

**APPENDIX A1**  
**2023-24 Budget Risk Register - COMMUNITIES COMMITTEE**

Risk Type	Risk <i>Threat to achievement of objectives</i>	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Vacancy Management	Additional Vacancy Management included for 23/24; Non-filling of vacancies may have impacts on service delivery and staff wellbeing;	Service Delivery requirements may limit the vacancies that can remain unfilled, resulting in pressures on staffing budgets	The Service is reviewing procedures and processes to maximise efficiencies.	MEDIUM	Environment & Infrastructure	ALL
Pay Award - Local Government	Pay Awards being agreed in excess of those assumed in the budget; Ongoing pay negotiations with Teaching Unions may influence the 23/24 negotiations for SJC staff taking the pay award above the 3% included in the budget assumptions. Every 1% increase will create a budgetary pressure of around £2.5m (General Fund incl IJB)	The Pay Award Reserve will be exhausted. Budget pressures will be required to be met through service savings and/or efficiencies	£4.6 million has been set aside in a Local Government Pay Award Reserve which would ensure funding available for a pay award 2.5% above budget. The base budget for 2024/25 has been increased to reflect this. Any additional award will need to be covered by Transformational savings and efficiencies. <b>Update - The latest offer of 5.5% to Trade Unions has been rejected. Any further unfunded increase above 5.5% will create additional budgetary pressures.</b>	MEDIUM	ALL	ALL
Legislation	Homeless prevention duty coming late summer 2023 has the potential to treble the workload of homeless teams	Service is staffed for current workload. Will be unable to cope with the change without additional resources. Unable to deal with legal duty. Increase in homelessness and use of high cost temporary accommodation.	Regular monitoring of impacts. Increasing staffing resources. Increase homeless budget. <b>The prevention duty is currently delayed however we have been unable to get a new date - It is likely to be sometime in 2024.</b>	HIGH	Housing	Homeless persons
Temporary Accommodation Income	Continue with sector leading performance resulting in less people in homeless emergency accommodation meaning a drop in income due to the way its accounted for	Less income to invest into services to keep making positive changes and savings for other parts of general fund. 10 years ago the service spent £1.5 million on Bed & Breakfasts compared to last year which was zero. Most of these savings were to finance and housing benefit. Breach of unsuitable accommodation order.	Place people in worse and more expensive temporary accommodation to maintain income. Breach the unsuitable accommodation order. <b>Review of temporary accommodation ongoing. Recommendation within communities committee report in Sept 2023 that increased charges for temporary accommodation goes to full council with implementation in November 2023. This will increase income but important to note this will put pressure on housing benefit budgets as it will just move money from that budget to homelessness. Reviewing length of stay in hostels and the way they operate however this could lead to a breach of legislation and the service being legally challenged so we are being cautious around this.</b>	HIGH	Housing	Homeless persons

**APPENDIX A1**  
**2023-24 Budget Risk Register - COMMUNITIES COMMITTEE**

Risk Type	Risk <i>Threat to achievement of objectives</i>	Potential Consequences of Risk	Controls/Mitigations in place	Likelihood	Service	Budget Page
Resettlement schemes	Various refugee and asylum schemes place additional pressures on homeless services and housing stock. Potential for an increase of around 200 cases per year from various schemes in place increasing homelessness by 20%	Lack of accommodation, increase in temporary accommodation use. Pressure on wider general fund - A homeless case is estimated to cost wider general fund £10k minimum and can cost much more	Use other housing options. Increase homeless budget for bigger savings across general fund. <b>Resettlement schemes are getting larger in Aberdeenshire and this is likely to increase pressure on homeless services and there may need to be consideration about passing some home office funding to homelessness in the future. Not likely to be a big impact in 2023/24.</b>	HIGH	Housing	Homeless persons & wider general fund
Demand on Housing Support - Increased costs for commissioned services	Increasing homelessness along with inflation increasing costs to providing support services. Contracts in place for agreed number of homeless cases more than this will need to be paid for. Housing support to homeless people is a legislative requirement	Unable to meet legal duty, reduction in tenancy sustainment leading to increase in homelessness. Support partners unable to maintain services due to inflation which would cause significant increased costs to operate the service ourselves	Maintain support partner budgets, increase homeless budget to sustain tenancies and reduce homelessness to reduce costs across wider general fund. <b>This is not yet being seen and support budgets remain within budget.</b>	MEDIUM	Housing	Homeless person & wider general fund
Procurement	The ability to negotiate or renegotiate rates / prices for on and off contract expenditure is limited as current contracts and rates are viewed as good or best.	Either unable to meet the required saving or a reduction in service activity will be required.	Work specifically and closely with colleagues in the Procurement Team to seek their advice and action to pursue lower rates and prices.	MEDIUM	Environment & Infrastructure	All
Income from Fees & Charges	The recently approved increases in external income rates may not result in the same demand and consequently lower income.	Inability to meet the agreed budget.	Timely implementation of the revised rates together with close monitoring throughout the year.	MEDIUM	Environment & Infrastructure	All
Health & Social Care Partnership	Significant use of Reserves in 22/23 and 23/24. These are one off therefore once depleted, there is a risk that the Council will be asked for additional funding to fund pressures	In the event of an overspend within the Integration Joint Board that can not be recovered from the application of Reserves, the overspend will be required to be met from additional contributions from the Council and NHS	The IJB are looking at how to make savings through efficiencies, vacancy management and transformational work. Monthly monitoring of budgets for 23/24.	MEDIUM	HSCP	Contribution to IJB
Additional Income	Income receivable from increased Fees and Charges may have a negative impact on the numbers accessing Leisure Services.	Reduced Service, possible closures.				
Inflation Increases	Continued inflationary increases on supplies for catering, chemicals for pools, energy costs within Leisure facilities and Schools.	Pressures may arise if cannot absorb price increases.				