

Decision Maker: EXECUTIVE, RESOURCES AND CONTRACTS POLICY
DEVELOPMENT AND SCRUTINY COMMITTEE

Date: Information Briefing - Tuesday 24 May 2022

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

Title: RISK MANAGEMENT

Contact Officer: Tasnim Shawkat, Director of Corporate Services and Governance –
Corporate Services Risk Register
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Peter Turner, Director of Finance – Finance Risk Register
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Charles Obazuaye, Director of Human Resources, Customer Services and
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Chief Officer: Director of Finance

Ward: (All Wards);

1. Reason for decision/report and options

This report provides Members of the Executive, Resources and Contracts Policy, Development and Scrutiny Committee with the Gross 'High' (Red) rated risks extract from the Corporate Services, Finance and, the Human Resources and Customer Services Risk Registers.

2. **RECOMMENDATION**

Members of the Executive, Resources and Contracts Policy, Development and Scrutiny Committee are requested to note the attached Risk Register extracts and direct any queries they may have to the relevant Contact Officer.

Impact on Vulnerable Adults and Children

1. Summary of Impact: There are no direct implications for Vulnerable Adults and Children arising from the attached Risk Register extracts, although failure of the Council to meet its commitments in any risk area could directly impact on life chances
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Transformation Policy

1. Policy Status: Not Applicable:
 2. Making Bromley Even Better Priority
To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
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Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Not Applicable
 4. Total current budget for this head: £ Not Applicable
 5. Source of funding: Not Applicable
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Personnel

1. Number of staff (current and additional): Not Applicable
 2. If from existing staff resources, number of staff hours: Not Applicable
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Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable:
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Procurement

1. Summary of Procurement Implications: Where applicable, the risk category is reflected as Contractual and Partnership.
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Property

1. Summary of Property Implications: Where applicable, the risk category is reflected as 'Physical', which includes hazards/risks associated with buildings.
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Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: Where applicable, the risk category is reflected as Environmental.
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Customer Impact

1. Estimated number of users or customers (current and projected): This report is intended primarily for the benefit of members of the Executive, Resources and Contracts Policy, Development and Scrutiny Committee.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

- 3.1 This report provides members of the Executive, Resources and Contracts Policy, Development and Scrutiny Committee with the Gross 'High' (Red) rated risks for the areas falling within their remit.
- Corporate Services (Appendix A)
 - Finance (Appendix B)
 - Human Resources and Customer Services (Appendix C)
- 3.2 Each Director retains responsibility for the risks and controls within their division, with Internal Audit coordinating the Risk Management process via the Corporate Risk Management Group and the Audit and Risk Committee.
- 3.3 The Corporate Risk Register and the Departmental Risk Registers for the areas coming under the remit of the Executive, Resources and Contracts PDS Committee, were last presented, in full, to their meeting of 18th November 2021. The Departmental Gross 'High' (Red) rated risks were also presented on 7th February 2022. Since then, two Gross 'High' (Red) rated risks have been added to the Corporate Services Risk Register and the Causes refreshed in three of Finance Risk Register Gross 'High' Red rate risks, as set out in Table 1. There have been no salient amendments to the Gross 'High' (Red) rated risks in the Human Resources and Customer Services Risk Register.
- 3.4 In line with the risk reporting cycle, formal scrutiny of the Corporate and all Departmental Risk Registers will be undertaken by the Corporate Risk Management Group on 23rd May 2022, and these will be presented to the Audit and Risk Committee on 30th June 2022. Salient amendments to the Corporate Risk Register and Departmental Risk Registers coming under the remit of the Executive, Resources and Contracts PDS, will be notified to their 28th July 2022 meeting.

Table 1

Corporate Services Risk Register	
Risk 8	Addition of 'Effective governance and management of information' risk (Gross Risk Rating 'High', Net Risk Rating 'Significant'). For full narrative, please see Appendix A.
Risk 9	Addition of 'Compliance with Information Request laws' risk (Gross and Net Risk Ratings 'High') For full narrative, please see Appendix A.

Finance Risk Register	
Risk 3	<p>Capital Financing Shortfall. Inability to finance the Capital programme</p> <p>Addition of Cause 'Significant increase in cost of capital schemes due to inflation and supply issues requiring an increase in funding'</p>
Risk 4	<p>Pension Fund. The pension fund not having sufficient resources to meet all liabilities as they fall due</p> <p>Addition of the Cause 'Uncertainty in financial markets due to Ukraine situation and possible future de-globalisation which can impact on performance'</p>
Risk 5	<p>Failure to deliver a sustainable Financial Strategy which meets with Making Bromley Even Better priorities and failure of individual departments to meet budget</p> <p>Refresh of the Causes to reflect that the 'Adult Social Care reforms could also result in potential additional costs of between £10m and £15m per annum which is not reflected in the 'budget gap' identified' and addition of the Cause 'Significant increases to inflation which exceeds the 2022/23 budget provision'</p> <p>This amendment has also been reflected in the Corporate Risk Register (Risk 1).</p>

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 There are no direct implications for Vulnerable Adults and Children arising from the attached Risk Register extracts although failure of the Council to meet its commitments in any risk area could indirectly impact on life chances.

5. TRANSFORMATION/POLICY IMPLICATIONS

- 5.1 Where applicable, the risk category in all registers is reflected as 'Financial, Operational'.

6. FINANCIAL IMPLICATIONS

- 6.1 The Finance department's Gross Red Risks are attached as Appendix B. Where applicable, the risk category in all registers is reflected as 'Financial, Operational'.

7. PERSONNEL IMPLICATIONS

- 7.1 The Human Resources' department's Gross Red Risk is attached as Appendix C. Where applicable, the risk category in all risk registers is reflected as 'Personnel, Operational'.

8. LEGAL IMPLICATIONS

- 8.1 Where applicable, the risk category in all registers is reflected as 'Legal, Operational'.

9. PROCUREMENT IMPLICATIONS

9.1 Where applicable, the risk category in all registers is reflected as 'Contractual and Partnership'.

10. PROPERTY IMPLICATIONS

10.1 Where applicable, the risk category is reflected as 'Physical, Operational', which includes hazards/risks associated with buildings.

11. CARBON REDUCTION/SOCIAL VALUE IMPLICATIONS

11.1 Where applicable, the risk category is reflected as Environmental.

Non-Applicable Headings:	Customer Impact Ward Councillor Views
Background Documents: (Access via Contact Officer)	None