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**Brighton & Hove City Council**

*Strategic Risk Assessment Report*

Risk Category - BHCC Strategic Risk;

interplan
integrated planning software

| ROM Issue: | Financial Outlook for the Council | Responsible Officer: | Catherine Vaughan |
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| | | Risk Code: | SR2 |

**Identified**

Reductions in central government funding are expected to continue well beyond the current Comprehensive Spending Review period through to 2020. The changes to local government funding introduced in 2013/14 will also transfer greater risks to the council, particularly in relation to Business Rate valuation appeals. There is a cumulative impact of reductions in government funding to other public agencies in the city.

**Potential Conseq**

The council will need to continue robust financial planning in a highly complex environment. Failure to do so could impact on financial resilience and mean that outcomes for residents are not optimised.

| **Initial:** | High | | **Revised:** | High | | **Future:** | Significant | |
|---|---|---|---|---|---|---|---|---|
| **Risk Identified Date:** | 15/5/2012 | | **Date Modified:** | 4/6/2013 | | **Date Modified:** | 17/5/2012 | |

**Risk Category:**
- BHCC Strategic Risk
- Economic / Financial

**Existing Controls:**

* Ongoing review of the adequacy of risk provisions and reserves to support the budget strategy and to ensure financial resilience;
* Closer alignment of Corporate Plan and MTFS;
* City Management Board and Finance Directors reviewing city wide impact and opportunities for joint budget planning;
* Development of skills and knowledge to support options appraisal of new delivery models;
* Ongoing consultation and engagement plan for budget setting including with staff, partners, business sector and Community & Voluntary Sector;
* Close monitoring of council tax and business rates income and regular updating of forecasts.

| **Effectiveness of Controls:** | Adequate | **Issue Type:** | Threat |
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| | | **Risk Treatment:** | Treat,Treat |

**Solutions:**  Meet Targeted Budget Management (TBM) reporting timetable
Implement budget setting timetable and process
Review VFM programme and develop further initiatives for 2014/15
Continue to monitor impact of health sector reforms and local savings strategies
Regular joint updates to City Management Board on partners' financial positions and strategies
Monthly Modernisation programme boards

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| **ROM Issue:** | Economic Resilience and Sustainable Economic Growth | **Responsible Officer:** | Geoff Raw |
| | | **Risk Code:** | SR4 |

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| **Identified** | The council has a significant role in championing the city economy and attracting inward investment. It uses its own land and property portfolio to contribute to this alongside a range of policy levers including: housing, planning, economic development, leisure, tourism, education performance and public investment powers |
| **Potential Conseq** | * The city's economy falters in the wake of difficulties in the national and international economy<br>* Business, community, employee and employment expectations and aspirations not met and reputation affected<br>* Failure to sustain local businesses and attract new investment in the city<br>* Failure to achieve Corporate Plan objectives<br>* Busines Rate income to the city is adversely affected |

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| **Initial:** | High | | **Revised:** | Significant | |
| **Risk Identified Date:** | 8/5/2013 | | **Date Modified:** | 23/5/2013 | |

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|---|---|---|---|
| | | **Future:** | Significant |
| | | **Date Modified:** | 23/5/2013 |

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| **Risk Category:** | - BHCC Strategic Risk<br>- Economic / Financial |

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| **Existing Controls:** | * Greater Brighton City Deal initiative has established governance arrangements to support local economic growth and well being<br>* The Council continues to work closely with the Local Enterprise Partnership to influence the economic development strategy and has successfully bid for Growing Places Funding<br>* Council is exploring a variety of policy and financial levers to unlock sustainable growth including housing led regeneration with the Housing & Communities Agency (HCA)<br>* The City Plan will take account of new legislation affecting planning, including s106 requirements, and impacts on citizens, developers and businesses<br>* Continue to develop the investment options in relation to the council's Asset Management Strategy and work on Major Projects<br>* The Brighton & Hove Economic Partnership are hosting an investment prospectus for the city<br>* Planning service to develop an enabling service approach: reflecting local priorities; encouraging best design and building practice; providing certainty to developers; and improving the reputation of the council<br>* Major transport project bid is in the process of consideration by the EU Structural Fund |

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| **Effectiveness of Controls:** | Adequate | **Issue Type:** | Threat |
| | | **Risk Treatment:** | Treat,Treat |

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| **Solutions:** | The council will explore how best to ensure that policy decisions and operational activities give stronger consideration to their impact on the business vitality of the city<br>Refresh the economic strategy for the city, with city partners, to reflect changes in local authority powers and finance (eg Business Rate Retention) and emerging opportunities in the public and private sectors<br>Complete the submission of the Greater Brighton City Deal bid<br>Within its commissioning frameworks the council is exploring opportunities to improve the "look and feel" of the public realm in the main commercial areas of the city |

| ROM Issue: | Becoming a more sustainable city | Responsible Officer: | Geoff Raw |
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| | | Risk Code: | SR8 |

**Identified**
The council has an important civic leadership role in working with others to prepare the city for the current changing pattern of severe weather events and other, longer-term impacts of climate change locally. This includes:
* managing the efficiency of buildings and facilities operated by the council
* reducing the environmental impact of council services and how they are delivered
* strengthening the resilience of the city's energy, waste management, water and land resource arrangements

**Potential Conseq**
Depending on the council's actions, it may affect:
* compliance with our commitment to be a One Planet City
* ability to attract inward investment  and environmental industries to the city
* maintenance of essential routes and services with particular implications for vulnerable residents and businesses in vulnerable locations
* the city's long term resilience to potential increases in the costs of food, energy and travel
* performance against agreed targets and compliance with environmental legislation (e.g. air quality)
* residents and businesses, if partners fail to plan for severe weather events, e.g. maintain essential routes and services to support vulnerable people
* the city's longer term future climate change adaptation and increased resilience to increased costs of food, energy, materials
* performance against stated targets and compliance with environmental legislation
* ability to demonstrate the city's sustainability credentials in comparison with other similar cities

| **Initial:** | Significant | | **Revised:** | Significant | | **Future:** | Significant | |
|---|---|---|---|---|---|---|---|---|
| **Risk Identified Date:** | 8/5/2013 | | **Date Modified:** | 23/5/2013 | | **Date Modified:** | 16/5/2012 | |

**Risk Category:**
- BHCC Strategic Risk
- Environmental / Sustainability

**Existing Controls:**
* Continue to work in partnership with East Sussex County Council in a contract with Veiola to reduce landfill reductions as a result of the Energy Recovery Facility at Newhaven
* Action plan to set out progress on all targets the council has to meet and quantify impact
* The economic strategy and City Deal are exploring the opportunity to reduce carbon emissions through local economic development, including promoting a research and development Eco-Tech capacity for sustainable business solutions within the city , and for re-sale across the globe
* Council support for the City Food Strategy and commitment to take on board findings in relation to the City Council's operations
* Carbon Management Programme Board in place to oversee internal carbon reduction
* Carbon budgets are reviewed with clear action plans to meet targets
* Agreement for council targets on water, waste and sustainable/ethical procurement minimum standards and the installation of monitoring equipment
* Installation of metering of water and energy on council premises to reduce waste
* Targets and standards introduced as part of the sustainable and ethical procurement process
* Adoption of One Planet Living principles for the city

| **Effectiveness of Controls:** | Uncertain | **Issue Type:** | Threat |
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| | | **Risk Treatment:** | Treat,Treat |

**Solutions:** Achieve results set out in council's VFM 3 programme on Carbon reduction to improve the council's own environmental performance; and establish annual council carbon budget
Continue work with partners with aim of implementing a major energy efficiency improvement in homes across the city through HM Government's "Green Deal"
Implement the One Planet Living Action Plan
Complete the Local Bio-Diversity Action Plan and Biosphere Reserve bid to UNESCO
Investigate scope for refurbishment and maintenance of council property to incorporate energy and water performance measures, and other improvements eg, photovoltaic devices

| ROM Issue: | Information Governance Management | Responsible Officer: | Executive Director Finance & Resources & Senior Information Risk Owner (SIRO) |
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| | | Risk Code: | SR10 |

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| **Identified** | The council must operate to a high standard of information governance within the overall context of openness and transparency. |
| **Potential Conseq** | The council recognises that if it fails to manage data effectively then : |
| | * Individuals may suffer loss or damage |
| | * The council may suffer loss of reputation, financial penalties and/or other enforcement penalties |
| | * It may result in a loss of trust in the council by citizens and partners and sub-optimal decision making. |

| **Initial:** | High | | **Revised:** | Significant | | **Future:** | Significant | |
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| **Risk Identified Date:** | 8/5/2012 | | **Date Modified:** | 23/5/2013 | | **Date Modified:** | 12/10/2012 | |

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| **Risk Category:** | - BHCC Strategic Risk |
| | - Customer / Citizen |
| | - Legislative |
| | - Professional / Managerial |

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| **Existing Controls:** | * Information Management Board oversees this risk; |
| | * An action plan to deliver the improvements identified by the Information Commissioner's Office is in place covering staff awareness and training, review and update of all policies and guidance, security review management and records management; |
| | * Open Government Licence implemented to support open government agenda and records management; |
| | * Freedom of Information requests – streamlined process being developed. |

| **Effectiveness of Controls:** | Uncertain | **Issue Type:** | Threat |
|---|---|---|---|
| | | **Risk Treatment:** | Treat,Treat |
| **Solutions:** | Information Management Board to develop arrangements and, through Heads of Service, develop accountability for information asset ownership – ongoing | | |
| | Information Management Board identified funding to meet implementation streams to meet compliance standards. Further work to follow | | |

| ROM Issue: | Welfare Reform | Responsible Officer: | Catherine Vaughan |
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| | | Risk Code: | SR 11 |

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| **Identified** | The government is implementing widespread welfare reforms and support for council tax has been localised. Introduction of the Universal Credit initiative and changes to housing benefits are expected to have a wide-ranging impact on the council and the city. |
| **Potential Conseq** | There will be significantly less housing benefit funding in the city. It is complex to predict the impact on individuals and households. There may be increased risk of vulnerability, homelessness and an impact on income collection. |

| Initial: | High | | Revised: | High | | Future: | High | |
|---|---|---|---|---|---|---|---|---|
| **Risk Identified Date:** | 9/5/2012 | ⚠ | **Date Modified:** | 4/6/2013 | ⚠ | **Date Modified:** | 23/5/2013 | ⚠ |

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| **Risk Category:** | - BHCC Strategic Risk<br>- Customer / Citizen |

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| **Existing Controls:** | * Cross-council programme management approach to welfare reform, links with other strategies i.e. financial inclusion, digital inclusion, Stronger Families, Stronger Communities Partnership;<br>* Additional funding to implement welfare reform included in the budget;<br>* Additional discretionary funding identified and policies agreed;<br>* Monitoring framework being developed to assess service and equalities impacts of welfare reform;<br>* Close monitoring of income collection from council tax and housing rents and corporate critical homelessness budget;<br>* Approach to implementation of social housing sector size criteria agreed by Housing Committee. |

| **Effectiveness of Controls:** | Adequate | **Issue Type:** | Threat |
|---|---|---|---|
| | | **Risk Treatment:** | Treat,Treat |

| **Solutions:** | Continue to implement measures and develop approach<br>Monitor best practice from other Local Authorities and emerging government guidance<br>Review of financial advice and financial inclusion issues arising from these reforms |
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| ROM Issue: | Maintaining Seafront as an asset to the city | Responsible Officer: | Paula Murray and Geoff Raw |
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| | | Risk Code: | SR12 |

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| **Identified** | The city council is the lead custodian of the city's iconic seafront. This involves both maintenance of historic infrastructure and development of key and iconic sites. The seafront is the city's shopfront, a very significant attraction in our visitor economy and a series of important public spaces for our residents. There are 5 million people along our seafront every year. |
| **Potential Conseq** | The heritage structures and infrastructure managed by the council along the seafront require significant investment. Not all existing assets have received the investment needed to meet the changing patterns and demands of usage. The arches which house many of the seafront businesses are intrinsic to the seafront's commercial success and are part of the structural support for the city's major highway the A259 road and footways, many of the structures require significant refurbishment and are under constant monitoring. Madeira Terraces is another current example, where extensive additional financing and resources are needed to meet the refurbishment needs identified. |

| Initial: | High | | Revised: | High | | Future: | High | |
|---|---|---|---|---|---|---|---|---|
| **Risk Identified Date:** | 8/5/2013 | ⚠ HIGH | **Date Modified:** | 23/5/2013 | ⚠ HIGH | **Date Modified:** | 23/5/2013 | ⚠ HIGH |

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| **Risk Category:** | - BHCC Strategic Risk<br>- Physical |

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| **Existing Controls:** | * Seafront arch repair programme to be delivered over 10 years from 2012;<br>* Commissioned structural surveys, e.g. principal inspection of Madeira Terrace and a programme of structural surveys of arches and other seafront structures;<br>* Ongoing visual inspection on day to day basis by seafront team;<br>* Specialist functions involved in cross council working group to identify, prioritise and report issues. |

| **Effectiveness of Controls:** | Uncertain | **Issue Type:** | Threat |
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| | | **Risk Treatment:** | Treat,Treat |

| **Solutions:** | Further investigate issues to develop approach<br>Regular focus by specialist functions, issues to be reported to Risk Owners |
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| ROM Issue: | Keeping vulnerable adults safe from harm and abuse | Responsible Officer: | Denise D'Souza |
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| | | Risk Code: | SR13 |

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| **Identified** | Keeping vulnerable adults safe from harm and abuse is a legal responsibility of the council. Brighton & Hove City Council have a statutory duty to co-ordinate safeguarding work across the City, and to lead the Safeguarding Adults Board which oversees work locally, in partnership with Police, Health and Social Care providers. Over 1400 concerns were raised last year about vulnerable people, 700 progressed to safeguarding referrals requiring investigation. |
| **Potential Conseq** | Cases are more complex and demands can vary. The council is able to respond appropriately at a time of change and contact is vital to protect those most vulnerable. |

| **Initial:** | High | | **Revised:** | Significant | | **Future:** | Significant | |
|---|---|---|---|---|---|---|---|---|
| **Risk Identified Date:** | 8/5/2013 | | **Date Modified:** | 23/5/2013 | | **Date Modified:** | 23/5/2013 | |

| **Risk Category:** | - BHCC Strategic Risk |
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| | - Customer / Citizen |

| **Existing Controls:** | * Awareness through messages and training;<br>* Safeguarding<br>* Learning from serious case reviews, coroners concerns and case review from national work;<br>* Good multi-agency work: Pilot role and access point from Police;<br>* Audit of Safeguarding investigations and alerts (to check as appropriate);<br>* Maintain the role and numbers of professional social workers through service redesign and voluntary severance to ensure capacity;<br>* Multi-agency training in place for better awareness, investigation management;<br>* Highly motivated social workers<br>* Assessment of need using agreed threshold policies and procedures;<br>* Staff provided with learning opportunities and undertake continuous professional development. |
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| **Effectiveness of Controls:** | Adequate | **Issue Type:** | Threat |
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| | | **Risk Treatment:** | Treat,Treat |

| **Solutions:** | From multi-agency work with Police, review pilot to inform service delviery |
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| | Continue to raise awareness through messages and training |
| | Continue to learn from serious case reviews, coroners concerns and case review from national work |

| ROM Issue: | Pay & Allowances Modernisation | Responsible Officer: | Penny Thompson |
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| | | Risk Code: | SR14 |

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| **Identified** | The pay, terms and conditions of employees of Brighton & Hove City Council are constructed from a number of different sources. Key terms and conditions such as pension rights and entitlement to sick pay are agreed nationally. Basic pay is governed by the council's job evaluation and grading system which was implemented in January 2010 and the rates of pay are set in accordance with nationally agreed pay scales. In addition, a significant number of staff receive allowances and additional payments because of the nature and pattern of the work that they do. These allowances are locally determined but over time the current system has become complex, is based on historic requirements and is no longer fit for purpose. Pay Modernisation is designed to implement a new system of allowances that is fair, consistent, modern and transparent and takes into account relevant legislation and case law, in particular in relation to equal pay and broader employment law. |
| **Potential Conseq** | Pay Modernisation is critical to ensure a fair, consistent, modern and transparent system of pay. Failure to implement an appropriate system of pay could lead to significantly greater legal and financial risks in future; service disruption during the implementation phase; and reputational damage. |

| **Initial:** | High | | **Revised:** | Significant | | **Future:** | Significant | |
|---|---|---|---|---|---|---|---|---|
| **Risk Identified Date:** | 8/5/2013 | | **Date Modified:** | 23/5/2013 | | **Date Modified:** | 23/5/2013 | |

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| **Risk Category:** | - BHCC Strategic Risk<br>- Professional / Managerial |

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| **Existing Controls:** | * Agreement from Policy & Resources Committee to negotiate new allowances structure;<br>* Clear officer governance structure set up for communications, negotiations and decision-making;<br>* Clear communication strategy for members, staff and officers;<br>* Identified staff and other resources in Finance, Legal and HR to support negotiations, pay modelling and financial and legal implications;<br>* Refreshed Business Continuity Plans |

| **Effectiveness of Controls:** | Adequate | **Issue Type:** | Threat |
|---|---|---|---|
| | | **Risk Treatment:** | Treat,Treat |

| ROM Issue: | Keeping children safe from harm and abuse | Responsible Officer: | Heather Tomlinson |
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| | | Risk Code: | SR15 |

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| **Identified** | Keeping vulnerable children safe from harm and abuse is a legal responsibility of the Council. Legislation requires all local authorities to act in accordance with national guidance (Working Together) to ensure robust safeguarding practice. This includes the responsibility to ensure an effective Local Safeguarding Children Board which oversees work locally and in partnership with Police, Health and social care providers. The numbers of children in care, and with Child Protection and Children in Need plans, are significantly higher than in similar authorities (1780). |
| **Potential Conseq** | The complexity of circumstances for many children presents a constant state of risk. Understanding and managing risk demands informed and reflective professional judgement, and often urgent and decisive action, by all agencies using agreed thresholds and procedures. Such complexity inevitably presents a high degree of risk. Children subject to abuse and neglect are unlikely to achieve and maintain a satisfactory level of health or development, or their health and development will be significantly impaired. In some circumstances, abuse and neglect may lead to a child's death. |

| **Initial:** | High | | **Revised:** | Significant | | **Future:** | Significant | |
|---|---|---|---|---|---|---|---|---|
| **Risk Identified Date:** | 8/5/2013 | | **Date Modified:** | 23/5/2013 | | **Date Modified:** | 23/5/2013 | |

| **Risk Category:** | - BHCC Strategic Risk |
|---|---|
| | - Customer / Citizen |

| **Existing Controls:** | * LSBC Work Plan and strong leadership by the Independent Chair<br>* Serious Case, Local Management and Child Death Reviews to identify and learning and action for improvement<br>* Robust audit of case files and safeguarding practice<br>* Clarity regarding roles, responsibilities and accountabilities of all professionals and agencies<br>* Robust assessment of need using agreed thresholds, policies and procedures<br>* Continuous professional development and learning opportunities<br>* Integrated Teams providing targeted support to the most troubled families (Stronger Families, Stronger Communities programme). |
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| **Effectiveness of Controls:** | Uncertain | **Issue Type:** | Threat |
|---|---|---|---|
| | | **Risk Treatment:** | Treat,Treat |

| **Solutions:** | Ensure multi agency Quality Assurance and audit arrangements.<br>Address failures in ICT information storage and retrieval processes to ensure appropriate access to case files by social workers.<br>Develop use of Patchwork: a multi-agency information sharing tool<br>Ensure coherent early help strategy and provision for school age children<br>Establish a multi-agency hub (MASH) in partnership with the Police. |
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