

Appendix 1 Fixing Our Finances Risks

Risk Ref	Business Unit	Risk	Inherent Rating	Residual Rating				Future 12 Month Rating
				06/25	09/25	12/25	03/26	
ASC0049	Director Adult Social Care Operations	Financial pressures within NRPF service.	25	n/i	n/i	15	15	6
CDS0018	Chief Digital Officer	IT systems are compromised due to cyber-attack, misconfiguration, malware, ransomware outbreak, other malicious system breach; or human error / non-compliance with GDPR.	25	15	15	20	20	6
CDS0021	Chief Digital Officer	Failure of Croydon Council to meet its obligations under the UK General Data Protection Regulation (UK GDPR), Data Protection Act 2018, Privacy and Electronic Communications Regulations 2003, Freedom of Information Act	20	16	16	16	16	16
CEHR0051	Chief People Officer	Under representation across protected characteristics at all levels of the organisation and under reporting due to high levels on non-disclosure.	20	12	12	12	12	9
CEHR0053	Chief People Officer	The key priorities of the Council's Future Croydon (workforce initiatives) are not fully implemented in particular addressing the challenges of an ageing workforce and reliance on interim staffing.	25	12	12	12	12	6
CEHR0059	Chief People Officer	Levels of agency/contract/temporary staff at all levels of the organisation including senior management may lead to service and workforce instability as well as increased cost.	25	16	16	16	12	12
CEHR0065	Chief People Officer	Payroll is not completed accurately and in a timely manner due to late notifications to payroll	25	9	9	9	9	9
CEHR0071	Chief People Officer	Organisational behaviours, culture and practices lead to the Council being unable to operate effectively and therefore not serve the residents of the borough and internally within the council	25	15	15	15	15	15
CEHR0072	Chief People Officer	Non-compliance with HMRC IR35 (Intermediaries) Legislation resulting in significant financial penalties.	25	9	9	9	9	6
CEHR0076	Chief People Officer	Potential deterioration in organisational resilience, high turnover and workforce sickness due to prolonged period of uncertainty and change.	25	16	16	16	12	16
CEHR0080	Chief People Officer	Managers completion of reasonable adjustments (or lack), when requested by a disabled employee, and/or upon receipt of an occupational health report making a reasonable adjustment recommendation.	25	12	12	12	12	9
CIC0010	Director of Property & Procurement	Delays in closing down Brick By Brick (BBB) which would result in continued commitment by the Council to support the operations and exposes continued financial risk.	16	6	6	6	6	4
CIC0012	Director of Property & Procurement	Changes resulting fiscal events (e.g. policy or market changes) affecting commercial arrangements and capital spend and increasing costs for the council.	16	15	15	15	15	9
CIC0025	Director of Property & Procurement	Croydon Council companies: Robust governance, financial accounting treatment & risk management procedures/frameworks are not in place to safeguard the interests of the Council and it's taxpayers.	25	9	9	16	16	12
CIC0029	Director of Property & Procurement	Late Procurement Risk. There is a risk that contract re-procurement processes are initiated too close to, or after, the expiry of existing agreements.	25	12	12	15	15	9

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CIC0030	Director of Property & Procurement	Supply Volume Risk. There is a risk that insufficient visibility over the volume of services or goods commissioned from individual suppliers may lead to unintended over-reliance, supplier failure, or breaches of procurement	12	6	6	9	9	6
FIR0063	Director of Finance	General increasing demand for council services driven by several factors, including declining health in the borough and neighbouring boroughs placing vulnerable families in the borough.	25	25	25	25	25	20
FIR0065	Director of Finance	The Council does not achieve financial sustainability owing to General Fund borrowing totalling £1.5bn and the costs of servicing that debt (over £70m annually).	25	25	25	25	25	25
FIR0066	Director of Finance	The South West London Integrated Commissioning Board may reduce funding towards services in the borough (cost shunts and/or reduced prevention services which then increase demand for Council services)	16	9	9	9	9	9
FIR0067	Director of Finance	The external audit of the 2024-25 and 2025-26 accounts could identify issues that affect the financial position of the Council. This is due to the fact that accounts (2020-21 to 2023-24) have been impacted by the "backstop"	25	12	12	12	12	12
FIR0068	Director of Finance	Deterioration in Internal Control and Governance as a result of capacity, budget and resourcing constraints in the organisation.	25	15	15	15	15	8
HOTS0014	Director of Housing Management	Increase in void costs and vacancy period as a result of the poor state of properties being returned following tenancy termination and lack of planned investment over the previous 10 years.	25	15	20	20	20	9
HP0003	Head of Pensions	Having triggered the capitalisation direction for 19/20 the PWLB have concerns about LBC increasing their level of external borrowing.	20	20	20	20	20	12
HP0010	Head of Pensions	Impact of higher interest rates	25	16	16	16	16	16
HP0011	Head of Pensions	Risk of Treasury investments defaulting.	15	5	5	5	5	5
HRC0001	Head of Resident Contact	Customer complaints at all stages, as well as LGO investigations and recommendations, are not responded to within service level agreements.	20	15	15	15	15	3
HSI0057	Director of Assets & Repairs	Large number of procurement projects required in the next 12-18 months as a result of existing contracts coming to an end or gaps in the existing supply chain; Insufficient resource in the corporate procurement team to manage	25	20	20	20	20	15
MO0014	Director of Legal Services	A significant demand for legal services to respond to increasing housing legal disrepair cases could lead to failures to protect the council's interest and award of significant damages.	9	6	6	6	6	6
TRA0011	Director of Transformation	Financial: The programme fails to stay within agreed budget due to delays, poor partner management and poor management of scope.	25	n/i	9	9	9	9
TRA0013	Director of Transformation	Delivery: The inability to adequately resource projects and at pace, particularly with skilled subject matter experts, digital experts or agency staff, poses a significant threat to the transformation programme.	25	n/i	20	20	12	9
TRA0014	Director of Transformation	Delivery: Failure to successfully procure digital delivery partners, resulting in slow or delayed procurement processes, poses a significant threat to the transformation programme.	25	n/i	20	16	16	16

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TRA0015	Director of Transformation	Delivery: The in-house digital capability is unable to cope with the pace, scope, and management demands of the digital change agenda.	25	n/i	20	20	16	12
TRA0018	Director of Transformation	Strategic: The 2026 mayoral election may lead to shifts in strategic priorities, governance structures, or budget allocations. While the outcome is uncertain, any changes in policy direction could require adjustments.	15	n/i	15	12	12	12
TRA0019	Director of Transformation	People: The cumulative impact of on-going transformation initiatives and stabilisation plans may overwhelm staff, leading to change fatigue, reduced morale, and decreased receptiveness to further change.	25	n/i	20	16	16	12
TRA0022	Director of Transformation	Third-Party: The Council is embarking on a new relationship with external partners in the Voluntary, Community & Faith (VCFS) Sector, which they may not be ready for and able to respond to.	16	n/i	12	12	12	9
TRA0024	Director of Transformation	Strategic Risk: There is a risk that failure by leadership to consistently implement the One Council approach may undermine the successful delivery of the target operating model.	25	n/i	20	20	16	12
TRA0025	Director of Transformation	There is a risk that impending changes to key leaders may undermine the delivery of the transformation plan by disrupting organisational alignment, delaying decision-making, reducing stakeholder confidence.	25	n/i	n/i	20	20	15
TRA0026	Director of Transformation	Oracle Improvement Programme. There is a risk that users do not adopt/embrace the change to Finance, HR and Procurement processes that underpin transformation.	20	n/i	15	15	15	9
VRN0063	Director of Culture & Community	MPS unilaterally transfer coroner court support duties and responsibilities to local authorities by 2028.	25	20	20	20	20	15
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