

London Borough of Hammersmith & Fulham

Report to: Audit and Pensions Committee

Date: 16/12/2019

Subject: Risk Management

Report of: Director of Audit, Risk, Fraud and Insurances

Summary

The purpose of this report is to provide members of the Audit and Pensions Committee with an update on risk management across the Council.

Recommendations

1. For the Committee to note and comment on the report.
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Wards Affected: None

H&F Priorities

Our Priorities	Summary of how this report aligns to the H&F Priorities
• Building shared prosperity	<i>Good risk management helps to: maintain and promote the Council's reputation;</i>
• Creating a compassionate council	<i>is an enabling tool to help protect residents and staff including some of the most vulnerable in society;</i>
• Doing things with local residents, not to them	<i>place people, businesses and the wider community at the heart of everything we do;</i>
• Being ruthlessly financially efficient	<i>ensure robust financial and information management and supports internal control, opportunity and innovation;</i>
• Taking pride in H&F	<i>protect valuable assets and the built and natural environment.</i>

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Background Papers Used in Preparing This Report – Q2. Corporate risk register

1. Proposals and Detailed Analysis

- 1.1. The Accounts and Audit Regulations 2015 states that the Council must ensure that it has a sound system of internal control which includes effective arrangements for the management of risk. It is paramount that all risks are clearly identified, managed and reported through the relevant channel. Risks can never be eliminated entirely but proportionate and targeted action can be taken to reduce risks to an acceptable level. Furthermore, the work of the Council's Policy and Accountability Committees is acknowledged as a robust and additional form of assurance for the management of risk across its services.
- 1.2. Risk management is the application of Council strategies, governance, policies and processes to identify and manage risks that are unacceptable to the Council. Managing risk processes effectively enables the Council to safeguard against potential threats and exploit potential opportunities to improve services and provide better value for money for residents, visitors, local businesses and service users.
- 1.3. The Council's approach to risk management requires Directors, managers and staff, through their Senior Management Teams, to:
 - identify risks;
 - assess the risk;
 - agree and take action to manage the risk; and,
 - monitor, review and escalate risks.
- 1.4. This report provides the Committee with an updated corporate risk register presenting a suite of 23 corporate risks as reviewed by the Council's Strategic Leadership Team in November. The full suite of corporate risks sorted by Council Priority is listed in **Appendix 1** and sorted by high and medium risk in **Appendix 2**.
- 1.5. The Association of Insurance and Risk Managers in Commerce (AIRMIC) commissioned a survey of its members as part of a wider research project into the future of risk management. A snapshot of those results is provided in **Appendix 3**.
- 1.6. The Council is accountable to the public for its performance and financial management. This means that the Council naturally has a low appetite for risk, however as austerity continues the Council will need to take carefully considered risks to develop new and innovative ways to deliver services, support communities and ensure the long-term wellbeing of communities is not impaired by decisions made in the short term. This makes good risk management essential.

Corporate risk register

- 1.7. Risks are represented in the following Heat Maps, Chart 1 illustrates the previous position for Quarter 2 for 2019/2020 and Chart 2 illustrates the Quarter 3 position for 2019/2020.

OVERVIEW RISK HEAT MAPS

Chart 1:

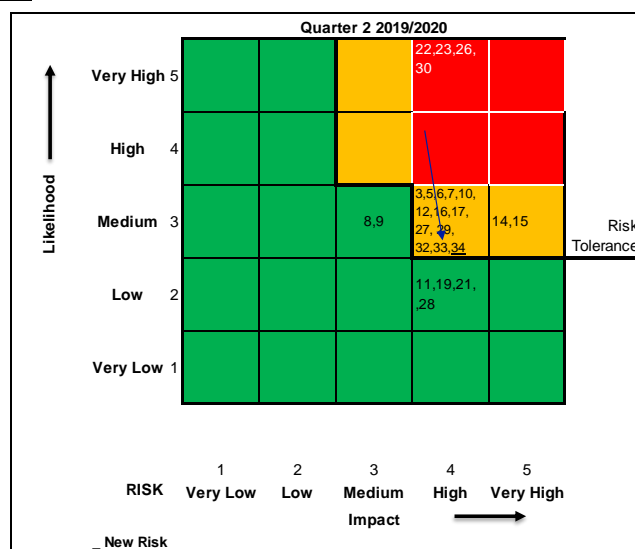
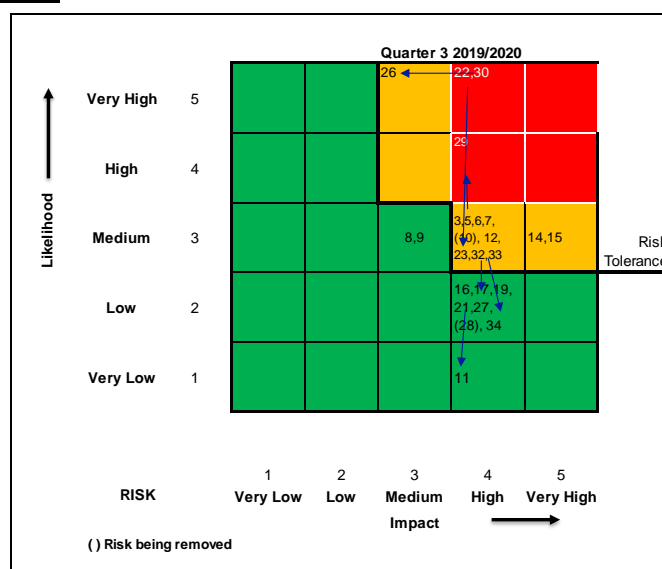


Chart 2:



Summary

- 1.8. There are 23 corporate risks on the register in Quarter 3, including by Council Priority;

Risks by Council Priority	Number of risks
All Council Priorities	6
Being ruthlessly financially efficient	5
Creating a compassionate council	5
Doing things with, not to residents	5
Taking Pride in Hammersmith & Fulham	2
Grand Total	23

2 risks are being closed from the previous quarter: Risk 10 Increase in complexity of working with Health partners, as this is a now commonplace issue. Risk 28 is also being closed following the completion of work in advance of the recent successful

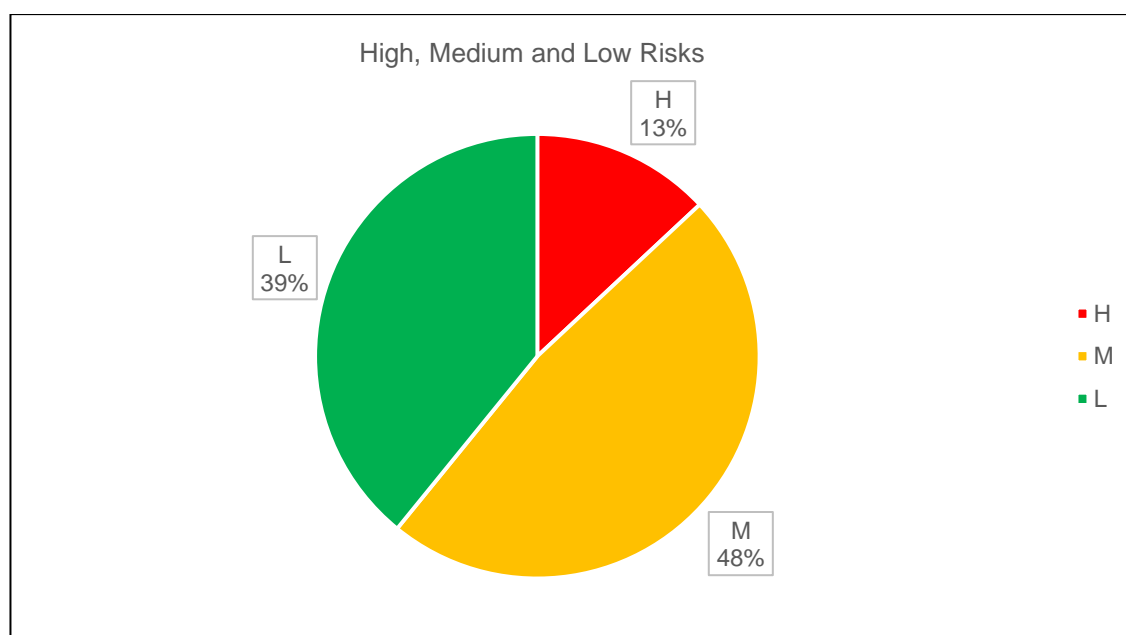
Ofsted inspection of Children's Services. One issue relating to the management performance reporting function for Children's Services providing oversight, is being actively reviewed. Risk 16 has been modified following the re-organisation of Corporate Services. Risk 29 was re-baselined between periods.

- 1.9. Movement from Quarter 2 2019/2020 to Quarter 3 2019/2020 is therefore summarised as follows:

Trend

- 4 High Risks at Q2 2019/2020 down to 3 in Q3 2019/2020
- 15 Medium Risks at Q2 2018/2019 down to 11 in Q3 2019/2020
- 6 Low Risks at Q2 2018/2019 up to 9 at Q3 2019/2020

Current Risk by exposure	Number of High, Medium and Low Risks
H	3
M	11
L	9
Grand Total	23



- 1.10. Essentially this quarter is broadly an improved position and, as confirmed at the last Audit, Pensions and Standards Committee meeting, a risk narrative of the principal movements on risks is noted for assistance below and in detail in Appendix 1:

Risk Narrative

- 1.11. Heat Maps, (see Charts 1 and 2) show the direction of travel for all corporate risks, which are expected, over time and through the implementation of appropriate mitigating actions, to come within risk appetite (or tolerance).

- 1.12. All Corporate risks continue to be reviewed and, in this period, were subject to stringent internal officer challenge. Risks are aligned and now sorted by ease of reference to Council Priorities including Being Ruthlessly Financially Efficient. Enhanced focus on risk control, programme management and governance combined with strategic leadership from the Chief Executive and Strategic Leadership Team (SLT) is expected to result in an improved outlook (trend) in Q4.
- 1.13. The H&F vision also includes being ruthlessly financially efficient. It requires that expenditure must always be evaluated against need and risk and that spend fits the Council's priorities; this includes internal challenge on how much needs to be spent to achieve results within agreed budgets.
- 1.14. Additional mitigations are also expected to influence positive movement in the next period for:
- **Risk 3: Commercial & Procurement.**
Progress has been made in this period to further establish a standardised, consistent and pragmatic social value approach in contracts let across the council. A steering group has been formed with representatives across departments following a workshop and presentation by The Social Value Portal.

The service was also asked to review areas of Council spend and contracts through the Risk Manager on behalf of the Cabinet Member for Finance and Commercial Services in accordance with the Ruthlessly Financially Efficient Action Plan Objective: 13 To undertake a comprehensive programme of contract review, challenge, and negotiations to realise savings across all third party spend. The following work was initiated in response to this and includes;

- completed a review and refresh of the Council's Contract Standing Orders;
- weekly reviews commenced of a sample of spend data, contracts and of goods receipting against paid invoices.

Contract information is now provided regularly to SLT via the performance dashboard report.

- **Risk 11: Decision making and maintaining reputation and service standards. Good Governance, conduct, external inspections.**

New governance and decision-making thresholds have been approved and implemented. A microsite with new guidelines for officers has been created and there will be a series of training sessions rolled-out along with visits to Department Management Teams.

A note prepared by Lawyers in Local Government (LLG) for the benefit of its members in order to introduce the EU Exit Amendment Legislation brought in by the government in response to Brexit was issued to the Borough Solicitor and distributed to Managers. This note followed the government's preparations for Brexit which resulted in a number of legal provisions and guidance documents being flagged which will impact directly on local government. In consequence, there is a need for all local authorities to work through the governance documentation of their own council to ensure that it remains up to date and relevant after withdrawal from the EU.

Local Authorities will have wide and varied adopted policies. Some are required by law and some will have developed from locally specific circumstances. The main core policies held by a local authority which might be affected by EU Exit Statutory Instruments may include:

- Planning & Building Policy
- Planning Enforcement Policy
- Local Plan
- Licensing Policy
- Environmental Enforcement Policy
- Recycling & Waste Policy
- Transport Policy
- Allocations Policy
- Housing Enforcement Policy
- Children Missing Education
- Safeguarding Adults Policy
- Foster Carers Delegated Authority Policy
- Local Housing Allowance Policy
- Equal Opportunities and Human Rights Policy
- Procurement, Tenders & Contracts Policy
- HR Policies - Pensions, Redundancies, Redeployment, Capability, Recruitment, Disciplinary, Whistleblowing etc.

- **Risk 23: High needs budget pressure.** Dedicated schools grant (DSG) is paid in support of local authority schools' budgets, being the main source of income for the schools. In common with other London Boroughs, the High Needs Block element has come under increased pressure in supporting children with special educational needs and spend is significantly higher than the funding provided by central government.
- **Risk 26: Brexit.** The Chief Executive and Strategic Leadership Team were briefed on the status of the Council's preparations in October. A core Brexit Team of Officers led by the Strategic Director of Finance and Governance developed plans for a range of possibilities. To prepare for Brexit, the Council appointed a Brexit Lead Officer, Brexit Single Point of Contact and Core Brexit Impact team all from existing resources. These roles were responsible for ensuring the Council took reasonable steps, in line with guidance from Government and its agencies, to prepare for Brexit. The Lead Officer and Single Point of Contact post holder proactively raised and challenged the Government and London Resilience Forum on issues such as Single Status applications, emerging trends and other local intelligence that assisted in No Deal preparations.
- **Risk 32: Corporate management of Health and Safety.** No enforcement action has been taken against the Council by the HSE since the last report.

- **Risk 33: Transport for London funding for renovation of the Hammersmith Bridge and the consequence of delays impacting on our residents, businesses, visitors and users.**

2. Financial implications

- 2.1 There are no specific financial implications arising from this report. Services are expected to manage their risks within current budgets. Where additional funds are required to mitigate or manage risks, separate decisions reports will be required for the approval of unbudgeted expenditure.
- 2.2 Risk 30, Financial Management of in year budget 2019/2020 and Medium-Term Planning identifies the risks to balancing the budget in response to continued government funding and demand pressures faced by the Council and the sector more generally and is assessed as high risk. The in-year position is reported monthly in the Corporate Revenue Monitor to Cabinet and the Medium-Term Financial Strategy and Budget setting process is in progress and will need to be approved by Full Council in February 2020. Other corporate risks, specifically 22 and 23, on Children's services placements and high needs, also identify financial pressures arising from demand and complexity of service provision which need to be managed.

Comments drafted by Emily Hill, Assistant Director, Finance

3. Legal implications

- 3.1 There are no particular legal implications arising from this report.

Comments drafted by Rhian Davies, Borough Solicitor

List of Appendices:

Appendix 1, List of Corporate risks.

Appendix 2, List of high and medium risks.

Appendix 3, Front of mind business risks.

Appendix 1, List of Corporate risks at Q3 2019/20

Priority Being ruthlessly financially efficient		Q2 19/20	Q2 19/20	Q3 19/20	Q3 19/20	Appendix 1, List of Corporate risks at Q3 2019/20		
Risk	No.	Likelihood	Impact	Likelihood	Impact	Movement	Exposure	Officer
Commercial contract management and procurement risks, rules, outcomes, social value, management of spend and contractor performance management.	3	3	4	3	4	Stable. Work continues in support of the Ruthlessly Financially Efficient Action Plan. Whilst the Zero-Based Budgeting Team are conducting a review of the operating model for Commissioning and Procurement the Corporate Procurement and Contracts Service are reviewing contract expenditure, sample checks on goods receipting is taking place and are supporting departments during the introduction of the new decision-making thresholds. New insight has been provided by the Service on contract spend through the SLT Performance Dashboard to compliment the existing commercial and business intelligence report.	M	HJ
Business resilience risks (systems, processes, resources, IT) Separation of the IT Network Infrastructure to a new sovereign model and capacity of the Network at new Civic Campus sites.	5	3	4	3	4	Stable. All Service departments are required to review and refresh plans to accommodate recent moves away from the Town Hall and Extension to the new Civic Campus. Where services have not updated continuity plans, they are being followed up with Directors. The Council's September and October meetings of the Assurance and Risk Officer Group were briefed on issues arising from Brexit. Following the September meeting of the Audit, Pensions and Standards Committee the dedicated disaster recovery plan for the Mortuary Service has been reviewed and refreshed. The scale and pace of forthcoming changes result in the risk remaining moderate.	M	SL
Information management and digital continuity, regulations, legislation and compliance.	6	3	4	3	4	Stable. Roll out of laptops under the TECHTONIC Programme was successfully completed. This included staff re-signing a Personal Commitment Statement. All users, including third party contractors and temporary staff, must ensure they read, understand, and sign up to the statement as well as all related policies, procedures and instructions issued by the Council. ICO Audit response plan and GDPR Project plan in place. New steering group led by Strategic Director of Finance and Governance. User access to the H&F network and the issue of Council laptops, mobile phones, or any other Council device is contingent with users confirming in writing their understanding of the terms of use. 'Protecting Residents Data' a project with Children's Services has progressed and reported to the Statutory Accountabilities Officer Board and reported incidents have reduced. There are Caldicott Guardians for Children's and Adult Social Care respectively, and a Caldicott support manager, along with the Council's information management team, headed up by a Head of Information Management and Projects.	M	VB
Failure to identify and address internal and external fraud.	12	3	4	3	4	Stable. Policies reviewed and approved at Audit and Pensions Committee. A refresh of the bribery risk assessment has been undertaken. Fraud Awareness training is available on the Learning Platform and has been delivered to the Contract Managers Forum. The half year report to Strategic Leadership Team has been provided and is on the Audit and Pensions Committee December 2019 agenda. Refreshed Fraud Response Plan, Anti-Money Laundering and Bribery Policies reviewed by SLT Assurance.	M	DH

Appendix 1, List of Corporate risks at Q3 2019/20

Financial Management in year budget 2019/2020 and Medium-Term Planning. * Incorporated risk 31 ASC balanced budget pressure.	30	5	4	5	4	Stable. Ruthlessly Financially Efficient Action Plan. SLT Performance Dashboard including savings targets and forecast variance, capital spend and in year forecast and revenue collection quarterly trend. Income and debt management review. Four Zero Based Budgeting progressed 7 out of 11 wave 1 reviews now nearing completion and offer detailed options. Budget challenge sessions subsequently held with SLT and members. Top ten areas for focus on delivering savings are being tracked and managed, as well as pipeline opportunities identified by services and monitored by PMO and SLT Programmes via a dashboard. New IBC Managed Service controls. Agency Spend Monitoring. Contract reviews, Procurement Card spend reviews, Purchase Order validation and updated communications, spend data analysis, validation of expenses. SLT Dashboard, reviewed by Programme Management Office and the CRM Monitor. An overspend of £11.130m is forecast for the General Fund. Action plans of £1.944m are proposed as partial mitigation against the forecast overspend. If delivered the forecast overspend will reduce to £9.186m.	H	HJ
Priority Creating a compassionate council		Q2 19/20	Q2 19/20	Q3 19/20	Q3 19/20			
Risk	No.	Likelihood	Impact	Likelihood	Impact	Movement	Exposure	Officer
Managing statutory duties, equalities, human rights, duty of care regulations, highways. * Health and Safety moved to new Risk 32	7	3	4	3	4	Stable* at risk of increasing if a bad Brexit or No deal is reached as there may be changes to the regulatory environment.	M	SL/HJ
i) Standards and delivery of care, protection of children and adults.	8	3	3	3	3	Stable. The recent Ofsted inspection of Children's Services were judged as 'Good' across all four areas of assessment. The new Ofsted Education Inspection Framework for September 2019 has been published. As before there is a specific document called 'Inspecting safeguarding in early years, education and skills' and this has also been updated. Changes to the Ofsted requirements will have an impact of workloads specifically in the area of non-regulated settings.	L	LR/JM cS
ii) Reliance on external assurance providers and providers to identify and communicate issues arising from inspections e.g. Ofsted and Care Quality Commission						The Council is partly reliant on the performance of external bodies, undertaking reviews of establishments and that all issues are communicated to them for action in a timely manner. An external inspection regime RAG rating monitor is included in the quarterly dashboard to SLT Assurance.		
Failure of partnerships and major contracts (Commercial Providers, Family Support Service, New Housing, FM and School related contractors and suppliers, IBC) LBHF acting as the lead Authority for the development of the WLA Dynamic Purchasing System for Semi Independent Living accommodation arrangements for Looked After Children and Care leavers 16+. West London Coroner's Court ("WLCS") provides coronial services for six boroughs in West London.	9	3	3	3	3	Stable. The Council's 2019–2041 Local Implementation Plan (LIP 3) strategy and is funded entirely by Transport for London (TfL). A report outlining the proposals and how they contribute to the Council's business plan was approved at November Cabinet. The council's LIP Corridors, Neighbourhoods and Supporting Measures award for 2020/21 is £1,498,200 and the Local Transport fund is £100,000. This funding is specifically provided by TfL for transport projects delivering the Mayor's and the Council's transport objectives and targets, as detailed in the Mayor's Transport Strategy (MTS3) (published in April 2018) and council's LIP3 (approved by the Mayor in April 2019). Successful delivery will further aspirations to be the greenest borough, being fair to drivers and better for cycling, being financially ruthless and doing things with not to residents. It is guided by the Mayor of London's "Healthy Streets" principles and supports the council's climate change agenda and commitment to co-production with disabled residents.	L	SLT

Appendix 1, List of Corporate risks at Q3 2019/20

Increase in complexity of working with Health partners (Primary Care Networks, Clinical Commissioning Groups, Federation Board and Integrated Care systems)	10	3	4			Stable - H&F CCG must deliver £300m savings in 19/20, Financial Recovery Plan and Planning.	Delete as agreed with LR	LR/JMS
Children's services placements. Increase in the number of looked after children in the last 3 years creates budget pressures as the budget is not based on head count.	22	5	4	5	4	Stable risk assessed. As with other London Boroughs, we are seeing a rise in demand from adolescents at risk due to knife crime, child sexual exploitation and children being used for drug trafficking (County lines). Work continues to ensure that the forecast is robust, and that young people are placed in the most appropriate placement for their need. LAC numbers have increased by 15 to 257, up from 242 in November 2018 hence the red rating.	H	JMcS
High needs budget pressure.	23	5	4	3	4	Monitoring undertaken by the PMO and SLT Programmes with a designated Project Manager. Programme reports as amber hence the reduction in this quarter to align the positions. DSG monitor at SLT Assurance on the Dashboard. Councils are lobbying nationally to address acute government underfunding of this area and the recent Spending Round 2019 announcement included £700m, starting in 2020/21, to support children and young people with special educational needs. The basis of the grant distribution has yet to be confirmed but any extra funding for Hammersmith and Fulham may provide partial mitigation against the underlying future deficit hence the initial move to amber.	M	JMcS
Priority All Council Priorities		Q2 19/20	Q2 19/20	Q3 19/20	Q3 19/20			
Risk	No.	Likelihood	Impact	Likelihood	Impact	Movement	Exposure	Officer
Decision making and maintaining reputation and service standards. Good Governance, conduct, external inspections.	11	2	4	1	4	Improving. The new Corporate Induction for Managers has commenced with further sessions planned. Decision Making Training completed, Positive Ofsted Outcomes - quality of support for care leavers, Complaints and Ombudsman's reviews have been separated out and a new risk created for monitoring improvements, Programme Management, Review of Contract Standing Orders completed, and new governance and decision-making thresholds approved. A microsite with new guidelines has been created and there will be a series of training sessions rolled-out along with visits to DMT's. Review of Corporate Policies and Strategies framework completed by SLT and to be kept under review.	L	HJ/RD
Change Readiness e.g. Agile Working, TechTonic, New systems.	16	3	4	2	4	Improving. Activities to manage change through the PMO/BI and methodology to ensure all major programmes do change well and so that managers support people well through change.	L	MSI
Attracting and retained talented people to LBHF.	17	3	4	2	4	Improving. The People Strategy implementation including the new 'H&F Way' culture change movement is addressing the issues that most concern our workforce to improve our employer reputation and ability to retain talent. The Council is committed to staff learning and development and has delivered 100+ learning and development events this year including Future Leaders, the Commercial Academy, negotiation skills, recruitment for hiring managers and a suite of manager essentials courses. Get Ahead and Apprenticeship schemes are making a difference. Workforce dashboards and KPIs are closely monitored.	L	DA

Appendix 1, List of Corporate risks at Q3 2019/20

Impact of a 'poor-deal' Brexit (Workforce, Housing, Contracts, Residents, Finances)	26	5	4	5	3	Improving. Local impact mitigated by LBHF's contingency planning activity and the further extension was granted by the EU. The Head of Strategy has issued nine Brexit briefing notes. Two Brexit Service resilience group meetings have taken place. The Ministry of Housing, Communities and Local Government has made available funds amounting to £209,984 for each primary authority to assist in mitigating the negative impacts of Brexit. The allocation of over half of these funds has been agreed by the Cabinet Member for the Economy and the Arts. A core Brexit Team has been established utilising existing resources from Business Continuity, Audit Risk Fraud and Insurances and Policy and Strategy. Weekly calls and reporting into London Resilience on current or emerging issues. SLT have been updated on contingency planning arrangements.	M	HJ
Failure of the Management Information reporting systems for CHS	28	2	4			The work commissioned prior to the Ofsted Inspection was successfully delivered. A residual issue remains concerning the management reporting system and overview which are being reviewed.	Delete as agreed with LR	JMcS
Management of complaints, requests for information, members enquiries	29	4	4	4	4	Stable. Risk proposed for inclusion by Strategic Leadership Team. SLT Business received a report on the current issues associated with delivering Improved Performance for Member Enquiries, Complaints FOIs and SARS. A new steering group has met, chaired by the Strategic Director of Finance and Governance to progress and support improvement and change.	H	SL
Corporate management of Health and Safety	32	3	4	3	4	Stable. No HSE enforcement this quarter. 35 entries are currently on the Operational (Health and Safety) Risk Register. Since 28th August 2019: 15 new entries have been added to the register; 6 entries have been completed in the period, 4 of which were completed on target. 13 outstanding entries have missed the target date. ADs and Service Managers are reminded to report updates to Corporate Health and Safety; progress may extend target dates where suitable and sufficient risk mitigation can be evidenced. Consolidation of Corp H&S Support Service through realignment of Job Descriptions at cost neutral, going to Resource Management Board for approval. Revised policy to strengthen H&S management system going to APC for ratification in December. Sub-policies review to commence as priority after this date.	M	HJ
Priority Taking Pride in Hammersmith & Fulham, Doing things with, not to residents		Q2 19/20	Q2 19/20	Q3 19/20	Q3 19/20			
Risk	No.	Likelihood	Impact	Likelihood	Impact	Movement	Exposure	Officer
Compliance with the statutory duties to undertake inspection regimes covering Management of Asbestos, Electrical Testing, Fire Risk, Plant and Equipment, Water/Legionella.	14	3	5	3	5	Stable. Housing stock remains compliant across key areas - gas, electrical safety, water etc – monthly rolling monitoring programme in place. Monthly Contract meetings remain in place with all contractors and reported to senior management teams. Interim model continues to be reviewed through a series of workstream meetings with relevant persons to hone and improve the system with an eye on the Long-term model. Long-term Repairs model approved at Cabinet in October. OJEU notice planned to go out. Enforcement notice from LFB for Netherwood has been complied with, a month early, and signed off by LFB. Bi-monthly meetings with LFB continue. Risk based assessment in place for 27 buildings over 18+ metres with combustible spandrels/infill panels. Data on DELTA for MHCLG. Quotes commissioned. Capital works fire doors: Kier and Engie contracts signed and delivery programme in place, starting with higher risk estates Charecroft and Edward Woods from January/February.	M	HJ/JR

Appendix 1, List of Corporate risks at Q3 2019/20

Co-ordination and response to calls on the Council for Mutual Aid in a crisis and emergency planning response	15	3	5	3	5	Stable, the UK national threat level is substantial, meaning an attack is likely, and reflects the threat from Islamist, right and left-wing terrorism. This forms the security backdrop to the current moderate rating a slight improvement from the severe rating in the last quarter.	M	SL
Priority Doing things with, not to residents		Q2 19/20	Q2 19/20	Q3 19/20	Q3 19/20			
Risk	No.	Likelihood	Impact	Likelihood	Impact	Movement	Exposure	Officer
An event which triggers the Fulham Mortuary being designated as a disaster Mortuary	19	2	4	2	4	Stable. Designated Disaster Mortuary Plan has been reviewed and updated following recommendation from the Audit and Pensions Committee. FM, Emergency Planning, Coroners Service, Mortuary Service and Borough Solicitor are in a whatsapp group in the event of an emergency and are having monthly meetings to ensure the plan is ready in the event it is triggered.	L	RD
King Street Civic Campus	21	2	4	2	4	Stable. New governance arrangements are in place include the Civic Campus Programme Delivery Board and the overall programme status highlight report is noted as green. Key programme milestones, workstream progress, budgets and risks and issues are reported to the Board. The Town Hall Extension achieved vacant possession and was handed over.	L	JR
Digital Accessibility, public sector websites and apps will have to meet minimum accessibility standards. Just as all government buildings must legally be accessible to all who wish to access them, so too must their digital gateways.	27	3	4	2	4	Improved. A project is in place to improve the accessibility of the council's website and other digital services. Every digital service the council builds or buys, and every piece of content produced must now meet accessibility standards. For the council website, the team has initially been working on quick fixes such as formatting tables, removing generic link text such as 'click here' and 'read more' and structuring pages with the right tags. Next, there will be improvements with the colour contrast between text, links and the background and to add missing alternative text to images. The communications team will be working with the co-production and housing resident involvement teams to create a citizens' panel the council can use for accessibility and user testing.	L	LR
Transport for London funding for renovation of the Hammersmith Bridge and the consequence of delays impacting on our residents, businesses, visitors and users.	33	3	4	3	4	Stable. Concept design works progressing and will be completed by 31st March 2020. The next two phases are detailed design and construction works. Temporary Bridge proposal being developed by TfL and tender due in the new year. This bridge will reduce construction phase by up to seven months. Investigatory works on the four pedestals are now under way and due to complete June 2020.	M	SL
Preparedness for elections	34	3	4	2	4	Improved. A national election has been announced. The Electoral Services team is highly performing and well-regarded in London. The principle risk here is responding to a snap (sudden) election and mobilisation following the announcement. The Borough Solicitor and the Electoral Services Manager have visited several venues and have agreed a suitable count venue. An elections project team has been formed to manage the preparations. Security advice for Returning Officers and Candidates by the Electoral Commission on behalf of the Cabinet Office including but not limited to; 1. Social media companies are taking steps to secure their platforms and users against misuse during the 2019 General Election. 2. A guide has been jointly produced by the National Police Chiefs' Council (NPCC) Crown Prosecution Service (CPS), College of Policing and the Electoral Commission to help candidates respond to intimidatory behaviour. The first part of the guide provides practical advice.	L	RD

Appendix 1, List of Corporate risks at Q3 2019/20

						3. Election Security for Polling Stations and Counting Venues.		
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Appendix 2 List sorted by high and medium risks

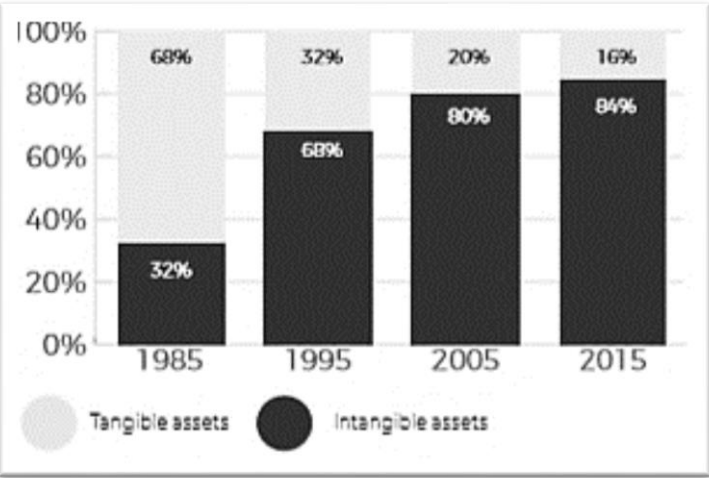
Risks by severity, High						Count of No.
H						3
Children's services placements. Increase in the number of looked after children in the last 3 years creates budget pressures as the budget is not based on head count.						1
Financial Management in year budget 2019/2020 and Medium-Term Planning. * Incorporated risk 31 ASC balanced budget pressure.						1
Management of complaints, requests for information, members enquiries						1
Grand Total						3
Risks by severity, Medium						Count of No.
M						11
Business resilience risks, systems, processes, resources, IT and preparation for accommodation moves including moves out of Pembroke Road buildings (Moving On 2) and adequacy of the BECC site. Separation of the IT Network Infrastructure to a new sovereign service.						1
Commercial contract management and procurement risks, rules, outcomes, social value, management of spend and contractor performance management.						1
Compliance with the statutory duties to undertake inspection regimes covering Management of Asbestos, Electrical Testing, Fire Risk, Plant and Equipment, Water/Legionella.						1
Co-ordination and response to calls on the Council for Mutual Aid in a crisis and emergency planning response						1
Corporate management of Health and Safety						1
Failure to identify and address internal and external fraud.						1
High needs budget pressure in the Direct school block.						1
Impact of a 'poor-deal' Brexit (Workforce, Housing, Contracts, Residents, Finances)						1
Information management and digital continuity, regulations, legislation and compliance.						1
Managing statutory duties, equalities, human rights, duty of care regulations, highways. * Health and Safety moved to new Risk 32						1
Transport for London funding for renovation of the Hammersmith Bridge and the consequence of delays impacting on our residents, businesses, visitors and users.						1
Grand Total						11

Appendix 3, Front of mind business risks.

This snapshot, an extract produced by Airmic in collaboration with Longitude, KPMG and Marsh, is based on the responses of 157 members. While job roles and sizes of organisations vary, respondents primarily come from risk and management, insurance and enterprise risk management at large multinational businesses. Increasingly, risk registers are dominated by external threats to the organisation and focused on protecting assets that are increasingly difficult to define and harder to value. Although it is difficult to be certain about the impact of new digital technologies on business models, it is clear that digital technologies represent significant business transformation opportunities.

Protecting intangible assets is recognised as a key priority for risk professionals, while risks beyond the organisation’s control are expected to rise in profile. The non-physical assets of a company – **intellectual property, data and reputation** – now make up around 80% of a corporate’s value.

Figure 1.



Loss of reputation has been identified as the top business risk for the third consecutive year, while data security and political uncertainty are high on the agenda too. Reputation as a key business indicator is not restricted to the latest generation of businesses, however. **Damage to reputation and brand value was identified by 76% of respondents (Figure 2).** All businesses, including the traditional sectors of energy, transportation, manufacturing and retail, must increasingly consider their public perception and reputation as a good corporate citizen in a world where climate crises, the #MeToo movement and diversity are high in social consciousness.

With business interruption following a cyber event second on the list of members’ top-of-mind business risks, and the introduction of the GDPR in 2018, increasing the potential for large fines in the event of a data breach and compounding awareness levels of information security, it is unsurprising to find **data security the top concern.**

Figure 2. – Top current concerns.

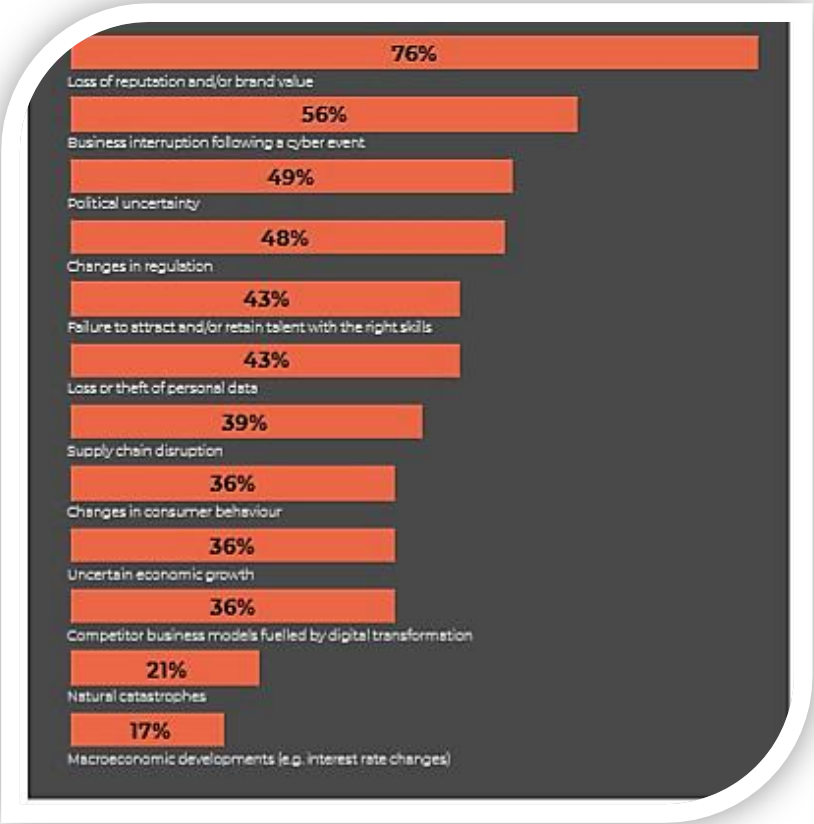


Figure 3. - Front-of-mind business risks facing organisations in three years’ time.

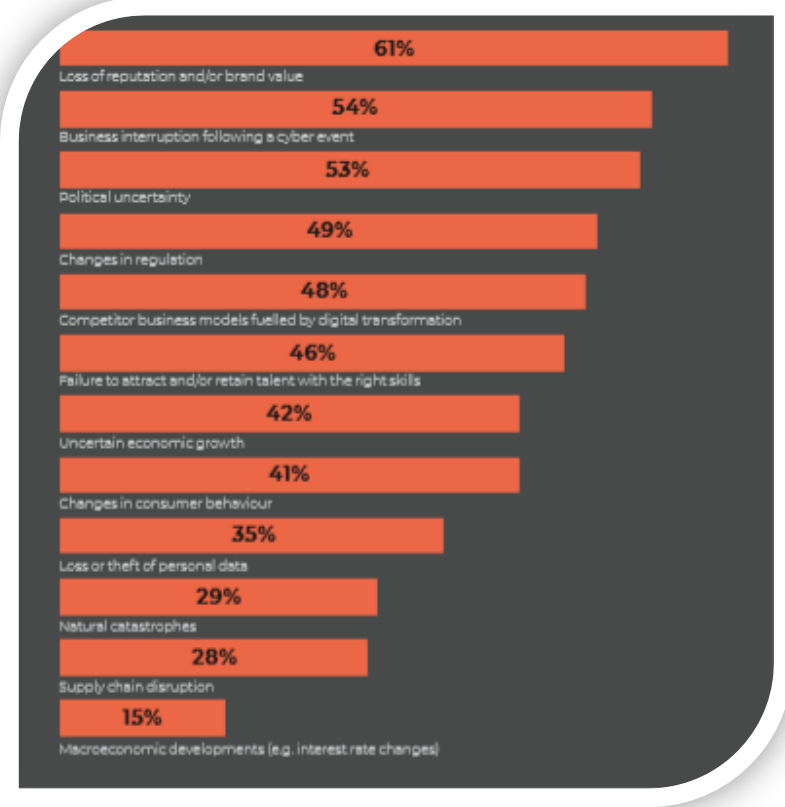
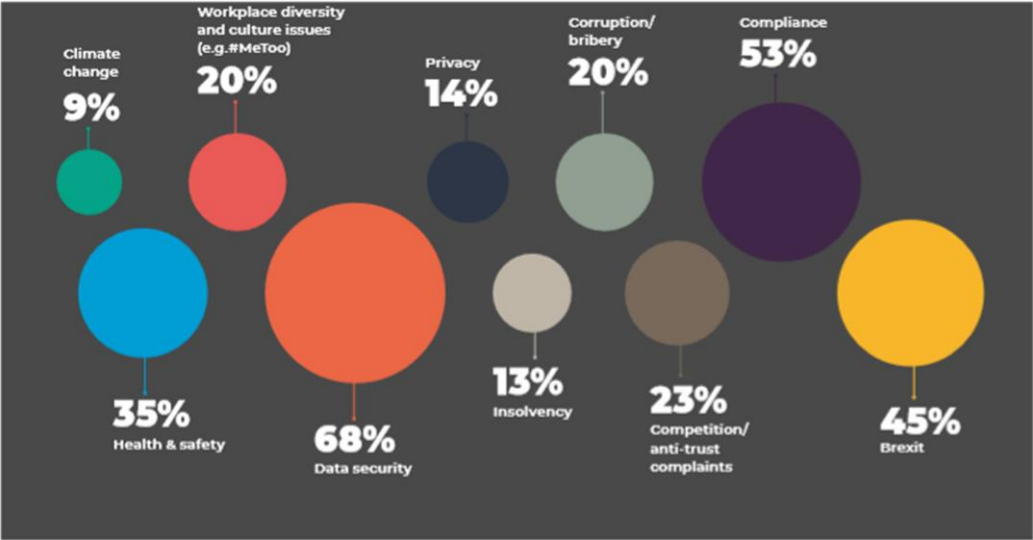


Figure 4. Top concerns in boardrooms

Political uncertainty is another intangible issue that organisations are grappling with to understand and quantify. Risks relating to geopolitical tensions are expected to be the hardest to manage over the next three years (Figure 4). While some geopolitical developments may emerge slowly or fly below the radar, seismic events such as Brexit or elections have set in motion long-term consequences that are difficult to predict and prepare for. The world is less certain and more complex. Geopolitical risks are no longer restricted to a handful of regional hotspots – they are **global and intensifying.**



Times have changed.

As the complexity of the world increases and the pace of change heats up, managing emerging risk cannot be a strategic afterthought. A time lag can open up when the external and internal context of an organisation moves faster than the organisation, creating a gap between the reality and the perception of risk. An assessment of these risks should be part of the strategic planning process and contribute to the strategy context-setting process. The frequency of risk assessment and analysis should be a function of **how fast risks are emerging** and the level of their materiality.

