

Source: Corporate Risk Register Quarter 1

<u>Risk</u>	<u>Category and Context</u>	<u>1. Action/ 2. Mitigation</u>	<u>Owner</u>	<u>Rating</u>
<p>1. Financial Management</p> <p>In year budget 2017/2018 and Medium Term Planning</p>	<p>Financial</p> <p>The ongoing challenge of reshaping and delivering council services, within significantly reduced funding levels and increased demand pressures, remains a significant risk. This is both an in year risk and one going forwards over the medium term. As such, our approach to identifying savings includes undertaking specific service reviews, identifying and delivering savings through transformation portfolios and identifying other savings and income opportunities.</p> <p>In addition to gaps in revenue funding there are also some significant risks to funding the capital programme with reduced capital receipts and uncertainties on significant projects.</p> <p>Specific risks that will need to be reflected in the medium term financial strategy include continued additional costs of the Managed Services Provider and costs of the transition from the current Managed Services Provider for Finance and Human Resources to a new provider.</p>	<p>1. Challenge meetings to challenge 2018/19 budget process scheduled take place in July and September 2017.</p> <p>2. The council manages its financial risks through a range of controls including budget preparation, budget setting and a Budget Accountability Framework which updated the roles and responsibilities for managing, monitoring and forecasting income and expenditure against approved budgets. The level of reserves and balances are also regularly reviewed to ensure that account is taken of any financial risk. Financial Regulations and Financial Scheme of Delegation are in place. Regular in-year monitoring and reporting, review of future financial plans and assessment of financial risks and reserves are undertaken to ensure the financial plans are delivered. Corporate Revenue Monitoring Reports with identified risks reported to Cabinet, overspending departments prepare action plans with responsible Directors identified. 2017/18 Budget and Capital Programme agreed by Full Council in February 2017. Medium Term Financial Strategy reported to Finance and Delivery, Policy and Accountability Committee February 2017 detailing savings, growth, and risks.</p>	<p>Strategic Leadership Team</p> <p>Hitesh Jolapara, Strategic Finance Director, London Borough of Hammersmith and Fulham.</p>	<p>HIGH</p>

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<p>4. Market testing risks.</p> <p>1. Failure to deliver high quality commissioned services at the best cost to the taxpayer. Inadequate forward planning risks (commissioning and procurement).</p> <p>2. Failure to comply with public procurement regulations, potential legal action, and lack of robust Member oversight.</p> <p>3. Not achieving Social Value through procurement.</p> <p>4. Contract performance management.</p>	<p>Commercial and Procurement</p> <p>Restructuring of the Corporate Commercial and Procurement Management is underway with jobs recently advertised. Hammersmith & Fulham Amendments to Contract Standing Orders have been approved by full Council to facilitate earlier Cabinet visibility and approval of commissioning and procurement strategies before competitive tendering exercises commence. The Cabinet Member for Commercial Revenue and Resident Satisfaction has also requested regular Cabinet Member monitoring of all departments 3-year forward commissioning and procurement plans.</p> <p>LBHF have appointed a Commercial Director who also leads on procurement. Work is currently being undertaken to review the Contracts Register.</p>	<p>1. Undertaking a review of strategic contracts in order to identify potential contract improvements, establish contract standards and identify any further contract savings. Implemented improvement plans on a number of resident facing service contracts to ensure service delivery to contract standards. Renegotiation of contracts that were procured on a tri borough basis. This main contract s with Amey and will be soon on a sovereign basis within H&F. Introduced a gateway approach for cabinet, CMD and procurement strategy sign off. This ensures there is a checking of commercial activity across the departments and the start of challenging a culture of direct awards seen in some departments.</p> <p>2. Adult Social Care and Childrens Services Departments have established contract and commissioning boards. A Shared Services Contracts Approval Board had been established but will now only be used for Westminster City Council sovereign procurement decisions. Contract registers are now managed through the CapitalESourcing e-procurement system hosted by Westminster City Council and have recently been audited. Training is being provided on Contract Management across the Shared Services. Annual Governance Statement Action Plan monitoring. (See Actions) BDT have corporate oversight on procurement. Maintain a watching brief on the financial and commercial stability of major contractors. In addition to all decision reports going through at H&F they are subject to 2 additional key controls: Cabinet Member Briefing Boards, Cabinet (via Cabinet Briefing) Revised Contract Standing Orders for LBHF took effect on 1 July 2016 for all procurements advertised on or after this date. This ensured that Cabinet see forward Commissioning Plans and a Procurement Strategy on each procurement. Commercially led Significant Contract reviews. Update of the Commercial Director to Finance and Delivery, Policy and Accountability Committee.</p>	<p>Strategic Leadership Team</p> <p>Michael Hainge Commercial Director Chief Executives Department</p>	<p>HIGH</p>

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<p>5. Public Health Budgets</p> <p>Going forward, if the Shared Services Councils are to achieve significant improvements in population health outcomes in the current economic climate, choices need to be made about how best to allocate Public Health resources to specific programmes or work/ services. In order to support these decisions, the Public Health team is in the process of developing and testing a prioritisation framework tool.</p>	<p>Financial</p> <p>The Director of Public Health is in the process of reviewing the Public Health team's operating model, structure and plans in order to ensure the Public Health function can work to maximise the impact on population health within available resources. A key milestone is to have an effective staff structure in place in time for the next financial year. A staff consultation on the proposed Public Health re-structure is taking place during November 2016.</p>	<p>1</p> <p>2. For 2016-17 the public health ring-fence remains in place, with any underspends in the year being carried forward as a receipt in advance, or any overspends matched with a draw-down from prior years' receipts in advance as appropriate.</p> <p>The Public Health team are continually working to improve Public Health services through performance monitoring, service improvements and re-tendering.</p> <p>2017 2018 Public Health Priorities and the Public Health Prioritisation Framework.</p>	<p>Dr Mike Robinson, Director of Public Health</p>	<p>HIGH</p>

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<p>6. Business Continuity</p> <p>1). Limited joined up systems, processes and resources in the event of a Royal Borough of Kensington and Chelsea and London Borough of Hammersmith and Fulham Business Continuity internal / external incident.</p> <p>2) Non-availability of I.T. systems, cyber attacks.</p> <p>3) Significant accommodation moves.</p>	<p>Resilience</p> <p>There have been a number of events in the last reporting period; Westminster Bridge 22/03/17. NHS Cyber ransomware attack 12/05/17 Manchester Arena Terrorism incident 22/05/17 London Bridge and Borough Market Terrorism 06/06/17 Grenfell Road response to fire. 14/06/17 Finsbury Park Mosque 21/06/17. Petya Cyber ransomware attack 27/06/17</p> <p>Service Resilience Group Terms of reference being reviewed and re-articulated following the multiple recent incidents by 01 August 2017</p> <p>Identify all key Officers suitable for crisis management training and agree a format and delivery vehicle for their training</p>	<p>1. Review of all Service Continuity Plans in August 17. Report to Finance and Delivery Policy and Accountability Committee in September 17. Supply Chain Resilience guidance to be issued for review and approval by Business Delivery Team. Business Continuity software report to be taken to Cabinet Member for decision.</p> <p>2. Corporate Business Continuity Policies and Strategies have been agreed at the former Business Board at Hammersmith and Fulham and Management Board at the Royal Borough of Kensington and Chelsea, and updated accordingly, ensuring commonality for incident management.</p> <p>London Borough of Hammersmith and Fulham use Creditsafe for the assessment of contractor credit and liquidity risks, with The Royal Borough of Kensington and Chelsea, Westminster City Council utilising Creditsafe via CapitalEsourcing.</p> <p>Owners of Priority 1 and Priority 2 classified services have been requested to ensure a their service continuity plans have a strategy in place to cater for the loss of service and critical suppliers, are self-tested and authorised by Directors.</p> <p>Risks are being identified and managed through the Service Resilience Group at Hammersmith and Fulham and via a themed Business Continuity Register including horizon scanning.</p>	<p>Environmental Services</p> <p>Nick Austin, Borough Director for Environmental Health, London Borough of Hammersmith and Fulham</p>	<p>HIGH</p>

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<p>8. Managing statutory duty</p> <p>Non-compliance with laws and regulations. Breach of a duty of care. Non-compliance with Health and Safety at Work. Equalities and Human Rights. Integrated Transport for London Programme (Funding Highways Improvements).</p>	<p>Legal, Governance</p> <p>Internal Audit of Organisational Health and Safety undertaken. Internal Audit of LBHF gas safety arrangements undertaken. Corporate Safety Team business plan and audit programme established. Departmental and statutory Corporate Safety committee established and meeting regularly. Regular Health and Safety performance reports to the Management Team. Shared Service Building Compliance Board established.</p>	<p>1</p> <p>2. Shared Services Incident reporting on-line software. Shared Services training software, Workrite. A separate Health and Safety service is provided in the Housing Service. Legislative changes are adopted and reflected in amendments to the Councils constitutions and budgets allocated through a unified business and financial planning process. Amey now manage a number of statutory and regulatory procedural and record management processes. Statutory returns to, for example, the Food Standards Agency, Health and Safety Executive</p>	<p>Strategic Leadership Team</p> <p>Kim Dero, Interim Chief Executive, London Borough of Hammersmith and Fulham Council.</p>	<p>HIGH</p>

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<p>13. Failure to identify and address internal and external fraud.</p> <p>Potential exploitation of Managed Services Agresso systems during implementation and towards business as usual delivery.</p> <p>(Links to risk number 7, perceived threats and vulnerabilities in association with Cyber-crime activities)</p> <p>Employee related Tenancy and Housing (incl Right to Buy) Benefits (Legacy cases) Concessionary travel and Blue Badge</p>	<p>Financial, reputational</p> <p>The Shared Services Corporate Anti-Fraud Service (CAFS) implements a counter fraud and corruption strategy which is supported by a policy framework.</p> <p>Plans and operations are aligned to the strategy and contribute to the overall goal of maintaining resilience to fraud and corruption. The service employ a mixture of reactive and pro-active techniques to combat fraud, including subscription to national initiatives such as the National Fraud Initiative and the National Anti Fraud Network.</p> <p>The service reports regularly to Audit Committees on performance against the counter fraud strategy and the effectiveness of the strategy.</p>	<p>1</p> <p>2.The Council's Anti-Fraud and Corruption Strategy is aligned to the national strategy, Fighting Fraud and Corruption Locally. Shared Services Corporate Fraud function. Risk assessment is used to assist in targeting fraud and for workload prioritisation.</p> <p>Fraud Resilience Action Plan 2017/2018 which includes the Fraud Resilience Triangle: Fraud Risk Register, Pro-active work programme and Reactive referrals to increase the likelihood of indentifying fraud. Review of Corporate Anti-Fraud Performance at Management Team meetings.</p> <p>Data Analytics – the service have begun to conduct regular reviews of data using data analytic tools, including Benford's Law trend analysis, to identify areas of potential risk. Participating in the National Fraud Initiative, as well as offering counter fraud tools to frontline services to prevent fraud entering the system.</p> <p>Whistleblowing policy, Bribery policy, Officer Codes of Conduct.</p> <p>Procurement teams have attended Counter Fraud training.</p>	<p>Strategic Leadership Team</p> <p>Hitesh Jolapara, Strategic Finance Director, London Borough of Hammersmith and Fulham.</p>	<p>HIGH</p>

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<p>15. Managed Services. Financial and Human Resources Managed Services Systems</p>		<p>1</p> <p>2. London Borough of Hammersmith and Fulham, Update reports have been provided to the Finance & Delivery Policy & Accountability Committee and Audit, Pensions and Standards Committee.</p> <p>Programme Stabilisation Plan.</p> <p>Intelligent Client Function.</p>	<p>Strategic Leadership Team</p> <p>Senior Responsible Officer Kim Dero, Interim Chief Executive</p> <p>Sponsors Hitesh Jolapara, Strategic Finance Director, Mark Grimley Director of Human Resources. London Borough of Hammersmith and Fulham</p>	<p>HIGH</p>

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NEW RISK Compliance with statutory Assessments (Housing and non-Housing Property)	<p>The council has been undertaking extensive reviews of health and safety risk assessment processes given the added impetus of the fire at Grenfell Tower. These reviews have highlighted weaknesses in record keeping and in providing assurance that the council is meeting its statutory requirements covering risk assessments.</p> <p>Current regulatory requirements are not, in themselves, adequate in ensuring the highest fire safety standards are met and that more detailed assessments are required beyond the statutory minimum.</p> <p>The Council and responsible persons will be liable to prosecution if inadequate arrangements are in place (relating to risk assessments for fire, asbestos, water/ legionella, electrical, gas and plant equipment across the range of buildings it owns, leases and commissions services from) and people are placed at risk of death or injury. Equally any one carrying out statutory assessments for the responsible person has the same liability. The legal responsibility for the ensuring appropriate arrangements and assessments are in place cannot be delegated.</p>	<p>1. The interim Chief Executive formed a Property Compliance Task Force, meeting fortnightly, made up of the most senior officers with responsibility for property health and safety across. The Task Force is reviewing and overseeing a range of actions covering all statutory areas.</p> <p>2. The Task Force is ensuring the right policies, practices and contracts are in place to meet the council's ambition to go beyond the duties required of us, for our residents, businesses that occupy commercial premises, providers of services to the Council and our staff.</p> <p>The Task Force provides monthly reports to the Strategic Leadership Team on progress to ensure appropriate action is being taken and quarterly reports will be provided to the Audit Pensions and Standards Committee.</p> <p>The Council has approved the Fire Safety Plus programme which will see £20m invested into the housing stock over the next two years, all targeted at making sure residents' homes are safe.</p> <p>Officers are implementing an improvement action plan in response to an externally-commissioned review of asbestos management arrangements.</p> <p>In parallel, an investigation is being conducted to determine how and why failures in the existing arrangements came about.</p>	<p>Strategic Leadership Team</p> <p>Kim Dero, Interim Chief Executive and SLT members including: Jo Rowlands Lead Director of Regeneration, Planning and Housing Services Jane Martin Director for Property Services (Housing) Maureen McDonald Khan Director for Building and Property Management (Corporate Property) Nick Austin Bi-Borough Director for Environmental Health (Health and Safety)</p>	HIGH
NEW RISK Co-ordination and response to calls on the Council for Mutual Aid in a crisis	<p>The Council did not have a set of themed response plans that provided guidance on assessing and then handling impacts of delivering support to a neighbouring area.</p>	<p>We have a Service Level Agreement with London Local Authority Control that should it be deemed necessary that the Council can request mutual aid. Mutual aid will be; Resources (Unique skilled Officers), equipment and direction.</p> <p>There is a protocol in place that determines a responsible person for example the Chief Executive to activate a call for mutual aid.</p>	<p>Environmental Services</p> <p>Alistair Ayres, Head of Emergency Services</p>	HIGH

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NEW RISK Change Readiness	As the Council designs and implements new ways of working in relation to Moving On and Smarter Working 2 there is a risk that the organisation is not ready for change or resistant to change delaying the benefits realisation of the change required.	Programmes should undertake an assessment of readiness and build in communications and engagement streams. the use of staff surveys, consultation and engagement events and post-implementation learning to be fed back to corporate boards.	Strategic Leadership Team Mark Grimley, Director of Human Resources & Organisational Development	HIGH
NEW RISK Recruitment and retention	Recruitment and retention of the best staff becomes a challenge resulting in higher agency costs, lower productivity and higher turnover of staff, in turn resulting in lower performance in delivery.	Management of Moving On resourcing requirements with improved candidate experience to quickly cover gaps identified in new structures. People Strategy to cover longer-term approach to the recruitment and retention of staff, including creating attractive workplaces, smarter working 2, and developing our own.	Strategic Leadership Team Mark Grimley, Director of Human Resources & Organisational Development	HIGH

Source: Quarter 1, registers submitted by Services.

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<p>1. Adult Social Care</p> <p>Complexity of change programmes in Adult Social Care and the National Health Service.</p>	<p>Programme</p> <p>The three core change programmes in Adult Social Services that were defined during 2016/17 (Front Door and Demand Management, Commissioning and Whole Systems Integration) are increasingly complex and there are risks arising from underlying assumptions and modelling, inter-dependencies, misalignment of projects and double counting of benefits. There are also risks of slippage due to the need for significant leadership, management capacity and additional programme resources to deliver. There are also risks of delays in decision making due to complex bureaucracy. [Strategic Risk]</p>	<p>1. The designated Review Board for this risk is the Adult's Leadership Team and will be reviewed quarterly. Monthly Transformation Portfolio Review is also undertaken.</p> <p>Complete work to optimise prospects for success across the three programmes following portfolio review work in June 17</p> <p>2• Continued strong governance and portfolio management with a focus on delivery of intended benefits led by a dedicated Head of Transformation post that sits within Finance and Resources.</p> <ul style="list-style-type: none"> • Workforce management and communications resources have been aligned to transformation, programme and project delivery. • The Customer Journey programme restructure is now close to completion and delivery of required key changes to services is underway. • Commissioning programme has now defined the tactical priorities for delivery in 2016/ 2017 and is close to completing the definition stage of a three year transformation programme. • Whole systems programme is developing at pace through the Sustainability and Transformation Planning Process. • Associated controls for risk 1 relating to the definition and agreement of future transformation and savings. • Continued use of dedicated transformation budget resource to enhance capacity and capability for delivery programmes. • Review and proof of concept stages in all complex projects and mid year reviews of savings plans. 	Rachel Wigley, Director of Finance and Resources	HIGH
<p>2. Adult Social Care</p> <p>Complexity of geographical boundaries for developing integrated services could lead to inconsistent Multi Disciplinary Team service designs in local Clinical Commissioning Groups.</p>	<p>Customer/Citizen, Reputation</p> <p>There is a risk that because the Central London Clinical Commissioning Group Whole Systems model of geographic 'villages' is not consistent with the Better Care Fund proposals in West London and Hammersmith and Fulham, there will be a negative impact on the potential to develop single models of service (e.g. Community Independence Services, Long Term Social Work service, Home Care) across the Adult Social Care Shares Service.</p> <p>Risk that social care included in three Clinical Commissioning Group Multi Disciplinary Team models will vary; inconsistent involvement and influence of Adult Social Care in design of Multi Disciplinary Teams. [Strategic Risk]</p>	<p>1. Redefine BCF programme and associated joint strategy for delivering service and shared financial benefits in a collaborative way.</p> <p>2. • Ensure positive engagement with Whole Systems Early Adopters design processes by operational Heads of Service.</p> <ul style="list-style-type: none"> • Adult Social Care Community Independence Service, Hospital Discharge and long term social work teams all part of Customer Journey redesign. • New Whole Systems Adult Social Care Director is fully involved in the Sustainability and Transformation planning process. • Full participation in the development of the Governance and Delivery Structure for the new 5 year Sustainability and Transformation Plan <p>[Independent Assurance and Controls through Internal Audit]</p>	Rachel Wigley, Director of Finance and Resources	HIGH

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<p>3. Childrens' Services</p> <p>If Managed Services/Agrosso is unable to provide H.R. & Finance services (e.g. Starters / Leavers, payment to suppliers etc) then the ability for the Dept. to deliver an effective service will be reduced.</p>	<p>Reputation</p> <p>Failure to deliver service as suppliers/customers not paid Failure to deliver a statutory service Reputational harm</p>	<p>2. Keep risk under review</p>	<p>Steve Miley - Director Children's Services for LBHF Childrens Services and Senior Leadership team.</p>	<p>HIGH</p>
<p>4. Childrens' Services</p> <p>Delays in the delivery of the Childrens and Families Act (CFA) Change Programme: The requirements of the Act in relation to children with special educational needs and disabilities have led to challenges in ensuring that children's needs are identified and met across a wider age range, following integrated planning with a wide range of agencies.</p>	<p>Customer/Citizen</p> <p>- EHC Plan Delivery: A key risk facing the SEN service to ensure we deliver our statutory responsibility around Education and Health Care (EHC) Plans to ensure the 813 children or young people with a Statement SEN are transferred onto new Education, Health and Care plans and assessed by the 31st March 2018 national deadline.</p> <p>- Local Area Inspection: The authority may be notified of an Ofsted / CQC Local area inspection of the SEND services (0-25) on a weekly basis, (excl. school holidays). This inspection (covering the SEN Service, Schools, Health partners and parents) will gauge how well agencies fulfil their statutory responsibilities for children and young people with special educational needs and or disabilities. Performance in both these areas could result in failure to meet the needs and expectations of our customers and politicians, and reputational harm.</p>	<p>Delivery - There are a number of actions to support the building of capacity in the service to avoid service failure. These include:</p> <ul style="list-style-type: none"> - Plans in place and resources reviewed to ensure the required numbers of transfers take place and new assessments are completed in time. - The SEN Service has been re-organised to provide additional management, casework capacity and a discrete Transfer Review Team. - The SEN Service 'New Ways of Working' initiative has been in operation since April 2017, streamlining internal processes for Education, Health and Care (EHC) needs assessments and transfer review and improving our performance tracking against statutory targets. - The SEN Service Improvement Plan identified six key priorities, including: compliance, communication, culture, collaboration, good quality data and people. A number of improvement actions linked to these priorities are currently being implemented by the service during this financial year. - Improvements have been delivered over the last quarter which now need to be sustained. <p>Inspection -</p> <p>.</p>	<p>Ian Heggs - Director of Schools, Quality and Standards</p>	<p>HIGH</p>
		<p>. The Ofsted framework is now published and a Programme Manager is in place to drive self evaluation forward.</p> <ul style="list-style-type: none"> - Quarterly self-evaluation of The effectiveness of SEND provision is used to ensure that resources are focused on agreed priority areas for improvement as identified by parents, staff and partner agencies. - This is underpinned by regular monitoring of service performance against statutory targets by The Director of Education, to understand impact of changes. - a multi-agency Executive Board provides a forum to support integrated service development and 		
<p>5. Childrens' Services</p> <p>Notice being served on the S113 agreement between the three Councils</p>	<p>Reputation</p> <p>A large scale and intensive period of service reconfiguration will be required to deliver the disaggregation of the shared service arrangements that are currently in place, which could result in:</p> <ul style="list-style-type: none"> • Failure to meet the needs and expectations of our customers and politicians, and failure to meet the needs of the service. • Potential disruption to business as usual activities and processes as services models are re-shaped. • Delays or failure to achieve existing change initiatives across the service within planned timescales. • Loss of knowledge and expertise and associated recruitment challenge. • Reputational harm. • Financial overspend. 	<p>1. Keep risk under review.</p> <p>Detail of any shared contracts / upcoming re-procurements that could be impacted by the decoupling to be drawn together.</p> <p>2'- On-going staff communications and engagement cascading key information and developments as soon as is appropriate.</p> <ul style="list-style-type: none"> - Plans are being developed around delivering the separation whilst monitoring any impact on service delivery. - Effective governance arrangements for the implementation of the programme are being developed. - For shared service areas affected, 'as-is' and 'to-be' structures are being modelled and fed-back to relevant Directors for initial approval. - Associated costing work is also being progressed based on these approved structures. 	<p>Steve Miley - Director Children's Services</p>	<p>HIGH</p>

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<p>5. Childrens' Services</p> <p>Grenfell Relief and Recovery: Delivering comprehensive support and relief to those affected by the tragedy, whilst actively managing and mitigating the associated additional pressure on Service resources for both front line and back-office Directorate's within Children's.</p>	<p>Financial</p> <p>Children's Services are heavily involved in the response for Grenfell. Continued allocation of resources to support the response has the potential to impact:</p> <ul style="list-style-type: none"> - Service ability to meet the needs and expectations of our customers (not affected by the fire) and politicians, causing further reputational harm. - Potential disruption to business as usual activities and processes as service resources are re-directed. - Delays or failure to achieve existing change initiatives across the service within planned timescales. - Increased budgetary pressures in providing resources to meet demands - Managing and supporting staff resilience while they continue to address the demands of the Grenfell relief effort 	<p>1- Keep risk under review.</p> <ul style="list-style-type: none"> - Fully costed delivery options to be identified - Commissioned workshops to support staff. <p>2- Officers across the department have worked hard to maintain business as usual whilst colleagues have supported the Grenfell Fire Response Team. This has enabled the provision of concentrated support to groups across the community affected by the tragedy, delivered in a variety of forms and across many areas over the last 6 weeks:</p> <ul style="list-style-type: none"> - childcare and early years support, - key worker support, - translation support, - education psychology support, - safeguarding support, - school engagement (incl. development of summer school activities) support, - mental health (CAMHS) support, - physical volunteering at various contact centres - targeted, strategic project and programme management offer to assist with the co-ordination of the wider relief effort. - Work is taking place to identify extra resources to support the response, with interim consultancy resource now being used to supplement the relief effort. 	<p>NEW</p> <p>Steve Miley - Director Children's Services</p>	<p>HIGH</p>
<p>6. Commercial and Procurement</p>			<p>Michael Hainge, Commercial Director</p>	<p>NIL RETURN</p>

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7. Delivery and Value Staffing - salaries and wages. Managed Services	Human Resources Organisational structures and hierarchies are not sufficiently accurate thereby expense claims are sent to the wrong line manager causing delays in paying staff. Also Human Resources staff are unable to access a particular form to allow for ad hoc payments to be made causing delays of many months in payment of specific items. The transition for contractors to IR-35 designation has resulted in significant disruption to payment of invoices and explanation of tax deductions. This has resulted in a delay of many weeks for payments to workers. Neither HR at LBHF nor BT have demonstrated a grasp of the situation, and there is a clearly a significant institutional disconnect between partners. This could result in the loss of key staff if the issue is not resolved ASAP.	Identify errors in hierarchies and notify relevant Human Resources staff and ambassadors for correction.	Mark Grimley, Interim Director for Human Resources.	HIGH
8. Delivery and Value Orders and Payments. Managed Services	Financial, Reputational Lack of information on what is being sent to suppliers. Risk that orders may not be generated, sent to wrong address (including email), with the wrong order details. Currently unable to view orders on Agresso to allow officers to correctly liaise with suppliers. Product list is unwieldy and officers are finding it difficult to select the correct items.	Products on Agresso should be selected where possible to mitigate risk of ordering the wrong thing.	Sarah Thomas, Interim Director of Delivery and Value	HIGH
9. Delivery and Value Innovation and Change Management	Human Resource, Financial, Reputational The council embarks on change without the capacity to succeed.	Do an audit of governance around key change initiatives Change Board to receive resourcing overviews and provide challenge	Sue Littleson Head of ICM, Delivery and Value	HIGH
10. Delivery and Value Equalities	Legal, Reputational Failure to comply with the Public Sector Equality Duty	Prioritising the development of the equalities objectives.	Peter Smith, Head of Policy and Strategy.	HIGH
11. Environmental Services Severe disruption to service delivery following Grenfell Tower tragedy.	Customer/Citizen, Legal, Reputational Failure to protect public and staff through carrying out statutory duties. Failure to meet increased fire related demand for services. Officers not at work fulfilling duties owing to illness/ stress resulting from negative publicity and increased demand. Impact on both LBHF and RBKC owing to Bi-Borough working	1. 'Requested additional corporate health and safety resources. Monitor complaint volumes. Monitor staffing. Prioritise work. Update web to advise public. Review emergency procedures. 2. Regular Humanitarian updates to cascade to officers in Shared Services roles. Staff able to volunteer to assist at the WestWay Centre. Counselling available for officers. Interim CEO now appointed at RBKC	Nick Austin, Lead Director Environmental Services Heads of Service and all Managers	HIGH
12. Environmental Services Private Housing Income from introduction of non-mandatory licensing is not achieved of 5 years. Estimated saving target of £1,500,000 and running costs £1,000,000	Financial Loss of income/saving target not met. Unable to fund staffing to enforce private housing standards	1. Communications strategy to promote message wider. Contact letting agents individually. Leaflet 17,000 addresses targeted during consultation 2.Publicity on website and landlord property licensing site	Mark Jones, Director for Finance and Resources	HIGH

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<p>13. Environmental Services</p> <p>Risk that income targets for the duct asset contract are not achieved</p>	Financial	<p>1.' After mediation there will be a legal process.</p> <p>2.Next step in the contract is mediation, which will take place on 12/7/17.</p>	Mark Jones, Director for Finance and Resources	HIGH
<p>14. Environmental Services</p> <p>Risk that debt in Commercial Waste continues to increase.</p>	Financial	<p>1.Agresso to be used to send out late payment letters in a timely manner to all customers. This will reduce the debt levels at an early stage.</p> <p>2.Officer started to ring customers to remind/ obtain payment.</p>	Mark Jones, Director for Finance and Resources	HIGH
<p>15. Environmental Services</p> <p>Internal Housing are planning to purchase their own bins and stop their hire agreements with Commercial Waste.</p>	Financial	<p>1. No further action to take place at this stage.</p> <p>2. Monitoring the situation.</p> <p>There have been no further developments in the last few months in terms of Housing purchasing bins that has been brought to our attention.</p>	Mark Jones, Director for Finance and Resources Sue Harris, Director for Cleaner Greener and Cultural Services	HIGH
<p>16. Environmental Services</p> <p>Fulham mortuary running at capacity, Need for additional storage over winter months to meet demand. Capital works agreed to increase capacity at the mortuary by October 2017, no plan has been provided.</p>	Customer/Citizen, Financial, Reputational	<p>1. Seek update from Corporate Property Services with regard to project plan and dates. If work cannot be completed, source additional storage from suppliers for winter months. Identify funding source for the additional storage as no budget provides for this in mortuary finance.</p> <p>2. Capital funding was agreed for 2017/18 to increase capacity. Instruction was given to Corporate Property Services that works must be completed by October 2017 to account for winter pressure.</p>	Nick Austin, Director for Environmental Health Alistair Ayres, Head of Emergency Services	HIGH
<p>17. Financial and Corporate Services</p> <p>VAT and Construction Industry Scheme</p>	Financial, Legal, Reputational	<p>1.Continuation of purchase to pay support by the Financial systems team to identify and resolve problem issues in liaising with BT, suppliers and managers.</p> <p>Corporate Finance to review manual payment process now system has stabilised.</p> <p>2. VAT officer in place undertaking compliance checks on known issues/ suppliers, action to move CIS contractors from Line of Business systems. Returns are largely dependent on system generated reports but manual adjustments are being made to pay correct CIS deductions over to HMRC.</p> <p>Ongoing liaison with departmental finance teams on significant projects. Mitigation is available to manage partial exemption position but has to be agreed with HMRC and is not guaranteed.</p>	Emily Hill, Head of Corporate Finance Chris Harris, Chief Accountant	HIGH

<u>Service and Risk</u>	<u>Category and Context</u>	<u>1. Action and 2. Mitigations</u>	<u>Owner</u>	<u>Rating</u>
<p>18. Financial and Corporate Services</p> <p>2018 MTFS Process and Financial Resilience</p>	<p>Financial</p> <p>The ongoing challenge of delivering council services, within reduced funding and increased demand pressures is a significant risk.</p> <p>The 2018/19 MTFS process identifies a £18.6m gap in 2018/19 rising to 58.9m in 2021/22. Our approach to identifying savings in 2018/19 includes identifying and delivering savings through transformation portfolios (£4.5m) and identifying other continuous improvement savings and income opportunities (£6.4m) and undertaking specific service reviews (deep dives) (£2.6m). This approach brings risks of potential duplication of savings across the different savings work streams.</p> <p>To balance the budget savings will need to identified alongside limiting growth and inflation bids. Risks that demand requiring growth, inflation will outstrip available funds and that required savings can not be identified.</p>	<p>1. Discussion at SLT of potential cross cutting savings opportunities.</p> <p>Development of an wider Council Investment Strategy.</p> <p>September challenge meetings to be scheduled.</p> <p>2. The council manages its financial risks through a range of controls including budget preparation and budget setting process.</p> <p>Medium Term Financial Strategy reported to Finance and Delivery, Policy and Accountability Committee February 2017 detailing savings, growth, and risks.</p> <p>2018/19 MTFS departmental and transformation portfolio challenge meetings to be held in July and September and regular updates made to SLT and Cabinet.</p> <p>ICM support to the Transformation Portfolios.</p> <p>EY work to identify potential cross cutting savings.</p>	<p>Hitesh Jolapara, Strategic Finance Director</p> <p>Emily Hill, Head of Corporate Finance</p> <p>Andy Lord, Head of Strategic Planning and Monitoring</p>	<p>HIGH</p>
<p>19. Financial and Corporate Services</p> <p>2017/18 revenue budget</p>	<p>Financial</p> <p>The ongoing challenge of delivering council services, within reduced funding and increased demand pressures is a significant risk.</p> <p>Specifically , this is leading to significant in-year pressures in Adult Social Care (ASC) and Temporary Accommodation despite growth (in ASC) and additional grant funding in these areas. Any overspends at year end will require the use of Council reserves which will be unable to fund other investment opportunities and priorities.</p>	<p>1. Meetings with Directors and relevant Cabinet members of overspending services to be held with the Strategic Director of Finance and the Cabinet member for Finance to discuss overspends and action plans.</p> <p>2. Budget Accountability Framework on roles and responsibilities for managing, monitoring and forecasting income and expenditure against approved budgets, Financial Regulations and Financial Scheme of Delegation are in place.</p> <p>2017/18 Budget agreed by Full Council in February 2017.</p> <p>Monthly Corporate Revenue Monitoring reporting (Month 2 gross overspend of £2.896m mitigating actions of £1.765m identified) reported to SLT and Cabinet. Monthly reporting of savings progress.</p> <p>Mitigating action plans is assigned to responsible Directors.</p> <p>The level of reserves and balances are also regularly reviewed to ensure that account is taken of any financial risk.</p>	<p>NEW</p> <p>Emily Hill, Head of Corporate Finance</p> <p>Andy Lord, Head of Strategic Planning and Monitoring</p>	<p>HIGH</p>
<p>20. Financial and Corporate Services</p> <p>Managed services - exit and transition</p>	<p>Contractor, Financial, Reputational</p> <p>Current BT contract expires in May 2019. Risks around timescales to safely implement a new solution particularly in light of the current relationship with BT.</p> <p>There may also be financial implications of a move to the new provider effecting Corporate Finance budgets, risks to delivery of BAU due to capacity of Corporate Finance to support the transition.</p>	<p>1. Ongoing commercial discussions.</p> <p>2. Cabinet agreed principles for selection of new provider in July 2017.</p> <p>Consultants and external legal advisors engaged to support the exit/ transition working to a number of key principles.</p> <p>Managed Services Programme Board in Place, with SRO (CE) and Programme Director.</p>	<p>NEW</p> <p>Emily Hill, Head of Corporate Finance</p> <p>Andy Lord, Head of Strategic Planning and Monitoring</p>	<p>HIGH</p>

Service and Risk	Category and Context	1. Action and 2. Mitigations	Owner	Rating
<p>21. Financial and Corporate Services</p> <p>Managed services - BT relationship</p>	<p>Contractor, Financial, Reputational</p> <p>Due to the current commercial discussions with BT formal Governance meetings have been withdrawn.</p> <p>There are risks that BT may refuse to perform essential service and change requests or other necessary functions to enable complete and accurate processing, recording and reporting of Council income and expenditure. Risks in relation to Corporate Finance capacity if carrying out additional workarounds to compensate and impact on providing a service to internal and external stakeholders.</p>	<p>1. Ongoing commercial discussions. Cabinet to consider report recommending new provider in September.</p> <p>2. Consultants and external legal advisors engaged to support the exit/ transition working to a number of key principles.</p> <p>Managed Services Programme Board in Place, with SRO (CE) and Programme Director.</p>	<p>NEW</p> <p>Emily Hill, Head of Corporate Finance</p>	<p>HIGH</p>
<p>22. Information and Communications Technology</p> <p>People - If there are not enough staff, such as Project Managers, to carry out the work</p>	<p>Human Resource, Reputational</p> <p>There is a risk that parts of the ICT service will become restricted or lost. Also the delivery of projects may be delayed which may impact the planning of services and add to costs.</p>	<p>1. Have identified 21 required JDs - 20 for the consultation and 1 for BAU role. 19 JDs in final approval stage. Head of HR has agreed we can reintroduce IT grading scheme which will address issue of specialised technical skills being appropriately graded, while keeping to overall organisational structure principles of LBHF.</p> <p>2. Must complete the Target Operating Model to enable permanent recruitment to fill any gaps. Completion scheduled for 10th August 2017.</p> <p>TOM consultation started 06/06/17, and will complete 10/08/17. End date had to be extended because 20 new graded JDs required. Will continue to use agency staff to address any temporary needs, although adds pressure to the IT budget.</p>	<p>NEW</p> <p>Veronica Barella, Interim Chief Information Officer</p>	<p>HIGH</p>
<p>23. Information and Communications Technology</p> <p>Client Relationships - If customers are not happy with ICT</p>	<p>Customer/Citizen, Reputational</p> <p>There is a risk that local client ICT teams form. The new service tower processes and TOM are still bedding in and there is a risk that this will encourage the development of ICT teams with resources within services. The Moving On programme may affect Children's and Adults' departmental IT teams which adds risk to the wider IT service. The governance of these will be unclear and may not be co-ordinated with the corporate IT service. There is also a reputational risk as any issues will be attributed to corporate IT rather than to services' actions.</p>	<p>1. ICM team already part of IT's wider communication team eg attend DLTs to communicate new desktop strategy. 2 x SRMs recruited July 2017 with start date Nov 2017. Have extended interim SRM for digital/corporate. CIO & Head of ISP will act as SRM for ASC until new post holder in place. 2. CIO discuss issue of departmental ICT with Moving On lead.</p> <p>2 approaches required:</p> <p>1. New IT service must become a valued part of the council actively engaging with the business, particularly in developing the Desktop Strategy and the ICT Strategy. The new service must put forward a unified front and build awareness through good news stories etc. More rigorous governance of new IT projects also required. IT Services taking proposed IT Gateway proposal to BDT mid August 2017. Cabinet paper template already amended to include IT Comments as mandatory.</p> <p>2. LBHF to decide whether it wants to continue with current departmental IT model. It is possible that LBHF and WCC/RBKC may take different approaches which will fragment the wider IT service.</p>	<p>NEW</p> <p>Veronica Barella, Interim Chief Information Officer</p>	<p>HIGH</p>

Service and Risk	Category and Context	1. Action and 2. Mitigations	Owner	Rating
<p>24. Information and Communications Technology</p> <p>Client Relationships - If services purchase IT applications without consultation with ICT Services</p>	<p>Customer/Citizen, Financial, Policy (Local Governance), Procurement, Technological</p> <p>Need to work closely with Procurement to update the Council's Standing Orders to require consultation with ICT services before any purchases or ICT software or hardware are made. Services to be advised via IT Operational Group of the need to ensure that ICT services are consulted prior to any ICT related purchase. Need to ensure that Senior Management Team and Councillors are aware of need to ensure that ICT services have been consulted in relation to ICT purchases. Strategic Relationship Managers to encourage services to consult with ICT services before making any purchase of ICT hardware or software.</p>	<p>1. More robust IT governance is required as there is increasing tendency for point solutions to be purchased by depts. in trying to support savings targets.</p> <p>2. LBHF need to review departmental IT as part of Moving On programme.</p> <p>3. IT Services taking paper to BDT mid Aug 2017 recommending IT Gateway board for all new IT systems.</p> <p>CIO to feed into Moving On programme requirement to confirm future role of departmental IT.</p>	<p>NEW</p> <p>Veronica Barella, Interim Chief Information Officer</p>	<p>HIGH</p>
<p>25. Information and Communications Technology</p> <p>Managed Services - If Corporate Finance do not make a decision on which payment system the council will use</p>	<p>Human Resource, Legal</p> <p>There is risk of claims against the council as the staff providing support for Capita Axis will continue to face uncertainty about whether their roles will be retained as they already have for a number of years.</p>	<p>1. Debbie Morris agreed HR can provide letter for 2 individuals confirming this and that there are no plans to change their jobs until new procurement carried out. CIO to progress.</p> <p>CIO and Applications Manager to meet HR best way to inform the 2 members of staff of this development.</p> <p>2. CIO has confirmed with Finance that no further development of interfaces into Agresso will happen, therefore existing support function required for at least 18 months pending reprocurement of Capita Axis solution.</p>	<p>NEW</p> <p>Veronica Barella, Interim Chief Information Officer</p>	<p>HIGH</p>
<p>26. Information and Communications Technology</p> <p>If we are unable to recruit good quality interim staff The current Pertemps framework has several issues which are making it difficult to recruit good quality interim staff in a timely manner. Issues include poor response times of Pertemps system itself to the point that tasks take several hours to complete; agencies referring to out of date JDs even though new ones have been uploaded; salary levels being offered means in some roles it is very difficult to recruit good quality staff eg BAs, Security & Information Governance officers; new IR35 guidance has brought in many agency staff under IR35 and pool of available people has decreased significantly.</p>	<p>Customer/Citizen, Human Resource, Legal, Reputational</p> <p>There is a risk that the IT service and IT project delivery will fall below the required standard and affect cyber security, IM case management, project deadlines/budgets, improvements to IT service.</p>	<p>1. Completion of IT consultation will allow recruitment of full time staff providing continuity for the service, with better VFM.</p> <p>2. IT consultation being completed 10th August. Will then be able to recruit permanently.</p>	<p>NEW</p> <p>Veronica Barella, Interim Chief Information Officer</p>	<p>HIGH</p>

Service and Risk	Category and Context	1. Action and 2. Mitigations	Owner	Rating
<p>27. Human Resources</p> <p>Inland Revenue 35 Personal Services Companies</p> <p>Two risks remain. 1 As new Ltd Coy agency workers are engaged in 'In' IR35 roles, there is still the potential for market rates to increase. 2 The decision making process and audit trail surrounding IR35 decisions remains open to audit / challenge from HMRC and requires to continue to be robust.</p>	<p>Contractor, Financial, Legal</p> <p>Changes to legislation for contractors in the public sector came into effective in April 2017. Employer's NI (approx. 13%) will be added to the cost of each engagement. Apprenticeship Levy at 0.5% of paybill will also apply. Reduction of net income for the worker of around 30% in most cases. Some workers may decide to cease offering their services to the public sector. This could cause a skills shortage in key areas. Service continuity may be affected in some critical areas (e.g. Social Workers).</p>	<p>There may be opportunities for some workers to become employees.</p> <p>London Councils made a collective decision not to raise rates as 'compensation' for workers' potential loss of net income.</p> <p>Report to LBHF Senior Leadership Team Feb 2017 endorsing strategy</p> <p>Comprehensive proforma for managers to complete in all cases – questions are consistent with HMRC's prototype tool.</p> <p>Early Feb 2017 - HRBPs to work with departmental Directors of Finance & Resources and managers to gather the proforma data and cross-check each case against current agency records.</p> <p>Mid-to-late Feb 2017 - Completed proformas returned to the HRBP for assessment under new IR35 rules. Results of each assessment given to managers together with guidance on next steps.</p> <p>Initial concerns regarding the immediate impact of the implementation of IR35 have been managed out of the system. Concerns of a mass exodus of certain categories of Agency Worker coupled with significant rate increase requests have on the whole been contained.</p>	<p>Mark Grimley Human Resources Director</p>	<p>HIGH</p>

<u>Service and Risk</u>	<u>Category and Context</u>	<u>1. Action and 2. Mitigations</u>	<u>Owner</u>	<u>Rating</u>
<p>28. Human Resources</p> <p>Unable to deliver statutory reports</p>	<p>Contractor, Legal, Technological</p> <p>Failure of the Agresso product to deliver information in the first quarter of the year leading to reduced business information upon which to make decisions</p>	<p>Statutory reports now more accurate. Still working with . Recovery Plan agreed with BT and Directors. Regularly reviewed and reported on at Operation Framework Board and SFB (attended by Directors and MSP) and discussed in more detail and FBC and SBC meetings. Part of BASREF*.</p> <p>*BASREF - problem areas identified and resolution described and anticipated date of correction subject to commercial discussions. Monitored continually by ICF/PMO at WCC</p>	<p>Mark Grimley Human Resources Director</p>	HIGH
<p>29. Human Resources</p> <p>Failure to administer offers of employment, contracts and other supporting documentation. Failure to ensure Disclosure and Barring Service management control through the Managed Services Programme.</p>	<p>Human Resources</p> <p>Recruitment paperwork (offers of employment, contracts etc.) and DBS checks were taking too long through the Managed Services Programme process. This resulted in delays in the recruitment process and at time loss of candidates. Potential for additional costs incurred through lack of effective recruitment.</p>	<p>Temporary recruitment department was resourced to manage the process internally including resources at both H&F and K&C to carry out DBS checks in a timely manner. We are internally recording offers of employment to successful job applicants on excel to ensure that an appropriate record is maintained that can be reconciled with Agresso.</p>	<p>Mark Grimley Human Resources Director</p>	HIGH
<p>30. Regeneration, Planning and Housing</p> <p>Managing the impacts of Welfare Reform</p>	<p>Customer/Client, Financial</p> <p>Welfare Reform /Local Housing Allowance Changes - increased demand & decreased supply. Changes in the welfare benefit system. Impact on Homelessness acceptances, Temporary accommodation expenditure and the Housing Revenue Account bed debt cost/ void levels.</p>	<p>1. Procurement Strategy reviewed. Lot 1 not progressing. Lot 2 - scope revised. Exploring alternative long term procurement initiatives. Social Lettings Agency set up to deliver. Partnership with Registered Providers engaged in a proactive asset management strategy may yield additional units, increase the number of nominations made available to the Council to vacancies in stock owned by Registered Providers. Additional resource being recruited to progress. Further reduction to the Overall Benefit Cap (OBC) has impacted on some of our Council and Temporary Accommodation tenants. New team set up - H&F Link and Support - to address and mitigate against this. 4 year freezing of working age benefits, including Local Housing Allowance will add further pressure on our ability to procure temporary accommodation. Job Centre Plus now co-located at 145 King Street to increase support to tenants in relation to the OBC. AdviceHub created to extend the support services offered e.g. Work Zone. Extending the support we have in place to help all Council tenants (TA and HRA) to pay their rent, including extending debt support and piloting doing financial support work up front with tenants who at in band 1 so they can have a successful start to their tenancy. Tenant training being rolled out to support tenants to manage their reduced income.</p> <p>2. Housing Options have strengthened front of house and completed an overall service review - now called Housing Solutions. Greater emphasis on prevention, tenancy sustainment and landlord support. Providing a more tailored advice, assistance and homelessness prevention services. Social Lettings Agency launched. Full membership of a West London Procurement framework with a panel of third party providers providing accommodation inside and outside London. Sent out Direct Debit forms to every tenant with the rent increase letter, improved direct debit set up on i-world, now have the ability to set up Direct Debit's over the phone, Direct Debit campaign, menu of support to help tenants manage finances, Housing management under occupation focus re spare room subsidy / bedroom tax</p> <p>Ongoing development of Temporary Accommodation Procurement Strategy using the Social Lettings Agency to mitigate against pressure on expenditure and growth required in budgets</p>	<p>Gerry Crowley Head of Housing Solutions Regeneration, Planning and Housing Services</p>	HIGH

Service and Risk	Category and Context	1. Action and 2. Mitigations	Owner	Rating
<p>31. Regeneration, Planning and Housing</p> <p>Delivering the savings and income required to balance the budget</p>	<p>Financial</p> <p>Risk in 2021 rents continue to be enforced by statute, and the council is unable to return to the rent policy agreed in 2014/15 with tenants, of Consumer Price Index plus 1% plus £1. This would reduce income at a time when most commentators expect inflation rates to increase (most of our contract costs in the Housing Revenue Account (HRA) are linked to CPI). In addition welfare reform, especially the Universal Credit roll out is likely to impact on rent collection rates and fixed term tenancies imposed by government will impact void rates. The Welfare reform risks are considered in full under risk above. All of these items put an upwards pressure on HRA borrowing when the current business plan over the next ten years predicts we will remain close to our HRA debt cap. There is a risk that we will have to cut services to save costs.</p>	<p>1.Continue to build on existing actions, focus on improving non rent income and efficiencies which do not impact on services to residents, see also the actions noted above re Welfare reform in risk above.</p> <p>2.Monthly financial monitoring in place; finance team work each month with budget managers. Monthly reporting on the financial position of the HRA, both revenue and capital to the Departmental Management Team. Heads of Service also meet monthly and are able to pick up jointly on operational issues impacting on costs and revenue. Business plan is regularly updated (it's not just an annual process).</p> <p>As a strategic management team continue to seek ways to reduce costs and generate additional income, focus on opportunities for increasing advertising and commercial income, reducing garage voids and on ensuring we are spending money on communal and planned repairs effectively and efficiently. Have embedded Head of Financial Investment and Strategy into planned works budget monitoring meetings. In the most recent business plan our work has meant we've been able to bring forward £12m of the £74m of planned works we'd previously had to postpone because of the 1% rent reduction but we now have the additional pressures from the requirement for significant additional major works which are covered below and delays in the current planned works programme which will add to inflationary pressures in the business plan. Welfare reform mitigations are covered by risk above.</p>	<p>Kathleen Corbett, Director of Finance & Resources Regeneration, Planning and Housing Services</p>	<p>HIGH</p>

Service and Risk	Category and Context	1. Action and 2. Mitigations	Owner	Rating
<p>32. Regeneration, Planning and Housing</p> <p>Delivering the savings and income required to balance the budget</p>	<p>Financial</p> <p>Future Medium Term Financial Strategy savings not delivered. Inherited bought forward undelivered MTFS savings in planning that had historically been covered from under spends elsewhere that service can not be delivered. We are experiencing increasing pressure on Temporary Accommodation Costs as a result of rent inflation in the wider market as well as the other significant risks which come out of the various welfare reforms and the recent preventing homelessness bill that could result in both an increase in the case load and in reduced rent collection. The Welfare reform risks are considered in full under Risk referred above. Note risk has been split this quarter between GF and HRA.</p>	<p>1.Continue to build on existing actions, focus on improving non rent income and efficiencies in service that do not impact on residents, see also the actions noted above re Welfare reform in risk 1 above. Likelihood rating remains increased until there is clarity on how much if any of the new burdens from the homelessness bill will be funded</p> <p>2.As a strategic management team continue to seek ways to reduce costs and generate additional income. To deal with Temporary Accommodation cost inflationary cost pressures we're looking to procure longer term temporary accommodation (again covered in risk 1 above). Welfare reform mitigations are covered by risk 1 above.</p> <p>Monthly financial monitoring in place; finance team work each month with budget managers. Monthly reporting on the financial position on our GF budgets to the Departmental Management Team. Heads of Service also meet monthly and are able to pick up jointly on operational issues impacting on costs and revenue.</p>	<p>Kathleen Corbett, Director of Finance & Resources Regeneration, Planning and Housing Services</p>	<p>HIGH</p>
<p>33. Regeneration, Planning and Housing</p> <p>Earls Court Regeneration</p> <p>The scheme is currently under review following the change of Administration, this may lead to either the loss of receipts or to receipts being received as realisable capital receipts later than currently predicted in the Housing Revenue Account business plan. Receipts in the Housing Revenue Account business plan had been reprofiled to reflect the lower expected initial realisable receipt based on recent phasing information and the remainder of the receipts have been pushed out to later years and further reprofiling is being done as well as further sensitivity work, however there remains a significant risk of a reduced or delayed receipt until negotiations conclude and the S34A application is concluded.</p>	<p>Customer/Citizen, Financial</p> <p>There's also a significant risk around uncertainties in terms of timing as the business plan numbers are very sensitive to this project</p>	<p>1.Management controls and impact on the HRA business plan to be reviewed regularly and following the outcome of ongoing CLSA negotiations and progress on the next phase</p> <p>2.Project Management Team meets regularly, monthly finance reporting to project team, original scheme project risk register held by project manager . CAPCO paid a fee of £15m on entering into the exclusivity agreement. Governance Structure included in the Conditional Land Sale Agreement £10m is refundable only in restricted circumstances and £5m is not refundable under any circumstances. Sensitivity modelling has been done on the Housing Revenue Account business plan for this and to date some rephasing of realisable receipts has been contained. There is however a significant risk if no receipts are received or if there is further rephasing required or if LBHF costs including those of buying back leasehold homes continue to escalate that this would render the Housing Revenue Account business plan unviable without either income from sales or significant cuts in the capital programme. Scenario modelling on this was shared with the Cabinet member for Finance as part of the preparation of the Housing Revenue Account business plan agreed by Cabinet in February 2016 and risk has continued to be highlighted in subsequent reports and business plan modelling.</p> <p>Expenditure controlled within budgets and growth required in budgets minimised, good governance arrangements in place and complied with. This means Members involved in the review are fully aware of the risk.</p>	<p>Mark Brayford Head of Regeneration Regeneration, Planning and Housing Services</p>	<p>HIGH</p>

Service and Risk	Category and Context	1. Action and 2. Mitigations	Owner	Rating
<p>33. continued</p> <p>The Housing Revenue Account business plan is very sensitive to movements on this project and there are also significant cost risks. If the scheme was for any reason not to be likely to proceed there's a short term risk to the HRA capital programme of £21m and the Council would have to write off the costs of disposal held on the balance sheet, we'd be able to deduct from this the £5m to £15m of the receipts the Council could retain (the amount depends on the circumstances) By the end of 17/18 these are predicted to be £6.2m for housing land and £0.2m for the General Fund, a net risk of write off of between £nil and £1.4m.</p>		<p>The New Regeneration team reengaged with Capco in December 2016 and are currently negotiating an improved deal and associated changes to the CLSA to fulfil the councils commitment to delivering a better deal for residents of west Kennington and Gibbs Green estates. The deal is also intended to significantly limit the councils costs in delivering vacant possession and to protect the 760 replacement homes.</p> <p>At the same time the regeneration team is working with Capco through the project delivery group to ensure the next phase commences if an improved deal on the current CLSA is unachievable. This will ensure the relevant proportions of land payments can be drawn down and used by the Council as per the HRA account business plan.</p> <p>While negotiations are ongoing the regeneration team continue to hold vacancies in the project team to minimise costs and the buyback of leasehold and freehold properties has been limited to acquisitions where residents can demonstrate hardship or other special circumstances</p>		
<p>34. Regeneration, Planning and Housing</p> <p>Investing and maintaining our Council Homes</p>	<p>Customer/Citizen, Financial, Legal</p> <p>Delivery of major work on time and to specification, to maintain and enhance the value of our property. If the major works programme is not delivered to specification and on time then there is a risk that the homes will fall into disrepair and / or they will not be safe and /or will become hard to let potentially resulting in: danger to residents health and safety; a loss of income stream and in additional costs.</p>	<p>1.Embed a true Value For Money culture focusing on quality and timeliness of the work more into the repairs team . Work with residents on this to ensure we deliver both our statutory requirements, keep the fabric of the buildings in good condition, comply with Health and Safety requirements and deliver the service residents want based on what we can afford</p> <p>2.To continue to undertake a review of the existing Asset Management Strategy & long term financial investment plan - stock condition survey update has recently been completed and business plan updated, controls under risk 2 above need to be considered in conjunction with this.</p> <p>Review of service to improve processes and ensure timely delivery. The requirement for significant additional major works and our possible lack of ability to recharge leaseholders for these may impact on our ability to deliver the current works programme</p>	<p>Mark Brayford Head of Regeneration Planning and Housing Services</p>	<p>HIGH</p>

Service and Risk	Category and Context	1. Action and 2. Mitigations	Owner	Rating
<p>35. Regeneration, Planning and Housing</p> <p>Delivering new homes Joint venture has been reconfigured to deliver the Affordable homes as Social Housing in as far as possible rather than Low Cost Home Ownership. This is being achieved by developing Edith Summerskill House as 100% genuinely affordable housing and funding this using the land receipt from Watermeadow Court (which would be 100% private sale), retained RTB receipts and some s106 commuted sums.</p>	<p>Financial</p> <p>There is a risk that some of the S106 receipts may not be received before the grant is payable to the housing association who will be developing Edith Summerskill House. This will put a short term borrowing pressure on the Council. There is a risk that the scheme may again need reviewing as a result of the government proposals on starter homes and a risk associated with the costs underwrites given to the JV by the council as part of the changes to the agreement. Cost underwrite exposure is up to £8m excluding remediation costs and in excess of £18m including remediation.</p>	<p>1.Continue to monitor and review. Continue to review legislative position on the sale of high value voids, ensure homes designed can be used for either social rented or shared ownership</p> <p>2.Housing Revenue Account business plan now does not include the receipt for Edith Summerskill House. If Government announcements on selling vacant high value social rented homes put the programme at risk we could revert to shared ownership and need to watch the risk re starter homes. The original contracts entered into included different proposals to those now being delivered. The proposals differ from those included in the OJEU tender exercise so there a potential risk of challenge which could render the new arrangements void. We have attempted to limited the changes to reduce the likelihood of a challenge, which officers believe is pretty low. If a challenge is successful the council can revert back to the original documents and provide low cost home ownership on both site. ESH requires significant investment in the form of grant funding for the appointed RP to deliver out the site, s.106 commuted sum payments are required for this and are being closely monitored. Revised JV contracts were entered into in December 2016. There is some planning risk and the current WMC proposal as a result of the impact on rights of light on some surrounding properties should the density of the scheme be reduced the land value and/or the affordable housing contribution would be reduced. WMC contamination risk is now £5m from £25m. Flytipping increases demolition budget by £40,000.00.</p>	<p>Jo Rowlands, Regeneration, Planning & Housing Services Lead Director</p>	<p>HIGH</p>
<p>36. Regeneration, Planning and Housing</p> <p>Managed Services</p>	<p>Customer/Citizen, Financial, Reputational</p> <p>Managed services implementation continues to impact significantly on both our service delivery for Regeneration, Planning & Housing to residents and on our ability to collect both rents and leaseholder service charges. We have had on-going issues with missing rent payments which makes it hard for us to firmly chase debt and take cases to court, it also makes it hard for our tenants to keep control of their finances. We have been unable to properly chase service charge arrears since March 2015 (and only very recently have been able to see balances on screen and raise invoices), we do not know the accuracy of the service charge balances but it is very possible that there are issues with payments similar to those we have had with rents. There is a very significant risk that bad debts will increase .</p>	<p>1.Continue with arrears letters for tenants and pushing Westminster project team to resolve the issues remaining. For Leaseholders we will need to carry out a similar calling around exercise before the first Dunning letters are sent if we manage to get this far. For all other issues we need to continue to push and feedback to BT and the project team</p> <p>2.Project is managed by a team based in Westminster who have implemented the system across LBHF, RBKC and Westminster. We continue to experience missing payment files for rents but these are now picked up quickly and arrears letters are going out. We now have access to suspense account on Agresso, we've been able to access rents for some time so this issue is now resolved and have recently had access for leaseholder service charges and all obviously transactions should now be posted. Progress has been made on Leaseholder bills, we have issued successfully the annual estimate and actual invoices and are now issuing major repairs bills although the process is not as we'd like as we have to send the detailed supporting info separately from the invoice. We have some good Dunning letters ready but there is an issue with the way the process picks up invoices and it is not picking up the annual service charge invoices which were raised by uploads onto Agresso, therefore we have not been able to start sending these out as we'd be sending out incomplete lists of overdue invoices to leaseholders. Allocation of money to leaseholders accounts is now up to date</p>	<p>Kathleen Corbett, Director of Finance & Resources Regeneration, Planning and Housing Services</p>	<p>HIGH</p>
<p>37. Libraries</p>			<p>Mike Clarke, Director for Libraries and Archives</p>	<p>NO HIGH RISKS IN THIS PERIOD</p>
<p>38. Public Health</p>			<p>Dr Mike Robinson Director of Public Health</p>	<p>NO HIGH RISKS IN THIS PERIOD</p>

<u>Service and Risk</u>	<u>Category and Context</u>	<u>1. Action and 2. Mitigations</u>	<u>Owner</u>	<u>Rating</u>
Service Registers				
<u>Service</u>	<u>Quarterly return submitted</u>	<u>Additional Information</u>	<u>Owner</u>	<u>Risk</u>
1. Risk Management Compliance and Corporate risk register	Yes	Internal Audit Reviews of Risk Management, Framework and Information Management - 2014 2015 Satisfactory Assurance Compliance Audit - 2015 2016, Satisfactory Assurance Compliance Audit - 2016 2017, Satisfactory Assurance	Director, Audit, Risk, Fraud and Insurances, David Hughes	LOW
2. Risk Management Business Continuity	Yes	Internal Audit Review of IT Disaster Recovery, - 2015 2016, Satisfactory Assurance Internal Audit Review of Business Continuity Planning - 2014 2015, Satisfactory Assurance Internal Audit Review of Adult Social Care Supplier Resilience - 2015 2016, Satisfactory Assurance Internal Audit Review of Adult Social Care Supplier Resilience - 2016 2017, Satisfactory	Lead Director, Nick Austin, Environmental Health	LOW
3. Risk Management Health and Safety	Yes	Internal Audit Review of Bi-borough Organisational Health and Safety - 2014 2015, Satisfactory Assurance	Lead Director, Nick Austin, Environmental Health	LOW
4. Adult Social Care	Yes	Scrutiny of Risk Management in ASC and PH at LBHF Audit, Pensions and Standards Committee 2015 Internal Audit Review of Adult Social Care Supplier Resilience - 2015 2016, Satisfactory Assurance Internal Audit Review of Adult Social Care Supplier Resilience - 2016 2017, Satisfactory Scrutiny of Risk Management in ASC and PH at RBKC Audit and Transparency Committee April 2017	Lisa Redfern, Director of Adult Social Care	LOW
5. Children's Services	Yes	Internal Audit Review of Childrens Services Risk Management - 2014 2015, Satisfactory Assurance	Steve Miley, Director of Children's Services	LOW
6. Commercial and Procurement	No		Commercial Director, Michael Hainge	MEDIUM
7. Delivery and Value	Yes		Sarah Thomas, Director of Delivery and	LOW
8. Environmental Services	Yes	Internal Audit Review of Transport and Technical Services Risk Management - 2014 2015, Satisfactory Assurance Internal Audit Review of Environment, Leisure and Residents Services Risk Management - 2015 2016, Satisfactory Assurance Scrutiny at LBHF Audit and Transparency Committee 2016	Lead Director, Nick Austin, Environmental Health	LOW
9. Financial and Corporate Services	Yes	Internal Audit Review of Corporate Services Risk Management - 2015 2016, Satisfactory Assurance	Strategic Finance Director, Hitesh Jolapara	LOW
10. Regeneration, Planning and Housing	Yes	Internal Audit Review of Risk Management - 2017 2018	Lead Director, Jo Rowlands, Housing Strategy and Options	LOW
11. Human Resources	Yes	Internal Audit Review of Corporate Services Risk Management - 2015 2016, Satisfactory Assurance	Director of Human Resources, Mark Grimley	LOW
12. Information Technology and Communications	Yes	Internal Audit Review of IT Disaster Recovery, - 2015 2016, Satisfactory Assurance Internal Audit Review of IT Risk Management - 2016 2017 Satisfactory Assurance	Chief Information Officer, Veronica Barella	LOW
13. Libraries and Archives	Yes	Internal Audit Review of Risk Management - 2017 2018 Satisfactory Assurance	Mike Clarke, Director for Libraries and Archives	LOW

Source: BUSINESS CONTINUITY, Quarter 1, register.

<u>Service and Risk</u>	<u>Category and Context</u>	<u>1. Action and 2. Mitigations</u>	<u>Owner</u>	<u>Rating</u>
<p>1. Business Continuity</p> <p>Cyber attack - Denial of Service</p>	<p>Customer/Citizen, Human resources, Financial, Legal, Reputational, Technological</p> <p>The threat of malicious attacks, hacking, malware such as worms, trojan horses, spyware and adware. Denial of service attacks by saturating computer systems with a large number of communication requests. This risk is driven by increase in reliance of technology to be better connected and to make more use of data.</p>	<p>1. CT are seeking to implement multi-factor authentication to increase the protection against malicious attacks.</p> <p>2. LBHF/ RBKC Firewall controls. Disabled PC ports and encrypted USB sticks. Users guidance for internet use, and file transfer. Open Systems Interconnection (OSI) model in-built integrity, confidentiality and availability controls (CIA) at all levels. I</p>	<p>Veronica Barella Interim Chief Information Officer London Borough of Hammersmith and Fulham</p> <p>Ben Goward, Interim Chief Information Officer Royal Borough of Kensington and Chelsea</p>	HIGH
<p>2. Business Continuity</p> <p>Act of terrorism</p>	<p>Customer/Citizen, Human resources, Financial, Legal, Reputational, Technological</p> <p>Individual act, Organised act</p>	<p>1. Tannoy message for alerting staff of a potential terrorist incident.</p> <p>2. Gated receptions, barriers, Amey and reception staff training, identification badges, maintenance of key physical security systems, Presentation to Safety Committee on organisation response to terrorism alerts.</p> <p>Insurance cover, £10 million indemnity with £250,000 excess. Zurich Select Policy covers Fire, Lightning, Aircraft, Explosion, Earthquake, Storm, Flood, Malicious Damage including riot or Civil Commotion, Impact and Terrorism.</p> <p>The Council also has a general Contingencies Management Plan and a Office Hubs disruption Management Plan.</p>	<p>RBKC Management Board, Hammersmith and Fulham Strategic Leadership Team</p>	HIGH

Service and Risk	Category and Context	1. Action and 2. Mitigations	Owner	Rating
<p>3. Business Continuity</p> <p>Failure of a contractor, sub-contractor or large financial institution</p>	<p>Customer/Citizen, Human resources, Financial, Legal, Reputational, Technological</p> <p>Supply chain - failure due to performance, liquidity of contractor or other reason. Failure of financial institution due to performance in the financial markets (Treasury Investments and Pensions) Failure of Care Provider, Care Home</p>	<p>1. Business Continuity Software report approved by LBHF Business Delivery Team July 2017 and Cabinet Member Decision report being prepared.</p> <p>Supply Chain Resilience guidance in progress to be issued to LBHF Business Delivery Team for comment/approval.</p> <p>2. LBHF, financial liquidity checks are undertaken on a monthly basis. Alerts are sent out to service departments on high risk contractors. Services are to respond if necessary by engaging with their Contractor then escalating the issue to the service management team ultimately making a decision to activate their service continuity plan and/or call a Service Resilience Group meeting.</p> <p>Treasury Management Protocols, Pensions risk register, Quarterly Reports to Audit (Pensions) (Sub) Committee</p> <p>Continuity Plans, Contracts and Commissioning Boards.</p>	<p>Michael Hainge, Commercial Director</p> <p>Lisa Redfern, Director of Adult Social Care,</p>	<p>HIGH</p>
<p>4. Business Continuity</p> <p>Building Closures</p>	<p>Customer/Citizen, Human resources, Financial, Legal, Property, Reputational, Technological</p> <p>The building closure programme is having a severe impact on the council's ability to provide alternative sites for a denial of access / devastation of a main service premise. The risk for a large first point of contact service (H&F Advice) to re-locate to an alternative site and continue to deliver the service is severely restricted.</p>	<p>1. Fundamental review of property availability to be undertaken in a refresh of Asset needs in the event of a major denial of access incident.</p> <p>2. Local first point of contact Service Continuity Plans were exercised in 2011. Gaps were identified for the first point of contact activities, background activities could use Smart areas / Lynx. Using RBKC locations is not a viable option due to H&F Advice resident profiles, and the complexity of the work in the service provided.</p>	<p>Maureen McDonald Khan, Director for Building and Property Management</p>	<p>HIGH</p>

Service and Risk	Category and Context	1. Action and 2. Mitigations	Owner	Rating
<p>5. Business Continuity</p> <p>Delivery of the Business Continuity Programme and Shared Services Back Office Functions</p>	<p>Customer/Citizen, Human resources, Financial, Legal, Reputational, Technological</p> <p>Business Continuity Programme of work. There is a risk that due to organisational change / service delivery drivers, the programme will be watered down leading to various operational compromises - a 50% FTE resource is split across LBHF / RBKC that seriously hinders a full and effective capability of meeting the principles in ISO22301. This lean approach has resulted in a recent RBKC BC audit, RBKC IT audit and LBHF Supplier Chain audit all with a Limited Assurance rating. Business Continuity processes for the categorisation of services are the same across the three boroughs. However, service information is stored in 3 separate locations and is becoming fragmented. There is a risk that during an incident it will be difficult to centrally collate impact information to assist in a corporate response across a bi / tri borough incident.</p>	<p>1. Essential Crisis Management training is advised to counter Major Incidents Communications and other Response issues.</p> <p>Lessons Learned exercise post Grenfell Tower</p> <p>2. LBHF Service Resilience Group / RBKC Policy and Performance Unit Contingency Planning Service act as the governing boards.</p> <p>Both Councils have independent sovereign policies recently approved by Management.</p> <p>3 boroughs operate their normal Business Continuity processes for dealing with incidents. RBKC and LBHF have a similar process using Senior Management to dynamically deal with a serious incident along with supporting staff and documentation.</p>	<p>Nick Austin Director of Environmental Health</p>	<p>HIGH</p>

Source: HEALTH AND SAFETY , Quarter 1, register.

Service and Risk	Category and Context	1. Action and 2. Mitigations	Owner	Rating
<p>1. Health and Safety</p> <p>Asbestos Management - Council Operational Buildings</p>	<p>Safety Management system failure/inadequate controls/inadequate resources/inadequate monitoring/lack of awareness/No appointed person/No asbestos management plans/No training</p>	<p>2.Tri-borough Asbestos management policy in draft, both RBKC and LBHF sovereign policies currently in use. Permit to work systems operated and asbestos survey programme created. Appointed Person assigned to AMEY by LINK to oversee the asbestos management of operational buildings. Asbestos management plans for individual buildings contained on the premise log books, awareness training on asbestos. Corporate Health and Safety Team have regular building compliance audit planned.</p> <p>May 2017 Corporate Health and Safety have been unable to carry out audit on asbestos management as documentation from Amey has been difficult to obtain. As above, LINK have consultants in to assist in this and other health and safety compliance areas.</p> <p>August 2017 Audit undertaken by Corporate Health and Safety of two corporate buildings. Report to be produced by Corporate Safety. As above waiting for report from LINK.</p>		<p>HIGH</p>