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THE LONDON BOROUGH
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DATE: 10 November 2021

EXECUTIVE, RESOURCES AND CONTRACTS PDS COMMITTEE INFORMATION BRIEFING

Meeting to be held on Thursday 18 November 2021

This briefing will only be debated if a member of the Committee requests a discussion be held, in which case please inform the Clerk 24 hours in advance indicating the aspects of the information item you wish to discuss. In addition, questions on the briefing should also be sent to the Clerk at least 24 hours before the meeting.

1 RISK MANAGEMENT (Pages 3 - 22)

Members and Co-opted Members have been provided with advanced copies of the briefing via email. The briefing is also available on the Council website at the following link:

<http://cds.bromley.gov.uk/ieListMeetings.aspx?CId=559&Year=0>

Copies of the documents referred to above can be obtained from
<http://cds.bromley.gov.uk/>

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Report No.
FSD21061

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE, RESOURCES AND CONTRACTS POLICY
DEVELOPMENT AND SCRUTINY COMMITTEE

Date: Information Briefing – Thursday 18th November 2021

Decision Type: Non-Urgent Non-Executive Non-Key

Title: RISK MANAGEMENT

Contact Officer: Tasnim Shawkat, Director of Corporate Services –
Corporate Services Risk Register
Tel: 020 8461 7899 E-mail: tasnim.shawkat@bromley.gov.uk

Peter Turner, Director of Finance – Finance Risk Register
Tel: 020 8313 4338 E-mail: peter.turner@bromley.gov.uk

Charles Obazuaye, Director of Human Resources, Customer Services and
Public Affairs – Human Resources and Customer Services Risk Register
Tel: 020 8313 4335 E-mail: charles.obazuaye@bromley.gov.uk

Chief Officer: Director of Finance

Ward: (All Wards);

1. Reason for report

This report provides the Executive, Resources and Contracts Policy, Development and Scrutiny Committee with the current iteration of the Corporate Risk Register, together with those for the Corporate Services, Finance, and Human Resources and Customer Services departments.

2. **RECOMMENDATION(S)**

Members of the Executive, Resources and Contracts Policy, Development and Scrutiny Committee are requested to note the current iterations of the Risk Registers and direct any queries they may have to the relevant Contact Officer.

Impact on Vulnerable Adults and Children

1. Summary of Impact: There are no direct implications for Vulnerable Adults and Children arising from the attached Risk Registers, although failure of the Council to meet its commitments in any risk area could directly impact on life chances.
-

Corporate Policy

1. Policy Status: Not Applicable:
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Not Applicable
 4. Total current budget for this head: Not Applicable
 5. Source of funding: Not Applicable
-

Personnel

1. Number of staff (current and additional): Not Applicable
 2. If from existing staff resources, number of staff hours: Not Applicable
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Where applicable, the risk category is reflected as Contractual and Partnership.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): This report is intended primarily for the benefit of members of the Executive, Resources and Contracts Policy, Development and Scrutiny Committee.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

- 3.1 This report provides Members of the Executive, Resources and Contracts Policy, Development and Scrutiny Committee with the most recent iterations of the Risk Registers falling within their remit. Each Risk Register has been drawn up in line with the Risk Assessment Guidance depicted in Appendix A.
- Corporate Services (Appendix B)
 - Finance (Appendix C)
 - Human Resources and Customer Services (Appendix D)
 - Corporate (Appendix E)
- 3.2 Each Director retains responsibility for the Risks and Controls within their division, with Internal Audit coordinating the Risk Management process via the Corporate Risk Management Group and Audit Sub Committee. The Corporate Risk Register identifies the Organisation's key risks to the delivery of the Corporate objectives through the Building a Better Bromley vision. Risks are elevated to the Corporate Risk Register by the Corporate Leadership Team.
- 3.3 The Corporate Risk Register, together with the Departmental Risk Registers for the areas coming under the remit of the Executive, Resources and Contracts PDS Committee, were last presented, in full, to their meeting of 23rd June 2021 and the Departmental Gross 'High' (Red) rated risks on 13th October 2021. Formal scrutiny of the Risk Registers was undertaken by the Corporate Risk Management Group on 10th September 2021 and Audit Sub Committee on 21st October 2021.
- 3.4 Since the June 2021 meeting of the Executive, Resources and Contracts PDS Committee, the Corporate Risk Register has been refreshed with the existing controls and further action required columns updated. Four salient amendments have been made, as set out in Table 1, with the Risk Rating amendment to the 'Ineffective Governance and Management of Contracts' Corporate Risk also reflected in the Corporate Services Risk Register. There have been no salient amendments to the Finance or the Human Resources and Customer Services Risk Registers.

Table 1

Corporate Risk Register	
Risk 3	Failure to deliver partial implementation of Health and Social Care Integration Reduction of Net Impact and consequent reduction of the Net Risk Rating from 'Medium' to 'Low'.
Risk 5	Ineffective Governance and Management of Contracts Reduction of the Net Likelihood and consequent reduction of the Net Risk Rating from 'Significant' to 'Medium'. This amendment has also been reflected in the Corporate Services Risk Register (Risk 12).

Risk 12	<p>Impact of COVID-19 pandemic on service delivery</p> <p>Reduction of the Gross Likelihood and consequent reduction of the Gross Risk Rating (Remains 'High'). Reduction of the Net Likelihood, increase of Net Impact and reduction of the Net Risk Rating from 'High' to 'Significant'.</p>
Risk 13	<p>Failure to adequately adapt to the impacts of Climate Change.</p> <p>Addition of Corporate Risk. Gross Risk Rating 'Significant' and Net Risk Rating 'Medium'.</p> <p>For full narrative, please see Appendix E.</p>

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

4.1 There are no direct implications for Vulnerable Adults and Children arising from the attached Risk Registers, although failure of the Council to meet its commitments in any risk area could indirectly impact on life chances.

5. POLICY IMPLICATIONS

5.1 The Council's ambition for the borough is set out in Building a Better Bromley, and the suite of Risk Registers supports delivery of those aims.

6. FINANCIAL IMPLICATIONS

6.1 The Finance department's Risk Register is attached as Appendix C. Where applicable, the risk category in all registers is reflected as 'Financial, Operational'.

7. PERSONNEL IMPLICATIONS

7.1 The Human Resources department's Risk Register is attached as Appendix D. Where applicable, the risk category in all risk registers is reflected as 'Personnel, Operational'.

8. LEGAL IMPLICATIONS

8.1 Where applicable, the risk category in all registers is reflected as 'Legal, Operational'.

9. PROCUREMENT IMPLICATIONS

9.1 Where applicable, the risk category in all registers is reflected as 'Contractual and Partnership'.

Non-Applicable Sections:	None
Background Documents: (Access via Contact Officer)	None

Risk Assessment Guidance

Likelihood	Almost Certain (5)	5	10	15	20	25	<table border="1"> <tr> <td>15+</td> <td>High Risk - review controls and actions every month</td> </tr> <tr> <td>10 - 12</td> <td>Significant Risk - review controls and actions every 3 months</td> </tr> <tr> <td>5 - 9</td> <td>Medium Risk - review controls and actions every 6 months</td> </tr> <tr> <td>1 - 4</td> <td>Low Risk - review controls and actions at least annually</td> </tr> </table>	15+	High Risk - review controls and actions every month	10 - 12	Significant Risk - review controls and actions every 3 months	5 - 9	Medium Risk - review controls and actions every 6 months	1 - 4	Low Risk - review controls and actions at least annually
	15+	High Risk - review controls and actions every month													
	10 - 12	Significant Risk - review controls and actions every 3 months													
	5 - 9	Medium Risk - review controls and actions every 6 months													
	1 - 4	Low Risk - review controls and actions at least annually													
Highly likely (4)	4	8	12	16	20										
Likely (3)	3	6	9	12	15										
Unlikely (2)	2	4	6	8	10										
Remote (1)	1	2	3	4	5										
		Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)	Impact								

Risk Likelihood Key					
	Score - 1	Score - 2	Score - 3	Score - 4	Score - 5
	Remote	Unlikely	Possible	Likely	Definite
Expected frequency	10 - yearly	3 - yearly	Annually	Quarterly	Monthly

Risk Impact Key					
Risk Impact	Score - 1	Score - 2	Score - 3	Score - 4	Score - 5
	Insignificant	Minor	Moderate	Major	Catastrophic
Compliance & Regulation	Minor breach of internal regulations, not reportable	Minor breach of external regulations, not reportable	Breach of internal regulations leading to disciplinary action Breach of external regulations, reportable	Significant breach of external regulations leading to intervention or sanctions	Major breach leading to suspension or discontinuation of business and services
Financial	Less than £50,000	Between £50,000 and £100,000	Between £100,000 and £1,000,000	Between £1,000,000 and £5,000,000	More than £5,000,000
Service Delivery	Disruption to one service for a period of 1 week or less	Disruption to one service for a period of 2 weeks	Loss of one service for between 2-4 weeks	Loss of one or more services for a period of 1 month or more	Permanent cessation of service(s)
Reputation	Complaints from individuals / small groups of residents Low local coverage	Complaints from local stakeholders Adverse local media coverage	Broader based general dissatisfaction with the running of the council Adverse national media coverage	Significant adverse national media coverage Resignation of Director(s)	Persistent adverse national media coverage Resignation / removal of CEX / elected Member
Health & Safety	Minor incident resulting in little harm	Minor Injury to Council employee or someone in the Council's care	Serious Injury to Council employee or someone in the Council's care	Fatality to Council employee or someone in the Council's care	Multiple fatalities to Council employees or individuals in the Council's care

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Corporate Services Risk Register - Appendix B

													DATE LAST REVIEWED:	01/09/2021
REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	RISK OWNER	
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING			
1	Corporate Services	IT Security failure	Cause(s): Failure of IT Security (responsibility across Bromley & BT) to manage risk of attack or intrusion leading to potential corruption / loss of data / loss of systems Effect(s): Loss of service, potential fines, resident dissatisfaction	Data and Information	4	5	20	- Application of effective security management including effective application of anti-virus protection and security measures through the IT Contract with BT - Regular Penetration Testing undertaken - Information Security Team in place - Patch updates undertaken regularly - IG training programme - PSN Compliant	2	5	10		Vinit Shukle	
2	Corporate Services	Telecommunications failure Prolonged telecoms / switchboard failure	Cause(s): Power surge, contractor failure, malicious attack, IT failure Effect(s): Widespread disruption across the Council	Data and Information	3	5	15	- Stand-by arrangements available so that in the event of failure highest priority services can be recovered - Technical design takes into account the criticality of systems and ensures, where justified, that additional resilience is built in - All Critical Services now have additional independent lines as contingency (if not their first line) - Additional resilience in use of LBB mobile phones - The ICT Disaster Recovery Plan is in progress - Working with BT to implement disaster recovery arrangements as part of new backup contract - Effective application of anti-virus protection and security measures through the IT contract with BT	2	3	6	- Virtualisation project will help facilitate disaster recovery provision - Secondary Session Initiation Protocol (SIP) connection being added to provide resilience.	Vinit Shukle	
3	Corporate Services	IT System Failure (partial loss) Partial loss of IT systems	Cause(s): Failure of Outlook or similar applications Failure of Novell Filing Registry system which carries details of all departmental files Effect(s): Widespread disruption across the Council	Data and Information - Operational	4	4	16	- Effective incident management / support and resilient systems in use so that single points of failure are minimised - Technical design that takes into account the criticality of systems and ensures, where justified, that additional resilience is built in - Ensure proactive monitoring tools are in place to highlight potential issues before there is a major incident - System now migrated to the server - No longer dependent on Win7 - all services successfully transferred. However, the Novell filing registry/Regnet system has no further upgrade options and is not compatible with Win10 which will be deployed before December 2019 (Win7 support expiry date)	4	3	12	The Norwell System is currently used by legal team for historical file information only on a 'stand alone' PC. As part of any future platform upgrades, investigation will need to be carried out as to whether this option is still viable (by way of impact assessment) or look at migrating the historical data into Norwel (the current system).	Vinit Shukle	
4	Corporate Services	IT System Failure (total loss) Complete failure of IT systems resulting in widespread disruption across the Council	Cause(s): Complete loss of data centre and related hardware Effect(s): Widespread disruption across the Council Financial loss Reputational impact	Data and Information - Operational	3	5	15	- Effective incident management / support and resilient systems in use so that single points of failure are minimised - Technical design that takes into account the criticality of systems and ensures, where justified, that additional resilience is built in - Ensure proactive monitoring tools are in place to highlight potential issues before there is a major incident - Backup power arrangements in the event of power issues (most likely) - Server room has fire suppression, water detection and significant physical security measures have been undertaken.	2	4	8	- Property are planning additional works to resolve the issues that caused the outages, but until then we remain at an elevated risk.	Vinit Shukle	
5	Corporate Services	Network Loss Loss of the customer service centre network as a result of a major malfunction of the council's network, leading to system access loss preventing staff from processing service requests.	Cause(s): Major malfunction of council's network caused by Cyber Attack or other means Effect(s): Loss of system access Service Disruption Reputational impact	Data and Information - Operational	3	3	9	- Existing local resilience procedures (over Liberata network via Citrix) - Business Continuity Plan and manual procedure plans in place - Prepared for use of smart telephony messaging, web banner message and reception signage	3	2	6		Vinit Shukle	

Corporate Services Risk Register - Appendix B

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					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING			
6	Corporate Services	Budgetary overspend	<p>Cause(s): Overspending budgets as a result of increased costs outside Council's direct control (e.g. increase in minimum wage, court / legal fees)</p> <p>Effect(s): Financial</p>	Economic - Strategic	4	3	12	<ul style="list-style-type: none"> - Effective forward budgetary planning - On-going engagement with stakeholders - On-going management of costs, demand forecasting, allocation of existing resources 	3	3	9	- Identify "risk areas" (e.g. contracts using low paid labour)	Director of Corporate Services	
7	Corporate Services	Failure to follow Legal Advice Breach of law, statutory duty or carrying out inadequate consultation arising from failure of clients to follow Legal briefing procedures	<p>Cause(s): Advice not being sought and/or followed by clients.</p> <p>Effect(s): - Breach of statutory obligations through failure of compliance with relevant legislation (e.g. 'Duty to Consult', EU Procurement Rules, Health and Safety etc.) leading to adverse publicity and significant costs including fines. - Council making unlawful decisions - Potential compensation to injured parties - Negative publicity - Potential judicial reviews</p>	Legal - Operational	3	3	9	<ul style="list-style-type: none"> - Service procurement procedures reviewed for robustness - Register of all relevant statutory requirements - Regular review of compliance - Effective training of managers in requirements of relevant legislation - Systematic consultation - Robust internal customer service standards and service delivery meetings - Continuous learning and feedback - Statutory requirements (awareness and training) 	2	3	6		Director of Corporate Services	
8	Corporate Services	Data Protection Breach	<p>Cause(s): Failure to adapt to the upcoming change in legislation (GDPR) Failure to ensure the confidentiality, integrity, and availability of information assets.</p> <p>Effect(s): 1. Distress and/or physical impact on wellbeing of customers 2. Impact on operational integrity 3. Reputational damage to services and the authority as a whole 4. Liability in law 5. Economic damage to authority and/or customers 6. Impact on service take up due to reduced confidence from the public</p>	Data and Information - Operational	4	5	20	<ul style="list-style-type: none"> - LBB is currently compliant with the Public Services Network Code of Connection (PSN CoCo) and Connecting for Health Information Governance Toolkit (CiH IGT). The LBB Information Governance Board formally accepted the CiH IGT as the basis of LBB's internal information governance program at their meeting in August 2012. Both standards are based on the ISO27001 international best practice standard for managing information security and are therefore fit for purpose for assessing and managing the Council's information risk - GDPR Training programme in place - Induction programme in place - Additional resources to manage risk 	2	3	6		Director of Corporate Services	
9	Corporate Services	Failure to publish Register of Electors	<p>Cause(s): Failure of IT systems Insufficient resources provided to Electoral Registration Officer to deliver a comprehensive canvass Failure to follow legislative and regulatory requirements</p> <p>Effect(s): Disenfranchisement of local residents Potential to challenge any election which relies on an inadequate register Reputational damage</p>	Political - Strategic	2	3	6	<p>Controls:</p> <ol style="list-style-type: none"> 1. Project Plan including detailed Risk Register 2. Robust documented internal procedures 3. Monitoring by Electoral Commission through appropriate Performance Standards 	1	3	3		Carol Ling	

Corporate Services Risk Register - Appendix B

											DATE LAST REVIEWED:	01/09/2021	
REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
10	Corporate Services	Failure to manage election process	<p>Cause(s): Failure of Council in its duty to provide sufficient resources to the Returning Officer Failure of IT systems</p> <p>Effect(s): Costs of dealing with a challenge to election process Reputational damage Cost of re-running an election if result is set aside</p>	Political	3	4	12	<ul style="list-style-type: none"> - Project Plan including detailed Risk Register specific to election underway - Staff Training - Adequate insurance (Returning Officer - personal liability) - Monitoring by Electoral Commission through appropriate Performance Standards. 	2	3	6		Carol Ling
12	Corporate Services	Effective governance and management of contracts	<p>Cause(s): - Lack of clear management across contracts - Capacity and capability - Contract management processes ineffective - Organisational culture and understanding</p> <p>Effect(s): - Financial losses - Service disruptions - Poor quality services</p>	Procurement & Contracts	3	4	12	<ul style="list-style-type: none"> - Contract Procedure Rules and regular Practice / Guidance notes to all Contract Owners - Review of contract management and contract monitoring controls including any issues identified by internal audit - Contracts Database and Quarterly Contracts Database Report to all relevant Committees - Procurement Board oversight - Member scrutiny including regular Contract Monitoring Reports for £500k+ contracts - Regular programme of training delivery to staff - Quarterly Contract Owners meetings - Recent Audit (Substantial Assurance) demonstrates current effectiveness 	2	4	8	<ul style="list-style-type: none"> - Contract Management guidance on toolkit to be reviewed - Ongoing training delivery - Ongoing monitoring and reinforcement of existing controls 	Service Directors supported by Assistant Director, Governance and Contracts
13	Corporate Services	Database Utilisation	<p>Cause(s): - Lack of organisational buy-in from contract managers - Lack of governance - Poor awareness / education in understanding purpose</p> <p>Effect(s): - Impacts upon decision making and outcomes - Poor quality data - Commissioned services not fit for purpose - Increased financial costs</p>	Procurement & Contracts	3	3	9	<ol style="list-style-type: none"> 1. Database guidance issued to officers 2. Follow-ups issued to remind contract managers and commissioners 3. Quarterly Member reporting 4. Sign-off by CLT 	3	3	9	<ol style="list-style-type: none"> 1. Ongoing monitoring of database to ensure it remains accurate and comprehensive. 	Assistant Director, Governance and Contracts

Remember to consider current Internal Audit priority one recommendations when identifying, assessing and scoring risks.

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Finance Risk Register - Appendix C

REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			DATE LAST REVIEWED:	27/08/2021
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING	FURTHER ACTION REQUIRED	RISK OWNER
1	Finance	Failure to ensure sufficient cover of Council assets This could result in the possibility of our insurance company refusing to cover a claim above the level of our current excess (£125k for general property and Liability, £250k for educational property).	Cause(s): 1. Incorrect/incomplete asset/risk data provided to insurer. 2. Total level of insurance insufficient e.g. to cover damage to multiple high value assets. 3. Uninsurable risks e.g. criminal/regulatory fines. Effect(s): Inadequate or no insurance cover could have significant financial implications, dependent on the value of the asset and the extent of the damage / loss.	Financial - Operational	1	4	4	1. Annual review during renewal process of all property, vehicle and school journey schedules 2. Maintain a register of all insurance premiums paid each year 3. Independent review of Council's self-insurance Claims fund by professional actuaries every 3 years 4. Endorsement under buildings insurance policy to cover up to £10m for inadvertent omission to insure property 5. Buildings insurance policy excess per event to protect Council for damage to multiple properties as a result of single event e.g. Flood/Storm	1	3	3		Viknesh Gill
2	Finance	Financial Market Volatility Financial loss arising from the volatility of financial markets.	Cause(s): Market volatility, recession, banking failure Effect(s): We do not maximise our interest earnings on balances and could also suffer the following issues - Liquidity, Interest rate, Exchange rate, Inflation, Credit and counterparty, Refinancing, legal and regulatory risks	Financial - Operational	3	5	15	1. Regular strategy meetings 2. Use of external advisors 3. Internal Audit review of activities 4. Quarterly reporting to E,R&C PDS Committee (Members) 5. Adoption of CIPFA Treasury Management Code of Practice 6. Regular meetings / discussions with external auditors 7. Treasury management strategy	2	4	8		David Dobbs
3	Finance	Capital Income Shortfall Inability to generate capital receipts	Cause(s): Property price reductions as a result of the economic environment. Falling number of assets available for disposal Effect(s): Financial	Economic - Strategy	4	4	16	1. Close monitoring of spend and income 2. Reporting to Members 3. Tight control of spending commitments 4. Quarterly reports on capital receipts (actual and forecast) to Executive.	3	3	9		David Dobbs
4	Finance	Pension Fund The pension fund not having sufficient resources to meet all liabilities as they fall due	Cause(s): 1. Investment markets fail to perform in line with expectations 2. Market yields move at a variance with assumptions 3. Investment managers fail to achieve their targets over the longer term 4. Longevity horizon continues to expand. Although the triennial valuation reported that the Council's pension fund is fully funded, there is a need to address a future risk of the pension fund not having sufficient resources 5. Deterioration in pattern of early retirements 6. Administering authority unaware of structural changes in an employer's membership e.g. large fall in employee members, large number of retirements 7. Mandatory pooling of investments (London CIV) may result in appointment of poorer performing investment managers. Effect(s): Financial	Financial - Operational	3	5	15	1. Use of external advice. 2. Financial: Monitoring of investment returns - analysis of valuation reports 3. Demographic: Longevity horizon monitored at triennial reviews - quarterly review of retirement levels 4. Regulatory: Monitor draft regulations and respond to consultations - actuarial advice on potential where appropriate 5. Internal audit review of activities, performance, controls etc. 6. Quarterly reports to Pensions Investment Sub-Committee 7. Funding Strategy Statement 8. Statement of Investment Principles 9. Communications Policy 10. Governance Policy 11. Triennial valuation by actuary 12. Strategic asset allocation review.	2	4	8		Director of Finance
5	Finance	Failure to deliver a sustainable Financial Strategy which meets with BBB priorities and failure of individual departments to meet budget	Cause(s): 1. The 2021/22 Draft Budget report to Executive identified the need to reduce the Council's 'budget gap' of £14.1m per annum by 2024/25. The Council received a one-year financial settlement for 2021/22, which creates uncertainty on funding levels for future years. 2. The fundamental review of local government funding through the Fair Funding Review and Business Rate review has been delayed until at least 2022/23 which adds to financial uncertainty in considering the impact on the financial forecast for 2022/23 to 2024/25. A significant challenge to the future year's financial position relates to the ongoing impact of the Covid 19 situation and the uncertainty relating to the cost implications of the 'new normal'. Further details are included in the Draft 2021/22 Budget and Update on the Council's Financial Strategy 2021/22 to 2024/25 report to Executive on 13th January 2021. It is not clear whether local authorities will be fully compensated for the Covid 19 impact from Government. 3. Failure to meet departmental budgets due to increased demand on key services resulting in overspends: Housing (homelessness and cost of bed and breakfast); Adult Social Care (welfare reform and ageing population); Children's Social Care, Education (central costs), Waste (growing number of households) and limited delivery of planned mitigation savings. 4. The risk of the Council not being able to carry out its statutory duties (e.g. pupil admissions, school improvement, child protection) as a consequence of funding pressures not being met. 5. Dependency on external grants to fund services (schools and housing benefits are ring-fenced) - effect if grant reduces (Public Health services) or ceases. 6. The new national living wage will have cost implications to the Council over the next few years (e.g. care providers and carers). 7. Local government may be required to take on new funding responsibilities in the future without adequate funding. 8. Impact of welfare reforms and the phased roll out of Universal Credit. 9. Failure to identify and highlight frauds and weaknesses in the system of internal control (which invariably have a financial impact). Overall, fraud losses are mainly benefit related (Council Tax Support / Single Person Discount). Effect(s): - Increased overspends in particular services - Council unable to carry out its statutory duties due to services cuts - Reputational damage	Financial - Operational	5	5	25	Strategic Controls: 1. Regular update to forward forecast 2. Ongoing monitoring of impact of COVID situation and trends re 'new normal' 3. Regular analysis of funding changes and new burdens particularly on Covid situation and full year impact 4. Early identification of future savings required 5. Transformation options considered early in the four year forward planning period 6. Budget monitoring to include action from relevant Director to address overspends including action to address any full year additional cost 7. Mitigation of future cost pressures including demographic changes 8. Quarterly review of growth pressures and mitigation 9. Continue to progress with opportunities for the Transformation Reviews towards meeting future years' budget gap. Operational Controls: 1. Management of Risks document covering inflation, capping, financial projections etc. attached to budget reports 2. Departmental risk analysis 3. Reporting of financial forecast updates in year to provide an update of financial impact and action required 4. Obtain monthly trend / current data to assist in any early action required 5. Obtain regular updates / market intelligence 6. Reporting full year effect of budget variations 7. Analysis of government plans and changes	4	5	20	The Council continues to explore transformation opportunities to help meet the ongoing budget gap	Director of Finance
6	Finance	Failure to act upon Financial assessments or arrears in a timely manner	Cause(s): 1. Severe/catastrophic IT problems 2. Loss of key staff 3. Organisation experiencing severe financial problems Effect(s): Loss of income	Financial - Operational	3	3	9	Controls: 1. There is a disputed debt process that is followed to ensure that departments do not hold up debt recovery (i.e. actioning write offs and disputes). 2. All outstanding Financial Assessments are completed in accordance with the agreed timescales 3. Monitoring is carried out on a regular basis to ensure financial assessments are completed and contributions are set up on CareFirst in order for service users to be charged 4. Effective SLA is in place	2	3	6		Claudine Douglas-Brown
7	Finance	Failure of Finance IT systems	Cause(s): Failure of CareFirst or the various databases Failure of Oracle Failure of BACs to pay LBB Effect(s): Inability to pay creditors, calculate payments due to our suppliers / foster carers (Payments Team) or to accommodate charging information for billing clients which could result in fines, penalties and loss of goodwill / reputation.	Contractual and Partnership - Operational	3	2	6	1. CareFirst has replaced the majority of the databases used in Finance for Care Services payments 2. All systems are backed up daily 3. If systems fail, new databases can be built and/or manual calculations for charges or payments could be made 4. Manual cheque payments could be raised 5. Close liaison with Liberata (and sub contracted company Xerox) to discuss any problems - escalation procedure works well. 6. Alternative printers being available at Xerox reduces the risk of cheques not being produced due to printer failure 7. Stock control measures in place to ensure cheques are ordered in time 8. BACS payments increasing - solid and dependable	2	2	4	Implications of any replacement to Carefirst will need to be monitored closely, and preventative action taken to mitigate risk	Claudine Douglas-Brown
8	Finance	Failure of external contractors	Cause(s): Contractor ceases to trade due financial failings. Effect(s): disruption and delays to key services, financial loss and adverse publicity	Contractual and Partnership - Operational	3	4	12	1. Constant review of contractors financial standing 2. Maintaining knowledge and contact with alternative service suppliers	2	3	6		Claudine Douglas-Brown
9	Finance	Contractor Poor Performance Contractor fails to meet performance expectations across Revs & Bens, Payroll, Pensions, Debtors and Accounts Payable	Cause(s): Severe catastrophic IT problems Loss of key staff Organisation experiencing severe financial problems Effect(s): - Delay / non payment of suppliers, customers, staff salaries, pensions. - Delay in assessment and payment of benefit claims - Increase in fraudulent payments - Delayed or non repayment from debtors Resulting in loss of income, loss of HB Subsidy, increased costs, increase in complaints and subsequent loss of good will and / or reputational damage.	Financial - Operational	3	3	9	1. Effective SLAs and contracts in place with a regime of KPIs, service credits and default notices in place 2. Regular operational and strategic meetings monitoring progress and identifying action required 3. Action identified and formally agreed when monitoring key performance areas 4. Formal structures and procedures in place for monitoring and corrective action to minimise risk 5. Process reviewed on an ongoing basis 6. Weekly monitoring of complaints and patterns identified	2	3	6		Claudine Douglas-Brown

Finance Risk Register - Appendix C

REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			DATE LAST REVIEWED:	27/08/2021
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING	FURTHER ACTION REQUIRED	RISK OWNER
10	Finance	Significant Fraud/Corruption	Cause(s): Lack of controls Dishonest staff/suppliers/customers Collusion Poor systems Lack of Management oversight Inadequate segregation of duties Effect(s): Financial loss Adverse publicity/reputational damage Staff morale lowered Resource implications for investigation	Financial - Operational	3	3	9	1. Staff vetting 2. Segregation of duties 3. Documented procedures/regulations/code of conduct 4. Whistleblowing policy 5. Fidelity guarantee 6. IT security 7. Robust computer systems/audit trail 8. Counter Fraud staff 9. Internal/External audit	2	2	4		David Hogan
11	Finance	Failure to comply with the grant conditions and ensure effective utilisation of the significant Government funding received, relating to the Covid pandemic to support businesses	Cause(s): 1. Appropriate processes and controls not put in place for administering the various business grant schemes 2. The criteria of the various schemes is not applied correctly 3. Full training and guidance is not provided to those administering the scheme and making payments 4. Lack of governance and oversight of the various schemes Effect(s): - Payments are not made timely leading to severe financial difficulty for a business and possible insolvency - Fraudulent payments are made - Payments are made to businesses who do not meet the qualifying criteria - Payments are made in error e.g. to the wrong bank account or individual - Unused funding has to be returned to Government - Complaints / adverse publicity / reputational damage	Financial - Operational	4	5	20	- Training, guidance and advice provided to all those involved in administering the schemes (with Internal Audit involvement) - Regular and ad-hoc meetings between key personnel to ensure governance and oversight and agree any actions required - Fraud risk assessments and pre-payment and post-payment controls to identify and address any instances of fraud, error or non-compliance - Faster payments solution utilised for Covid related grant payments, ensuring same day receipt of funds by recipient.	3	3	9		Director of Finance
12	Finance	Impact on staff resources undertaking business as usual as well as significant demands to provide the support required to the Covid-19 Pandemic.	Cause(s): 1. Staff directed from 'business as usual' Effect(s): - Less available time and resources to administer functions, leading to an impact on delivery of the Council's key objectives e.g. possible delay in payments made for goods and services, delay in recovering income not received, responding timely to communications. - Complaints / reputational damage - Increased stress amongst existing staff resulting in mental health issues and / or increased levels of sickness	Personnel / Operational	4	3	12	- Regular one to one meetings with staff and ad-hoc conversations to discuss and prioritise workloads, identify and address any areas of concern. HR policies, guidance and occupational health support and advice. - Heads of Finance have been given the option of utilising agency/interim resources to mitigate Covid related workloads - Regular and ongoing publicity of staff wellbeing programme to help identify and address Covid related stress issues	3	3	9		Director of Finance

Remember to consider current Internal Audit priority one recommendations when identifying, assessing and scoring risks.

Human Resources and Customer Services Risk Register - Appendix D

										DATE LAST REVIEWED:	23/09/2021		
REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
1	Human Resources	Ability to respond to industrial action, changes in government initiatives or legal requirements	Cause(s): - Changes to staff terms and conditions (localisation agenda) - Lack of flexibility of workforce - Poor horizon scanning and networking's Effect(s): - Increased costs (bank / agency usage) - Reputation damage - Impacts on service delivery	Political	2	2	4	1. Early and effective engagement with staff and trade unions 2. Sound internal and external legal advice 3. Identifying appropriate legal options 4. Pro-active intelligence gathering via London Councils and other networks 5. HR processes in place for dealing with industrial action	2	2	4	1. Submitting timely proposals to Chief Officers and / or members of the Industrial relations committee.	Director of HR & Customer Services
2	Human Resources	Failure to comply with HR related legislative requirements e.g. Equalities Act 2010	Cause(s): - Lack of awareness with legislation - Failure to effectively consult staff where appropriate - Indirect / direct discrimination - Human error / lack of understanding - Lack of capacity and capability to deliver Effect(s): - Reputation damage - Financial costs - Regulatory inspection / intervention	Legal	4	3	12	1. Bromley Council policies & procedures in place e.g.. Equality Scheme 2. Requirement to report and record accurately information e.g. equalities 3. Training in place for managers and staff to ensure they are aware of their responsibilities 4. Organisation to carry out a Capacity Risk Assessment	3	2	6	1. Professional updates / HR Mgt Team forward planning	Director of HR & Customer Services
3	Human Resources	1) ineffective workforce planning initiatives including succession planning, talent management. 2) upskilling of staff - lack of training resources/opportunities	Cause(s): - Insufficient strategic management control and planning - Staff turnover (capacity) - Lack of resources Effect(s): - Potential service delivery impacts - Loss of skilled/experienced staff - Missed opportunity to develop and retain talent "in house" - Recruitment Costs	Personnel / Operational	3	3	9	Clear workforce planning strategy in place, including - Graduate Intern Scheme - Apprenticeship Scheme - Career Pathway - Leadership Development Programme - Succession Planning Tool - Kickstart	2	2	4	Review of 1.'Development of a Talent Management Strategy. 2. Ensure that Apprenticeship Levy funds are utilised effectively 3. Consideration to resurrect 'Future Leaders Programme'	Director of HR & Customer Services
4	Human Resources	Ineffective recruitment and retention strategies for hard to fill posts e.g. Adult's Social Workers, Children's Social Workers, Housing, Planning, Building Control	Cause(s): - Physical environment/hygiene facilities - Culture - Increasingly fluid market - Increases in demand and/or reductions in supply - Lack of experienced staff in the labour pool - Budget constraints - Lack of leadership Effect(s): - Potential service delivery impacts - Increased costs due to use of agency workers - Reduction in quality of service	Personnel / Operational	4	3	12	1. Horizon scanning to anticipate changes and trends to staff complement 2. Keeping up to date on national trends for hard to recruit professions 3. Case load review 4. Review of pay and comparison with neighbouring LAs 5. R&R Board to regularly review 6. No Quit Policy in place 7. Implement grow your own initiatives e.g. senior practitioners progression pathway, training pathways for social workers, graduate trainees, apprentices	2	2	4	Review of retention strategies 1.'Development of a Talent Management Strategy. 2. Ensure that Apprenticeship Levy funds are utilised effectively 3. Consideration to resurrect 'Future Leaders Programme'	Director of HR & Customer Services

Human Resources and Customer Services Risk Register - Appendix D

											DATE LAST REVIEWED:	23/09/2021	
REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
5	Human Resources	Ineffective pre-employment checks including agency workers	<p>Cause(s):</p> <ul style="list-style-type: none"> - Poor procedures - Inadequate monitoring - Lack of awareness / understanding <p>Effect(s):</p> <ul style="list-style-type: none"> - Workers with safeguarding concerns not identified - Safeguarding incident occurs (harm / injury) - Agency worker ID fraud - Reputation damage - legal compliance implications inc. fines and sanctions 	Personnel / Operational	4	3	12	<ol style="list-style-type: none"> 1. HR Business Services carry out checks for LBB workers & agencies to check agency workers. 2. Managers check identity of candidate and of agency workers when arriving for work, with copy of DBS and proof of identity. E.g. passport, and original copy of birth certificate. 3. Up front audits with Adecco undertaken to ensure processes are robust for agency workers 4. Training provided for managers 5. Internal audit undertakes a review of arrangement as part of their annual audit plan 	4	1	4	Consideration as to whether training should be mandatory	Director of HR & Customer Services
6	Human Resources	Management of the on-going transitional and transformational changes (Commissioning process, baseline exercise and service redesigns and alternative delivery options)	<p>Cause(s):</p> <ul style="list-style-type: none"> - Lack of adequate financial resources - Lack of expertise - Unexpected delays - Changes in strategic direction - Lack of capacity to undertake in a timely manner - Conflicting priorities <p>Effect(s):</p> <ul style="list-style-type: none"> - New service models are ineffective / not fit for purpose - Increased costs - Legislative and legal requirements breached (e.g. TUPE) - Reduction in service quality / provision - Reputation damage 	Personnel / Operational	4	3	12	<ol style="list-style-type: none"> 1. Managing change procedure in place 2. Capacity building and additional resources to support the change process 3. Effective communication and engagement with staff and their representatives. 4. Formal consultation processes and departmental representatives 5. Regularly meetings include Members 6. Terms of Reference for each workstream led by Chief Officers 	3	2	6	<p>One-off funding required to support transformation programmes and workstreams</p> <p>Review HR Processes in light of new working arrangements</p>	Director of HR & Customer Services
7	Human Resources	HR systems failures e.g. payroll, recruitment, HR self-service, pensions	<p>Cause(s):</p> <ul style="list-style-type: none"> - Contractual failure - IT failure - Loss of power - Data breach / cyber attack - Ineffective business continuity plan for manual work around <p>Effect(s):</p> <ul style="list-style-type: none"> - Delays or restriction in level of HR support available - Staff not paid - Staff morale reduction if for a long period - Delays in ability to recruit - Failure to apply for jobs employment/legal issues - Failure to comply with contractual obligations - Industrial action 	Data and Information	2	5	10	<ol style="list-style-type: none"> 1. Back-up payroll processes/systems 2. Regular saving of personnel information on Resource Link 3. Business Continuity Plan in place 4. Internal audit carry out reviews as part of annual review programme 5. Regular meetings with contractors and Business Continuity Plans for each contract 	4	2	8	None identified	Director of HR & Customer Services

Human Resources and Customer Services Risk Register - Appendix D

										DATE LAST REVIEWED:	23/09/2021		
REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
8	Human Resources	Ineffective compliance with IR35	Cause(s): - Inadequate information from managers, - Non submission of requests for HR scrutiny - Non submission of approval by relevant Chief Officers, - Poor knowledge of what is required Effect(s): - Huge fine by IRS - Reputational damage - IRS investigation of the authority	Financial / Legal	2	5	10	1. Clear standards and expectations are set out in the procedure/manual 2. Dedicated HR Officer with updated knowledge of IR35 requirements 3. Access to external expert advice commissioned if required 4. HR monitoring	1	3	3	- Regular awareness sessions on IR35 for managers - 6-monthly compliance report to CLT/COE - Joint HR/audit review	Director of HR & Customer Services
9	Human Resources / Health & Safety	Health & Safety (Council) Ineffective management, processes and systems across all Council departments Specifically in relation to the following areas: Fire Risk Assessments Lone Working Violence & Aggression at work	Cause(s): - Inadequate risk assessments - Outdated policies - Poor use of data around accidents/near miss incidents - Lack of capacity to discharge the Council's H&S responsibilities - Ineffective monitoring of risks Effect (s): - Potential prosecution of Council and / or civil claims for compensation - Increased sickness/absence - Poor staff morale - Impact on staff retention - Insurance claims - Potential accidents/fatalities - Corporate manslaughter	Health & Safety	3	5	15	1. Safety Policies reviewed and updated regularly - ongoing 2. Commitment to HSW from Chief Executive and Directors premises, equipment & activities 3. Supported by H&S training programme and network of policies and procedures (regularly reviewed) 4. Property-related HSW matters now provided through Amey 5. Holding contractors to account for managing Council premises to required legal standards	3	4	12	FT H&S Advisor 'Risk assessment & proactive monitoring being developed for Council Departmental Safety Committees meet regularly. Corporate and Departmental Health and Safety Meetings to be further reviewed including Senior Management Ownership H&S audits to be undertaken by Corporate Safety Officer	Director of HR & Customer Services
10	Customer Services	Fall in income from Registrars Economic downturn, uncertainty regarding accommodation and other external factors contributing to a significant fall in income in Registrars e.g. impact of covid	Cause(s): Uncertainty regarding accommodation Leaving Civic Centre for a less appealing venue Effect(s): Reduced level of bookings Financial impact	Financial - Operational	3	3	9	- Regular budget and activity monitoring - Targeted marketing of ceremonies, venues etc. to maximise income, website videos, use of 'twitter' - Flexible use of staff to maximise income in periods of high activity - Development of civil funeral service	3	2	6		Duncan Bridgewater
11	Customer Services	Contractor Failure	Cause(s): Contractor (such as Liberata) cease trading due to financial or other failure. Effect(s): Interruption to or deterioration of service due to failure of contractors (out of hours security guards @ Civic Centre, for example)	Contractual and Partnership - Operational	2	4	8	- Regular monitoring of performance and monthly operational meetings to identify any continued and ongoing reduction in service delivery - Core contract monitoring and overview of other elements of the contract to identify shortfalls in other areas of service delivery - Effective scrutiny of potential contractors - Appropriate performance bonds or parent company guarantees - Business continuity planning - Standardised contract letting procedures and documentation as contracts renew	2	3	6	-Identify potential alternative contractors	Duncan Bridgewater
12	Customer Services	Contractor Performance	Cause(s): Failure to effectively manage service delivery contracts with provided such as Liberata Effect(s): Continued and ongoing poor performance and/or increased customer complaints.	Contractual and Partnership - Operational	4	3	12	- Daily, weekly, monthly and annual monitoring of performance and key performance indicators - Monthly operational meetings with contractor to discuss performance and monitor against balanced score card - Escalation through core contract route of any continued and ongoing shortfalls in performance	3	2	6		Duncan Bridgewater

Human Resources and Customer Services Risk Register - Appendix D

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					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
13	Customer Services	Maintenance of Statutory and GRO standards	Cause(s): Increase in life events (births / deaths) within Bromley Staffing pressures Effect(s): Drop in standards leading to a potential breach of statutory duty and loss of confidence from residents.	Legal - Operational	3	3	9	-Regular monitoring of registration activity and timescales -use of casual staff to perform statutory registrations - close monitoring of quality and performance from GRO system reporting Annual report produced in Spring	1	3	3		Duncan Bridgewater
14	Customer Services	Loss of Facility Loss of customer service accommodation as a result of a major power failure or other incident that prevents access to the Civic Centre	Cause(s): Major power failure or other incident that prevents access to the Civic Centre Effect(s): Major disruption to council services	Data and Information - Operational	3	3	9	- Existing local resilience procedures (overflow to alternative Liberata Office) Considered as part of the overall corporate business continuity plan if temporary accomodation required	2	2	4		Duncan Bridgewater
15	Customer Services	Safety of Statutory Records	Cause(s): Fire / flooding Strong room not GRO compliant Effect(s): Damage to or destruction of historic statutory registration records	Operational	2	4	8		2	4	8	- We are aware the strong rooms requires investment to bring it up to General Register Office (GRO) security standards. This will be looked at during he wider accommodation review	Duncan Bridgewater

Remember to consider current Internal Audit priority one recommendations when identifying, assessing and scoring risks.

Corporate Risk Register - Appendix E

REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press shift & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			DATE COMPLETED:	18/10/2021
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
1	Corporate Risk	Failure to deliver a sustainable Financial Strategy which meets with BBB priorities and failure of individual departments to meet budget	<p>Cause(s):</p> <ol style="list-style-type: none"> The 2021/22 Draft Budget report to Executive identified the need to reduce the Council's 'budget gap' of £14.1m per annum by 2024/25. The Council received a one-year financial settlement for 2021/22, which creates uncertainty on funding levels for future years. The fundamental review of local government funding through the Fair Funding Review and Business Rate review has been delayed until at least 2022/23 which adds to financial uncertainty in considering the impact on the financial forecast for 2022/23 to 2024/25. A significant challenge to the future year's financial position relates to the ongoing impact of the Covid 19 situation and the uncertainty relating to the cost implications of the 'new normal'. Further details are included in the Draft 2021/22 Budget and Update on the Council's Financial Strategy 2021/22 to 2024/25 report to Executive on 13th January 2021. It is not clear whether local authorities will be fully compensated for the Covid 19 impact from Government. Failure to meet departmental budgets due to increased demand on key services resulting in overspends: Housing (homelessness and cost of bed and breakfast); Adult Social Care (welfare reform and ageing population); Children's Social Care, Education (central costs), Waste (growing number of households) and limited delivery of planned mitigation savings. The risk of the Council not being able to carry out its statutory duties (e.g. pupil admissions, school improvement, child protection) as a consequence of funding pressures not being met. Dependency on external grants to fund services (schools and housing benefits are ring-fenced) - effect if grant reduces (Public Health services) or ceases. The new national living wage will have cost implications to the Council over the next few years (e.g. care providers and carers). Local government may be required to take on new funding responsibilities in the future without adequate funding. Impact of welfare reforms and the phased roll out of Universal Credit. Failure to identify and highlight frauds and weaknesses in the system of internal control (which invariably have a financial impact). Overall, fraud losses are mainly benefit related (Council Tax Support / Single Person Discount). <p>Effect(s):</p> <ul style="list-style-type: none"> Increased overspends in particular services Council unable to carry out its statutory duties due to services cuts Reputational damage 	Finance Financial	5	5	25	<ul style="list-style-type: none"> Regular update to forward forecast Ongoing monitoring of impact of COVID situation and trends re 'new normal' Regular analysis of funding changes and new burdens particularly on Covid situation and full year impact Early identification of future savings required Transformation options considered early in the four year forward planning period Budget monitoring to include action from relevant Director to address overspends including action to address any full year additional cost Mitigation of future cost pressures including demographic changes Quarterly review of growth pressures and mitigation Continue to progress with opportunities for the Transformation Reviews towards meeting future years' budget gap. 	4	5	20	The Council continues to explore transformation opportunities to help meet the ongoing budget gap	Director of Finance
3	Corporate Risk	Failure to deliver partial implementation of Health and Social Care Integration	<p>Cause(s):</p> <ol style="list-style-type: none"> Difficulty in achieving rapid change in a system as complex as health and social care. Rising social care costs due to ageing population and people living longer with increasing complex needs. Difficulties with agreeing budgets (given likely funding reductions going forward), complex governance arrangements and workforce planning. Need to focus on collaborative working (cultural differences). Pressure for social care services to be accessible 7 days a week in terms of our own workforce and contracts with external providers in line with NHS priority to deliver 7 day working across the health sector. LBB will need to contribute to a whole system review (led by the Bromley Clinical Commissioning Group) to ensure that funding follows the patient. <p>Effect(s):</p> <ul style="list-style-type: none"> Failure to deliver statutory duties Failure to achieve our Building a Better Bromley priorities. 	Financial Compliance/ Regulation	2	3	6	<ul style="list-style-type: none"> Continued work with health partners to deliver the main transformation programmes eg Bromley Well and the transformation of prevention Building on the work already delivered through S31 agreement with Oxleas and being implemented through the Better Care Fund workstreams eg Winter Resilience work, Transfer of Care Bureau, Integrated Care Records, Discharge to Assess. Single Point of Access for hospital discharge implemented in April 2020 New governance structure between LBB and BCCG with links to emerging SEL ICS governance Joint Assistant Director of Integrated Commissioning in post April 2020; Integrated Placements, Brokerage and Direct Payments agreed for implementation in 2021/22; senior commissioner Integrated Children and Young People Commissioning appointed Health and care whole systems response to the COVID-19 pandemic 	2	2	4	Ongoing discussions around the developing Integrated Care System with Bromley CCG; taking learning from the joint health and care response to the COVID-19 pandemic	Director of Adult Services
4	Corporate Risk	Failure to manage change and maintain an efficient workforce to ensure that BBB priorities are met	<p>Cause(s):</p> <ol style="list-style-type: none"> The on-going need to reduce the size and change the shape of the organisation to secure priority outcomes within the resources available. Having the right people in place by implementing effective recruitment and retention strategies. Potential skills gap and deterioration of service quality through loss of experienced staff as a result of age profile of workforce and downsizing (failure to succession plan). Disruption while services realigned and staff appointed to new structure. Increasing demands and pressures on remaining staff given increased customer expectation levels, could lead to morale issues. Increased potential for internal controls to be bypassed due to flatter reporting structure. Lack of capacity to lead projects / manage change agenda and consequent ability to respond to change initiatives and the achievement of outcomes and benefits. Potential future shortage of professionally qualified practitioners in key areas, particularly around the Safeguarding agenda. Need to ensure that relevant staff have necessary disciplines to drive improvement and enable good practice and consistency in delivering change and the achievement of outcomes and benefits e.g. risk and performance management. Adverse industrial relations climate with individual and collective grievances including trade disputes with the unions, causing some disruptions to vital Council services. Increasing number of employment tribunal cases causing financial and administrative inconveniences. Having the right buildings and facilities to support fewer, more professional, differently organised staff. The need to track continued changes to government strategy and policies coupled with changes in legislation to avoid compliance issues (approx. 1,300 statutory duties). Adequacy of consultation on issues that affect residents across the borough i.e. re-organisation of libraries, Biggin Hill expansion. Adverse external audit comment and resulting ratings in relation to 'excellent in the eyes of local people'. <p>Effect(s):</p> <ul style="list-style-type: none"> Skill gaps Deterioration of service quality through loss of experienced staff Disruption while services are realigned Weaker internal controls Lack of capacity to lead on projects / initiatives 	Organisational Change Personnel	4	2	8	<ul style="list-style-type: none"> Continuously address the recruitment and retention of key individuals in critical posts. Effective succession planning and grow your own initiatives, and using the Apprenticeship Levy to address recruitment challenges in the medium-long term Ensure the organisation has the HR capacity and employment law expertise to manage change. Address the transformational and transitional capabilities (including leadership) required for a successful commissioning journey/process. Provide adequate resources to support and improve staff engagement and communications. 	4	2	8		Director of Human Resources and Customer Services
5	Corporate Risk	Ineffective governance and management of contracts	<p>Cause(s):</p> <ol style="list-style-type: none"> Ensuring client side staff have the necessary training and skills to manage and monitor contracts. Ensuring effective communication channels between client and provider to ensure contract compliance. Need for monitoring officers to check quality of outsourced services and customer satisfaction levels. Lack of understanding of the contract deliverables. Short cuts in procurement processes e.g. extending contracts rather than retendering. Compatibility of different systems and availability of IT support. Failure of a contractor / partner / provider to maintain agreed service levels resulting in an interruption to or deterioration of service delivery. Potential for operational errors / omissions by contractors (responsibility remains with LBB). Managing customer expectations and dealing with complaints where there are failures. <p>Effect(s):</p> <ul style="list-style-type: none"> Financial losses Service disruptions Provider fails to maintain agreed service levels routinely Increased resource to handle and manage complaints / customer expectations Failure to achieve our Building a Better Bromley priorities. 	Contract Management Contractual and Partnership	3	4	12	<ul style="list-style-type: none"> Contract Procedure Rules and regular Practice / Guidance notes to all Contract Owners Review of contract management and contract monitoring controls including any issues identified by internal audit Contracts Database and Quarterly Contracts Database Report to all relevant Committees Procurement Board oversight Member scrutiny including regular Contract Monitoring Reports for £500k+ contracts Regular programme of training delivery to staff Quarterly Contract Owners meetings Recent Audit (Substantial Assurance) demonstrates current effectiveness 	2	4	8	<ul style="list-style-type: none"> Contract Management guidance on toolkit to be reviewed Ongoing training delivery Ongoing monitoring and reinforcement of existing controls 	Service Directors supported by Assistant Director, Governance and Contracts
6	Corporate Risk	Failure to maintain and develop ICT information systems to reliably support departmental service delivery	<p>Cause(s):</p> <ol style="list-style-type: none"> Need to ensure that Information systems are fit for future business purpose. Capacity and skill within Corporate ICT to maintain and support systems during a period of significant change and in the future. Increasing reliance on stability of ICT infrastructure in all areas of the Council (Lync telephony service). Council website now a major channel for the delivery of services (Pay for it, Apply for it, Report it). Adequacy of information governance data protection rules to ensure the confidentiality, integrity and availability of information assets. IT failure impacting on critical operational systems. Over the next 3 years we will need to undertake gateway reviews / procurement plans for at least 4 of the Council's business critical systems; Customer Relationship Manager, Carefirst, Housing info system and Education's Capita One system plus the main LBB website and SharePoint. Transfer of IT contract to new ICT 3rd party supplier. <p>Effect(s):</p> <ul style="list-style-type: none"> Service disruptions Inability to access key systems Reputation damage Inability to support organisation change and savings targets Failure to achieve our Building a Better Bromley priorities. 	ICT Data and Information Technological	3	2	6	<ul style="list-style-type: none"> Transfer of IT contract to new BT in 2016 to give greater resilience. Robust backup arrangements Enhanced antivirus/cyber security. tested system restoration arrangements. 	3	2	6	<ul style="list-style-type: none"> Review data storage /hosting arrangements. Carry out at least 4 gateway reviews for major systems. Increase stability of ICT infrastructure including Lync. 	Director of Corporate Services

Corporate Risk Register - Appendix E

REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press shift & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			DATE COMPLETED:	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING	18/10/2021	
7	Corporate Risk	Failure to maintain robust Business Continuity and Emergency Planning arrangements	<p>Cause(s):</p> <ol style="list-style-type: none"> Unavailability of Council offices / depots due to explosion, fire flood or police cordons around Council buildings Operational emergencies due to severe weather conditions, fire, or major incident. Availability of staff to deliver key services if trained volunteers are taken away to deal with a major incident (the Council is a Category 1 responder under the Civil Contingencies Act). Loss of key business systems due to power problems or system failure. Inadequate IT disaster recovery arrangements leading to dislocation of Council services. Sustained industrial action affecting key services. Lack of Business Continuity Plan testing. Adequacy of contractor's business continuity plans. Shortage of staff to deliver key services in the event of a flu pandemic or similar <p>Effect(s):</p> <ul style="list-style-type: none"> Significantly prolonged service disruptions Normal service takes longer to resume Reputational damage / loss of credibility Increased costs to rectify disruptions Injury / harm Loss of access to key systems Failure to achieve our Building a Better Bromley priorities. 	Business Continuity Physical Reputational	4	3	12	<ul style="list-style-type: none"> Business Continuity Plans Emergency Planning procedures Lessons learnt from Covid, majority of staff currently working flexibly 	4	3	12	<p>To ensure that all Business Continuity Plans are up to date and are cross linked with one another across the Authority, specifically in relation to fall back sites, where there may be a number of departments using the same scarce resource.</p> <p>All Business Continuity Plans to be reviewed and updated. To include plans in the event of a major incident in the Borough (staff unable to get to work, staff caught up in or helping with the incident).</p> <p>To revisit the evacuation protocols within the Civic Centre site, specifically where staff would go if there was a large cordon around Bromley Town Centre.</p> <p>To continue to provide a resilient out of hours service to Emergency Planning by having Trained contactable volunteers.</p>	Director of Environment and Public Protection
8	Corporate Risk	Failure to deliver effective Children's services The Council is unable to deliver an effective children's service to fulfil its statutory obligations in safeguarding and protect those at risk of significant harm or death, sexual exploitation or missing from care	<p>Cause(s):</p> <ul style="list-style-type: none"> Local authority response to Bromley Safeguarding Children's Partnership following Wood Review. <p>Effect(s):</p> <ul style="list-style-type: none"> Impact on life chances and outcomes for children 	Children's Social Care Legal, Reputational	3	5	15	<ul style="list-style-type: none"> Multi Agency Bromley Children's Safeguarding Partnership (BCSP) Training programme 2019 set. Dedicated HR programme of support in place to recruit social workers to front line posts Scrutiny of Performance Management Framework and Indicators Effective procurement framework and contract monitoring arrangements to ensure acceptable quality of service provision and value for money - under review Quality Assurance Audit Programme Phase 3 Children's Service Practice Improvement Board commenced April 2019 to deliver Ofsted and local authority recommendations. Continued reduction of caseloads & within Caseload Promise on average Identified training plan for qualified social workers and other professionals reviewed and updated quarterly 	3	4	12	<ul style="list-style-type: none"> Phase 3 'to excellence' plan continues with Performance Improvement Board (PIB) sessions continuing to be held quarterly. Practice review cycle has continued as has Practice Assurance Stocktakes (PAS) despite COVID-19 Due to Covid-19, progression of some elements of this work have been delayed. 	Director of Children's Services
9	Corporate Risk	Temporary Accommodation Inability to effectively manage the volume of people presenting themselves as homeless and the additional pressures placed on the homeless budgets	<p>Cause(s):</p> <ol style="list-style-type: none"> Changes in government funding Rising numbers of placements (approx. 20 per month). <p>Effect(s):</p> <ul style="list-style-type: none"> Failure to fulfil statutory obligations Impact on life chances and outcomes for individuals and families in temporary accommodation Increased risk of legal challenge due to provision of unsuitable accommodation (including shared accommodation) Pressure on other services 	Housing Social	5	4	20	<ul style="list-style-type: none"> Focus on preventing homelessness and diversion to alternative housing options through:- Landlord and Tenancy advice, support and sustainment Assistance, (including financial aid) to access the private rented sector Access to employment and training Debt, money, budgeting and welfare benefits advice, including assistance to resolve rent and mortgage arrears Sanctuary scheme for the protection of victims of domestic violence Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money Implementation of the More Homes Bromley initiative to ensure the supply reduces the reliance on nightly paid accommodation Implementing the Homelessness Strategy - setting up the multi agency Homelessness forum and taking forward the priorities of the strategy New incentive campaign for private sector landlords embedded and benefits being realised 	4	4	16	<ul style="list-style-type: none"> Approval to progress housing development schemes and reopening of the HRA. First 3 schemes now in development phases with options appraisals in place for further sites. Transformation Board action plan in place for next 3-4 years to increase available housing supply with an overall initial target of 1000 additional affordable homes. Continue to develop partnership working with private sector landlords to assist households to remain in private sector accommodation. Work innovatively with a range of providers to increase access to a supply of affordable accommodation. Continue to focus on early intervention and prevention of homelessness assessing trends in approaches to tackle main causes of homelessness. Beehive acquisition schemes has secured 90 new units of accommodation with Executive approval to enter into an acquisition programme with Orchard and Shipman for c250 homes. 	Director of Housing, Planning and Regeneration
11	Corporate Risk	Failure to deliver the Transforming Bromley Programme	<p>Cause(s):</p> <ol style="list-style-type: none"> Failure to identify and put forward sufficient transformation proposals to deliver the quantum of savings required by 2022/23 Failure to deliver appropriate mitigation of existing projected growth pressures within the financial forecast Failure to appropriately resource each Transforming Bromley workstream with sufficient project support and subject matter expertise to enable the identification of proposals Insufficient management oversight and governance arrangements to shape the delivery of proposals to enable Member decision making and inform budget setting for each financial year Insufficient consultation and engagement with relevant stakeholders to ensure the successful delivery of proposals. <p>Effect(s):</p> <ul style="list-style-type: none"> Inability to address the Council's budget gap of £14.1m per annum by 2024/25 Unable to meet key commitments of the Medium Term Financial Strategy 	Finance Financial	4	5	20	<ol style="list-style-type: none"> Robust governance process: fortnightly meetings of the Transformation Board, chaired by the Chief Executive and attended by Chief Officers Each Transformation Board workstream attends the Transformation Board twice before proposals are reviewed by Cabinet/Directors, Group, PDS Committees and the Executive. Each Transformation Programme Board has its own Project Manager and additional Transformation Leads are brought in to support the successful delivery of proposals Communications Plan is in place to enable the successful engagement with Members, staff and partners as needed Where transformation proposals have public law implications, an appropriate assessment will be carried out and stakeholders will be engaged. Each Chief Officer gives a standing item update at their respective PDS Committee(s) on the Transforming Bromley Programme Transformation Fund supports the successful delivery of transformation proposals subject to a suitable business case being provided A review of core statutory minimum service requirements took place to enable each service area to identify where potential savings could be and to evidence that where discretionary services are delivered, they are done so on a cost-recovery basis and/or they reduce long-term dependency on higher levels of statutory intervention which generate longer term growth pressures for the Council All proposals will be submitted to the Executive to inform budget setting for 2022/23. 	3	5	15	<p>In the event that the Transformation Programme fails to support the successful identification of the required quantum of savings to address the Council's underlying budget gap by 2024/25, the Council will still be legally required to deliver a balanced budget as set out in the Local Government Finance Act 1988.</p> <p>If funding reductions remain and growth/cost pressures continue, these decisions are likely to have an impact on the delivery of services to our residents and service users</p>	Chief Executive

Corporate Risk Register - Appendix E

REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press shift & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			DATE COMPLETED:	18/10/2021
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING	FURTHER ACTION REQUIRED	RISK OWNER
12	Corporate Risk	Impact of COVID-19 pandemic on service delivery	<p>Cause(s)</p> <ol style="list-style-type: none"> Increased workloads in key defined critical services due to increased demands Reduction in Council funds through reduced income, higher expenditure or longer term Government fiscal policy Challenging staff/trade union relationships re. supporting staff to deal with increased service demand <p>Effect(s)</p> <ul style="list-style-type: none"> Impact upon delivering statutory responsibilities Impact on the delivery of the Transformation Programme Unable to address the Council's budget gap of £14.1m per annum by 2024/25 	Corporate	4	4	16	<p>COVID-19 COE meeting of COE Directors and BAU leads meeting fortnightly</p> <ul style="list-style-type: none"> Effective partnership working to collectively mitigate risks Effective ongoing communication strategy and delivery in place Phased return to workplace - 25% occupancy rate and will increase in line with public health infection control advice Regular dialogue and communications with staff and their representatives re. ongoing return to work and ensuring relevant staff are in the office where this is a business-critical requirement Continued lobbying of Government in relation to local financial impact and managing demand HR processes refined and in place to support staff Maintaining Outbreak Control plan for the borough to reduce impact 	3	4	12	<ul style="list-style-type: none"> Business-as-usual management of COVID-19 response Implementation and monitoring of recovery plans 	Chief Officers' Executive
13	Corporate Risk	Climate Change Failure to adequately adapt to the impacts of Climate Change	<p>Cause(s)</p> <ol style="list-style-type: none"> Lack of preparation for the severe weather events caused by climate change, including extreme heat, storms and floods. Insufficient staffing capacity to implement required climate adaptation and mitigation activities. Lack of support for council actions required to tackle climate change. Lack of funding to invest in climate change adaptation and mitigation measures. <p>Effect(s)</p> <ul style="list-style-type: none"> Service provision is disrupted by extreme weather events. Damage to infrastructure and local businesses. Reduction in environmental quality. Poorer health of residents attributed to extreme heating and cooling. In the short term, there may be reputational damage caused to the Council from perceived lack of action to tackle climate change. 	Corporate Health Environmental Reputational	3	4	12	<ul style="list-style-type: none"> Adoption of adaptation best practice as identified through London Climate Change Partnership, UK Climate Impacts Programme, and the Local Adaptation Advisory Panel. Established Carbon Management Team with 3 x FTE as at September 2021. Established Carbon Fund, Carbon Offsetting Fund and S106 procedures in place to ensure funding availability, in addition to sourcing grant funding for Carbon initiatives in the borough. Implementation of LBB's Carbon Management Programme. Implementation of LBB's Surface Water Management Plan and Local Flood Risk Strategy. Establishment of Net Zero (direct) carbon emissions target for 2029 as part of a 10 year climate plan. Council-wide Green Recovery Working Group established to build back greener, following the COVID-19 pandemic. 	2	4	8	<ol style="list-style-type: none"> Emergency Planning to liaise with Public Health on cross-cutting issues e.g. excess summer deaths and vector-borne diseases (which are impacted upon by extreme weather variations). Detailed climate action plan reviewed annually as part of the Council's ongoing Carbon Management Programme, in order to achieve net zero organisational carbon emissions by 2029. Roll out of Carbon Literacy Training to all staff to assist in the identification of climate change risks and opportunities at an individual, team and service level. 	Chief Officers' Executive

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