Risk Ref	Department	Division	Section	Risk / Consequences and Risk Category	Risk Owner	Existing Controls and Proposed Actions
CEX/AUD.0021	Chief Executive's	Audit	Audit	Failure to identify and highlight frauds and weaknesses in the system of internal control Professional - Operational	Luis Remedios	**Controls:** 1. Audit plan 2. Reports, advice and guidance to management and members 3. Priority 1 recommendations reported to Audit Sub-Committee 4. Adequate and effective financial regulations 5. Adherence to CIPFA code of audit practice -- **Actions:** - Delivery of audit plan - Reports to Audit Sub-Committee - Follow up audits
CEX/COM.0007	Chief Executive's	Communications	Communications	Failure to handle crisis communications in a major incident correctly Political - Strategic	Chief Executive	**Controls:** 1. Emergency plan 2. Close liaison with Emergency Services 3. Liaison with team, periodic refresher training 4. Well trained senior spokespeople 5. Learning from London Resilience Team, Home Office Guidance etc. -- **Actions:** - Regular refresher sessions on communications issues with wider team - Assessment of communications training needs of senior plan officers / spokespeople - Review of resources available to staff communications activities (media, public helplines etc.)
CEX/IEE.0353	Chief Executive's	Organisational Improvement	Improvement, Effectiveness and Efficiency	Failure to deliver on efficiency projects with the Organisational Improvement Programme will result in savings having to be made elsewhere, for example frontline services Political - Strategic	Chris Spellman	**Controls:** 1. Programme Board set up chaired by Chief Executive with cross-organisation representatives and monthly monitoring reports -- **Actions:** - Closer Member engagement and involvement in OIP process

| ECS/ALL.0245 | Education and Care Services | All ECS Divisions | All ECS Sections | **Council Budget Savings**

Risk of not achieving savings

Financial - Strategic | Director ECS | **Controls:**
1. Existing financial risk management strategies.
2. Medium Term Financial Strategy.

Actions:
- Monitor and review achievement of savings and their effect.
- Achievement of savings requires changes in planned service activity and staff re-organisation.
- Invoke established HR procedures for managing redundancies and redeployment.
- Investigate potential for sold services.

Financial Implications:
- Savings are embedded in the budget. Risks reviewed monthly by managers/finance to monitor the
 potential financial impact.
- Generally the cuts in LA funding will have an impact as ECS will have to find additional savings in future years like all other departments. There is a risk around
whether we can provide our statutory duties
and whether there is the critical mass to provide
services to the schools that remain maintained.
Council is lobbying Govt on these issues. |
| ECS/ALL.0247 | Education and Care Services | All ECS Divisions | All ECS Sections | **Inspections - ECS Services**

Risk of poor inspection outcomes for ECS Services.

Annual Ofsted inspection of Children's Services (Nov 2011) resulted in a Rating of 3 out of 4 - 'Performs Well'.

Professional - Operational | Director ECS | **Controls:**
1. Robust performance management at manager, Member and Partnership Board level.
2. Learning from other local authorities.
3. Good project management and achievement of key milestones.

Actions:
- Strengthen areas of weakness.
- ECS Strategic Plan achieves desired outcomes.
- Strive for 'outstanding' judgements in 2012 inspections through robust monitoring and review of service provision and good preparation for scheduled inspections.
- Production of Action Plans following inspections. |

ECS/ALL.0374	Education and Care Services	All ECS Divisions	All ECS Sections	**Academy Status** Impact of Academies Act - uptake of Academy Status by schools results in following risks: - financial; loss of budget to ECS Dept and Council as a whole; - strategic; implications for LA strategic responsibilities e.g. pupil place planning, school org'n, pupil adms, SEN position, excluded pupils, School Improvement, safeguarding, child protection, Looked After Children; - local Education framework; unity, cohesion, collective accountability, future capacity of the Local Authority. The more schools that attain Academy Status the higher the financial impact on the LA. Financial threat to the Local Authority as a whole has resulted in this being flagged as a 'Corporate' Risk. Financial - Operational	Director ECS/ Chief Executive	**Controls:** 1. Monitor and review Government announcements and plan accordingly. --- **Actions:** - Assess and manage impact and plan accordingly; 16 of the 17 Sec Schools & 15 of the 74 Primary Schools had attained Academy Status by Sept 2012. - LBB Finance Officers have modelled the financial implications to enable assumptions to be made about 'Top Slicing' - this includes CYP functions, HR, Property, Finance and Legal Services. - Investigate selling Council Services to schools. --- Financial Implications: SEE BELOW
ECS/ALL.0374	Education and Care Services	All ECS Divisions	All ECS Sections			Financial Implications: - The uncertainty of the actual number of schools becoming academies. There are time delays between being able to reduce expenditure (downsizing of services, HR rules etc.) and the funding being removed from the LA. - Removal of DSG funding from centrally funded CYP Services. This is dependent upon the actual number of conversions, but there is a risk that there may be insufficient remaining funding to deliver the statutory support functions to schools remaining LA maintained. - Removal of RSG for 2012/13 ltd to £1.4m already known about in previous budget rounds. 2013/14 potential top slice remains unclear-current estimates suggest add'l £3m will be removed from the budget. Potential that RSG would not accurately reflect the savings that could be achieved or leave sufficient funding for statutory or regulatory functions. - Potentially huge cuts in RSG and DSG in 2013/14. - Issues around further reductions in Council services as a result of this, implications on sold services.

ECS/LEA.0320	Education and Care Services	Education	Learning	**School Standards - Under-Performance in Primary Schools** Failure to improve under-performance in Primary Schools against a background of down-sizing the School Improvement Service as a result of re-organisation following Departmental budget reductions. The reduction in the number of inadequate primary schools was one of the 2 priorities for action identified in the Annual Ofsted inspection of Children's Services (Dec 2010). Sustain and improve standards in Bromley schools and deal effectively with the schools causing concern. Professional - Operational	AD Education	**Controls:** 1. Primary School Improvement Policy. -- **Actions:** **-** Re-organisation of School Improvement Service spring 2011. - Aim of primary school improvement policy is to raise standards in all Bromley schools and reduce disparity of performance. - Ensure early intervention in schools where there is cause for concern. - Target support to bring schools out of special measures. - Categorise schools according to need and deploy resources appropriately to ensure bespoke support/challenge. - Evaluate effectiveness of the support provided to schools causing concern through detailed plans for improvement and ensure accountability rests with school stakeholders. -- Financial Implications: - If schools start to fail and/or school standards start to fall we may have to put funding in to support this. This is a LA function. However this would be limited as funding already cut. May have to use schools funding to support this. Schools moving to academies would mean we would not have this responsibility. As schools turn to academies there is also a risk of the LA not having the critical mass to offer services to the remaining schools.
ECS/HSN.0371	Education and Care Services	Housing Needs	Housing Needs	**Bed & Breakfast** Housing client pressures and the effects of bed and breakfast accommodation. Rising use and cost of B&B. Social - Strategic (sub: Operational - Financial)	Sara Bowrey	**Controls:** 1. Housing avoidable contact Project 2. Continue to focus on preventing homelessness and diversion to alternative housing options -- **Actions:** - Seeking new and alternative forms of temporary accommodation and supply
ENV/ALL.0209	Environmental Services	Public Protection	All ENV Sections	Failure to implement and keep up-dated effective council-wide Business Continuity Plans Reputational - Strategic	Steve Lewis	**Controls:** 1. Key critical systems identified 2. Updating Business Continuity Plan and database (Civil Contingencies Act 2004) 3. Emergency Planning and Business Continuity training -- **Actions:** - Testing and Exercising of BCM Plans by Department now being implemented - Corporate Register now being developed to show Departmental BCM Plans outlining location and its owners, review and exercising dates - Individual service continuity plans to be updated annually - Contractors' BCPs to be checked annually

ENV/FSL.0038	Environmental Services	Public Protection	Food, Safety and Licensing	Outbreak of infectious disease / flu pandemic - Disruption to normal services due to staff sickness, high demand on services from community increased numbers of deaths Environmental - Operational	Clive Davison	**Controls:** 1. Notifiable Infectious Disease Protocol in place (with Health Protection Agency) including out of hours provision 2. Flu Pandemic Plan also in place --- **Actions:**
ENV/TAH.0157	Environmental Services	Transportation and Highways	All TAH Sections	Operational Emergencies (e.g. extreme heat, storms, floods, snow) Physical - Operational	Paul Symonds	**Controls:** 1. Emergency Plan --- **Actions:** - Cross discipline trained Local Authority Liaison Officers - Invicta out of hours service - published number and escalation procedure
	Public Health	Public Health	Public Health	**Tobacco** Failure to meet the four week quitter target Contractual and Partnership - Operational	Nada Lemic / Khamis Al-alawy	**Controls:** 1. HIS contract meetings and smoking cessation performance group --- **Actions:** - Performance reports from the stop smoking service are sent weekly, monthly and quarterly to Public Health. - Public Health have secured QIPP funding to commission Solutions4Health for additional quitters in 12/13. - CQUINs for BHC, Oxleas and SLHT have been ratified and we expect to see more referrals into the stop smoking service in Q3&Q4. - We are also undertaking other workstreams to support smoking quitters i.e. we have secured QIPP funding to incentivise all smoking cessation LES providers to undertake NCSCT level 1&2 training. This will improve staff performance. - We are also undertaking a review of NRT and pregnancy, a tobacco prevention health needs assessment and developing a local tobacco control strategy (2012-2015).
	Public Health	Public Health	Public Health	**Emergency Planning** The risk of a major infectious disease outbreak e.g avian flu, causing mass fatalities Environmental - Operational	Angela Bhan / Sonia Colwill	**Controls:** 1. Robust plans are in place, including Outbreak Plan, Flu Plan and Pandemic Flu Plan. 2. Alert system via the SEL HPU is in place with regular monitoring of reports. 3. Annual Flu vaccination programme in place. --- **Actions:**
R&R/HSD.0370	Renewal and Recreation	Housing Development and Strategy	Housing Development	**Capital Grant** Lack of availability of Capital Grant to deliver key schemes for range of client groups and corporate / portfolio plan priorities especially from 2011/14 Housing Communities Agency (HCA) programme Financial - Operational	Kerry O'Driscoll	**Controls:** 1. Areas identified --- **Actions:** - Planning to address impact

R&R/HSD.0372	Renewal and Recreation	Housing Development and Strategy	Housing Development	**Planning Permission** Lack of planning permission. Significant reduction in applications and starts due to economic downturn. Financial - Operational	Kerry O'Driscoll	**Controls:** 1. Areas identified --- **Actions:** - Planning to address impact
R&R/TCD.0281	Renewal and Recreation	Planning	Town Centre Development	Failure to secure development on key sites due to the downturn in the economy Economic - Strategic	Kevin Munnelly	**Controls:** 1. Renewal team to proactively seek to broker developer interest --- **Actions:** - In tandem with the Area Action Plan (AAP) currently being implemented to continue dialogue with interested parties, development agents and consultants
RES/LDC.0099	Resources	All LDC Divisions	All LDC Sections	Failure to meet the current and changing needs of customers; risk of censure at local level Customer / Citizen - Strategic	Director RES / Joy Connor	**Controls:** 1. Systematic consultation 2. Robust internal customer service standards 3. Continuous learning and feedback --- **Actions:**
RES/ALL.0075	Resources	All RES Divisions	All RES Sections	Failure to deliver project stated aims within timescale or budget as a result of project management failings Personnel - Operational	All RES Managers	**Controls:** 1. Effective training in project management techniques --- **Actions:** - Identify key management staff - Through PADS/PRP, identify need for and provide project management training
RES/ALL.0077	Resources	All RES Divisions	All RES Sections	Breach of statutory obligations through failure of compliance with relevant legislation (e.g. Freedom of Information, Health and Safety, Disability Discrimination) Legal - Operational	All RES Managers	**Controls:** 1. Register of all relevant statutory requirements 2. Regular review of compliance 3. Effective training of managers in requirements of relevant legislation --- **Actions:** - Identify, document and review all relevant statutory requirements - Identify and train all staff responsible for meeting statutory requirements

RES/FIN.0019	Resources	Finance	All Finance Sections	Systems for identifying and alerting managers on budgetary failures Financial - Operational	Lesley Moore	**Controls:** 1. Bi-monthly budget monitoring to DMTs, and COE after reporting to service managers. Annual timetable produced, standards agreed and implemented 2. Reports during June to March period with early warnings/key budget areas identified during remainder of year. 3. Escalation routes agreed re overspend areas including option of early reporting to Members 4. Review and continuation of Heads of Finance obtaining 'sign off' budget monitoring statements with managers establishing the robustness of the systems 5. Heads of Finance required to review systems and introduce improvements 6. Monthly monitoring of key budget areas where high risk of volatility in projections e.g. SEN, SS placements, parking income and report impact of economic downturn 7. Budget monitoring reports to include identification of impact on future years 8. Monthly full budget monitoring reports available to budget holders --- **Actions:** - Formal structures and procedures in place for monitoring and corrective action to minimise risk (Process and structures to be reviewed monthly) - Implemented changes to monitoring arrangements to support any further structural / accountability changes
RES/FIN.0282	Resources	Finance	All Finance Sections	Failure to produce and deliver a balanced budget which meets priorities. Greater financial uncertainty to reflect impact of public finances and austerity measures. Reduced income during the current economic period, whilst key service pressures due to demographic and other factors remain. Economic - Strategic	Pete Turner	**Controls:** 1. Management of Risks document covering inflation, capping, financial projections etc. attached to budget reports 2. Departmental risk analysis --- **Actions:** - Regular reporting of financial forecast updates (at least 3 times a year) to provide an update of financial impact and action required - Obtain monthly trend / current data to assist in any early action required - Obtain regular updates / market intelligence
RES/TEC.0298	Resources	Finance	Technical and Control	Banking failure Financial - Operational	Martin Reeves	**Controls:** 1. Annual investment strategy 2. Review of counterparty list 3. Monitoring via Sector (external advisors) 4. CIPFA Treasury Management Code of Practice --- **Actions:** - Quarterly reports to Executive - Quarterly reports to PDS and Portfolio Holder - Detailed review of approach - Intensified monitoring of position - Adoption of Code of Practice - Approval of annual strategy by Full Council (February)

RES/TEC.0299	Resources	Finance	Technical and Control	The Pension Fund does not have sufficient resources to meet all liabilities as they fall due: 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 5. Deterioration in pattern of early retirements 6. Changes to regulations e.g. more favourable benefits package 7. Administering authority unaware of structural changes in an employer's membership e.g. large fall in employee members, large number of retirements Financial - Operational	Pete Turner	**Controls:** 1. Financial: Monitoring of investment returns - analysis of valuation reports 2. Demographic: Longevity horizon monitored at triennial reviews - quarterly review of retirement levels 3. Regulatory: Monitor draft regulations and respond to consultations - acturial advice on potential where appropriate 4. Governance: Encourage other employers to keep Council informed of changes. Bromley Mytime employer's contribution rate to be reviewed annually towards end of contract --- **Actions:** - Quarterly reports to Pensions Investment Sub-Committee - Funding Strategy Statement - Statement of Investment Principles - Communications Policy - Governance Policy - Triennial valuation by actuary
RES/TEC.0300	Resources	Finance	Technical and Control	Failure to manage and control Treasury Management activities: Liquidity, Interest rate, Exchange rate, Inflation, Credit and counterparty, Refinancing, Legal and regulatory risks Financial - Operational	Martin Reeves	**Controls:** 1. Regular strategy meetings 2. Use of external advisors 3. Internal Audit review of activities 4. Reporting to Members 5. Adoption of CIPFA Treasury Management Code of Practice --- **Actions:** - Periodic reviews of approach in light of economic downturn
RES/TEC.0305	Resources	Finance	Technical and Control	Capital income shortfall due to a reduction in capital receipts and delays in disposals as a result of the economic downturn Economic - Strategic	Tracey Pearson	**Controls:** 1. Close monitoring of spend and income 2. Reporting to Members 3. Tight control of spending commitments --- **Actions:**

SEE ATTACHED WORKSHEETS FOR GUIDANCE RE: RISK MATRIX, IMPACT GUIDELINES, LIKELIHOOD GUIDELINES

INSTANT GUIDE TO RISK MANAGEMENT				Appendix G
The Process	**Identify your risks**	**Assess your risks**	**Control your risks**	**Monitor and Review your risks**
Risk Management is an important element of the system of internal control. It is based on a process designed to identify and prioritise risks to achieving Bromley's policies, aims and objectives. The Risk Management process is a continuous cycle: Using your objectives Identify your risks> Assess your risks > Control your risks> Monitor and Review your risks. Useful definitions: **Risk Management** is the identification, analysis and overall control of those risks which can impact on the Council's ability to deliver its priorities and objectives. **Risk** is the chance of something happening which will have an impact on objectives. The message is that if you don't manage your risks then you are unlikely to achieve your objectives	Brainstorming session using IE&E plans and departmental objectives, to identify threats and opportunities. Useful analytical tools: **P**olitical **E**conomic **S**ocial **T**echnological **L**egal **E**nvironmental **PESTLE** provides a simple and useful framework for identifying and analysing external factors which may have an impact on your service. **S**trengths **W**eaknesses **O**pportunities **T**hreats Using the **PESTLE** output **SWOT** is a technique that can help a service to focus on areas for improvement and opportunities that could be pursued. Remember if it can go wrong it will go wrong.	We use a 5 x 5 matrix to assess risks (see Risk Matrix worksheet). Risk is scored using the RAG traffic light system: Red = High Amber = Medium Green = Low There are two risk variables that make up the overall risk rating: Impact – how minor / severe is it when it happens? Likelihood – how likely is it / how often does it happen? The Risk Management Toolkit provides detailed guidance on how to score these. Some of these assessments can be based on past experience. In other cases you will need to take a view. We measure both gross risk (before any controls are taken into account) and net or residual risk.	Consider the controls you have in place to mitigate or reduce the risk. What further controls are required? Record these as actions until they are completed. Consider the cost of any controls against the potential benefit gained. What is our **Risk Appetite**? An element of risk is unavoidable or we would never do anything! **RETAIN** a risk – monitor to ensure the impact and likelihood do not change **REDUCE** a risk – put additional controls in place **TRANSFER** a risk – by insuring or passing the risk to a third party **AVOID** a risk – stop doing the activity Risk of service failure can be minimised by ensuring effective **Business Continuity** Plans are in place. For guidance contact the Emergency Planning Manager Steve Lewis x4388.	Risks should be reviewed at least annually and whenever your business plans change. Remember risks evolve and change over time. Are the controls still effective? Your aim should be to: Manage **threats** that may hinder delivery of priorities and maximise **opportunities** that will help to deliver them. The Bromley Risk Register is maintained centrally by Audit and includes details of the risks, risk owners, controls and actions. Further guidance on **Risk Management** can be found in the Managers' Toolkit on onebromley. This also provides links to the **Risk Management Strategy**, **Risk Management Toolkit** and **Risk Register**. The site also provides a link to the **Health and Safety** Unit who carry out H&S risk assessments. For guidance contact the Occupational H&S Manager Elaine Pilkington x4386.

RISK MATRIX   **APPENDIX H**

		RISK RATING				
IMPACT	Catastrophic 5	Medium 17	High 22	High 23	High 24	High 25
	Major 4	Medium 12	High 18	High 19	High 20	High 21
	Moderate 3	Low 7	Medium 13	Medium 14	Medium 15	Medium 16
	Minor 2	Low 2	Low 8	Low 9	Low 10	Medium 11
	Insignificant 1	Low 1	Low 3	Low 4	Low 5	Low 6
	Description / Score	Remote 1	Unlikely 2	Possible 3	Probable 4	Highly Probable 5
		LIKELIHOOD				

RISK RATING		
Low Score 1 - 10	Medium Score 11 -17	High Score 18 - 25

Risk Variables – Impact (Severity) Guidelines   APPENDIX I

Description / Score / Risk Examples	Health and Safety	Environmental	Staffing and Culture	Compliance with Regulations	Service Provision	Damage to Reputation	Information and Communication	Financial
Insignificant 1	Incident	No lasting detrimental consequences e.g. noise, fumes of short term duration.	Localised staff and management dissatisfaction causing little or no disruption to services.	Minor breach of internal regulations, not reportable.	Brief disruption to an important service area. Significant disruption to non-crucial service area.	Complaints from individuals / small action groups. Negative, but little local media coverage.	Brief inability to access data but no service effect.	Costing less than £5,000
Minor 2	Injury	Detrimental affect for a short period e.g. significant discharge of pollutants in localised area.	Broader based staff and management dissatisfaction impacting on some services	Minor breach of external regulations, not reportable.	Major disruption to an important service area for a short period. Adverse disruption to non-crucial service area for a period of weeks.	Complaints from local stakeholders. Adverse local media coverage, being picked up by the national media.	Loss of data for medium period slightly affecting service delivery.	Costing between £5,000 and £50,000
Moderate 3	Serious Injury	Serious discharge of pollutants requiring remedial action.	Localised / national action causing a short term disruption to services.	Breach of internal regulations leading to disciplinary action. Breach of external regulations, reportable.	Complete loss of an important service area for a short period. Major disruption to non-crucial service area for a period of weeks.	Broader based general dissatisfaction with the running of the council. Adverse national media coverage.	Loss of data for significant period moderately affecting service delivery but full data recovery.	Costing between £50,000 and £500,000
Major 4	Fatality	Long term detrimental affect e.g. major discharge of pollutants leading to prosecution.	Resignation / removal of local management leading to a significant deterioration in services over the short term.	Significant breach of external regulations leading to intervention or sanctions.	Major loss of an important service area for a period of weeks. Major loss of several non-crucial service areas for a period of weeks.	Resignation / removal of CEO / elected Members. Audit Commission enquiry. Significant adverse national media coverage.	Loss of data for significant period seriously affecting service delivery and recovered data damaged.	Costing between £500,000 and £5.000,000
Catastrophic 5	Multiple fatalities	Extensive harm caused to the local environment e.g. wide spread discharge of hazardous pollutants leading to government intervention.	Significant morale problems, inability to recruit suitable staff resulting in poor quality service delivery over a long period.	Major breach leading to suspension or discontinuation of business or outsourcing / privatisation of key services.	Virtual inability to function.	Delegated powers removed. Persistent adverse national media coverage.	Operating systems no longer compatible or supported and therefore redundant. Complete loss of data (inability to retrieve critical service data) leading to service failure for an extended period.	Costing more than £5,000,000

Risk Variables – Likelihood (Probability) Guidelines   **APPENDIX J**

Score	Description	Expected Frequency
1	Remote	10-yearly
2	Unlikely	3-yearly
3	Possible	Annually
4	Probable	Monthly
5	Highly Probable	Weekly