

<b>Committee(s)</b> Port Health & Environmental Services Committee	<b>Dated:</b> 24 September 2019
<b>Subject:</b> Port Health & Public Protection Risks	<b>Public</b>
<b>Report of:</b> Director of Markets and Consumer Protection	<b>For Information</b>
<b>Report author:</b> Donald Perry Department of Markets and Consumer Protection	

### Summary

This report has been produced to provide the Port Health & Environmental Services Committee with assurance that risk management procedures in place within the Department of Markets and Consumer Protection are satisfactory and that they meet the requirements of the corporate Risk Management Framework.

Risk is reviewed regularly by the departmental Senior Management Team as part of the on-going management of operations within the Department of Markets and Consumer Protection. In addition to the flexibility for emerging risks to be raised as they are identified, a process exists for in-depth periodic review of the risk register.

The Department of Markets and Consumer Protection have identified a number of departmental risks. Of these, the most significant risks for this Committee to consider are:

- CR21 – Air Quality (Current Risk: AMBER)
- MCP-PHPP 001 Brexit (Current Risk: AMBER)

### Recommendation(s)

Members are asked to:

- Note the report and the actions taken in the Department of Markets and Consumer Protection to monitor and manage effectively risks arising from our operations.

### Main Report

#### Background

1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department.

#### Current Position

2. This report provides an update of the key risks that exist in relation to the operations of the Port Health & Public Protection Services within the Department of Markets and

Consumer Protection. The report also outlines the processes adopted for the on-going review of risk and mitigating actions.

### **Risk Management Process**

3. The Department of Markets and Consumer Protection has risk management as a standing agenda item at the two-monthly Departmental Senior Management Group (SMG) meeting, over and above the suggested quarterly review. SMG receives the risk register for review, together with a briefing note highlighting any changes since the previous review. Consideration is also given as to whether any emerging risks exist for inclusion in the risk register as part of Divisional updates on key issues from each of the Superintendents and Assistant Directors, ensuring that adequate consideration is given to operational risk.
4. Between each SMG meeting, risk and control owners are consulted regarding the risks for which they are responsible, with updates captured accordingly.
5. Regular risk management update reports are provided to this Committee in accordance with the City's Risk Management Framework.

### **Identification of New Risks**

6. New and emerging risks are identified through a number of channels, the main being:
  - Directly by SMG as part of the monthly review process.
  - In response to regular review of delivery of the departmental Business Plan; slippage against key deliverables, for example.
  - Annual, fundamental, risk register review, undertaken by the tier of management below SMG.

The risk register may be refreshed over and above the stated process for review and oversight, in response to emerging issues or changing circumstances.

### **Summary of Key Risks**

7. The Department of Markets and Consumer Protection's Risk Register for Port Health & Public Protection Services, attached as Appendix 1 to this report, includes two Amber risks one Corporate and one at Departmental level:

#### **CR21 – Air Quality (Current Risk: AMBER)**

**Cause:** Small particulate pollution has chronic health impacts from long term exposure at very low concentrations and is in evidence within the City and central London. There is also a health impact associated with long term and short term exposure to nitrogen dioxide.

**Event:** Under certain atmospheric conditions there is a higher probability of poor air quality within the City and it is more likely that residents, workers and visitors would suffer the acute consequences.

**Effect:** The consequences both acute and chronic may include:

An increase in hospital referrals placed upon both emergency services and the NHS for those already suffering from respiratory or cardiovascular conditions (it may also place a strain on City social services).

An increase in deaths, particularly of those already suffering from respiratory or cardiovascular conditions (both residents and workers).

Economic costs such as acting as a deterrent of businesses coming to London or staying and financial penalties for non-compliance with air quality limits.

Persistent poor air quality may affect the longer-term health of the City population.

Persistent poor air quality may attract adverse media coverage making the City seem a less attractive place to live and work.

### **MCP- PHPP 001 – Brexit (Current Risk: AMBER)**

**Cause:** The outcome of Brexit negotiations does not secure continuity of contracts, access to talent, ongoing grant funding and/or security of supply chains

**Event:** The City Corporation services fail to prepare appropriately for the UK departure from the EU in October 2019. Uncertainty around the potential outcomes until it is too late to react.

**Effect:** There are a range of potential impacts. The City Corporation's services are disrupted due to increases/changes in trade and as supply chains and contracts are reassessed, potentially increasing cost and reprioritisation of resources. Increased risk to public, animal and environmental health due to legislative changes. Increased risk and cost to consumers. Inadequate IT support if current EU software is replaced by bespoke UK systems that do not have sufficient functionality. Reduction in income if charging regimes are not established as part of Brexit. Potential for increased workload depending on whether agreement is reached from 'no deal' (check everything), through to no checks on EU products based and on risk via a full reciprocal arrangement (status quo).

### **Conclusion**

8. Members are asked to note that risk management processes within the Department of Markets and Consumer Protection adhere to the requirements of the City Corporation's Risk Management Framework. Risks identified within the operational and strategic responsibilities of the Department of Markets and Consumer Protection are proactively managed.

### **Appendices**

- Appendix A – Port Health & Public Protection Risk Register Summary

### **Background Papers**

Department Business Plan  
Department Risk Review  
Department Business Plan Progress Report  
Risk Management Strategy

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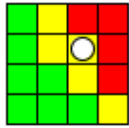
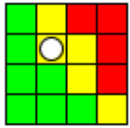

# PH&ES Committee Risk Report Appendix A

Report Author: Donald Perry  
Generated on 09 September 2019



Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<b>CR21 Air Quality</b> 07-Oct-2015 Jon Averns	<p><b>Cause:</b> Small particulate pollution has chronic health impacts from long term exposure at very low concentrations and is in evidence within the City and central London. There is also a health impact associated with long term and short-term exposure to nitrogen dioxide.</p> <p><b>Event:</b> Under certain atmospheric conditions there is a higher probability of poor air quality within the City and it is more likely that residents, workers and visitors would suffer the acute consequences.</p> <p><b>Effect:</b> The consequences both acute and chronic may include:                      An increase in hospital referrals placed upon both emergency services and the NHS for those already suffering from respiratory or cardiovascular conditions (it may also place a strain on City social services).                      An increase in deaths, particularly of those already suffering from respiratory or cardiovascular conditions (both residents and workers).                      Economic costs such as acting as a deterrent of businesses coming to London or staying and financial penalties for non-compliance with air quality limits.                      Persistent poor air quality may affect the longer-term health of the City population.                      Persistent poor air quality may attract adverse media coverage making the City seem a less attractive place to live and work.</p>		12	No change since last assessment  <b>09 Sept 2019</b>		6	31-Dec-2020	 Constant

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR21 001e Develop plan	Develop and implement a plan for reducing the impact of diesel vehicles on air pollution in the Square Mile. This is to complement the work being undertaken by the Mayor of London to reduce air pollution in the central zone through the implementation of the Ultra Low Emission Zone.	draft Air Quality Strategy approved by PHES for consultation	Jon Avern	06-Mar-2019	31-Dec-2019
CR21 001f Investigate options to reduce emissions.	Investigate options to reduce emissions from combustion plant in the City using local legislation.	PMB approved by London Councils TEC. To be presented as PMB to House of Lords in June / July	Jon Avern	03-Apr-2019	30-Sep-2019
CR21 001i Pilot ultra-low emission street.	Pilot an ultra-low emission street in the City of London.	project superseded by accelerated plans to make Beech Street zero emission	Jon Avern	07-Aug-2019	31-Dec-2019

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<p><b>MCP-PHPP 001 Brexit - Impact on Port Health and Animal Health</b></p> <p>08-Nov-2016 Jon Avern</p>	<p><b>Cause:</b> The outcome of Brexit negotiations does not secure continuity of contracts, access to talent, ongoing grant funding and/or security of supply chains.</p> <p><b>Event:</b> The City Corporation services fail to prepare appropriately for the UK departure from the EU in October 2019. Uncertainty around the potential outcomes until it is too late to react.</p> <p><b>Effect:</b> There are a range of potential impacts. The City Corporation's services are disrupted due to increases/changes in trade and as supply chains and contracts are reassessed, potentially increasing cost and reprioritisation of resources. Increased risk to public, animal and environmental health due to legislative changes. Increased risk and cost to consumers. Inadequate IT support if current EU software is replaced by bespoke UK systems that do not have sufficient functionality. Reduction in income if charging regimes are not established as part of Brexit. Potential for increased workload depending on whether agreement is reached from 'no deal' (check everything), through to no checks on EU products based and on risk via a full reciprocal arrangement (status quo)</p>	<p>Likelihood</p>  <p>Impact</p>	<p>12</p>	<p>The existing Trade Control and Expert System (TRACES), which allows importers and exporters to provide health certification and track consignments of animals or animal products and high-risk products not of animal origin, will be replaced by a new system in the event of a no deal Brexit, or potentially following Brexit. The new system (IPAFFS) does not have the functionality of TRACES and although testing has indicated that this should work on Day 1, contingency measures are in place. It is possible that access to the TRACES system may be extended, but this has yet to be confirmed. Whilst Government has indicated that food and feed of EU origin will not be checked at the UK borders from Day 1, should UK exports be subject to controls at the EU borders, this could influence the Government's approach and policy. It is then possible that controls would be imposed at UK borders which may have considerable resource and logistical implications. Similarly for live animals, although government has indicated that in a 'no deal' scenario exiting arrangements will continue, this could change.</p> <p><b>09 Sept 2019</b></p>	<p>Likelihood</p>  <p>Impact</p>	<p>6</p>	<p>31-Dec-2020</p>	<p></p> <p>Constant</p>

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
MCP-PHPP-001c Liaison with Remembrancer and other CoL depts.	Engage with stakeholders to assist in the identification of impacts and possible mitigations. Ensure Remembrancer and CoL depts are fully aware of the implications of Brexit on PH and PP and that they lobby accordingly.	A list of questions to government concerning 'no deal' has been compiled and the Remembrancer is considering how best how to obtain a full answer to them. There will be ongoing engagement with government until final trading arrangements with the EU are agreed.	Jon Aaverns	09-Sept-2019	31-Dec-2020
MCP-PHPP-001d Respond promptly to developments	Respond promptly to policy decisions from the UK Government and the outcome of negotiations.	The City Corporation continues to seek clarification over exact expectations and requirements post Brexit, particularly concerning consignments that transit the EU. Government has issued guidance on importing animal products and high-risk food and feed not of animal origin after EU exit.	Jon Aaverns	09-Sept-2019	31-Dec-2020
MCP-PHPP-001e Develop Measures to mitigate increased throughput	Develop Measures to mitigate the potential increase in throughput at the ports and airports	The Food Standards Agency (FSA) approved a bid for additional funding for imported food and feed controls, up to £281K for 2018/19. Total costs of planning and preparation were calculated, and an invoice was sent to the FSA which was settled in the sum of £146K. In addition, a bid for £500K was submitted for 2019/20 and £400K has been awarded. Preparations have been made for changes to the type and volume of throughput at the ports and HARC, as well as the potential at the Ports to resort to paper-based systems should the current EC one not be available or if the Defra replacement is not fit for purpose and for HARC to manage with a manual system for the foreseeable future. Should it be necessary to monitor and control foodstuffs imported from the EU, a revised shift pattern may be necessary. The Port of Tilbury (PoT) is constructing a new terminal 'Tilbury 2', which is ostensibly for EU trade, but there are no plans for an inspection facility. PoT estimates that this would cost £1.2M. This is not the responsibility of CoL, but clarification is required from HMG as to whether such a facility is required. An approach has been made to MHCLG concerning funding.	Jon Aaverns	09-Sept-2019	30-Oct-2019
MCP-PHPP-001f Develop measures to mitigate the potential loss of qualified staff.	Develop measures to mitigate the potential loss of qualified staff of which there is a scarcity in the UK employment market.	In house training continues and further staff have achieved relevant qualifications. Agency staff have also been sourced. Animal health staff have been recruited at HARC and Official Veterinarians at the port. Training is underway for the latter and is almost complete.	Jon Aaverns	09-Sept-2019	31-Oct-2019