

## Risk Register- Newham DPS

## APPENDIX 4

ID	Date raised	Risk description	Likelihood of the risk occurring	Impact if the risk occurs	Severity <i>Rating based on impact &amp; likelihood.</i>	Owner <i>Person who will manage the risk.</i>	Mitigating action <i>Actions to mitigate the risk e.g. reduce the likelihood.</i>	Contingent action <i>Action to be taken if the risk happens.</i>
1	12/01/2024	There is no guarantee that Barking and Dagenham will be able to fully meet its demand for placements through the Newham DPS	Medium	High	Medium	Commissioning Team	The DPS will be open to new Providers for up to eight years so there is no cut off period for new entrants. Providers have informed that opportunities for block contracts and partnership work will be attractive and a strong reason to enrol on the DPS. Market warming events and consultation held by Newham with Providers have also been positive. Local authorities that are joining the DPS are also being encouraged to promote the DPS to their Providers.	Maintaining some spot purchase arrangements will mitigate this risk. LBBD will promote the DPS to its current Providers, to encourage them to join the DPS. LBBD will also continue to promote its in-house foster carer scheme and undertake ongoing recruitment.
2	12/01/2024	The DPS may result in higher unit costs	Medium	High	Medium	Commissioning Team	The high demand for homes especially for children and young people with complex and challenging needs may result in higher unit costs especially as we want to have greater emphasis on achieving good quality outcomes. The impact of better outcomes should be better medium to long-term value for money as placements are more stable even if the initial unit cost is higher. Once young people are settled then the higher costs initially paid should be reduced as support needs lessen. In the long-term, if the outcomes and stability are better, then the overall unit costs can be lowered.	The procurement contract will renew on an annual basis with new fees set each year thereby driving competition. Although prices are agreed - officers always negotiate with Providers to ensure best value. Fees would only be applicable to new arrangements but some Providers have indicated that they are willing to transfer contracts under the DPS. There are significant longer term overarching benefits of working together with multiple authorities, including more negotiating power with fees and greater market shaping.

3	12/01/2024	Not all current Providers are/will be contracted through the DPS arrangement so there is a likelihood that it will not be possible to maximise the supply of placements or the potential for long term discounts.	Medium	Medium	Medium	Commissioning Team	LBBB can use individual authorities' good working relationships with Providers not on the DPS to promote them to join, on behalf of the Partnership. Furthermore, any new Providers on the DPS that we are not currently using, will support increasing our placements capacity, which is a benefit that outweighs the risk.	The benefits of joint working with other local authorities will bring efficiencies, which will outweigh any associated risks. LBBB can also continue to encourage any Providers not on the DPS, to join this.
4	12/01/2024	The risk of market failure cannot be ruled out	Low	High	Low	Commissioning Team	The DPS is already established with 27 providers, with more market engagement currently taking place to attract more Providers to the DPS. LBBB is currently working with its existing Providers to encourage them to join the DPS. The DPS will also support creating a sustainable pricing structure and therefore is attractive to Providers with fair fee reviews and annual uplift considerations, which should reduce the risk of Providers joining and then leaving the DPS.	The DPS will be open to new Providers for up to eight years so there is no cut off period for new entrants. LBBB and other participating local authorities will work with their existing Providers to encourage them to join the DPS.
5	12/01/2024	There are additional costs to LBBB for joining the Newham DPS	Low	Low	Low	Cost	Whilst there is a fee to join the Newham DPS, this is considerably lower than those required for LBBB's current arrangements with the Commissioning Alliance (80% reduction in cost). Newham's Contract Management team, Commissioning team and Strategic Procurement team will work together to operate the DPS and enrol new Providers so there is little impact on LBBB in this respect.	Terms & Conditions - The Termination Clause states that either Party may terminate the DPS Access Agreement upon giving at least six months' notice to the other Party; as such, LBBB could leave the Newham DPS with six months' notice if it wished and look to explore alternative options.