

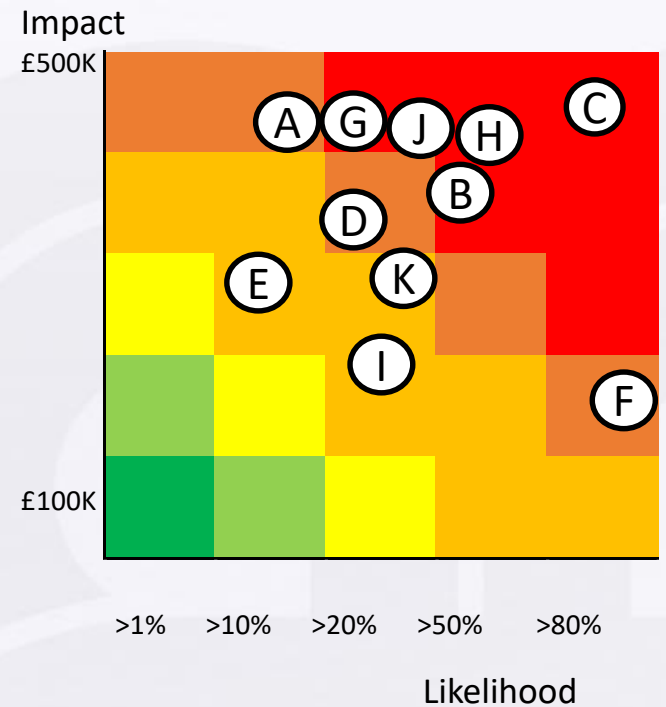
Corporate Risk Register

July 2021

Corporate Risk Register Heat Map

July 2021

- | | |
|------------------------------|---|
| Financial | A. Budget Setting |
| | B. Failure to Deliver Planned Savings |
| | C. Increase in Dedicated Schools Grant High Needs Block Deficit |
| Service Delivery/Operational | D. Workforce Resilience |
| | E. Digital Strategy |
| | F. Brexit |
| | G. Delays in the re-procurement of key public realm services |
| | H. Lack of supply of affordable accommodation |
| | I. Demand for Services |
| | J. Cyber Attacks |
| Stakeholder | K. Contract Management |



Risk Register(1/7)

Cause, event, consequence

Risk and Trend (cause, event, consequence)	Recent developments, progress and concerns	Actions (names and dates)
<p>A. Budget Setting</p> <p>There is a risk that the budget setting process does not account for emerging unknowns, and as a result service unrealistic savings targets are set</p>	<p>A fundamental review of the Medium Term Financial Strategy (MTFS) was agreed by Council in February 2020 for the period 2020/21 to 2022/23. As part of this review, sensitivity analysis and scenario modelling was undertaken on all aspects of the MTFS, including income assumptions, expenditure assumptions and savings assumptions.</p> <p>However, as a result of COVID-19, a further review of the MTFS was undertaken and agreed by Council in February 2021 to identify the future impact of COVID-19 on income assumptions (primarily income from businesses rates, council tax and sales, fees and other charges) and expenditure assumptions (primarily recurring pressures on new and existing council services).</p>	<p>To be addressed through the budget setting process.</p>
<p>B. Failure to Deliver Planned Savings</p> <p>Savings proposals could be subject to delays and unforeseen issues, this would mean that services would be overspent and that we would be unable to manage demand, resulting in other efficiencies having to be made or funding be found from elsewhere in the council.</p>	<p>Brent has a good record of strong financial and budget management, with the majority of savings being delivered on time and implementing mitigating actions if there is slippage in delivery. The council monitors the delivery of planned savings, and mitigating actions where relevant, on quarterly basis and reported to CMT and Cabinet.</p> <p>As part of the draft budget for 2021/22 – 2022/23, savings that were previously agreed were reviewed. The most recent update suggests that the majority of savings are on track to be delivered and that for other savings, mitigating actions can be implemented.</p>	<p>Ongoing budget monitoring regime.</p> <p>Incorporate in the budget setting process and included in CMT and member discussions.</p>

Risk register (2/7)

Cause, event, consequence

Risk and Trend (cause, event, consequence)	Recent developments, progress and concerns	Actions (names and dates)
<p>C – Increase in Dedicated Schools Grant High Needs Block (HNB) Deficit</p> <p>There is a risk that current deficit will continue to rise due to an increase in the number of children needing Education and Health Care Plans (EHCP). This could have an adverse impact on the ability to meet the needs of pupils who require special education support and the Council’s legal obligation to meet the educational needs of children in the borough. There is also has an adverse impact on the ability to meet the DfE’s requirement to produce a balanced budget.</p>	<p>At the end of the financial year 2020/21 the overall DSG deficit due to pressures in the High Needs Block is £10.5m. As a result, cost avoidance is required over the next 5 years. A management plan has been put in place which assumes a slow down in the growth of EHCPs from 16% to 7% by 2025-26 and assumes that the HNB funding increases by an average of 7% over the next few years, that the in-year pressure is likely to reduce from £6.2m in 2020-21 to £1.058m by 2025-26. The forecast for the actions which have been quantified will realise mitigating actions and cost avoidance from £1.7m in 2021-22 to £4.1m by 2025-26. However, although the pressure is forecast to slow down, the cumulative deficit will increase before a reduction occurs which is likely to be by 2024-25.</p>	<p>To reduce costs to set an in year balanced budget and then start to recover the cumulative deficit through:</p> <ul style="list-style-type: none"> i. The introduction of the SEN Support service with the expectation to manage demand, as part of the Graduated Response Programme; improved quality EHCP assessment; and person centred planning and SMART annual reviews. Therefore, young people will be provided with earlier support, thereby reducing the need for an EHCP to trigger additional support. ii. Looking to establish more SEND provision in the borough as part of the School Place Planning Strategy Refresh, including developing new Additionally Resourced Provisions in the academic year 2022/2023. This will reduce the need for young people to be placed in schools in other boroughs. iii. Ensuring there is full cost recovery from other local authorities that place pupils in Brent special schools including administration and other specific costs. iv. Continued central government lobbying. <p>Action by the Service Area Manger</p>

Risk register (3/7)

Cause, event, consequence

Risk and Trend <i>(cause, event, consequence)</i>	Recent developments, progress and concerns	Actions <i>(names and dates)</i>
<p>D. Workforce Resilience</p> <p>Due to the circumstances and pressures of the Covid pandemic staff welfare and ability to continue to deliver at the highest levels may be adversely effected leading to impaired performance.</p>	<p>The prolonged crisis has placed significant pressure on staff, including senior staff leading on the response to the pandemic locally. Action has been taken to understand the impact on staff and to provide support:</p> <ul style="list-style-type: none"> • Wellbeing surveys have been undertaken. • All staff have been provided with access to equipment for home working and a Covid risk assessment and other support through the Occupation Health Service and Health and Safety. • All staff have access to the council's employee assistance programme and additional specialist counselling support has been put in place for some categories of staff • We have promoted online resources to support staff with resilience. 	<p>Action plan was developed in response to December employee survey findings and implementation has been monitored. In addition, a new Flexible Working policy has been agreed by CMT and will be implemented when the working from home guidance is lifted. A recent programme of employee 'Forward Together' events have focused on issues around flexible working and supported by a range of other communications and engagement.</p> <p>Head of Transformation/Head of HR June 2021 Further wellbeing surveys (Head of Transformation – periodic)</p>

Risk register (4/7)

Cause, event, consequence

Risk and Trend (cause, event, consequence)	Recent developments, progress and concerns	Actions (names and dates)
<p>E. Delivery of Digital Strategy</p> <p>There is a risk that due to poor planning and resource, to the impact of Covid on ways of working and also to the need to use resource to deliver solutions to support the pandemic response, the Digital Programme is not delivered to budget, and as a result does not meet business requirements and benefits are not realised</p>	<ul style="list-style-type: none"> The programme has a clear strategy and roadmap and a programme management team is in place with work overseen by the Customer and Digital Board which meets bi-monthly. Governance arrangements have also been strengthened at the programme delivery and project level to reflect the scaling up of the programme following agreement of the second business case for investment Programme spend is also overseen by the Corporate Landlord Board which reports to the Capital Programme Board. An audit of the Digital Programme returned a 'reasonable' rating and a review has confirmed that all recommendations have been implemented. A range of work has taken place to strengthen the approach to benefits management and realisation. Additional capacity is being brought in where needed from the wider transformation team and externally to ensure the Covid work does not impact on programme delivery 	<ul style="list-style-type: none"> Continue to embed approach to benefits management Continue to review and adapt governance arrangements to support the programme as it evolves <p>Sadie East Head of Transformation March 2022</p>
<p>F. Brexit - Economic uncertainty/loss of workforce</p> <p>There is a risk that Brexit causes economic uncertainty and impacts on skills and workforce, reducing the Council's ability to develop the local economy and facilitate regeneration, resulting in lower income for the department and stalling regeneration.</p>	<p>Potential impact on EU workforce (exacerbated by Covid), slowdown in housing market and economy.</p> <p>Loss of business base and income to council including planning and BC fees.</p> <p>Local businesses impacted by import and export issues.</p> <p>Opportunity for the Council to become more active in property and development, buying up buildings and sites from private sector.</p> <p>The risks pertaining to a 'no-deal' Brexit are being considered and assessed as negotiations are ongoing.</p> <p>Shortages of lorry drivers and the impact on suppliers, in particular Veoila.</p>	<p>Continue to support local businesses with information to ensure they are aware of the changes required as they come into force and of the government support available.</p> <p>Head of Employment and Skills - ongoing</p> <p>Continue to signpost to the EU Settlement Scheme.</p> <p>Anne Kittappa Senior Policy Officer</p>

Risk register (5/7)

Cause, event, consequence

Risk and Trend (cause, event, consequence)	Recent developments, progress and concerns	Actions (names and dates)
<p>G - Delays in the re-procurement of key public realm services. A risk of failure to effectively progress the required processes or failure to re-procure one or more contracts relating to the 'Redefining Local Services' programme that could lead to the potential failure to deliver essential public services leading to potential major service disruption, additional cost and loss of reputation.</p>	<p>Effective governance arrangements are in place and key milestones identified in order to ensure that adequate progress is made in developing and delivering procurement requirements.</p>	<p>Regular supervision meetings held with key officers and effective Performance management regime in place.</p> <p>Chris Whyte Operational Director, Environmental Services</p>
<p>H - Lack of supply of affordable accommodation to meet Demand</p> <p>There is a risk that as a result of the limited supply of affordable accommodation, in the PRS, settled Temporary Accommodation (TA) and Social Housing, there will not be a sufficient supply to meet the demand from homeless households. This could lead to greater reliance on emergency temporary accommodation, which would be an additional burden on the general fund.</p>	<p>The recent economic downturn, related to the Covid pandemic has resulted in an increase in the number of homeless households who have lost their employment and so are affected by the Overall Benefit Cap. This means that the families are unable to afford Private Rented Accommodation (at the LHA rate) or settled temporary accommodation, in TA leasing schemes.</p> <p>The Housing Needs Service are working with Notting Hill Genesis HA, who supply TA through the HAL scheme, to procure more property in the North of Brent, where LHA rates are lower.</p> <p>The Team are also working with the affected families to support them to secure work, and so be exempt from the cap, as well as identifying households who are accruing debt, in order to proactively make contact and offer assistance at an earlier stage, to prevent homelessness.</p>	<p>No additional actions identified at this time</p> <p>Laurence Coaker May 2021</p>

Risk register (6/7)

Cause, event, consequence

Risk and Trend <i>(cause, event, consequence)</i>	Recent developments, progress and concerns	Actions <i>(names and dates)</i>
<p>I. Demand for Services</p> <p>The level of demand for services grows beyond services' ability to manage effectively – growth in LAC, Care Leavers, SEND demand and complexity of presenting issues children and young people's mental health and wellbeing, ASC and as a result service quality deteriorates, budgets overspent, safeguarding issues emerge; staff retention problems.</p>	<p>Review of activities to focus on core service delivery/retaining operational changes implemented during Spring/Summer 2020 COVID-19 pandemic; Service redesign eg establishment of Family Wellbeing Centres; review of high cost placement commissioning arrangements.</p> <p>Adult Social Care - people are living longer with more complex needs, and in addition as we come out of the pandemic we are starting to see increased demand for Mental Health services and Safeguarding, we are working with partners to ensure we are able to direct people to the right services across health and social care to manage this demand.</p>	<p>Head of Forward Planning, Performance and Partnerships; Head of Inclusion; Head of Early Help; Head of Localities</p> <p>Ongoing</p>
<p>J. Cyber Attack</p> <p>There is a heightened threat of Cyber attack, if they were successful this would potentially impact all services, to the extent that they would be unable to provide a service in the first instance, data may be published online and ICO significant fines result, this would have significant reputational damage to the Council</p>	<p>A number of Councils have been subject to Cyber attacks, the Cabinet Office are advising that there is a heightened security risk level at the current time. The protections in place for the Council, to prevent an intrusion are considered high however, recent experience has been attacks on backups. Brent have implemented additional controls around the backup process, including taking and storing of off line backups for added security.</p> <p>If the Council were subject to an attack restoring from the backups would take a considerable amount of time and there is a risk to some applications, which may not be recoverable.</p>	<p>A back up solution (Rubrik) has been procured and installed that provides a secure backup data storage solution. (bulk of backup workloads have been migrated – still some email and Oracle database data to migrate but that is in flight). Would still take some time to recover fully, but the solution can tell what was affected in an attack, so we can be appropriately selective about recovery.</p> <p>Managing Director of the Shared Technology Services. 30 June 2021</p>

Risk register (7/7)

Cause, event, consequence

Risk and Trend <i>(cause, event, consequence)</i>	Recent developments, progress and concerns	Actions <i>(names and dates)</i>
<p>K. Contract management</p> <p>There is a risk that due to operational, commercial, environmental or relationship issues, an important, high profile front line service may start to fail causing reputational problems for the council.</p>	<p>Contract management framework/ pack reviewed revamped and updated.</p> <p>New Contract training module created and sessions undertaken with Children’s and Young People commissioners and more recently at the Commissioning Network in November 20.</p> <p>New Risk Assessment Tool developed.</p> <p>Gateway 3 – Contract review template created and signed off. This is conducted at the mid-term period of a contract valued above £2m and assesses if suppliers are adhering to the performance KPIs / outcomes set out in the contract and if we should be looking to invoke the extension clauses when they come up.</p>	<p>There is now a finalised contract register that will be reviewed and updated as new contracts are added.</p> <p>Currently reviewing contracts which are expiring up to Mar 23, looking at the actual spend incurred in the last financial year. Working with the Directorates reviewing our commissioning intentions to determine if there are any opportunities through decommissioning, economies of scale or bottom line savings that can be delivered to support council objectives for contracts that require re-procuring.</p> <p>Further segmentation training has been undertaken and will be used in Procurements commencing July 21 with retrospective segmentation to be completed for existing high spend contracts by Q3 21. Rajesh Shori Head of Procurement June 2021</p>