

BROMLEY RISK REGISTER - HIGH RISKS - FEBRUARY 2013

Risk Ref	Department	Division	Section	Risk / Consequences and Risk Category	Risk Owner
CEX/COM.0007	Chief Executive's	Communications	Communications	<p>Crisis Communications</p> <p>Failure to handle crisis communications in a major incident correctly</p> <p>Political - Strategic</p>	Chief Executive
CEX/IEE.0353	Chief Executive's	Organisational Improvement	Improvement, Effectiveness and Efficiency	<p>Efficiency Projects</p> <p>Failure to deliver on efficiency projects with the Organisational Improvement Programme will result in savings having to be made elsewhere, for example frontline services</p> <p>Political - Strategic</p>	TBA

ECS/ALL.0245	Education and Care Services	All ECS Divisions	All ECS Sections	<p>Council Budget Savings</p> <p>Risk of not achieving savings, e.g. Failure to achieve large outsourcing savings:</p> <ul style="list-style-type: none"> - Carelink £50k - Reablement £300k - Learning Disability (LD) core & cluster £100k - Extra Care Housing (ECH) £100k - Learning Disability (LD) day services £100k <p>-----</p> <p>Financial Implications:</p> <ul style="list-style-type: none"> - 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. <p>Financial - Operational</p>	Director ECS
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ECS/ALL.0374	Education and Care Services	All ECS Divisions	All ECS Sections	<p>Academy Status</p> <p>Impact of Academies Act - uptake of Academy Status by schools results in following risks:</p> <ul style="list-style-type: none"> - financial; loss of budget to ECS Dept and Council as a whole; - strategic; implications for LA strategic responsibilities e.g. pupil place planning, school organisation, pupil admissions, 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. <p>The more schools that attain Academy Status the higher the financial impact on the LA.</p> <p>Financial threat to the Local Authority as a whole has resulted in this being flagged as a 'Corporate' Risk.</p> <p>Local Authority Central Spend Equivalent Grant (LACSEG): Education has earmarked additional £1m for 2013/14 to cushion the impact of LACSEG loss of funding</p> <p>Financial - Operational</p>	Director ECS/ Chief Executive
ECS/HSN.0371	Education and Care Services	Housing Needs	Housing Needs	<p>Bed & Breakfast</p> <p>Housing client pressures and the effects of bed and breakfast accommodation. Rising use and cost of B&B.</p> <p>Social - Strategic (sub: Operational - Financial)</p>	Sara Bowrey

ENV/ALL.0209	Environmental Services	Public Protection	All ENV Sections	<p>Business Continuity</p> <p>Failure to implement and keep up-dated effective council-wide Business Continuity Plans</p> <p>Reputational - Strategic</p>	Steve Lewis
ENV/FSL.0038	Environmental Services	Public Protection	Food, Safety and Licensing	<p>Infectious Disease</p> <p>Outbreak of infectious disease / flu pandemic - Disruption to normal services due to staff sickness, high demand on services from community increased numbers of deaths</p> <p>Environmental - Operational</p>	Clive Davison
ENV/TAH.0157	Environmental Services	Transport and Highways	All TAH Sections	<p>Operational Emergencies</p> <p>Operational Emergencies (e.g. extreme heat, storms, floods, snow)</p> <p>Physical - Operational</p>	Paul Symonds

PUH/PUH.381	Public Health	Public Health	Public Health	<p>Tobacco</p> <p>Failure to meet the four week quitter target</p> <p>Social - Strategic</p>	Nada Lemic / Khamis Al-alawy
PUH/PUH.382	Public Health	Public Health	Public Health	<p>Emergency Planning</p> <p>The risk of a major infectious disease outbreak e.g avian flu, causing mass fatalities</p> <p>Strategic - Environmental</p>	Angela Bhan / Sonia Colwill
R&R/HSD.0370	Renewal and Recreation	Housing Development and Strategy	Housing Development	<p>Capital Grant</p> <p>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</p> <p>Financial - Operational</p>	Kerry O'Driscoll
R&R/HSD.0372	Renewal and Recreation	Housing Development and Strategy	Housing Development	<p>Planning Permission</p> <p>Lack of planning permission. Significant reduction in applications and starts due to economic downturn.</p> <p>Financial - Operational</p>	Kerry O'Driscoll

R&R/TCD.0281	Renewal and Recreation	Planning	Town Centre Development	<p>Development</p> <p>Failure to secure development on key sites due to the downturn in the economy</p> <p>Economic - Strategic</p>	Kevin Munnelly
RES/LDC.0099	Resources	All LDC Divisions	All LDC Sections	<p>Customers</p> <p>Failure to meet the current and changing needs of customers; risk of censure at local level</p> <p>Customer / Citizen - Strategic</p>	Director RES / Joy Connor
RES/ALL.0075	Resources	All RES Divisions	All RES Sections	<p>Projects</p> <p>Failure to deliver project stated aims within timescale or budget as a result of project management failings</p> <p>Personnel - Operational</p>	All RES Managers
RES/ALL.0077	Resources	All RES Divisions	All RES Sections	<p>Statutory Obligations</p> <p>Breach of statutory obligations through failure of compliance with relevant legislation (e.g. Freedom of Information, Health and Safety, Disability Discrimination)</p> <p>Legal - Operational</p>	All RES Managers

RES/FIN.0019	Resources	Finance	All Finance Sections	<p>Budgetary Controls</p> <p>Systems for identifying and alerting managers on budgetary failures</p> <p>Financial - Operational</p>	Lesley Moore
RES/FIN.0282	Resources	Finance	All Finance Sections	<p>Council Budget</p> <p>Failure to produce and deliver a balanced budget which meets priorities.</p> <p>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.</p> <p>Economic - Strategic</p>	Pete Turner

RES/TEC.0298	Resources	Finance	Technical and Control	<p>Financial Institutions</p> <p>Banking failure</p> <p>Financial - Operational</p>	Martin Reeves
RES/TEC.0299	Resources	Finance	Technical and Control	<p>Pension Fund</p> <p>The Pension Fund does not have sufficient resources to meet all liabilities as they fall due:</p> <ol style="list-style-type: none"> 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 <p>Financial - Operational</p>	Pete Turner
RES/TEC.0300	Resources	Finance	Technical and Control	<p>Treasury Management</p> <p>Failure to manage and control Treasury Management activities:</p> <p>Liquidity, Interest rate, Exchange rate, Inflation, Credit and counterparty, Refinancing, Legal and regulatory risks</p> <p>Financial - Operational</p>	Martin Reeves

RES/TEC.0305	Resources	Finance	Technical and Control	Capital Income 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
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APPENDIX H

Existing Controls and Proposed Actions
<p>Controls:</p> <ol style="list-style-type: none">1. Emergency plan2. Close liaison with Emergency Services3. Liaison with team, periodic refresher training4. Well trained senior spokespeople5. Learning from London Resilience Team, Home Office Guidance etc. <p>-----</p> <p>Actions:</p> <ul style="list-style-type: none">- 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.)
<p>Controls:</p> <ol style="list-style-type: none">1. Programme Board set up chaired by Chief Executive with cross-organisation representatives and monthly monitoring reports <p>-----</p> <p>Actions:</p> <ul style="list-style-type: none">- Closer Member engagement and involvement in OIP process

Controls:

1. Existing financial risk management strategies.
 2. Medium Term Financial Strategy.
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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.

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 LACSEG loss - this includes ECS functions, HR, Property, Finance and Legal Services.

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 Revenue Support Grant (RSG) for 2012/13 limited to £1.4m already known about in previous budget rounds. 2013/14 potential top slice remains unclear - current estimates suggest additional £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 Dedicated Schools Grant (DSG) in 2013/14.
- Issues around further reductions in Council services as a result of this, implications on sold services.

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

Controls:

1. Key critical systems identified
 2. Updating Business Continuity Plan and database (Civil Contingencies Act 2004)
 3. Emergency Planning and Business Continuity training
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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

Controls:

1. Notifiable Infectious Disease Protocol in place (with Health Protection Agency) including out of hours provision
 2. Flu Pandemic Plan also in place
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Actions:

Controls:

1. Emergency Plan
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Actions:

- Cross discipline trained Local Authority Liaison Officers
- Invicta out of hours service - published number and escalation procedure

Controls:

1. HIS contract meetings and smoking cessation performance group
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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 NCSCCT 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).

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.
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Actions:**Controls:**

1. Areas identified
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Actions:

- Planning to address impact

Controls:

1. Areas identified
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Actions:

- Planning to address impact

<p>Controls: 1. Renewal team to proactively seek to broker developer interest</p> <p>-----</p> <p>Actions: - In tandem with the Area Action Plan (AAP) currently being implemented to continue dialogue with interested parties, development agents and consultants</p>
<p>Controls: 1. Systematic consultation 2. Robust internal customer service standards 3. Continuous learning and feedback</p> <p>-----</p> <p>Actions:</p>
<p>Controls: 1. Effective training in project management techniques</p> <p>-----</p> <p>Actions: - Identify key management staff - Through PADS/PRP, identify need for and provide project management training</p>
<p>Controls: 1. Register of all relevant statutory requirements 2. Regular review of compliance 3. Effective training of managers in requirements of relevant legislation</p> <p>-----</p> <p>Actions: - Identify, document and review all relevant statutory requirements - Identify and train all staff responsible for meeting statutory requirements</p>

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

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

Controls:

1. Annual investment strategy
 2. Review of counterparty list
 3. Monitoring via Sector (external advisors)
 4. CIPFA Treasury Management Code of Practice
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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)

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 - actuarial 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
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Actions:

- Quarterly reports to Pensions Investment Sub-Committee
- Funding Strategy Statement
- Statement of Investment Principles
- Communications Policy
- Governance Policy
- Triennial valuation by actuary

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
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Actions:

- Periodic reviews of approach in light of economic downturn

<p>Controls:</p> <ol style="list-style-type: none">1. Close monitoring of spend and income2. Reporting to Members3. Tight control of spending commitments <hr/> <p>Actions:</p>
