

Decision Maker: ENVIRONMENT AND COMMUNITY SERVICES PDS
COMMITTEE

Date: 5th February 2019

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

Title: RISK REGISTER

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Chief Officer: Nigel Davies, Executive Director of Environment & Community Services

Ward: All Wards

1. Reason for report

- 1.1 This report presents the revised E&CS Departmental Risk Register for detailed scrutiny by PDS Committee.
- 1.2 This appended Risk Register also forms part of the 2018/19 Annual Governance Statement evidence-base and has been reviewed by: E&CS DMT (17 December 2018); Corporate Risk Management Group (22 January 2019); and will next be reviewed at Audit Sub-Committee (26 February 2019).

2. **RECOMMENDATIONS**

- 2.1 That the Environment and Community Services PDS Committee reviews and comments on the appended E&CS Risk Register, paying particular attention to those risks that are relevant to this PDS Committee (the Public Protection and Enforcement PDS Committee reviewed the Risk Register on 30 January 2019).

Impact on Vulnerable Adults and Children

1. Summary of Impact: The appended Risk Register covers services provided by the E&CS Department and some borough-wide risks. Addressing the impact of service provision on vulnerable adults and children is a matter for the relevant procurement strategies, contracts and service delivery rather than this high-level Risk Register report.
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Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council:
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Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A
 3. Budget head/performance centre: Public Protection & Enforcement Portfolio
 4. Total current budget for this head: £30m
 5. Source of funding: Existing controllable revenue budget 2018/19
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Personnel

1. Number of staff (current and additional): - 147.3 FTEs
 2. If from existing staff resources, number of staff hours: - N/A
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Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Not Applicable:
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Procurement

1. Summary of Procurement Implications: Risk management contributes to contract management and good governance.
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Risk Register Background

- 3.1 The Council's priorities are set out in [Building a Better Bromley](#) and the Portfolio Plans, and a risk can be defined as anything which could negatively affect the associated outcomes. Some level of risk will be associated with any service provision: the question is how best to manage that risk down to an acceptable level (this is known as our 'risk appetite').
- 3.2 It follows that the Council should be able to clearly and regularly detail the main departmental risks and related mitigation measures to ensure a) that desired outcomes are achieved and b) to allow for Member scrutiny – the purpose of this report.
- 3.3 Although the appended E&CS Risk Register is comprehensive, departmental risk management activity is certainly not exclusive to this report. For instance:
- major programmes and services (e.g. Tree Management Strategy) will have associated Risk Registers (such registers are reviewed by the relevant Programme / Service Boards);
 - financial risk is addressed in each Portfolio's Budget Monitoring Reports and, more generally, in the Council's Annual Financial Strategy Report;
 - audit risk is captured through the Audit Programme's planned and investigative activity and associated reports and management action requirements;
 - contract risk forms part of the Contracts Database (all contracts are now quantified and ranked according to the risk presented to the Council). The forthcoming Environmental Services Contract, therefore, appears both in this Risk Register and the Corporate Contracts Register, due to its size and complexity. The Contracts Register for the Public Protection and Enforcement Portfolio is appended to Report ES19005 (also on this agenda).
- 3.4 In 2016/17 Zurich Municipal (the Council's insurer) undertook a 'check and challenge' review (involving all management teams) of the Council's general approach and the individual risks. This resulted a new-style of register and a greater consistency of approach across the Council. In December 2018, Zurich re-visited the E&CS management team to repeat this process.
- 3.5 It was agreed that Risk Registers should be presented to each Departmental Management Team, the relevant PDS committee, and Audit Sub-Committee twice a year (minimum) to allow activity to be scrutinised in a regular and systematic manner. Individual risks should naturally be reviewed (by Risk Owners) at a frequency proportionate to the risk presented (see appendix).
- 3.6 In addition to its use for management and reporting purposes, the Risk Register also forms part of E&CS's evidence-base for contributing to the Council's Annual Governance Statement (which, itself, forms part of the Council's end-of-year management procedures).
- 3.7 Risks from all three departments are considered at the (officer) Corporate Risk Management Group (CRMG), which reviewed all the Risk Registers when it last met on 22nd January 2019.
- 3.8 The Risk Registers will also be reviewed by Audit Sub-Committee (26 February 2019), but detailed scrutiny of individual registers is the responsibility of each PDS committee (hence this report).
- 3.9 At the time of writing, the Council has 89 individual risks plus nine, high-level, Corporate Risks (covering key risks which apply to the Council as a whole).

3.10 E&CS Department currently has 26 risks (~29% of the Council's total) and the Risk Register was reviewed by E&CS DMT on 17 December 2018.

3.11 The appended E&CS Risk Register is summarised below. Each risk is scored using a combination of the 'likelihood' (definite to remote) and 'impact' (insignificant to catastrophic) to produce a 'gross rating' (prior to controls) and 'net rating' (post management controls) – see Appendix. No risks are ragged 'red' following implementation of management control measures.

Risk Ref	Risk Description	Gross Risk Rating	Net Risk Rating
1	Emergency Response	8	6
2	Central Depot Access	6	3
3	Fuel Availability	5	4
4	Business Continuity Arrangements	8	8
6	Industrial Action	12	12
8	Health & Safety (E&CS)	12	8
11	Environmental Services Contract (Mobilisation)	12	8
12	Highways Management	8	6
13	Arboricultural Management	9	3
14	Income Variation (Highways and Parking)	6	6
15	Waste Budget	12	6
17	Food Standards Agency Audit	12	12
18	Town Centre Businesses	12	6
19	New Parking Schemes	12	4
20	Staff Resourcing and Capability	12	4
21	Burial Space	9	4
22	Climate Change	9	6
23	Mortuary Contract	16	12
24	CCTV Contract (Mobilisation)	6	3
25	Income Reconciliation (Public Protection Licensing)	6	6
26	Income Reconciliation (Waste Management)	6	2
27	Bromley Town Centre Market Reorganisation	9	6
28	Dogs and Pests Contract	6	4
29	Out of Hours Noise Service	12	12
30	Integrated Offender Management	12	12
31	Anti-Social Behavior Co-Ordinator post:	12	12

- 3.12 The risks (including causes and effects) are described in more detail in the appended Risk Register. Each risk is assigned a category (Compliance & Regulation, Finance, Service Delivery, Reputation and Health & Safety) and scored – using a combination of the ‘likelihood’ and ‘impact’ both being assessed on a scale of 1-5 – to produce a gross risk score.
- 3.13 Current controls designed to mitigate the risk are also listed and these, in turn, result in a (lower) net risk score. Finally, additional actions are listed for the Risk Owner to consider to further reduce the level of risk (commensurate with their risk appetite).

4. IMPACT ON VULNERABLE ADULTS & CHILDREN

- 4.1 The appended Risk Register covers Environment and Community services, which tend to be universal in nature, rather than being specifically directed towards vulnerable adults and children.

5. POLICY IMPLICATIONS

- 5.1 The Council’s renewed policy ambition for the borough is set out in the 2016-18 update to [Building a Better Bromley](#) and the various Portfolio Plans. Risk Registers help to deliver these policy aims by identifying issues which could impact on ‘ensuring good contract management to ensure value-for-money and quality services’ and putting in place mitigation measures to reduce risk and help deliver the policy aims and objectives.

6. PROCUREMENT IMPLICATIONS

- 6.1 Contract and hence procurement risk is mainly captured in the Contracts Database and Contracts Register Report rather than this Risk Register Report. That said, progress towards the proposed new Environmental Services Contract is captured in the appended register due to the contract’s strategic importance.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no direct financial implications arising from this report, however the Risk Register does identify areas that could have financial risks.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no direct personnel implications but the Risk Register does identify service areas where recruitment and capacity present challenges (e.g. Staff Resourcing and Capability).

9. LEGAL IMPLICATIONS

- 9.1 There are no direct legal implications but the Risk Register does identify some legal issues: e.g. the Food Standards Agency Audit, compliance with Health & Safety law, and Industrial Action.

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

RISK REGISTER REPORT (ES19004): RISK ASSESSMENT GUIDANCE SUMMARY

LIKELIHOOD	Almost Certain (5)	5	10	15	20	25	15+	High Risk: review controls/actions every month	
	Highly Likely (4)	4	8	12	16	20	10 - 12	Significant Risk: review controls/actions every 3 mths	
	Likely (3)	3	6	9	12	15	5 - 9	Medium Risk: review controls/actions every 6 months	
	Unlikely (2)	2	4	6	8	10	1 - 4	Low Risk: review controls/actions at least annually	
	Remote (1)	1	2	3	4	5			
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)				
	IMPACT								

LIKELIHOOD KEY					
	Remote (1)	Unlikely (2)	Possible (3)	Likely (4)	Definite (5)
Expected frequency	10-yearly	3-yearly	Annually	Quarterly	Monthly

IMPACT KEY					
Risk Impact	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Compliance & Regulation	• Minor breach of internal regulations (not reportable)	• Minor breach of external regulation (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	• <£50,000	• > £50,000 <£100,000	• >£100,000 <£1,000,000	• >£1,000,000 <£5,000,000	• >£5,000,000
Service Delivery	• Disruption to one service for a period <1 week	• 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