

# Project Risk Log

# Appendix B



<b>Project Name:</b>	Local Council Tax Support Scheme	<b>Project Ref:</b>		<b>Project Manager</b>	
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Risk No	Risk	Possible Consequences	Impact Red/Amber/Green	Likelihood Red/Amber/Green	Counter-measures	Owner
01	Local Government have not been given an absolute free hand in designing a new scheme. If CLG guidance and legislation is delayed it could make it impossible to roll out a scheme within the timeframe.	Any delay will require the authority to make a number of assumptions that if incorrect could lead to a need to make urgent changes in policy and software. This in turn may mean identified savings do not materialise and confusion to the public around how the scheme operates.	Amber	Green	Based on guidance to date and how other local policy works the council could potentially work on an interim basis, depending on the design adopted. If software is not in place a manual adjustment could be applied to the current scheme	Project Board
02	Slippage in LCTS project timetable; the timetable for the introduction of the new Local Council Tax Support scheme is very challenging, requiring a new scheme to be finalised by Jan 2013	A delay modelling and/or selecting consultation options, or in the consultation process, could prevent an informed decision being made	Red	Amber	The risk is front loaded around the modelling and consultation process. This allows for slippage but would require an extraordinary cabinet/council meeting. The majority of the framework for a new scheme can be put in place prior to a final decision, and time saved by moving this part of the process forward will release resources to manage slippages arising from a delayed consultation	Project Board
03	Controlling implementation costs; some funding has/will be made available by central government to cover implementation costs but may not be sufficient to cover all implementation costs	If costs are not controlled funding will need to be drawn down from council resources	Amber	Amber	Working in partnership with local partners and other authorities will share many of the costs.	Project Board
04	Scheme guidance/policy not ready for roll-out as	Extensive rewriting of the Support scheme policy and guidance will certainly need	Amber	Green	Adopting a significant section of the current procedures will allow for implementation to proceed pending a final draft being signed	Project Board

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	detailed in project plan.	to be checked and signed off by legal services to prevent challenge from claimants and user groups. This considerably increase costs			off. The outcome of the consultation will drive policy pending sign off of the published policy document.	
05	Software changes not ready; Academy, the council software providers for the current system, have been reticent about what changes they are able to support without increase costs	New software will need testing and will attract increased charges from the software houses. There is an increased potential for glitches and errors to occur.	Amber	Green	Changes in processes should be kept to a minimum. Provision should be made to apply a manual calculation to awards initially based on the current scheme	Project Board
06	Managing the new administrative burdens arising from the introduction of a new local Council Tax Support scheme; As well as developing new performance management measures, new appeal/review procedures need to be developed. Additionally, new signage, forms and letter packs will need to be put in place.	Drawing up new performance and qualitative procedures will require additional resources to test and quantify the procedures. New appeal procedures will place an additional burden on resources. There is an increased potential for challenges to occur	Red	Amber	Changes in processes should be kept to a minimum. Current procedures should be adapted. For forms and letters, current stocks can be used as an interim measure. Working in partnership with other authorities presents an opportunity to both save costs and provide consistency with new procedures	Project Board
07	Introduction of a Local Council Tax Support scheme will have a potential impact on collection rates.	Collection rates could drop significantly	Red	Red	Raising awareness of residents to the forthcoming changes is essential, particularly currently fully passported. Ensure payment options including instalments, direct debits etc. are also widely publicised. The scheme should also link in with debt counselling and financial inclusion provision. Building a surplus into the savings will allow for a hardship fund for short term support for vulnerable	Council Tax and Benefits

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					families, although there will be associated admin costs	
08	Significant changes to caseload profile could affect the Local Council Tax Support scheme. This could undermine the savings anticipated, increase costs and reduce effectiveness	If the numbers applying for help increase (including significant migration from other boroughs), this would increase costs to the borough which would need to be reflected in the budget	Amber	Green	Building a surplus into the savings will allow for a hardship fund for short term support for vulnerable families, although there will be associated admin costs. The scheme should also link in with debt counselling and financial inclusion provision	Council Tax and Benefits  Finance
09	Increased life expectancy for pensioners who are protected from the reductions.	If the number of pensioners receiving Council Tax Support were to increase significantly this could impact on the Council's finances. This could result in reductions having to be made to the scheme for working age claimants.	Amber	Red	Although people are living longer, the age at which they start to be treated as pensioners for Council Tax Support is increasing. Currently it is about 61 years and gradually increasing to 65. It will reach 66 by October 2020	Project Board  Finance
10	Development of a Local Council tax support scheme leads to an increased potential for fraud.	Increased fraud will increase burdens on the public purse and undermine confidence in the Local Council Tax Support scheme, potentially affecting revenue streams	Green	Green	Adopting robust verification procedures at the point of entry, including use of ATLAS data and the introduction of Risk Based Verification should prevent additional fraud.	Council Tax and Benefits  Fraud
11	The impact of wider reform agenda undermines the policy intentions and costs profiling of the Local Council Tax Support scheme.	Efforts to protect sections of the community would be undermined a cause them to be more adversely affected than intended.	Amber	Amber	Working closely with the local community and consulting widely on the design of the new scheme will help to minimise any unforeseen outcomes. The policy will need to be revisited within 2 years.	Project Board  Finance
12	Reduced or no access to DWP data as Welfare Reform changes are introduced.	If information that is currently obtained from the DWP has to be collected directly from claimants, this could increase costs and delay credits of Council Tax Support to their Council Tax	Green	Green	Benefits would need to put processes in place to encourage claimants to provide information quickly. There may still be limited information available from DWP. DWP has stated (DWP General Information Bulletin HB/CTB G8/2012 that the Welfare Reform Act 2012 and the	Project Board

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		account.  This could potentially affect the Council's income			implementation of Universal Credit (UC) will provide for greater data sharing between DWP and LAs. As these changes are instigated the extent to which DWP data can be shared, the circumstances in which LAs can use the data and the way data is accessed may change.	
13	Non-dependants may disappear over time to avoid a reduction in support	Incorrect levels of CTS being paid and the risk of future overpayments which would increase the levels of Council Tax that has to be collected.	Amber	Amber	Using current robust verification procedures at the point of entry, including use of ATLAS data and the introduction of Risk Based Verification should reduce this risk. We will also introduce proactive exercises to identify non-dependants who have not been declared.	Benefits  Fraud
14	No incentive for taxpayers to tell us about these properties that would be second and empty homes so savings reduced.	On Class C exemptions alone, this could be as much as £951k lost (Sept. 2012 figure) if taxpayers advise empty properties are occupied by a single person	Green	Red	The income raised through increased charges will be monitored but it is recognised that in the long term it will not be possible to quantify the additional savings from 2 <sup>nd</sup> homes	Council Tax
15	Housing Associations receiving a Class C exemption may be able to transfer it to Class B	Reduction in projected savings from class C exemption by up to 10%	Amber	Red	The impact on savings will be monitored and projected figures adjusted accordingly	Council Tax  Finance
16	There may be additional work involved in obtaining dates of changes in liability. Dates will become more crucial as there will be no exempt period during a change of ownership	Increased workload. Additional resources needed to carry out necessary investigations	Green	Green	Monitor workloads – unlikely to generate significant additional work	Council Tax
17	There is no incentive for empty properties to be reported if there is no reduction so the council tax records may become inaccurate	Less reliable management information on empty properties which will particularly affect the Empty Properties Team.	Green	Amber	Use information from outside officers to update records	Council Tax