

Brighton & Hove City Council

Appendix 1: Strategic Risk Focus report: SR2, SR10, SR18, SR25 and SR34

All

Print Date: 14-Jun-2019

Initial Rating

Revised Rating

LIKELIHOOD	IMPACT				
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	0	0	0	1	0
Likely (4)	0	0	0	2	0
Possible (3)	0	0	0	2	0
Unlikely (2)	0	0	0	0	0
Almost Impossible (1)	0	0	0	0	0

LIKELIHOOD	IMPACT				
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	0	0	0	0	0
Likely (4)	0	0	1	1	0
Possible (3)	0	0	1	1	0
Unlikely (2)	0	0	1	0	0
Almost Impossible (1)	0	0	0	0	0

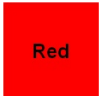

1 - 3
Low
Monitor periodically

4 - 7
Moderate
Monitor if the risk levels increase

8 - 14
Significant
Review and ensure effective controls

15 - 25
High
Immediate action required & need to escalate to the management level above

Risk Details

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR10	Corporate Information Assets are inadequately controlled and vulnerable to cyber-attack	Executive Director of Finance & Resources Head of Strategy & Engagement	BHCC Strategic Risk, Legislative	15/05/19	Threat	Treat	 L4 x I4	 L4 x I3		Revised: Uncertain

Causes

Link to Corporate Plan: Outcome ' A modern council: Providing open civic leadership and effective public services'

Inadequate Information Security

Inadequate Information Governance

Inadequate Information Management

due to lack of resource and organisational maturity and ever-increasing levels and complexity of threats at a time when the organisation increases information assets.

Potential Consequence(s)

- Individuals could suffer reputational, financial or physical harm,
- The council could suffer reputational and/or financial loss along with an inability to function effectively
- The financial sanctions available to the Information Commissioner's Office (ICO) are significant
- The Public Services Network (PSN) & Health & Social Care Information Centre (HSCIC) could impose operational sanctions which would be catastrophic for many services,
- Inadequate Information Governance management lends itself to poor Data Protection practices incl. non-compliant circulation of data & leaks
- It could result in a loss of trust in the council by citizens and partners.

Existing Controls

First Line of Defence: Management Action

These are set out under each of the Risk Causes (in capital letters)

A) Controls re. Cause relating to INADEQUATE CYBER SECURITY

1. Physical access controls for many services have been improved a result of the move to the Orbis Data Centre (ODC1). Remaining service will be moved during 2019/20.

2. Protective monitoring technology is in place to provide threat, vulnerability and incident alerts

3. The council's Behaviour Framework applies to all staff and includes under 'Behaving Professionally' the text "I handle confidential matters and information discreetly and within set guidelines (e.g. Data Protection, data sharing protocols)

4. Incident management now integrates data breach and cyber security incidents

B) Controls re. Cause relating to INADEQUATE INFORMATION GOVERNANCE

5. A suite of Information Governance Policies are reviewed and approved annually

6. An information risk register is regularly reviewed by Information Governance Board (IGB) and the Senior Information Risk Owner (SIRO)

7. Privacy impacts assessments (PIAs) conducted for all new business process and systems involving personal information.

8. Standardised and repeatable workflows and procedures are in place for privacy by design, new major contracts information rights handling.

9. The key responsibilities of all with Leadership Roles at Tier 2, i.e. including all Executive Directors, includes: 'To be accountable for safeguarding and effective exploitation of all data and information systems within the area(s) managed in line with corporate risk management protocols, and in collaboration with services across the organisation.

Approval of business case in May 2019 for increased and dedicated resources to supplement the management and co-ordination of SARs and FOI requests.

Second Line of Defence: Corporate Oversight

1) The Senior Information Risk Owners (SIRO) oversees the organisation's approach to Information Risk Management, setting the culture along with risk appetite and tolerances;

2) The Information Governance Board ("IGB") oversees and provides leadership on Information Risk Management and obligations arising from legislation such as the Data Protection Act (DPA) 1998 & Freedom of Information (FOI) Act 1998;

3) The Caldicott Guardians (Executive Directors Families, Children & Learning; and Health & Social Care) have corporate responsibility for protecting the confidentiality of Health and Social Care service-user information and enabling appropriate information sharing;

4) The Information Governance Team operates as an independent function to provide advice, guidance and oversight in key areas.

5) Information Governance and Cyber Security receives oversight from the Audit and Standards Committee;

6) A Joint Orbis Data Protection Officer (DPO) has been in post as of May 2018. This role assists in the monitoring of internal compliance, provides advice on data protection obligations and Data Protection Impact Assessments (DPIAs).

Third Line of Defence: Independent Assurance

1) Internal and external IT audits provide an objective evaluation of the design and effectiveness of IT&Ds internal controls. An annual Internal Audit schedule is agreed with internal audit; some focus audits specifically on Information Governance (IG) areas, but all will cover some aspect of IG. The outcome of all audits is reported to the Audit and Standards Committee quarterly.



2) IT Health Check (ITHC) performed by a 'CHECK'/'CREST' approved external service provider – covering both applications and infrastructure assurance. The ITHC approach has been updated to include one standard annual check and one targeted solution specific check (e.g. the mobile service).

3) Continued assurance from compliance regimes, including Public Sector Network (PSN) CoCo (Code of Connection); NHS Digital Data Security and Protection (DSP) Toolkit; and Payment Card Industry Data Security Standard (PCI DSS).

Reason for Uncertain status for effectiveness of controls: Cyber threats are evolving to become more sophisticated and our growing dependence on technology means that the impact of a successful attack has greatly increased. Proportionate technical and behavioural mitigations of this risk may not prevent a highly sophisticated, persistent attack.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
CYBER SECURITY/INFORMATION GOVERNANCE Develop and launch a series of IG training modules	Head of Strategy & Engagement	20	31/12/19	28/04/17	31/12/19
<p>Comments: The IG and IS training project has been transferred into the Digital Organisation Programme (DOP) to provide a programmatic structure for delivery within year. Project initiation will take place in Q1 2019/20.</p>					
INFORMATION GOVERNANCE/CYBER SECURITY: Establish an Orbis-wide approach to the identification, assessment and management of information risk	Head of Strategy & Engagement	20	31/03/20	02/04/18	31/03/20
<p>Comments: A basic approach to risk management has been set up within BHCC, but approaches across the Orbis partnership vary - leading to suboptimal processes and duplication of effort. A joint approach to risk assessment will improve efficiency both BHCC led change work and pan-Orbis change programmes (OCAP, TribePad, etc). Workshops to initiate this work are being arranged.</p>					
INFORMATION GOVERNANCE: Create an Information Sharing Agreement Register and use GDPR data mapping processes to identify info sharing governance gaps	Head of Strategy & Engagement	100	31/05/19	20/11/17	31/05/19
<p>Comments: SA register has been created and gaps in ISA are now being identified and resolved as BAU through the information asset register</p>					
INFORMATION GOVERNANCE: DPO benchmarking & audit	Head of Strategy & Engagement	85	31/07/19	01/08/18	31/07/19

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Comments: Awaiting final audit report prior to creating a prioritised programme of work to address areas requiring development.					
INFORMATION SECURITY: Access management project	Head of Strategy & Engagement	20	31/12/19	02/04/18	31/12/19
Comments: Access Management project has been initiated and a high level plan agreed.					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR18	The organisation is unable to deliver its functions in a modern, efficient way due to the lack of appropriate technology	Executive Director of Finance & Resources Head of Strategy & Engagement	BHCC Strategic Risk, Technological	15/05/19	Threat	Treat	 L4 x I4	 L3 x I4		Revised: Adequate

Causes

Link to Corporate Plan: Priority Economy, Jobs and Homes: Improve the City's digital infrastructure

Failure to adopt and adapt to new digital technologies caused by:

Sub-optimal technology capabilities - led by IT & Digital

1) Insufficient IT & Digital staff with the appropriate skills to interpret business need, create strategies and develop, implement, support and maintain new technologies

2) Insufficient investment in the underlying IT infrastructure and platforms

3) Insufficient investment in modern corporate and line of business applications and user device

Sub-optimal staffing capabilities - led by HR OD

4) Insufficient understanding and leadership at all levels of the organisation to exploit the opportunities of modern, digital IT to improve service delivery

5) Low level of basic technical skills in current staff and low confidence in using and innovating with information and technology

6) Failure to recruit/develop sufficient 'high-end' new data management/data analyst skills across business teams

7) Insufficient understanding, management and use of service and corporate data as an asset

Potential Consequence(s)

- Staff do not have appropriate access to the tools and information needed to carry out their roles
- Unable to transform services to achieve efficiencies and better outcomes for residents, communities, businesses and visitors
- Unable to meet organisational budget reductions if automated services are not introduced
- Less effective and engaging interactions with residents and communities
- Impact on council and city reputation as a digital city
- Staff morale affected
- Unable to attract and retain talent due to not meeting expectations of a modern working environment
- Limits ability to achieve relevant Corporate Plan objectives

Existing Controls

First Line of Defence: Management Action

1. Technology and Digital Board in place to align priorities, coordinate co-delivery, remove blockers and track benefits
2. Data Insight Steering Group in place to oversee the delivery of data & analytic capabilities
3. Through a capital investment programme IT&D has greatly stabilised the underlying IT infrastructure and introduced a number of new capabilities. These include implementing a new Mobile Device Management (MDM) system and migrating all member and officer mobile phones from out of support Blackberrys to iPhones, migrating from an end of life Citrix environment onto a new platform, moving all email off premise onto the Microsoft cloud and moving from the withdrawn Eduserv datacentre service into the Orbis data centre (ODC1).

Second Line of Defence: Corporate Oversight

1. Tech & Digital Board in place to review progress, identify interventions where strategic changes on IT are required, and produce a re-focused strategy that aligns the needs of services
2. Corporate Modernisation Delivery Board overseeing alignment of programmes and projects to Corporate Plan aims and reviewing any gaps. This includes the oversight of IT&D Infrastructure programme (DOP).
3. ELT oversight of Annual staff survey has regularly identified concerns with staff not having the right tools/resources to do their jobs. This may include some issues related to IT provision and provides a benchmark for IT change programmes



Third Line of Defence: Independent Assurance

None.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Sub-optimal technology capabilities: Issue new laptop and upgrade existing desktop devices to Windows 10 prior to the retraction of extended support (including the issuing of security patches) for Windows 7 in early 2020. Additionally, increase the laptop estate from approx. 2000 devices to 4000 devices.</p>	Head of Strategy & Engagement	25	31/12/19	01/03/18	31/12/19
<p>Comments: April'19 update: Funding for the project has been agreed and a new PM is in post. The new Window10 build has been developed and tested. Application packaging and testing and the procurement of deployment services is underway.</p>					
<p>Sub-optimal technology capabilities: Social Care and Housing service projects to replace core systems of record and establish improved data management practices</p>	Head of Strategy & Engagement	35	31/03/20	20/04/17	31/03/20
<p>Comments: April '19 update: Both CareFirst replacement project and OHMS replacement project have selected suppliers and initial architectural/IG reviews have taken place. Both project are in pre-delivery phase.</p>					
<p>Use Digital Customer funding to enhance online offer and joined up information systems to improve customer experience thereby reducing avoidable demand on staff time.</p>	Executive Director Neighbourhoods, Communities & Housing	25	31/03/20	01/04/19	31/03/20

47

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: For 19/20, the priorities for the Digital Customer programme are - transitioning to new website, My Account and Customer Index. Detailed scope of these workstreams is being developed currently. This will be reported to the Corporate Modernisation Delivery Board. Delivery accountability for new website sits with Communications and IT&D. Delivery accountability for My Account and Customer Index sits with IT&D. Within these broad workstreams, specific priorities will be set by Customer Sponsor (Executive Director, NCH) and Customer SRO (Head of Performance, Improvement and Programmes).</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR2	The council is not financially sustainable	Executive Director of Finance & Resources Head of Integrated Financial Management & Planning Deputy Chief Finance Officer Head of Performance, Improvement & Programmes	BHCC Strategic Risk, Economic / Financial	15/05/19	Threat	Treat	 L5 x I4	 L4 x I4		Revised: Adequate

Causes

Link to Corporate Plan: Outcome ' A modern council: Providing open civic leadership and effective public services'

Reductions in central government funding will continue through to 2020 under the 2015 Comprehensive Spending Review and potentially beyond. The changes to local government funding introduced in 2013/14 also transferred 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. The greatest risk is from increasing cost and demands across demand-led services such as social care and homelessness.

Implementing 4-year Integrated Service & Financial Plans in 2016/17 and updating these and the Medium Term Financial Strategy annually is challenging given the continuing uncertainty in funding and taxation levels. There is increased uncertainty until HM Govt re-focuses on local government funding including retention of up to 75% of Business Rates and completion of the Fair Funding Review, both of which could have national distributional impacts.

Potential Consequence(s)

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.

Existing Controls

First Line of Defence: Management Controls

1. Ongoing review of the adequacy of risk provisions and reserves to support the medium term budget strategy and to ensure financial resilience 2.

Medium term resource projections (MTFS) and savings plans (4-Year Integrated Service & Financial Plans) are reviewed and revised where necessary to identify and address predicted budget gaps including identification of taxation and savings options.

3. Consultation and engagement with the Leadership (member oversight), cross-party Budget Review Group and partners (particularly the Clinical Commissioning Group 'CCG') for development and approval of the annual budget led by Executive Leadership Team (ELT) and the Chief Finance Officer (CFO).

4. Targeted Budget Management (TBM) Month 7 and month 9 projections are undertaken to accompany draft (Nov/Dec) and final (Feb) budget reports to ensure in-year pressures are reflected in resource projections and budget setting.

5. Taxbase forecasts and projections updated and reflected in the Medium Term Financial Strategy (MTFS) and annual budget proposals and reported by the statutory deadline (31 January).

6. Investment requirements reviewed and funding flexibility identified to ensure delivery of modernisation and savings proposals included in the 4-year plans.

* Key control: annual revenue and capital budgets approved by Full Council in February with a balanced budget and 'funded' capital programme;

* Revised TBM Monitoring regime introduced in 2017/18 to RAG rate budget performance with an escalating scale of scrutiny and intervention where continued overspending is evident. Interventions focus on development of Financial Recovery Plans approved and monitored by the CFO but can ultimately include 'special measures'.

Second Line of Defence: Corporate Oversight

1. Modernisation portfolio monitored by the Corporate Modernisation Delivery Board (CMDB) and reviewed by cross-party Member Oversight group.

2. Close alignment of corporate priorities with the Medium Term Financial Strategy (MTFS) and, particularly, 4-year Integrated Service & Financial Plans.

3. Regular monitoring and review by Policy, Resources & Growth (PR&G) Committee of the MTFS assumptions, the impact of legislative changes; cost and demand pressures; savings programmes; and income, taxation and grant assumptions through TBM reporting and various budget reports (Jul, Nov/Dec, Jan and Feb).

4. Continued adoption by PR&G of the 4-year Integrated Service & Financial Planning (ISFP) approach which sets out plans through to 2019/20 and identifies investment requirements to ensure delivery.

5. Close monitoring by PR&G of council tax, business rates and other income and regular updating of forecasts.

6. Ongoing review and challenge of value for money including Member review, benchmarking, and external audit review and opinion.

7. The cross-party Budget Review Group reviews monthly TBM performance, including financial recovery plans.

8. The Administration's Budget Oversight Group provides oversight of the budget process for Committee Chairs.

9. Oversight of pooled funds and integrated arrangements through separate governance arrangements including Health & Well-being (HWB) Board, HASC Finance & Performance Board and representation on the SES STP Region Finance Group.

Third Line of Defence: Independent Assurance

1. Annual review 2017/18 reported in July 2018 by external auditors of Value for Money (VfM) arrangements leading to an opinion in the annual audit report concluded No matters to report around arrangements to secure VfM and the council's use of resource.

2. Internal audit reviews of budget management and financial planning arrangements. 2017/18 Financial Pressures (Reasonable Assurance), 2018/19 Budget Management (Substantial Assurance). Eight internal audits were undertaken of other key financial systems. The majority were given Substantial

or Reasonable assurance opinions with the exception of Council Tax and Debtors where a Partial assurance opinion was given.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Continue to monitor impact of health sector reforms, integration and Better Care programmes.	Deputy Chief Finance Officer	50	31/03/20	01/04/15	31/03/20
<p>Comments: Meetings with the CCG Alliance Director of Finance and the council's Executive Director of Finance & Resources and deputies are in place to ensure alignment of budget setting processes as far as possible. The Better Care Fund (BCF) S75 Agreement for 2018/19 has been agreed and submitted to NHSE including the risk share arrangement. Recovery plans and corrective measures will be proposed where necessary. Monthly reporting of the council's element of the risk share is provided via the Targeted Budget Management framework. There is on-going dialogue between the two organisations through the Chief Executives and there is a stated commitment to alignment of long term financial planning. Agreement to 2019/20 CCG funding has now been reached and is reflected in the approved 2019/20 General Fund budget. Conversations are on-going regarding aligning MTFS's in the context of the NHS 5 Year Plan and the shift of STP plans across to Integrated Care Plans (ICPs) within an integrated care system (ICS).</p>					
Corporate Modernisation Delivery Board includes monitoring and RAG rating of critical VFM and other savings programmes that support the council's current and medium term financial position. Reporting links to TBM reporting which also monitors savings delivery.	Head of Performance, Improvement & Programmes	78	31/03/20	01/04/15	31/03/20
<p>Comments: Corporate Modernisation governance arrangements are in place. Corporate Modernisation Delivery Board continues to provide support and challenge to project/programme managers and Senior Responsible Owners. All budget figures reported link to the TBM process. 22% of overall savings weren't delivered for 2018/19. Increasing pace of modernisation is one of the key areas of focus. A revised RAG guidance has been prepared which is resulting in more accurate reflection of the progress. Modernisation away day on 26/6/19 will prioritise the programmes within the overall portfolio. Forward planning for the next 4 years (2020/21 to 2023/24) has begun including clarifying investment needs.</p>					
Delivery of modernisation programme financial and non-financial benefits	Deputy Chief Finance Officer	78	31/03/20	01/04/15	31/03/20

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Regular monitoring of performance against target is submitted to Corporate Modernisation Delivery Board (CMDB). A Member Oversight Group meets quarterly to focus on each area of the Modernisation Programme including VFM savings programmes. All savings programmes have appropriate project and programme management resources in place. Detailed business cases and implementation plans are in place for those requiring in-house service changes and redesign. Regular monitoring will be through monthly TBM reports to Directorate Management Teams (DMTs), Executive Leadership Board (ELT), Budget Review Group, and PR&G (5 times per year). The TBM regime has been revised to RAG rate performance with escalating interventions applicable where there is continued overspending. Interventions focus on the development of Financial Recovery Plans approved by the Chief Finance Officer (CFO). During the year additional vacancy controls were applied corporately to aid the financial position. Underlying and projected pressures on demand-led budgets have been recognized in the Medium Term Financial Strategy and in annual budget setting to ensure budget gaps, and savings to close the gaps, are identified.</p>					
Devise and implement budget, MTFS and 4-year Integrated Service & Financial Planning timetable and process.	Deputy Chief Finance Officer	78	01/02/20	01/05/15	01/02/20
<p>Comments: 4-year Integrated Service & Financial Plans are now in their third year and have been approved for 2018/19. Proposals for 2019/20 were approved by Budget Council on 28 February 2019. An MTFS update is provided each July and February to PR&G to ensure resource projections and predicted budget gaps continue to be identified as early as possible with associated savings proposals (4-year plans). The 2019/20 budget identified £12m savings to close the budget gap. An updated MTFS identifies potential budget gaps for the next 4 years assuming no further reductions in RSG and a neutral impact from the Fair Funding Review and 75% BRR. Budget gaps of between £9m and £6m per annum are projected.</p>					
Meet Targeted Budget Management (TBM) reporting timetable and identify risk mitigation and corrective action where necessary	Deputy Chief Finance Officer	78	31/03/20	01/04/15	31/03/20

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: The current annual TBM reporting timetable has been produced and agreed. TBM Month 2 is the first reporting period each year to July PR&G. As last year, TBM reports will continue to be reported to the cross-party Budget Review Group (BRG) to ensure additional member oversight of the financial position. TBM reporting will identify risk mitigation and corrective action for overspending areas identified by RAG rating. A revised TBM regime ensures that escalating interventions apply where continued overspending (RED RAG) is evident. Interventions focus on additional scrutiny by the CFO and/or Chief Executive Officer (CEO), CFO approval of Financial Recovery Plans, and ultimately potential 'special measures' interventions where overspending persists. All 4-year savings programmes will also be monitored (including key VFM programmes) through the TBM report and via the Corporate Modernisation Delivery Board (CMDDB). TBM Month 2 2018/19 was reported to 12 July PR&G Committee indicating a forecast risk of £2.897m (1.3%) including a number of financial recovery measures. TBM Month 11 2018/19 currently indicates a £0.289m overspend risk which is anticipated to be managed down to break-even or better for year-end. However, this includes the use of alternative funding sources to address Homelessness pressures of £900k and IT&D overspending of £700k. Corporate recruitment controls operated between September and December to aid financial management.</p>					
Regular MTFS updates of the City Council's projected financial position for future years	Head of Integrated Financial Management & Planning	50	01/02/20	01/04/15	01/02/20
<p>Comments: A 4-year MTFS is updated and reported to PR&G in July and February each year. The MTFS links closely to 4-Year Integrated Service & Financial Plans (ISFPs) which have been adopted by the Council since 2016/17 and which identify savings programmes and related modernisation investment requirements (one-off) to address predicted budget gaps driven by reducing government grant funding and demand-led budget pressures. The budget and 4-year plans have identified clear plans and opportunities for managing the financial situation through to 2019/20. Beyond this, potential changes to Local Government Finance are being closely monitored including the fair funding review, government announcements within the Autumn Statement, potential 75% Business Rate Retention, additional tax precepting and thresholds, Universal Credit impacts, Better Care funding and health integration, and capital flexibilities. Links to and monitoring of health funding are maintained through representation on the SES STP, MH and TCP Finance Groups and locally through joint finance meetings. An updated MTFS for 2019/20 to 2023/24 has been submitted to full Council, however, this contains a significant number of unknowns and assumptions as mentioned.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR25	The lack of organisational capacity leads to sub-optimal service outcomes, failure to meet statutory obligations, and reputational damage	Executive Director of Finance & Resources Head of Human Resources & Organisational Development Head of Policy, Partnerships & Scrutiny	BHCC Strategic Risk, Professional / Managerial	15/05/19	Threat	Treat	Amber L3 x I4	Amber L3 x I3		Revised: Uncertain

Causes

Link to Corporate Plan: Outcome ' A modern council: Providing open civic leadership and effective public services'

Loss of resilience of organisation due to pace of change, reduction in staff numbers, changing staff and loss of knowledge and history.

Expectations over the services that the council is able to provide and the way in which they are provided.

Potential Consequence(s)

- * Capacity to undertake change work to design high quality services is lost
- * Negative impact on fulfilment of statutory duties
- * Partnership working becomes more fragile as a result of personnel change
- * Personal resilience tested by increased workloads leading to potential stress and sickness
- * Difficulty of recruiting staff to key posts as a consequence of the rapidly increasing costs of living in the city

Existing Controls

First Line of Defence Management Control:

1. BPI team and Digital First programme seek to make process more efficient.
2. Management capacity and capability being enhanced by new Behaviours Framework and Management Development Programme
3. Adverse operating conditions are identified and intelligence received from the Staff Survey , and plans in place to mitigate these.
5. Human Resources & Organisational Development (HROD) activity has been pulled together into single 'People Promise' to ensure staff-related initiatives are better co-ordinated.
6. Business Planning process including Directorate Plans to identify key priorities
7. Some statutory Performance Indicators (PIs) are Key PIs and are reported regularly to ELT, quarterly or annually.
8. Other Management Information for example from the annual Staff Survey highlighting areas for focus.
9. HR Business Partners support Directorate Management Teams (DMTS) to monitor staff absence & welfare including managers' compliance with regular 1 to 1s, return to work interviews and record keeping on Firstcare. This include regular data insight reports bi-annually.
10. HR policies and arrangements in place to address concerns of both management and staff, e.g. Occupational Health Referral newly procured with provider operational across Orbis partners; whistle-blowing; and PDP guidance for managers.
11. HR & OD organised consultative groups have developed a council Behavioural Framework approved by ELT in November 2016. This sets expectations of standards of behaviour and performance
12. HR Business Partners assist DMTs to determine any necessary interventions to improve service capacity

Second Line of Defence Corporate Oversight:

ELT and City Management Board exchange details of working arrangements and changes to key personnel across organisations

ELT tasked with taking stronger cross-City leadership role, e.g. with universities and the health sector.

Actions following Budget Stress Testing exercise including Managing Demand across Orbis services.

Portfolio of modernisation projects and programmes enabling increased organisational capacity such as ICT infrastructure, Business Improvement, Digital First, Workstyles, People and Culture Change

People Plan overseen by ELT, Leadership Board, and Polcy, Resources & Growth Committee.

[Will require updated approach depending on proposals for new MTFS through a priority-based budgeting process.]

Third Line of Defence Independent Assurance:

Internal Audit on Organisational Capacity in September 2017, opinion 'Partial assurance'. Key action is that budget process for 2019/20 will include capacity as a key consideration.

Reason for Uncertain Status of Effectiveness of Controls

Budget decisions will impact on the capacity of officers' capacity to deliver stated outcomes

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>'A Better Brighton & Hove' think tank to deliver greater capacity for research and policy development.</p> <p>Comments: Update June 2019</p> <ol style="list-style-type: none"> 1. Charitable status application initially rejected, but appeal being pursued. Lack of charitable status may damage potential future funding. 2. Further work on innovation network being undertaken, though funding uncertainty and current staffing levels present a challenge for progress / completion. 3. Young Men Matter project nearing completion with initial feedback sessions scheduled for September 2019. <p>Update May 2019</p> <p>Meeting March 2019 agreed to strengthen the think tank aspect of Better through increasing structure programme, enhanced input from universities. Programme to be delivered over next 12 months.</p> <p>Agreed creation of the Innovation Network.</p> <p>Update July 2018</p> <p>Charitable status application has been submitted.</p> <p>Telehealth and Young Men Matter projects underway, and receiving regular reports at Board</p> <p>Drone Project initiated</p> <p>Update March 18 - Telehealth pilot commenced. 12 month pilot with 6 month evaluation.</p> <p>All other work streams are in progress.</p> <p>Update Jan 18 - Research into complex vulnerable young men has commenced providing information and insight for use by Families, Children and Learning in dealing with this cohort. This research is due to report in June 2019. Further development of Electric Vehicle (EV) scheme working in partnership with transport colleagues, Office of Low Omission Vehicles and private companies has assisted the city to bid for further resources.</p> <p>Oct 17 - A Better Brighton & Hove became operational in October 2017. In its first year it has funded various projects, from research to a one-off event, and has generated interest from various organisations across the city. The Think Tank aspect has invited presentations and discussions on various topics, some of which include machine learning and a potential proposal to encourage Brighton & Hove to become the leader in Electric Vehicle charging points. The actual benefit of projects funded has yet to be realised as most are still in the initiation phase but the potential benefits will continue to be monitored and analysed as the projects progress.</p> <p>July 17 update - Better has continued to meet and provide capacity and funding to specific areas of work, including Young Men Project; Transport</p>	Head of Policy, Partnerships & Scrutiny	75	30/06/20	04/07/17	30/06/20

Vision; Telehealth.

Agreed in principle but specific funds to be agreed relate to 3D Mapping; Economic Strategy support

Further potential areas include Parks; Social Enterprise Support.

Business case has been developed to pilot First Care Solutions as a pro-active absence management solution which has shown results and is in use at Surrey; and East Sussex Councils	Head of Human Resources & Organisational Development	100	31/03/18	01/02/17	31/03/18
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Comments:

Progress update January 18

System implemented from 1st December. Work on-going to maximise the use of more sophisticated management information that will be available via First Care system. This risk action is now closed and should be moved to business as usual within HROD.

Full business case will be submitted to CMBD for approval in April 2017 with options for a a full council service role out or a targeted approach to test the model in terms of staff attendance and cost efficiency. Unions have been consulted and have raised some questions that are being worked through ahead of the case presentation.

July 17 update - Full business case agreed at CMBD and approved at PRG. Contract signed in July. Need to highlight the benefits for staff of OH approach linked to wellbeing. Monitoring of sick stats once in place to assess impact but one clear benefit will be the improvement to management information.

October 17 update

- Union and staff engagement continued, including initial communications and posters
- A clear timeline is in place for implementation on 1st November (with some contingency subject to system checking and union processes)
- Management training underway
- Work linked to the wellbeing work-stream of the people plan to focus on the benefits of immediate medical advice and support for staff

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Corporate services now integrating into Orbis partnership following conclusion of Inter Authority Agreement (IAA) in May 2017. Most services fully integrated in terms of management, however position in Surrey could potentially affect full integration of Finance and HR in the future. In addition decisions on HR, Finance, and Property mean that full integration of these services now will not happen. Efforts will continue with East Sussex on HR and Finance. The position on Property will depend on w</p> <p>Comments: Integration with Orbis now well under way - senior management integrated across 5 of 6 services. Main challenge is effecting the transformation while delivering excellent services - genuine capacity risk. Draft 3 year business plan endorsed by Orbis Joint Committee on 20 October; final plan on 19 January 2018. Orbis operational governance being re-constituted to be more risk and action-focused. Principle of 'Managing Demand' established and (potentially) will underpin future service re-designs. Budgets were integrated in 1 April 2018. Review that reported in March broadly shows that ongoing integration (with the exception of Property) between Brighton & Hove and East Sussex is desirable. A challenge remains on disaggregation of budgets, and a refreshed set of management arrangements from November 2019.</p>	Executive Director of Finance & Resources	75	31/03/20	13/10/16	31/03/20
<p>HR & OD developing management development programme to enhance capacity of first 4 tiers of staff</p> <p>Comments: Progress update March 19 The pilot phase is complete and the full roll-out is planned for 19/20. The initial modules have had excellent feedback from participants, and some changes to the challenge and collaboration groups have been made in response to feedback. The success of the full programme will be measured by the quality of leadership in the organisation, including the management scores in the staff survey.</p>	Head of Human Resources & Organisational Development	30	31/03/20	02/01/17	31/03/20
<p>HR working with others to develop a people strategy (Our People Promise) taking into account organisational needs and informed by our staff survey, corporate plan and our workforce data</p>	Head of Human Resources & Organisational Development	30	31/03/20	01/04/16	31/03/20

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Modernisation funds secured to progress the work to develop and implement actions from Our People Promise for 19/20 and 20/21. The behaviour framework has been re-written following feedback during the Fair and Inclusive focus groups (including feedback that it was too long) and will be launched for consultation in May with the Forums and TU's. The revised framework will be used in end of year appraisals and objective setting in June / July. The senior leadership rated appraisal process will take place in June / July using the 4-scale rating system. The wellbeing work stream is a fundamental part of our approach to drive improved resilience and performance through wellbeing. The menopause and pension awareness training has now been embedded into the corporate training programme, and the wellbeing working group are now focusing on further initiatives around mental and physical health. The sickness procedure has been completed, but further conversations have taken place to agree the toolkit that will provide advice and guidance about the procedure, and ensure the benefits of informal and early resolution are embedded. The new procedure is due to go to PRG in July and the end of year sickness figures showed a reduction in sickness from 10.57 to 10.07 for 18/19. Health checks are going to be rolled out across the council, and the wellbeing steering group is working on this. . With regard to the pay review focus groups across the organisation have been held and a great deal of data about what our staff value has been gathered. This will be used to shape pay review proposals that include how we will also offer non-pay benefits that are more focused to the needs of our employees. The action plan for the draft Fair and Inclusive work stream following the global HPO review has been agreed and the first meeting of the Corporate Equality Delivery Group took place on 29th April 2019. The roll-out of the full Leadership Development programme has been agreed and sessions will run from September onwards. The staff survey has been rolled out and results to measure our OPP work will be available from mid-May</p> <p>Next steps:</p> <ol style="list-style-type: none"> 1. Proposals for the Pay review to be put to the new administration (Head of HR, June 2019). 2. The sickness procedure will go to PRG in July 2019 (HR Business Partner, March 2019) 3. The full delivery plan for the Fair and Inclusive work-stream to be presented to CEDG (Consultant - Reward & Policy, June 2019). <p>Measures of success:</p> <ul style="list-style-type: none"> Deliver specified cashable and non-cashable benefits for the project/programme Effective engagement of Wellbeing Steering Group Improved staff survey results for Wellbeing Successful delivery of rated and moderated mid-year reviews . Staff survey results and action plans in place including an action plan to address the corporate results Reduction in sickness absence Continued reduction in agency spend Improved diversity profile of the workforce 					

Internal Audit review completed in September 2017. This flagged a greater need to focus on resource implications, rather than the council keeping everything running, sometimes carrying greater risks.	Executive Director of Finance & Resources	60	31/12/19	06/10/17	31/12/19
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Comments: Actions due to be completed as part of budget process for 2019/20 and 2020/21. These are around understanding the cost of statutory versus discretionary services and holding management information around the capacity of services. Budget balanced for 2019/20. More detailed priority-based budget process required for new Medium Term Financial Strategy from 2020/21 - planning has commenced for this, as has work to identify the resources required for core risk management around activities such as Health & Safety and Information Governance.

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR34	Ambitions to improve offer for staff which have been stated in Our People Promise may not be realised	Executive Director of Finance & Resources Head of Human Resources & Organisational Development	BHCC Strategic Risk	15/05/19	Threat	Treat	Amber L3 x I4	Yellow L2 x I3		Revised: Adequate

Causes

Link to Corporate Plan: Outcome ' A modern council: Providing open civic leadership and effective public services'

Lack of consistent support and promotion to staff across the council's leadership and from support services; lack of engagement from trade unions and/or complex employee relations issues diverts resources to deliver Our People Promise..

Potential Consequence(s)

1. Lack of impact on staff wellbeing (as tracked by annual staff survey, due April 2019).
2. Quality of leadership across organisation.
3. Ability of city council to drive improved performance.
4. Impact on staff recruitment and retention.
5. Increased costs.
6. Failure to deliver creates lack of confidence and future support.

Existing Controls

First Line of Defence - Management Controls

1. Our People Promise programme board chaired by Head of Human Resources & Organisational Development.
2. Regular review meetings with Chief Executive and Exec Director, Finance & Resources.

Second Line of Defence - Corporate Oversight

1. Corporate Modernisation Delivery Board.
2. Regular review at Leadership Board and Leaders' Group
3. Policy, Resource & Growth Committee.

Third Line of Defence - Independent Assurance

None.

Policy, Resources & Growth Committee.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Monitor effectiveness of Our People Promise offer and consult with others to consider refining details	Head of Human Resources & Organisational Development	30	31/05/19	31/12/20	31/05/19

Comments: Progress to date update March 2019:

Modernisation funds secured to progress the work to develop and implement actions from Our People Promise for 19/20 and 20/21

The behaviour framework has been re-written following feedback during the Fair and Inclusive focus groups (including feedback that it was too long) and will be launched for consultation in May with the Forums and TU's. The revised framework will be used in end of year appraisals and objective setting in June / July. The senior leadership rated appraisal process will take place in June / July using the 4-scale rating system.

The wellbeing work stream is a fundamental part of our approach to drive improved resilience and performance through wellbeing. The menopause and pension awareness training has now been embedded into the corporate training programme, and the wellbeing working group are now focusing on further initiatives around mental and physical health. The sickness procedure has been completed, but further conversations have taken place to agree the toolkit that will provide advice and guidance about the procedure, and ensure the benefits of informal and early resolution are embedded. The new procedure is due to go to PRG in July and the end of year sickness figures showed a reduction in sickness from 10.57 to 10.07 for 18/19.

Health checks are going to be rolled out across the council, and the wellbeing steering group is working on this. .

With regard to the pay review focus groups across the organisation have been held and a great deal of data about what our staff value has been gathered. This will be used to shape pay review proposals that include how we will also offer non-pay benefits that are more focused to the needs of our employees.

The action plan for the draft Fair and Inclusive work stream following the global HPO review has been agreed and the first meeting of the Corporate

Equality Delivery Group took place on 29th April 2019.

The roll-out of the full Leadership Development programme has been agreed and sessions will run from September onwards.

The staff survey has been rolled out and results to measure our OPP work will be available from mid-May

Next steps:

1. Proposals for the Pay review to be put to the new administration (Head of HR, June 2019).
2. The sickness procedure will go to PRG in July 2019 (HR Business Partner, March 2019)
3. The full delivery plan for the Fair and Inclusive work-stream to be presented to CEDG (Consultant - Reward & Policy, June 2019).

Measures of success:

Deliver specified cashable and non-cashable benefits for the project/programme

Effective engagement of Wellbeing Steering Group

Improved staff survey results for Wellbeing

Successful delivery of rated and moderated mid-year reviews .

Staff survey results and action plans in place including an action plan to address the corporate results

Reduction in sickness absence

Continued reduction in agency spend

Improved diversity profile of the workforce

