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Agenda Supplement

Dear Councillor

AUDIT AND SCRUTINY COMMITTEE - WEDNESDAY, 9TH OCTOBER, 2019

I am now able to enclose, for consideration on Wednesday, 9th October, 2019 meeting of the Audit and Scrutiny Committee, the following reports that were unavailable when the agenda was printed.

Agenda No	Item
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5.	<u>Risk Management</u> (Pages 3 - 26)
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Report of FIELD_AUTHOR

Yours sincerely

Steve Summers
Interim Chief Executive

Encs

04/10/19

Agenda Item 5

Committee: Audit and Scrutiny Committee	Date: 9 th October 2019
Subject: Risk Management	Wards Affected: None Specifically
Report of: Jacqueline Van Mellaerts – Director of Corporate Resources	Public
Report Author/s: Name: Jacqueline Van Mellaerts Telephone: 01277 312 829 E-mail: Jacqueline.vanmellaerts@brentwood.gov.uk	For Decision

Summary

The report updates members of the Audit & Scrutiny Committee on the status of the Council's 2019 Strategic Risk Register and high-level Operational Risks.

Two risks on the Strategic Risk Register have been decreased all other risk scores have remained the same.

One risk has increased, and one risk has decreased of the high level Operational Risks, other risk scores have remained the same.

Officers have carried out an EU Exit risk assessment which is included in Appendix C.

Recommendation(s)

Members are asked to:

R1. To approve the Strategic Risk Register, as shown in Appendix A.

R2. To approve the risk scores recorded for the high-level Operational Risks, as shown in Appendix B.

Main Report

Introduction and Background

1. The governance arrangements set out in the 'Insurance & Risk Management Strategy' and terms of reference of committees from our constitution require the

Audit & Scrutiny Committee to review the strategic and operational risks every quarter.

2. The strategic and operational risk registers are monitored monthly by Executive Board and the Corporate Leadership Board (CLB) who consider the risks, the mitigations and agrees the content. It is the responsibility of the Audit & Scrutiny Committee to review the strategic risks and confirm they are confident that the risks associated within this register are those which are strategic and relevant to the organisation at this point in time and the considered future.
3. To continue embedding Risk Management within the Council it is important that all staff become involved in the risk management process and become aware of their responsibilities in identifying and managing risk. The Risk & Insurance Officer has produced a training package which is designed to give staff an understanding of Risk Management and the Risk Management process. The mandatory e-learning programme was rolled out to all staff for completion by 21 July 2019. Risk Management training is also included on the Internal Audit plan 2019/20 to assist managers and include within officers' work processes.

Issue, Options and Analysis of Options

Strategic Risks

4. Attached to this report in Appendix A is a summary showing the current status of each risk together with explanatory commentary on the key issues for each risk.
5. As a result of the current risk review two risk scores have decreased. The remaining scores have remained unchanged.
6. The risks where the risk scores have decreased is as follows:

- Amber Risk RSK10 – Rollout of Universal Credit (Row No.3)

Although Rent arrears have been increased. The debt universal credit is responsible for is £228,929 which falls into financial Impact category 3 of the ranking table included in Appendix D. Officers have therefore revaluated this risk score to L5 x I3 = 15.

- Amber Risk RSK13 – EU Exit (Row No.4)

The Council has numerous controls in place as highlighted in Appendix A. This also includes an EU Exit Risk Assessment included as Appendix C. Officers have therefore revaluated the risk score to L3 x I4 = 12.

Risk Matrix

7. The fourteen risks are plotted on the risk matrix in Table 1. The current assessment identifies that two risks are categorised as Very High in the red area of the risk matrix.

Table 1 – Risk Matrix

Likelihood	(5) Definite	Low (5)	Medium (10)	High (15) RSK10	V. High (20) RSK1	V. High (25)
	(4) Very Likely	Low (4)	Medium (8)	High (12)	V. High (16)	V. High (20)
	(3) Likely	Low (3)	Medium (6)	Medium (9)	High (12) RSK3 RSK6 RSK13	V. High (15) RSK2
	(2) Unlikely	Low (2)	Low (4)	Medium (6) RSK4 RSK8	Medium (8) RSK5 RSK7 RSK9	High (10) RSK11
	(1) Highly Unlikely	Low (1)	Low (2) RSK12	Low (3)	Medium (4)	Medium (5) RSK14
		Negligible (1)	Minor (2)	Moderate (3)	Significant (4)	Major (5)
		Impact				

Likelihood x Impact = Risk Score

No.	Risk	No.	Risk
1	Finance Pressures	8	Lack of strategic Direction
2	Local Development Plan	9	Failure to Spend Capital Receipts
3	Disaster Recover/Continuity Planning	10	Roll out of Universal Credit
4	Organisational Capacity	11	Failure to deliver key Corporate Projects
5	Information Management and Security	12	Failure of Democratic Services
6	Commercial Activities	13	EU Exit (Renamed from Brexit)
7	Contract/Partnership Failure	14	Treasury Management

Operational Risks

8. The very high and high operational risks have been reviewed by the risk owners. Attached in Appendix B is the operational risk summary sheet showing the very high and high-level risks. The Risk references are shown in brackets in the table below which match to Appendix B.

Risk Group	No. of open risks on register	Very High Risk	High Risk	Medium Risk	Low Risk
Assets	6				6
Community Services	5		1 (COMS4)	1	3
Corporate Services	6			4	2
Environment Health	5	2 (EH1 & EH4)	1 (EH3)	1	1
Finance	9			5	4
Housing	12		2 (H2 & H9)	7	3
Parking & CCTV	1			1	
Planning	6			5	1
Street Care	7	2 (SC6 & SC7)		2	3

Reasons for Recommendation

9. Risk Management continues to be embedded quarterly within the Senior Management Team reports, where Service Heads discuss the top-level risks for their service areas to ensure that the risks are updated to reflect the ongoing changes.
10. The Risk & Insurance Officer will continue to work with risk managers to maintain the good progress to date and further develop a consistent application of risk management considerations across all operations of the Council.

Consultation

11. None

References to Corporate Plan

12. Effective risk management arrangements will enable the Council to achieve its corporate priorities. The process will allow identification of risks and issues

enabling informed decision making to remove or reduce them in order for the priorities to be achieved.

Implications

Financial Implications

Name/Title: Jacqueline Van Mellaerts, Director of Corporate Resources

Tel/Email: 01277 312829/jacqueline.vanmellaerts@brentwood.gov.uk

13. None arising specifically from this report, but control measures identified in risk registers could have financial or resource implications.

Legal Implications

Name & Title: Paula Harvey, Paula Harvey, Interim Head of Legal Services and Monitoring Officer

Tel & Email: 01277 312705/paula.harvey@brentwood.gov.uk

14. Effective risk management provides a means of identifying, managing and reducing the likelihood of legal claims or regulatory challenges against the Council.

Economic Implications

Name/Title: Phil Drane, Director of Strategic Planning

Tel/Email: 01277 312610/philip.drane@brentwood.gov.uk

15. Economic implications are contained within the report and identified in risk registers.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

Background Papers

16. None

Appendices to this report

Appendix A – Strategic Risk Register Summary Report

Appendix B – Operational Risk Summary Sheet

Appendix C – EU Exit Risk Assessment

Appendix D – Risk Ranking Table

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BRENTWOOD BOROUGH COUNCIL STRATEGIC RISK REGISTER SUMMARY SHEET 2019-2020

Row No	Risk No	Risk Description	Existing Controls	Controlled Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Sep-19					
				*L	*I				
1	RSK1	<p><u>Finance Pressures</u> General fund budget forecasts could fall below the Minimum Level of Reserves of £2.2m, As Revenue Support Grant from Central Government has ceased from 2018/19</p>	<p>Medium Term Financial Planning (MTFP) is undertaken on an annual basis, with monthly budget monitoring and half year reports to Committee. Budget Challenge meeting are in place for Senior Officers to review and challenge Budget Managers. A Funding Volatility Reserve has been created to specifically address the uncertainty of Government funding levels. Risk Assesment of Minium level of reserves is carried out yearly</p>	5	4	20	↔	<p>COMMENT SEPT 2019: Budget monitoring update was reported to PRED on 11th September, this report hghlighted that our projected deficit has risen to £267k from £185k, which does cause the Council's budget forecasts to fall below minimum level of Reserves by 2021/22. Likelihood is therefore set to definite. Senior Officer continue to discuss options on reducing future budget forecasts.</p>	Jacqueline Van Mellaerts
2	RSK2	<p><u>Local Development Plan</u> Failure of the Council to adopt a Plan in line with National Planning Policy Framework resulting in planning applications judged against NPPF 'in favour of sustainable development'</p>	<p>Meeting targets set out in the Local Plan timetable (Local Development Scheme, approved September 2019) Ongoing discussion with neighbouring Local Planning Authorities and key stakeholders (Duty to Cooperate). Partnership in Association of South Essex Local Authorities (ASELA) Preparation of Community Infrastructure Levy (CIL) Delivery of new garden village community, Dunton Hills Garden Village (DHGV) Retention of permanent staff and recruitment of temporary staff to meet short-term needs when required</p>	3	5	15	↔	<p>COMMENT SEPT 2019: Amendments to the Plan made at Policy, Resources and Economic Development Committee (11/09/2019), requiring further public consultation and amending the timeframes for submission. Submission now expected Q4 2019 (Dec 2019).</p>	Phil Drane

Row No	Risk No	Risk Description	Existing Controls	Controlled Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Sep-19					
				*L	*I				
3	RSK10	<u>Rollout of Universal Credit</u> The direct payment of universal credit to claimants (previously Housing Benefit payments) may result in a reduction on the rent roll received, increasing the level of rent arrears.	Current tenants affected by Universal Credit are being monitored by Housing Officers regularly. Ability to refer externally/internally for budgeting advice. Updated income Management procedure to become more client based. Introduction of new Pre-Tenancy Service to instill a payment culture. Monthly rent arrears campaign to target high risk areas. Monitored as separate debotrs of rent arrears through KPI process	5	3	15	↓	COMMENT SEPT 2019: We have created letters to advise all new applicants of ways to reduce their debt in the initial assessment period and we are making sure to focus on these accounts to ensure quick reactions to accruing arrears. We separately report on universal credit in order to highlight where arrears are increasing when compared to the general needs rent accounts. At the beginning of the financial year there were £142,426 arrears due to Universal Credit claims and this debt is currently responsible for £228,929 of the entire arrears. While this increase has contributed to a 7.81% increase in arrears this financial year. However, when removing the Universal Credit element from the arrears the general needs arrears have reduced by of 3.4%. We are also being more proactive at identifying vulnerable tenants or people in financial difficulty. This has been demonstrated in the increase in Discretionary Housing Payment applications. In addition to this, there is currently work being done to create tailored reports in an attempt to target problem accounts earlier.	Tracey Lilley
Page 10	RSK13	<u>EU Exit</u> Organisation is not equipped to handle the potential of any negative impacts on Brentwood following the decision to leave the EU 31st October	Brentwood are heavily involved with the Essex Resilience Forum (ERF) whose focus at the moment is planning to cope with a variety of scenarios. The ERF, is a multi agency approach, including as an example all Essex Authorities and the Police. The ERF has reviewed food, fuel and highways conditions in a range of scenarios and BBC officers are attending on a regular basis, briefing sessions and participate in exercises. Risk Assessment carried out by Corporate Leadership Board workshop Monitoring and reviewing Business Continuity Plans	3	4	12	↓	COMMENT SEPT 2019: Following Risk Assessment that was carried out in september, the position continues to be monitored by Senior Officers at Executive Board and the Council's Emergency Planning Officer.	Steve Summers

Row No	Risk No	Risk Description	Existing Controls	Controlled Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Sep-19					
				*L	*I				
5	RSK3	<u>Disaster Recovery/Business Continuity</u> Failure to have in place adequate plans and procedures, understood, tested and reviewed, to react to a major incident leading to a breach of our statutory duties under the Civil Contingencies Act.	All services areas have up-to-date Business Continuity Plans in place. Support and ongoing embedding of Emergency Planning & Business Continuity Plans by Basildon Council	3	4	12	↔	COMMENT SEPT 2019: Plans continue to be in place, they will be reviewed by teams, as some officers move back to the Town Hall. First on call officers is also being reviewed at a senior level.	Jacqueline Van Mellaerts
6	RSK6	<u>Commerical Activities</u> Commercial income target from SAIL, Joint Venture and other activities are not achieved	Experienced consultants have been engaged to advise and assist in delivery of JV. Appropriate governance arrangements have been set up for SAIL. Progress reports to Project Board and PRED Committee. Robust business modeling and financial projections	3	4	12	↔	COMMENT SEPT 2019: Full Council has approved the JV agreement and revised governance arrangements for approving investment funding have been put in place which will have a positive impact going forward.	Chris Leslie
7	RSK11	<u>Failure to deliver key Corporate Projects</u> There are a number of projects that are vital to supporting and delivering the vision for Brentwood. Failure to implement/deliver these projects will either mean a loss to the community or a loss of income.	PRED Committee appointed as Programme Board. Continued communication on all projects. Ownership of delivery of projects identified at all levels within the Council.	2	5	10	↔	COMMENT SEPT 2019: Monthly monitoring of projects is undertaken by the Corporate Leadership Board.	Steve Summers
8	RSK5	<u>Information Management and Security</u> Non-compliance with data protection legislation resulting in disclosure of personal information and/or inability to comply with individuals' legal rights.	Data Protection Policies Training 3rd party review of arrangements Data protection support provided by Thurrock Council	2	4	8	↔	COMMENT SEPT 2019: Data Protection arrangements provided by Thurrock to be reviewed. Revised information governance polices not approved by PRED; to be further reviewed.	Paula Harvey

Row No	Risk No	Risk Description	Existing Controls	Controlled Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Sep-19					
				*L	*I				
9	RSK7	<u>Contract/Partnership Failure</u> Key to delivering efficiency benefits and outcomes relating to contracts is the way in which they are delivered. Management of contract/partnership arrangements is vital to ensure that we reach and deliver the outcomes we need.	Service Level Agreements embedded within contract and penalties in place for non performance. Regular reporting on contract performance. Escalation and governance in place.	2	4	8	↔	COMMENT SEPT 2019:: Monitoring of partnership arrangements is undertaken by client side review of performance and formal complaints and reported to Audit and Scrutiny Committee. The July PRED meeting resolved to review four service arrangements.	Steve Summers
10	RSK9	<u>Failure to spend Capital Receipts</u> Failure to spend capital receipts within the deadline will result in delays in delivering Affordable Housing programme	Monitoring by finance team. Affordable housing programme in place. Purchase of properties on open market Maximising opportunities of right to 1st refusal buy back of former Right To Buy (RTB) properties Pursuing options of development on garage sites Outlining planning applications for feasible sites	2	4	8	↔	COMMENT SEPT 2019: Progress continues in relation to Housing Development Programme, Barnston Way and Brookfield Close Sites. EEH Committee resolved to explore opportunities in setting up a Housing Company which will be progressed by the Strategic Housing Team and reported back to PRED.	Tracey Lilley
11	RSK4	<u>Organisational Capacity</u> Lack of capacity to effectively govern the organisation will result in delay in delivery of business objectives	Medium Term Financial Plan (MTFP) Communications Protocol & Strategy Workforce Strategy Regular meetings between senior members & officers. Review options for alternative service delivery models	2	3	6	↔	COMMENT SEPT 2019: Work continues on the reviewing of structures and performance to ensure operational, financial and governance efficiencies are maintained. There are a number of vacancies within operational structures which require recruitment that are affecting operational capacity.	Steve Summers

Row No	Risk No	Risk Description	Existing Controls	Controlled Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Sep-19					
				*L	*I				
12	RSK8	<u>Lack of Strategic Direction</u> Without a clearly defined vision, the organisation is in danger of managing services only and losing the impact of much needed change supported by clear targets. If we do not follow a clear strategic path we will find ourselves falling behind and potentially failing residents	Corporate Plan. Training and Development for Officers and Members Code of Conduct. Consultation / surveys. Project and performance Management Framework.	2	3	6	↔	COMMENT SEPT 2019: The Former Chief Executive left the Council on 20 Jun 2019, and interim process have been in place. Following a robust recruitment exercise a new Chief Executive will start in December. The process for the development of a new Corporate Strategic Plan was agreed at the July PRED Committee and is due to be completed by the end of the calendar year.	Steve Summers
13	RSK14	<u>Treasury Management</u> The Treasury Management function could fail, with increasing commercial activity.	Treasury Management (TM) Annual Review included in the Medium Term Financial Plan (MTFP) TM half yearly and Outturn Reviews as part of MTFP Strong TM due diligence with relevant officers Good relationship with TM advisors Borrowing Strategy Review underway	1	5	5	↔	COMMENT SEPT 2019: This is a well monitored function, plans are being reviewed to grant SAIL with further funding for commercial activity, the Treasury Management Strategy will be updated accordingly.	Jacqueline Van Mellaerts
14	RSK12	<u>Failure of Democratic Services</u> - That outsourcing/shared service arrangements result in the Council's democratic duties not being fulfilled or ignored leading to a failure in the Council's obligations.	Statutory returns will be built into contracts relating to any outsourcing/shared arrangements. The Monitoring Officer to be involved at all times in relation to contracts and monitoring of performance.	1	2	2	↔	COMMENT SEPT 2019: PRED Committee resolved to review selective service arrangements.	Steve Summers
<p>* L = Likelihood Rating (1 = Low, 5 = Very High) * I = Impact Rating (1 = Low, 5 = Very High)</p> <p>Maximum Score 5 x 5 = 25</p>									

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Operational Risks Summary Sheet

Update on High Level Risks

Risk Ref	Risk Description	Existing Controls	Rating			Movement	Risk Response/Update on action required
			Sep-19				
			*L	*I			
SC7 Street Care	Risk of unmaintained trees wholly or partly falling on persons/property and other infrastructure resulting in an increase in the likelihood of prosecution by HSE or claims against the Council, as well as reputational risk.	Woodland management plans that have been negotiated over the last 4 years have now been approved and are beginning to be implemented to manage woodland edge trees over a 10-year period. However, a risk remains for non-woodland trees such as all parks, country parks, Housing properties allotments, and commercial properties where we are landlord, for which there is no proactive system. All tree works at present carried out are on a reactive basis.	5	5	25	↑	COMMENT SEPT 2019: We are continuing to maintain our tree 'known' stock on a reactive basis. A full survey is necessary to enable a move to a proactive basis and a tree management system with proactive inspections and monitoring of the condition of our trees is required. This has been implemented in woodlands only, and is being acted upon. The risk level for the other non woodland areas as cited is high and needs to be urgently addressed. This risk has increased from L3 x I4 = 12.
SC6 Street Care	Risk of subsidence to private, commercial and borough owned properties due to water abstraction by Council owned trees, resulting in an increase in claims against the Council	All tree works at present carried out are on a reactive basis.	5	4	20	↔	COMMENT SEPT 2019: Risk remains the same until a proactive management system has been put in place. The investment needed to implement this control measure is approximately £5,000, which is currently being reviewed.
EH4 Env. Health	Capacity of Environmental Health Pollution and Private Sector Housing Team	Recruitment of staff to replace leavers within a reasonable time frame - currently post vacant since January 2019. Remaining staff have to cover workload until recruitment completed.	5	4	20	↔	COMMENT SEPT 2019: Risk remains the same as recruitment still to be completed.

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Appendix B

Brentwood Borough Council - Summary Risk Report

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 16</p> <p>EH1 Env. Health</p>	<p>Breach of Health & Safety Regulations from council activities caused by insufficient management of risk or activity controls to enable safe service delivery</p>	<ul style="list-style-type: none"> • Review of current data systems for H&S compliance and Director level (GC) support requested to facilitate robust software systems to maintain compliance for Corporate and Housing. • All service areas have received training in risk assessment and health and safety management • New activities and events are supported and overseen to enable proportionate controls and measures to be put in place to reduce or eliminate the Council's exposure to the risks of service delivery. New Housing Repair and Maintenance (R&M) contract has been put in place. • Mobilisation group for Housing R&M contract established and being supported and monitored to enable success. • Housing Compliance Manager appointed. • Housing Contracts Manager appointed. • Development of improved water Hygiene Management systems. • Monitoring of Water Hygiene systems being undertaken. • Purchase of Keystone Data system to improve data collection and compliance of service. This is currently being developed and set up. • H&S monitoring of Streetscene service delivery activities through new DASH module. • The council's H&S micro site provides information and respective forms for risk assessments and Safe Systems of Work <p>Corporate communication of proposed organisational change arrangements communicated as required.</p>	<p>3</p>	<p>5</p>	<p>15</p>	<p>↔</p>	<p>COMMENT SEPT 2019: Regular Compliance meetings and Sterering Group meetings to ensure compliance is being implemented, and actions are being undertaken to improve the current position. This is bearing fruit however, additional work is being undertaken alongside the Housing mobilisation of the new Repair and Maintenance contract to enable the compliance systems to be fulfilled with the new contract. Corporate Compliance is being reviewed and improved in tandem with this process. Risk level remains the same until compliance as detailed in the Risk Register has been achieved.</p> <p>Target date for the completion of Keystone Database following set is March 2020.</p>
<p>EH3 Env. Health</p>	<p>Illegal Encampments on Council owned land resulting in loss of amenity and cost to council of clearing up site</p>	<p>Measures have been put in place at various sites, including bollards and height barriers to restrict access. During bank holidays an Out of Hours response is provided.</p>	<p>4</p>	<p>3</p>	<p>12</p>	<p>↔</p>	<p>COMMENT SEPT 2019: Unauthorised encampments managed by Essex Countywide Traveller Unit (ECTU)</p>

Brentwood Borough Council - Summary Risk Report

COMS4 Community Services	Failure to deliver a clear Leisure Strategy for the future of leisure facilities in Brentwood. Unable to Identify risk and liabilities for Brentwood Centre, Community Halls and Hartswood Golf Course, Play Areas and recommend options for the future	Leisure Strategy has been agreed by Members Feasibility/business plan in progress for King George's Playing Fields. Agreement to extend the current agreement with BLT with break clause from June 2019 onwards. Budget agreed for KGPF and 5year Play Area Improvement programme	3	4	12	↔	COMMENT SEPT 2019: Planning application has been submitted for KGPF to be considered by December 2019 Planning Committee. Play Area procurement exercise is currently live (deadline 31 October 2019) for single procurement for play areas over 3 + 2 years. Internal & external condition survey has been completed for the Community Halls and contractor is about to be appointed to undertake the works. Feasibility works have been agreed at Policy Resources and economic Development Committee on 11 September and procurement exercise is in progress. Regular meetings are taking place between BLT and BBC.
H9 Housing Page 17	Failure to manage new build schemes and the supply of new housing resulting in resident dissatisfaction and financial loss. Potential causes are: - contractor delays on site - escalating costs - late delivery of schemes - schemes not meeting quality standards - schemes not meeting needs	Contract Management meetings in place. Resident liaison in place.	3	4	12	↔	COMMENT SEPT 2019: Strategic Housing meetings continue to be held to progress future new build sites. Risk remains the same at the present time.

Brentwood Borough Council - Summary Risk Report

<p>H2 Housing</p>	<p>Failure to comply with asbestos regulations resulting in possible death or serious illness from asbestosis, due to: - works undertaken without proper protection - incidental damage to structures where asbestos is present - incomplete asbestos register</p>	<p>Asbestos Management Surveys being undertaken in all void properties and Major works properties. All communal area Management surveys completed. Incidents notified as per regulations H&S asbestos Steering Group considers asbestos risk, management and reporting of incidents. Licensed asbestos removal company contracted. CUBE appointed to complete all surveys. All staff receive asbestos awareness training annually. Monthly Asbestos Steering groups implemented to track compliance, issues, management and improvements required.</p>	<p>2</p>	<p>5</p>	<p>10</p>	<p>↔</p>	<p>COMMENT SEPT 2019: Revised and updated asbestos standard is in place and followed. This is shared with our contractors to ensure robust systems and processes are implemented.</p>
<p>H1 Housing Page 18</p>	<p>Failure to comply with gas regulations resulting in Gas/CO leaks, explosions leading to injury/illness and/or death due to: - failure to carry out repairs or annual servicing - delayed response to boiler breakdown</p>	<p>Gas warrant procedure in place and regularly reviewed. Comprehensive 10-month gas servicing program implemented. Increased number of HO's that can apply for warrants. Battery CO detectors fitted on void properties.</p>	<p>2</p>	<p>4</p>	<p>8</p>	<p>↓</p>	<p>COMMENT SEPT 2019: Improved systems for implementing gas service and maintenance has been developed with Axis the new Term contractor for Housing repair and maintenance. This is regularly monitored to ensure compliance. Due to the improved system this risk rating has been reduced from L2 x I5 = 10.</p>

EU Exit Risk Assessment Update- September 2019

Introduction

Brexit is included on the Councils Strategic Risk Register 'EU Exit'. This document sets out the background to that risk and the mechanisms in place to deal with the EU Exit scenario.

Structure

The structure for dealing with EU Exit is set out below.

Central Government

Secretary of State for MHCLG oversees the arrangements for EU Exit at a National level feeding into appropriate Local Resilience Forums throughout the country.

Essex

At an Essex level matters are controlled and overseen by the Local Resilience Forum who liaise and communicate with the following organisations.

1. Central Government
2. Blue Light services.
3. Health Services.
4. Local Authorities.
5. Others – Military and Highways etc.

Discussions and meetings are ongoing between the Essex Local Resilience Forum and all authorities, including Brentwood Borough Council regarding being prepared in the event of a EU Exit. In addition, arrangements are in place in advance of any EU Exit for a regular communication between the various parties to ensure all organisations are kept up to date with any matters arising.

Brentwood

As required by Central Government Brentwood's nominated Brexit Officer is the Interim Chief Executive, Steve Summers.

Brentwood's Executive Board and Corporate Leadership Board continually review the Council's Business Continuity Plans and undertake exercises to ensure employees are ready for any matters arising.

Identified Risks and mitigations

In line with the Council's current Business Continuity Plans the following have been identified as risks associated with any EU Exit. Some of these will be immediate and others will be 'slow burn' over a longer period of time.

No	Subject Matter	Risk	Mitigation
1	Information Technology	<ul style="list-style-type: none"> • Disruption to Broadband • Data Access 	<ul style="list-style-type: none"> • Council system is 'cloud based' • Review of all contracts for Data Access
2	Fuel/Transport	<ul style="list-style-type: none"> • Fuel shortage • Transport congestion 	<ul style="list-style-type: none"> • Implementation of Fuel shortage plan • Identify priority services • Employees to 'work from home'
3	Housing	<ul style="list-style-type: none"> • Increase in Housing applications • Increase in Homeless presentations and demand on Temporary accommodation • Disruption to Repairs and Maintenance • Disruption to construction projects 	<ul style="list-style-type: none"> • Implementation of Housing Continuity Plan • Prioritise emergencies • Review projects
4	Economy	<ul style="list-style-type: none"> • Negative or restricted growth to business market in Brentwood • Lack of business confidence 	<ul style="list-style-type: none"> • Signpost Businesses to Government advice • Work with Chamber of Commerce and FSB
5	Finance	<ul style="list-style-type: none"> • Reduced rent/CTax/NNDR income if prices rise and effect lower incomes • Contracts/suppliers – supply chain. Cost increases, disrupted ability to supply goods/services • Effects on inflation/sterling value 	<ul style="list-style-type: none"> • Continue Financial Management Processes • Monitor effects and review Medium Term Financial Plan • Contract Management • Procurement Reviews
6	Communications	<ul style="list-style-type: none"> • Lack of communication to residents, Members and Employees. 	<ul style="list-style-type: none"> • Implementation of Communications Business Continuity Plan
7	Service Delivery	<ul style="list-style-type: none"> • Restriction on Service Delivery • Impact on Employees 	<ul style="list-style-type: none"> • Implement Business Continuity Plans • Employees to work from home

			<ul style="list-style-type: none">• Priority for Reception, Streetscene and Housing employees to attend place of work• Communication provided through Contact Centre for residents• Remind employees of 'Well Being' service
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Appendix D

Risk Ranking Table

Brentwood Council has introduced a best practice five stage approach to Risk Management.

Likelihood	(5) Definite/very high	Low	Medium	High	Very High	Very High
	(4) Very likely	Low	Medium	High	Very High	Very High
	(3) Likely	Low	Medium	Medium	High	Very High
	(2) Unlikely	Low	Low	Medium	Medium	High
	(1) Highly unlikely	Low	Low	Low	Medium	Medium
		Negligible (1)	Minor (2)	Moderate (3)	Significant (4)	Major (5)
		Impact				

Likelihood x Impact = Risk Score

Level of Risk	Level of Concern	Recommended review pattern
Very High 15-25	Very concerned	1-2 months
High Risk 10-15	Concerned	2-3 months
Medium Risk 4-10	Quite Concerned Risk can be tolerated at this time	3-4 months
Low Risk 1-5	Not concerned Risk accepted at this time	4-6 months

Score	Likelihood	Description
1	Highly Unlikely/ rarely happens	5% likely to happen or hasn't happened within the last 5 years
2	Unlikely/moderate	20% likely to happen or has happened once or twice in the last 5 years
3	Likely/possible	50% likely to happen or has happened once or twice in the last 24 months
4	Very likely/high	75% likely to happen or has happened at least once or twice in the last 12 months
5	Definite/very high	99% likely to happen or has happened on a regular basis over the last 12 months

Score	Impact	Effect of Service	Financial & Resources	Reputation	Legal	People	Effect on project objectives
1	Negligible	<ul style="list-style-type: none"> • Small impact on customer service which may result in complaints • Nuisance 	<ul style="list-style-type: none"> • Small financial loss; less than £10K • Negligible property damage 	No adverse effect on perception	No legal implication	No injury	<ul style="list-style-type: none"> • Minimal impact to project • Minor slippage
2	Minor	<ul style="list-style-type: none"> • Small setback • Disruptive impact on service • Localised disgruntlement 	<ul style="list-style-type: none"> • Noticeable financial loss; £10-£100K • Slight damage to one property 	Minimal effect to perception (e.g. minor criticism of the Council)	Breach of statutory process, duty or law resulting in possibility of legal action	Minor Injury	<ul style="list-style-type: none"> • Adverse effect to project. • Slippage requires review finances / short term programme
3	Moderate	<ul style="list-style-type: none"> • Widespread disgruntlement • Disrupted service delivery from one service area for up to 3 days • Can handle but with difficulty 	<ul style="list-style-type: none"> • Moderate financial loss £100-300K • Inability to deliver popular policies due to budgetary constrictions • Substantial damage to one part of a building 	Negative effect on perception, e.g. <ul style="list-style-type: none"> • Criticism of the council • Local bad press 	Breach of major statutory duty or law resulting in probably legal action	RIDDOR (Reporting of Injuries, Diseases & Dangerous Occurrences Regulations (1995) Reportable major injury to an individual	<ul style="list-style-type: none"> • Important impact on project or most of expected benefits. • Considerable slippage • Possible impact on overall finances / programme
4	Significant	<ul style="list-style-type: none"> • Intervention in a key service • Disruption to service delivery for one or more service areas for 3-5 days • Failure of an operational partnership 	<ul style="list-style-type: none"> • Sizeable financial loss up to 50% of budget or between £300K-1M • Extensive damage to a critical building or considerable damage to several properties from one source 	<ul style="list-style-type: none"> • Criticism of key process • Large scandal • High level of complaints at corporate level across several service areas • Adverse national media coverage 	Breach of law resulting in legal action against the Council which would be difficult to defend	Reportable major injuries to several people or death of an individual	<ul style="list-style-type: none"> • Extreme delay

Score	Impact	Effect of Service	Financial & Resources	Reputation	Legal	People	Effect on project objectives
5	Major	<ul style="list-style-type: none"> • Complete breakdown in service delivery with severe, prolonged impact on customer service affecting the whole organisation • Failure of a strategic partnership 	<ul style="list-style-type: none"> • A substantial failure in accountability or integrity • A large financial loss over 50% of budget or greater than £1M • Total loss of a critical building 	<ul style="list-style-type: none"> • A vote of no confidence in one service area • Officer(s) &/or Members forced to resign &/or Audit Commission enquiry • Substantial adverse & persistent national media coverage 	Breach of law resulting in legal action against the Council which would be very difficult / impossible to defend	Death of several people	<ul style="list-style-type: none"> • Complete failure of project

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