Corporate Risk Register - Appendix E

													DATE COMPLETED:	27/09/2019
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) LIKELIHOOD	GROSS RISK RATING IMPACT	GROSS RISK RATING RISK RATING	EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance) LIKELIHOOD	CURRENT RISK RATING IMPACT	CURRENT RISK RATING RISK RATING	FURTHER ACTION REQUIRED	RISK OWNER
1	Corporate Risk	Failure to deliver a sustainable Financial Strategy which meets with BBB priorities and failure of individual departments to meet budget	**Cause(s):** 1. The 2019/20 Council Tax report identified the need to reduce the Council's significant 'budget gap' of £31.7m per annum by 2022/23. Funding changes have been announced in the One Year Spending Round and the outcome through the Local Government Finance Settlement is awaited (due December 2019). 2. Part of the devolution of funding, business rates will be devolved to Local Government from 2021/22 (75% of the total national business rate monies). The outcome of the Government's three year Spending Review and Fair Funding Review will impact on the 2021/22 and future years budget and creates financial uncertainty. A future national recession could have a significant impact on income generated to fund key services within a more devolved model. 3. 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). 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 reductions. 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. 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. 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 - Failure to achieve our Building a Better Bromley priorities.	Finance Financial	5	5	25	- Regular update to forward forecast - 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 cost pressures including demographic changes - Quarterly review of growth pressures and mitigation - Apart from 'One Bromley' projects, there are opportunities for the Transformation Reviews and Core Statutory Minimum Reviews	4	5	20	The Council is undertaking a review to determine the core statutory minimum service requirements and exploring 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. Plans not in place to deliver partial integration by 2020	**Cause(s):** 1. Difficulty in achieving rapid change in a system as complex as health and social care. 2. Rising social care costs due to ageing population and people living longer with increasing complex needs. 3. Difficulties with agreeing budgets (given likely funding reductions going forward), complex governance arrangements, and workforce planning. 4. Need to focus on collaborative working (cultural differences). 5. 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. 6. LBB will need to contribute to a whole system review (led by the Bromley Clinical Commissioning Group) to ensure that funding follows the patient. **Effect(s):** - Failure to deliver statutory duties - Failure to achieve our Building a Better Bromley priorities.	Health and Social Care Integration Contractual and Partnership	2	3	6	- A draft 2020 integration plan for health and social care integrated service delivery and commissioning across the borough was developed by May 2018 by Education, Care and Health Services and the Bromley Clinical Commissioning Group - Continued work with health partners to deliver the main transformation programmes e.g. Bromley Well and the transformation of prevention - 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. - 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)	2	3	6		Director of Adult Services
4	Corporate Risk	Failure to manage change and maintain an efficient workforce to ensure that BBB priorities are met	**Cause(s):** 1. The on-going need to reduce the size and change the shape of the organisation to secure priority outcomes within the resources available. 2. Having the right people in place by implementing effective recruitment and retention strategies. 3. 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). 4. Disruption while services realigned and staff appointed to new structure. 5. Increasing demands and pressures on remaining staff given increased customer expectation levels, could lead to morale issues. 6. Increased potential for internal controls to be bypassed due to flatter reporting structure. 7. Lack of capacity to lead projects / manage change agenda and consequent ability to respond to change initiatives and the achievement of outcomes and benefits. 8. Potential future shortage of professionally qualified practitioners in key areas, particularly around the Safeguarding agenda. 9. 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. 10. Adverse industrial relations climate with individual and collective grievances including trade disputes with the unions, causing some disruptions to vital Council services. 11. Increasing number of employment tribunal cases causing financial and administrative inconveniences. 12. Having the right buildings and facilities to support fewer, more professional, differently organised staff. 13. 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). 14. Adequacy of consultation on issues that affect residents across the borough i.e. re-organisation of libraries, Biggin Hill expansion. 15. Adverse external audit comment and resulting ratings in relation to 'excellent in the eyes of local people'. **Effect(s):** - 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	- 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	**Cause(s):** 1. Ensuring client side staff have the necessary training and skills to manage and monitor contracts. 2. Ensuring effective communication channels between client and provider to ensure contract compliance. 3. Need for monitoring officers to check quality of outsourced services and customer satisfaction levels. 4. Lack of understanding of the contract deliverables. 6. Short cuts in procurement processes e.g. extending contracts rather than retendering. 7. Compatibility of different systems and availability of IT support. 8. Failure of a contractor / partner / provider to maintain agreed service levels resulting in an interruption to or deterioration of service delivery. 9. Potential for operational errors / omissions by contractors (responsibility remains with LBB). 10. Managing customer expectations and dealing with complaints where there are failures. **Effect(s):** - 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	4	4	16	- Review of contract management and contract monitoring controls including any issues identified by internal audit - Database alerts to assist in monitoring - Contract and Commissioning Sub Committee - Member scrutiny	3	4	12		All Directors

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6	Corporate Risk	Failure to maintain and develop ICT information systems to reliably support departmental service delivery	**Cause(s):** 1. Need to ensure that Information systems are fit for future business purpose. 2. Capacity and skill within Corporate ICT to maintain and support systems during a period of significant change and in the future. 3. Increasing reliance on stability of ICT infrastructure in all areas of the Council (Lync telephony service). 4. Council website now a major channel for the delivery of services (Pay for it, Apply for it, Report it). 5. Adequacy of information governance data protection rules to ensure the confidentiality, integrity and availability of information assets. 6. IT failure impacting on critical operational systems. 7. 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. 8. Transfer of IT contract to new ICT 3rd party supplier. **Effect(s):** - 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	- 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	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
7	Corporate Risk	Failure to maintain robust Business Continuity and Emergency Planning arrangements	**Cause(s):** 1. Unavailability of Council offices / depots due to explosion, fire flood or police cordons around Council buildings 2. Operational emergencies due to severe weather conditions, fire, or major incident. 3. 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). 4. Loss of key business systems due to power problems or system failure. 5. Inadequate IT disaster recovery arrangements leading to dislocation of Council services. 6. Sustained industrial action affecting key services. 7. Lack of Business Continuity Plan testing. 8. Adequacy of contractor's business continuity plans. 9. Shortage of staff to deliver key services in the event of a flu pandemic or similar **Effect(s):** - 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	- Business Continuity Plans - Emergency Planning procedures	4	3	12	'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. 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. 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. To continue to provide a resilient out of hours service to Emergency Planning by having Trained contactable volunteers.	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	**Cause(s):** 1. Local authority response to Bromley's Safeguarding Children's Board following Wood Review. **Effect(s):** - Impact on Life chances and outcomes for children	Children's Social Care Legal, Reputational	3	5	15	- Multi Agency Bromley Children's Safeguarding Board (BCSB) Training programme 2019 to be 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 Phase3 - Children's Services Practice Improvement Board to commence April 2019 to delver Ofsted and local authority recommendations - Continued reduction of caseloads & within Caseload promise on average - Atlas Team reviewed and moved to MASH to improve safeguarding - Identified Training plan for qualified social workers and other professionals reviewed and updated quarterly	3	4	12	- Ofsted validation - report published 7th January 2019 - Phase 3 - 'to excellence' plan in development	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	**Cause(s):** 1. Changes in government funding 2.Rising numbers of placements (approx. 20 per month). **Effect(s):** - 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	- 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	- Housing Transformation Board progressing projects to increase cost effective temporary accommodation and affordable housing supply. Member approval to be sought in May 2019. - Transformation Board action plan in place for next 3-4 years. - 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 acffordable accommodation. - Implement Intake and Early Intervention service to meet Homelessness Reduction Act - Complete tender process for modular homes supplier for temporary accommodation	Director of Housing, Planning and Regeneration
10	Corporate Risk	Potential detrimental impact of BREXIT upon service delivery	**Cause(s):** 1. Lack of clarity provided by HM Government regarding how and when Britain will leave the EU 2. Multiple scenarios and associated time frames causing regulatory and legislative issues 3. Uncertainty making planning assumptions difficult **Effect(s):** - Scale and impact difficult to assess - Impact upon mitigation planning	Corporate	3	2	6	- Process in place to monitor potential impacts upon specific key services - Monitoring of potential effects with key partners - Collaboration with all London Local Authorities to ensure concerns are raised with HM Government - Regular BREXIT updates received from HM Government - Contingency fund provided by HM Government - Local Authority has adequate reserves to deal with any unforeseen consequences of BREXIT	3	2	6	- Review of planning assumptions and mitigation once Clarity regarding BREXIT is known	Brexit Lead - Director of Environment and Public Protection

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11	Corporate Risk	Failure to deliver the Transforming Bromley Programme	**Cause(s):** 1. Failure to identify and put forward sufficient transformation proposals to deliver the quantum of savings required by 2022/23 2. Failure to deliver appropriate mitigation of existing projected growth pressures within the financial forecast 3. Failure to appropriately resource each Transforming Bromley workstream with sufficient project support and subject matter expertise to enable the identification of proposals 4. 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 5. Insufficient consultation and engagement with relevant stakeholders to ensure the successful delivery of proposals. **Effect(s)** - Inability to address the Council's budget gap of £31.7m by 202/23 - Unable to meet key commitments of the Medium Term Financial Strategy	Finance Financial	4	5	20	1. Robust governance process: fortnightly meetings of the Transformation Board, chaired by the Chief Executive and attended by Chief Officers 2. Each Transformation Board workstream attends the Transformation Board twice before proposals are reviewed by Cabinet/Directors, Group, PDS Committees and the Executive. 3. Each Transformation Programme Board has its own Project Manager and additional Transformation Leads are brought in to support the successful delivery of proposals 4. Communications Plan will be in place to enable the successful engagement with Members, staff and partners as needed 5. Where transformation proposals have public law implications, an appropriate assessment will be carried out and stakeholders will be engaged. 6. Each Chief Officer will give an standing item update at their respective PDS Committee(s) on the Transforming Bromley Programme 7. Transformation Fund to support the successful delivery of transformation proposals subject to a suitable business case being provided 8. A review of core statutory minimum service requirements will 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 9. All proposals will be submitted to the Executive to inform budget setting for 2020/21.	3	5	15	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 2022/23, the Council will still be legally required to deliver a balanced budget as set out in the Local Government Finance Act 1988. As part of the Transformation Programme, the Chief Executive, the Section 151 officer and the senior leadership team have reviewed the delivery of discretionary services across the organisation and this has informed the development of the Transformation Programme workstreams. They will, therefore, report to Members on this review and other administrative decisions in order to meet the statutory requirement for a balanced budget. 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	Chief Executive