities of the Adults, Health, and Integration landscape, it is imperative to remain vigilant to emerging risks and opportunities. By fostering a culture of collaboration, innovation, and accountability, we can collectively strive towards our shared goal of enhancing outcomes and reducing inequalities for the City and Hackney population.
- Recent announcements of significant budget cuts to the National Health Service (NHS) have raised concerns about the potential for cost shunting from health organisations to local authorities' social care services. Integrated Care Boards (ICBs) are facing 50% budget reductions, and these cuts are part of broader governmental reforms, including the planned closure of NHS England and the transfer of its functions to the Department of Health and Social Care. There is a

potential risk that reductions in NHS funding could lead to patients being discharged from hospitals without adequate support, thereby increasing the demand on local authority-funded social care services.

- Addressing these challenges requires careful coordination between health organisations and local authorities to ensure that budgetary constraints in the NHS do not lead to unintended burdens on social care services. Strategies may include joint planning, resource pooling, and integrated service delivery to maintain the quality of care for individuals across both health and social care sectors.

6. **COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES**

6.1 Effective risk management remains a critical component of the Council's financial resilience, particularly in the context of sustained demand pressures, funding uncertainty, and wider system volatility. It supports the early identification of emerging financial risks and informs prioritisation and decision-making across the Directorate.

6.2 The Directorate continues to take a proactive approach to mitigating identified risks. However, a number of the risks outlined in this report are systemic in nature and are driven by factors outside of the Council's direct control, including national funding constraints and changes across the health system. In periods of heightened financial pressure, the Directorate may seek support through corporate reserves, in line with established financial protocols, although this is not a sustainable long-term solution.

6.3 Although this report does not give rise to any direct new financial commitments, it highlights a number of significant and interrelated financial risks facing the Directorate, including:

- Sustained demand growth across Adult Social Care, where activity levels and complexity of need continue to increase at a pace expected to exceed available funding, creating a structural pressure on core budgets;
- Rising cost of care and provider market instability, where inflationary pressures, workforce challenges and increasing acuity are reducing provider resilience and may lead to higher-cost placements, contract instability or provider failure;
- Financial pressures within Public Health services, including rising demand in sexual health services and the impact of Agenda for Change salary uplifts on NHS-commissioned services, where there remains uncertainty and a timing mismatch between cost pressures and available grant funding;

- Operational and financial risks associated with the Hackney Mortuary, including limited staffing capacity and increased demand, which present both service continuity and unfunded cost pressures outside the Public Health grant;
- System-wide risks arising from changes within the NHS and Integrated Care System, including reductions in ICB capacity and funding, which create a risk of cost shunting and increased demand on local authority-funded services;
- Housing and support pressures linked to refugee and homelessness demand, where reliance on short-term or uncertain government funding may not be sufficient to meet sustained local need.

6.4 In response to these risks, a range of mitigating actions are in place across the Directorate. These include delivery of the Adult Social Care transformation programme focused on demand management and prevention, strengthened contract management and market engagement to support provider sustainability, and ongoing service redesign within Public Health. In addition, continued joint working with health partners through the Integrated Care System supports the management of system-wide pressures, particularly in relation to hospital discharge and prevention pathways.

6.5 These risks are expected to continue to generate in-year financial pressures and may impact the deliverability of agreed Medium Term Financial Plan (MTFP) savings. There remains a high degree of financial uncertainty, particularly where risks are dependent on external funding or system-wide changes. Robust monitoring arrangements are in place through the monthly Overall Financial Position (OFP) reporting and regular engagement between Finance and operational leads to ensure that emerging pressures are identified early and appropriate mitigating actions are taken.

7. COMMENTS OF THE DIRECTOR OF LEGAL, DEMOCRATIC AND ELECTORAL SERVICES

7.1 This report recommends that the Audit Committee note the contents of this report with the attached appendices. In accordance with Article 9.1.2 of the Council's constitution, the Audit Committee is responsible for assisting the Council in discharging its functions in relation to its risk management framework. The Accounts and Audit Regulations 2011 also requires the Council to have a sound system of control which includes arrangements for the management of risk. This report is part of those arrangements and is designed to ensure that the appropriate controls are effective.

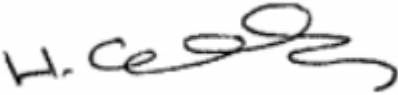
7.2 There are no immediate legal implications arising from this report.

APPENDICES

Appendix 1 – Adults, Health and Integration risk register.

BACKGROUND PAPERS

None

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