

Title of Report	Children and Education Directorate Risk Register
For Consideration By	Audit Committee
Meeting Date	16 April 2026
Classification	Open
Ward(s) Affected	All Wards
Group Director	Jacque Burke, Group Director of Children and Education Services

1. GROUP DIRECTOR'S INTRODUCTION

- 1.1 This report updates members on the corporate risks for the Children and Education Directorate as at March 2026. It also identifies how risks within the directorate are identified and managed throughout the year and our approach to embedding risk management.

2. RECOMMENDATION

- 2.1 **There are no specific recommendations from this report. The Audit Committee is asked to note the contents of this report and the attached risk registers and controls in place.**

3. REASONS FOR DECISION

- 3.1 Risk management is fundamental to effective business management and it is vitally important that we know, understand and monitor the key risks and opportunities of the Council. Officers and members are then able to consider the potential impact of such risks and take appropriate actions to mitigate those as far as possible. Some risks are beyond the control of the Council but we nevertheless need to manage the potential impact or likelihood to ensure we deliver our key objectives to the best of our ability. For other risks, we might decide to accept that we are exposed to a small level of risk because to reduce that risk to nil is either impossible or too expensive. The risk management process helps us to make such judgements, and as such it is important that the Audit Committee is aware of this.

4. BACKGROUND

- 4.1 The current Directorate risk profile was reviewed by the Directorate of Children and Education Senior Management Team in March 2026. Detailed risk registers for Children's Services and Hackney Education have been prepared and were reviewed by the Management Team and the high-level Directorate risks highlighted and included at Appendix one.

Policy Context

- 4.2 All risk-related reporting is in line with the Council's Risk Policy, ratified biennially by the Audit Committee, and also fully supports the framework and ideology set out in the Risk Strategy.

Equality Impact Assessment

- 4.3 For the purposes of this report, an Equality Impact Assessment is not applicable, although in the course of Risk Management (and associated duties) all work is carried out in adherence to the Council's Equality policies. Individual programmes of work have Equality Impact Assessments in place which are kept under review.

Sustainability

- 4.4 This report contains no new impacts on the physical and social environment.

Consultations

- 4.5 In order for Risk Registers to progress to Audit Committee, they will already have been reviewed by the relevant Senior Management Team within the corresponding Directorate. Any senior officer with any accountability for the risks will have been consulted in the course of their reporting.

Risk Assessment

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

5. DIRECTORATE RISK REVIEW

- 5.1 The Directorate Risk Register comprises those that represent the most significant risks faced by the Directorate. Separate risk registers for Children's Services and Hackney Education are maintained, which sit beneath the Directorate Risk Register and are available for review.

Children and Family Risks

- 5.3 There has been no overall change to the profile of most risks for Children and Families compared to those set out in the report to Audit Committee last year.

Ongoing risks:

- Following the Government reforms to Working Together 2023, the introduction of the National Children's Social Care Framework 2023, the introduction of the Child Wellbeing and Schools Bill to Parliament in December 2024 and the publication of the Families First Partnership Programme guidance, a new risk was identified within Children's Services. These major reforms to the Children's Social Care system require extensive transformation in a relatively short period of time and whilst continuing business as usual for our children and families. A range of controls are in place in relation to this risk, including the Families First Programme Board and the Children's Social Care Reform Board (co-chaired by the Chief Executive and the Group Director for Children and Education).
- Cyber attack impact on CFS Service Delivery and Delays responding to Subject Access Requests: The cyber attack in October 2020 created significant challenges for the Children and Families Service in terms of accessing historical information about children. The ongoing impact of the cyber attack means care leavers continue to experience delays in receiving their records (Subject Access Requests). A Data Protection Officer and Information Governance Team work closely with the Head of Service for Corporate Parenting in CFS. This has improved, but remains an ongoing risk.
- Reduction of the use of residential placements: Budget pressures relating to looked after children care arrangements remain. The additional and complex needs of some children with autism and other associated conditions can result in high-cost care arrangements. Locally, the service is focused on increasing the number of in-house foster carers which will reduce the average unit cost of care arrangements. Looked after children numbers have fallen steadily over recent years, from 431 at March 2021 to 356 at February 2026. This decrease is linked to several factors including changes to the Children's Resource Panel where there is senior management oversight of decisions for children to enter care. We are moving closer to opening two, new children's homes in the borough, using existing Council assets, scheduled to open at the end of 2026. This will ensure that some of our children can remain in Hackney, whilst also reducing the costs spent on independent residential placements.
- Service demands exceed available resources: One of the main risks for the directorate is the ongoing cost of living crisis. It is difficult to estimate the impact that the cost of living crisis will have across services, however we are already seeing care providers seek greater inflationary uplifts to care placements than previously. Robust budget monitoring processes are in

place. These processes have highlighted significant cost pressures primarily related to packages of care in looked after children placements, staffing across Children & Families Services and SEND cost pressures within Hackney Education Services.

- Child or young person suffers significant harm, injury or death: The CHSCP have robust measures in place to ensure statutory safeguarding requirements are met across the partnership. Supervision arrangements are in place for staff to ensure there is regular management oversight of work with children and families and this data is reported and scrutinised regularly by the Director of Children and Families.
- Continued call on resources in respect of No Recourse to Public Funds (NRPF) cases: Hackney, like many local authorities, has a number of individuals living within its boundaries who are subject to immigration controls as defined by the Immigration & Asylum Act 1999. Such individuals are excluded from access to welfare benefits, public housing and Home Office asylum support and are collectively known as having No Recourse to Public Funds (NRPF). This group includes individuals who have overstayed their visa entitlement in the UK, and those who have leave to remain without recourse including EU Nationals. Hackney's approach is effective in protecting resources and avoiding costs. In order to ensure the service is able to undertake comprehensive assessments of children's needs in a complex environment of law relating to housing, immigration, human rights and child safeguarding, the service works closely with other services including the UKBA, legal services, government embassies and anti-fraud to ensure that services are appropriately provided to those that are entitled to them and need them. This joined-up approach robustly mitigates against the risk of children in Hackney being exploited or trafficked for services.

Hackney Education Risks

5.7 Key on-going risks to Hackney Education

Outlined below are the risks identified that continue to present a particular challenge to Hackney Education's continued effectiveness and are reported on the attached register:

- **SEND** - Of the three risks previously rated as red, two have now been successfully downgraded.
 - **Potential of the statutory requirements of the SEND aspects of the Children & Families Act are not met** - Following the recent Local Area SEND inspection, this was not identified as being a risk. Aspects were noted as areas for improvement and are being addressed in the post inspection action plan. Governance has been reviewed; in place now is the SEND & AP Executive Board that the SEND and AP Local Area Partnership Board reports to. This ensures robust monitoring and

challenge of arrangements are in place with regular reporting processes via SLT. As a result the risk rating has been downgraded.

- **SEND funding – Escalating SEND spend has an adverse impact on HE and Council budgets** - The DfE have announced that LAs will be provided support around DSG/High Needs Block deficits as part of the SEND Reforms with a SEN & Inclusion Strategy 2026-29 also now in place. As such it is felt that the impact, likelihood and overall rating should change from Catastrophic, Almost certain, High to Minor, Possible, Medium
- **Insufficient provision to meet growing demand for SEND services** - remains a high rated risk within SEND. Mitigating strategies are being addressed through the School Estate Organisation Plan.
- **Outcome of SEND inspection** - Risk rating has been downgraded following the recent SEND Local Area Inspection. The inspection concluded that the local area partnership arrangements currently lead to inconsistent experiences and outcomes for children and young people with SEND. A post inspection action plan is now in place and the SEND & AP Executive and SEND & AP Local Area Partnership Boards continue to address areas highlighted for improvement.
- **Serious safeguarding failure in schools & settings** - A failure of safeguarding systems and processes, through a lack of coordination between partnership-wide services or professionals, could contribute to a serious safeguarding issue, which would impact negatively on the Council's reputation and resident experiences. Following review of the risk and mitigations, the risk title has been amended to "***non-compliance of schools and settings leading to serious safeguarding failure***" to shift the focus to the schools' compliance. This reflects the limited duties of the Council to ensure compliance with training and providing DSLs in schools with training. The impact was agreed to remain high due to public perception
- **Risks posed to children not in school, particularly those attending unregistered schools and settings*** - This continues to carry high reputational risk for the borough. The likelihood of this risk has increased following the introduction of VAT and business rates on independent schools which also has a significant impact on the financial viability of schools in the north of the borough serving the Orthodox Jewish community.

Although there are limited mitigation options, robust reporting processes via scrutiny commission and an established hierarchy of internal escalation processes and monitoring are in place, in partnership with CHSCP. This risk is held within the partnership and messaging is consistent and clear. Children who are EHE or CME are prioritised via a multi agency triaging process, and HE is confident that the new Children's Wellbeing and Schools Bill will bring about positive changes in the breadth of HE remit in this area.

- **High levels of pupil exclusion*** - This remains a key area of focus, particularly for secondary schools where rates of exclusion continue to be relatively high when compared nationally, though this is lower for primary. The service maintains exclusion data which is regularly updated and reviewed across C&E services to inform coordinated service delivery and support.

A key issue within this risk is children feeling excluded or not belonging, with a long-term impact if they're not in inclusive, high-quality educational settings. The current risk title was felt to be too narrow and would benefit from being merged to better reflect the impact on children's outcomes and access to full-time education. An adequate AP offer would serve as a key control.

- **Elective home education arrangements not meeting statutory obligations*** - Due to increased government focus on EHE, risks related to unregistered education and lack of oversight are being reframed. While many children receive a suitable education, the lack of systematic monitoring remains a concern. It was felt appropriate to consolidate related risks under a single, focused entry.
- The risk title has been updated which consolidates the previous three risks* under a single, focused entry, with a clearer emphasis on the impact on children is: ****Children not in a registered school during school hours, particularly those attending unregistered schools and settings, those who are severely absent and those who are electively home educating and also have SEND or social care needs are at risk of achieving poorer outcomes than their peers.***
- **Falling rolls and the subsequent impact on schools budget** - This remains a continuous high profile risk. However, to broaden its scope beyond just falling rolls, it has been renamed to **School Financial Sustainability** and re-categorised as a financial risk, although acknowledging that 'sustainability' in the context of the school system refers to the overall provision of services to pupils and the wider community, not just the financial viability of individual schools. New controls include:
 - A School Financial Monitoring Board (with Education and Strategic Finance representation).
 - A new suite of support for schools, including new guidance, training, and direct support through the advisory head teacher.
 - New targeted intervention measures for schools causing financial concern.
 - Regular reporting of the school's financial position to the SLT.
- **Impact of School Closures and Increased Pupil Mobility on Admissions** - Increased pupil mobility and the complexity of cases seeking new schools bring extra workload for the admissions team, particularly as schools become more resistant to certain types of admissions due to falling rolls and limited resources. It is important to acknowledge that surplus spaces can actually increase pupil mobility rather than decrease admissions demand.

A new control to ensure that the service remains sufficiently resourced, has been added, in order to mitigate against the increased demand and complexity of cases along with support from relevant agencies.

- **Effectiveness of provision in schools (nursery, primary, secondary, special schools and PRUs) declines, stagnates or fails and goes into special measures with risk of not passing an Ofsted inspection** - Ofsted have now implemented their new inspection framework which no longer provides a one word judgement but rather includes a score card. A card may indicate that a school may need attention in one or more areas. If this happens a school may be referred to the DFE RISE team to provide support. The risk title has been amended to reflect this change.
- **Traded Services** - The long term viability of trading continues to be a significant risk, in relation to revenue spend and generation of surplus. Review and risk monitoring has seen some changes to traded products and services as a result of some products being identified as unviable or change in the offer (service and / or price) in response. Changes to the offer are assessed for impact on Council services and budgets plus Hackney school / setting budgets and services also.
- **Synergy** - Historical infrastructure issues and risks have been effectively managed. Remaining risks relating to the education management information system relate to data quality for service delivery and reporting, compliance and security testing for resilience. Mitigations are in place with collaboration and leadership from ICT services required to ensure effective risk mitigation and improved service operations.

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

- 6.1 Effective risk management is a key requirement for good financial management and stability. This becomes more significant as funds available to the Council are reduced and budget reductions are made.
- 6.2 The Directorate seeks to mitigate risks as they are identified. In some instances, where there are volatile external factors and uncertainty, this will be through seeking access to reserves maintained by the Group Director of Finance and Corporate Resources.
- 6.3 There are no direct cost implications arising from the recommendations in this report.

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 9.3 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 require 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 – Children & Education risk register.

BACKGROUND PAPERS

None

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