

## Corporate Risk Register - Appendix F

											DATE COMPLETED:		02/10/2018
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)			FURTHER ACTION REQUIRED	RISK OWNER
					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><b>Cause(s):</b></p> <ol style="list-style-type: none"> <li>As a consequence of significant Government funding reductions (austerity is expected to continue beyond 2019/20), need to reduce the Council's significant 'budget gap' of £38.7 m per annum by 2021/22.</li> <li>The Government's aim is to transform 'local government, enabling it to be self-sufficient by the end of Parliament' e.g. business rates to be fully devolved to local government by 2020/21. A future national recession could have a significant impact on income generated to fund key services within a fully devolved model.</li> <li>Failure to meet departmental budgets due to increased demand on key services resulting in overspends: (Housing (homelessness and cost of bed and breakfast); Social Care (welfare reform and ageing population); and Waste (growing number of households).</li> <li>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 reductions.</li> <li>Dependency on external grants to fund services (schools and housing benefits are ring-fenced) - effect if grant reduces (Public Health services) or ceases.</li> <li>The new national living wage will have cost implications to the Council over the next few years (e.g. care providers and carers).</li> <li>As the local government core grant is fully phased out, local government will take on new funding responsibilities e.g. public health, housing benefit administration for pensioners. With ageing population there will be associated cost pressures.</li> <li>Impact of welfare reforms and the phased roll out of Universal Credit.</li> <li>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).</li> </ol> <p><b>Effect(s):</b></p> <ul style="list-style-type: none"> <li>Increased overspends in particular services</li> <li>Council unable to carry out its statutory duties due to services cuts</li> <li>Reputational damage</li> <li>Failure to achieve our Building a Better Bromley priorities.</li> </ul>	Finance	5	5	25	<ul style="list-style-type: none"> <li>Regular update to forward forecast</li> <li>Early identification of future savings required</li> <li>Transformation options considered early in the four year forward planning period</li> <li>Budget monitoring to include action from relevant Director to address overspends including action to address any full year additional cost</li> <li>Mitigation of cost pressures including demographic changes</li> <li>Directors to update commissioning strategies with strategic choices to address financial envelope</li> </ul>	4	5	20		Director of Finance
2	Corporate Risk	Failure to deliver the Council's Target Operating Model as a "Commissioning Organisation"	<p><b>Cause(s):</b></p> <ol style="list-style-type: none"> <li>Driven by budgetary considerations.</li> <li>Our low cost base reduces the scope to identify efficiency savings compared with a higher cost organisation.</li> <li>Availability of quality data to support decisions.</li> <li>Capacity to deliver the Commissioning agenda.</li> <li>Capacity of key areas to deliver outsourcing i.e. ICT (supporting IT and information transfers), HR, procurement teams and legal services.</li> <li>Impact of not being able to outsource targeted services means that additional savings are required elsewhere.</li> <li>Ensuring that we adequately engage with Members and consult staff, residents, service users, businesses and other interested parties.</li> <li>Contracts and SLAs fail to deliver required quantity / quality / value for money services.</li> <li>Potential downside: Contracted provider fails to meet performance standards, terminates contract or ceases to trade with the result that the service has to be brought back in-house.</li> </ol> <p><b>Effect(s):</b></p> <ul style="list-style-type: none"> <li>Service cuts required if balanced budget is not met</li> <li>Reputational damage</li> <li>Service standards reduce / outcomes not met</li> <li>Contracts / SLAs fail to deliver required quantity / quality / value for money</li> <li>If provider fails, potential for service to be brought back in-house</li> <li>Failure to achieve our Building a Better Bromley priorities.</li> </ul>	Commissioning	5	4	20	<ul style="list-style-type: none"> <li>Commissioning Programme developed</li> <li>Initial pilot of 10 services identified</li> <li>Commissioning Team represented at senior level across the Council</li> <li>Governance arrangements and budget agreed</li> <li>Commissioning Programme</li> <li>Member and Officer training</li> <li>Weekly Commissioning Board</li> <li>Contract Sub Committee (5x per year)</li> <li>Monitoring and progress reports to the Executive</li> <li>Appropriate engagement with Members, staff, residents, service users, businesses and other stakeholders</li> </ul>	4	3	12	<ol style="list-style-type: none"> <li>Proposals relating to the individual services to be submitted to the respective PDS Committees for scrutiny and approval.</li> <li>Ensure that the organisation has the appropriate capacity and governance arrangements in place to deliver the agenda.</li> </ol>	Director of Commissioning
3	Corporate Risk	Failure to deliver partial implementation of Health and Social Care Integration. Plans not in place to deliver partial integration by 2020	<p><b>Cause(s):</b></p> <ol style="list-style-type: none"> <li>Difficulty in achieving rapid change in a system as complex as health and social care.</li> <li>Rising social care costs due to ageing population and people living longer with increasing complex needs.</li> <li>Difficulties with agreeing budgets (given likely funding reductions going forward), complex governance arrangements, and workforce planning.</li> <li>Need to focus on collaborative working (cultural differences).</li> <li>Diminishing / reduced resources and changes in the way public funds are directed.</li> <li>Pressure for social care services to be accessible 7 days a week both 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.</li> <li>LBB will need to contribute to a whole system review (led by the Bromley Clinical Commissioning Group) to ensure that funding follows the patient.</li> </ol> <p><b>Effect(s):</b></p> <ul style="list-style-type: none"> <li>Failure to deliver statutory duties</li> <li>Failure to achieve our Building a Better Bromley priorities.</li> </ul>	Health and Social Care Integration	2	3	6	<ul style="list-style-type: none"> <li>A commitment to deliver a draft 2020 integration plan for health and social care integrated service delivery and commissioning across the borough by May 2018 by Education, Care and Health Services and the Bromley Clinical Commissioning Group</li> <li>Continued work with health partners to deliver the main transformation programmes e.g. Bromley Well and the transformation of prevention</li> <li>Building on the work already delivered through S75 agreement with Oxleas and being implemented through the Better Care Fund workstreams e.g. Winter Resilience work, Transfer of Care Bureau, Integrated Care Records and Discharge to Assess.</li> <li>New Governance structure between the London Borough of Bromley and the Bromley Clinical Commissioning Group feeding into the Health and Wellbeing Board via the Integrated Commissioning Board (strategic) and Commissioning Network (operational)</li> </ul>	2	3	6		Deputy Chief Executive & Executive Director for Education, Care and Health Services
4	Corporate Risk	Failure to manage change and maintain an efficient workforce to ensure that BBB priorities are met	<p><b>Cause(s):</b></p> <ol style="list-style-type: none"> <li>The on-going need to reduce the size and change the shape of the organisation to secure priority outcomes within the resources available.</li> <li>Having the right people in place by implementing effective recruitment and retention strategies.</li> <li>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).</li> <li>Disruption while services realigned and staff appointed to new structure.</li> <li>Increasing demands and pressures on remaining staff given increased customer expectation levels, could lead to morale issues.</li> <li>Increased potential for internal controls to be bypassed due to flatter reporting structure.</li> <li>Lack of capacity to lead projects / manage change agenda and consequent ability to respond to change initiatives and the achievement of outcomes and benefits.</li> <li>Potential future shortage of professionally qualified practitioners in key areas, particularly around the Safeguarding agenda.</li> <li>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.</li> <li>Adverse industrial relations climate with individual and collective grievances including trade disputes with the unions, causing some disruptions to vital Council services.</li> <li>Increasing number of employment tribunal cases causing financial and administrative inconveniences.</li> <li>Having the right buildings and facilities to support fewer, more professional, differently organised staff.</li> <li>Potential changes to working relationship with Members as we move to a smaller organisation.</li> <li>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).</li> <li>Adequacy of consultation on issues that affect residents across the borough i.e. re-organisation of libraries, Biggin Hill expansion.</li> <li>Adverse external audit comment and resulting ratings in relation to 'excellent in the eyes of local people'.</li> </ol> <p><b>Effect(s):</b></p> <ul style="list-style-type: none"> <li>Skill gaps</li> <li>Deterioration of service quality through loss of experienced staff</li> <li>Disruption while services are realigned</li> </ul>	Organisational Change	4	2	8	<ul style="list-style-type: none"> <li>Continuously address the recruitment and retention of key individuals in critical posts.</li> <li>Effective succession planning and grow your own initiatives, and using the Apprenticeship Levy to address recruitment challenges in the medium-long term</li> <li>Ensure the organisation has the HR capacity and employment law expertise to manage change.</li> <li>Address the transformational and transitional capabilities (including leadership) required for a successful commissioning journey/process.</li> <li>Provide adequate resources to support and improve staff engagement and communications.</li> </ul>	4	2	8		Director of Human Resources

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5	Corporate Risk	Ineffective governance and management of contracts	<p><b>Cause(s):</b></p> <ol style="list-style-type: none"> <li>Ensuring client side staff have the necessary training and skills to manage and monitor contracts.</li> <li>Ensuring effective communication channels between client and provider to ensure contract compliance.</li> <li>Need for monitoring officers to check quality of outsourced services and customer satisfaction levels.</li> <li>Lack of understanding of the contract deliverables.</li> <li>Short cuts in procurement processes e.g. extending contracts rather than retendering.</li> <li>Compatibility of different systems and availability of IT support.</li> <li>Failure of a contractor / partner / provider to maintain agreed service levels resulting in an interruption to or deterioration of service delivery.</li> <li>Potential for operational errors / omissions by contractors (responsibility remains with LBB).</li> <li>Managing customer expectations and dealing with complaints where there are failures.</li> </ol> <p><b>Effect(s):</b></p> <ul style="list-style-type: none"> <li>Financial losses</li> <li>Service disruptions</li> <li>Provider fails to maintain agreed service levels routinely</li> <li>Increased resource to handle and manage complaints / customer expectations</li> <li>Failure to achieve our Building a Better Bromley priorities.</li> </ul>	Contract Management	4	4	16	<ul style="list-style-type: none"> <li>Review of contract management and contract monitoring controls including any issues identified by internal audit</li> <li>Database alerts to assist in monitoring</li> <li>Contract Sub Committee</li> <li>Contract Monitoring Summary template completed and loaded on the Contract Monitoring Team site.</li> </ul>	4	4	16		All Directors
6	Corporate Risk	Failure to maintain and develop ICT information systems to reliably support departmental service delivery	<p><b>Cause(s):</b></p> <ol style="list-style-type: none"> <li>Need to ensure that Information systems are fit for future business purpose.</li> <li>Capacity and skill within Corporate ICT to maintain and support systems during a period of significant change and in the future.</li> <li>Increasing reliance on stability of ICT infrastructure in all areas of the Council (Lync telephony service).</li> <li>Council website now a major channel for the delivery of services (Pay for it, Apply for it, Report it).</li> <li>Adequacy of information governance data protection rules to ensure the confidentiality, integrity and availability of information assets.</li> <li>IT failure impacting on critical operational systems.</li> <li>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.</li> <li>Transfer of IT contract to new ICT 3rd party supplier.</li> </ol> <p><b>Effect(s):</b></p> <ul style="list-style-type: none"> <li>Service disruptions</li> <li>Inability to access key systems</li> <li>Reputation damage</li> <li>Inability to support organisation change and savings targets</li> <li>Failure to achieve our Building a Better Bromley priorities.</li> </ul>	ICT	3	2	6	<ul style="list-style-type: none"> <li>Transfer of IT contract to new BT in 2016 to give greater resilience. Robust backup arrangements</li> <li>Enhanced antivirus/cyber security. tested system restoration arrangements.</li> </ul>	3	2	6	<p>Review data storage /hosting arrangements. Carry out at least 4 gateway reviews for major systems.</p> <p>Increase stability of ICT infrastructure including Lync.</p>	Director of Corporate Services
7	Corporate Risk	Failure to maintain robust Business Continuity and Emergency Planning arrangements	<p><b>Cause(s):</b></p> <ol style="list-style-type: none"> <li>Unavailability of Council offices / depots due to explosion, fire flood or police cordons around Council buildings</li> <li>Operational emergencies due to severe weather conditions, fire, or major incident.</li> <li>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).</li> <li>Loss of key business systems due to power problems or system failure.</li> <li>Inadequate IT disaster recovery arrangements leading to dislocation of Council services.</li> <li>Sustained industrial action affecting key services.</li> <li>Lack of Business Continuity Plan testing.</li> <li>Adequacy of contractor's business continuity plans.</li> <li>Shortage of staff to deliver key services in the event of a flu pandemic or similar</li> </ol> <p><b>Effect(s):</b></p> <ul style="list-style-type: none"> <li>Significantly prolonged service disruptions</li> <li>Normal service takes longer to resume</li> <li>Reputational damage / loss of credibility</li> <li>Increased costs to rectify disruptions</li> <li>Injury / harm</li> <li>Loss of access to key systems</li> <li>Failure to achieve our Building a Better Bromley priorities.</li> </ul>	Business Continuity	4	3	12	<ul style="list-style-type: none"> <li>Business Continuity Plans</li> <li>Emergency Planning procedures</li> </ul>	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>To consider our Business Continuity 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 & Community Services
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><b>Cause(s):</b></p> <ol style="list-style-type: none"> <li>Increasing demand</li> <li>The Secretary of State could determine that the Council is failing to deliver its Children's Social Care services to an adequate standard and approve alternative delivery arrangements as the most effective way of securing and sustaining improvement. This arrangement could include the removal of service control from the authority</li> </ol> <p><b>Effect(s):</b></p> <ul style="list-style-type: none"> <li>The Council is unable to fulfil its statutory obligations in Safeguarding and Education</li> </ul>	Children's Social Care	4	5	20	<ul style="list-style-type: none"> <li>Multi Agency Bromley Children's Safeguarding Board (BCSB) in place and BCSB Training programme</li> <li>Dedicated HR programme of support in place to recruit social workers to front line posts</li> <li>Review of Performance Management Indicators</li> <li>Effective procurement framework and contract monitoring arrangements to ensure acceptable quality of service provision and value for money</li> <li>Appointment of Deputy Chief Executive with Director of Children's Services responsibility (in post December 2016)</li> <li>Appointment of Director, Children's Services (in post December 2016)</li> <li>£950k available for immediate use to build capacity and £2.3m available on a recurring basis for Children's services</li> <li>Quality Assurance Audit Programme Phase 2</li> <li>Children's Service Improvement Action Plan refocused to ensure that Heads of Service and Group Managers are delivering the actions relevant to their teams - Phase 2 commenced 2018</li> <li>Key events and supporting material developed to ensure improving practice is at the heart of the organisation</li> <li>Review of team structures completed</li> <li>New process for authorising placements implemented</li> <li>Continued reduction of caseloads &amp; within Caseload promise on average</li> <li>Atlas Team reviewed and moved to MASH to improve safeguarding</li> <li>Identified Training plan for qualified social workers and other professionals reviewed and updated quarterly</li> </ul>	3	4	12	Validation by Ofsted in forthcoming inspection	Directors, Specifically Executive Director of Education, Care and Health Services

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9	Corporate Risk	<b>Temporary Accommodation</b> Inability to effectively manage the volume of people presenting themselves as homeless and the additional pressures placed on the homeless budgets	<b>Cause(s):</b> 1. Changes in government funding 2. Rising numbers of placements (approx. 20 per month).  <b>Effect(s):</b> - 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	5	4	20	- 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	5	4	20	- Seek new and alternative forms/supply of temporary accommodation - 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 - Produce and maintain the new London Borough of Bromley Homelessness Strategy ensuring that the strategy promotes partnership working to reduce and prevent homelessness - Monitoring impact of implementation of Homelessness Reduction Act - Complete tender process for modular homes supplier for temporary accommodation	Deputy Chief Executive & Executive Director for Education, Care and Health Services