

<b>Committee(s)</b> Port Health & Environmental Services Committee	<b>Dated:</b> 14 Jan 2020
<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 risk management is 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.
6. The Director, accompanied by the Chairman, appeared before the Audit and Risk Management Committee in July 2018 for a 'Risk Challenge' session, so that the Committee could be assured that Risk within the Director's area of responsibility is adequately managed. The Director set out the department's key Risks as being about: Workplace Transport; Brexit; and Air Quality. Only the latter two are relevant to the PHES Committee. On both Brexit and Air Quality, which is also a Corporate Risk, the Director covered the ground that is explained in this report. There was also a discussion about the Markets Consolidation project and the requirement to present a Bill to Parliament in November 2019 in order to achieve the planned timeline.

### **Identification of New Risks**

7. 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**

8. The Department of Markets and Consumer Protection's Risk Register for Port Health & Public Protection Services, attached as Appendix 1 to this report, includes one Amber (Corporate) risk and one Amber Departmental risk:

#### **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 in trade and as supply chains and contracts are reassessed, potentially increasing cost and reprioritisation of resources. Uncertainty over multi-year grants may undermine the City Corporation's ability to deliver or commit to services. The City Corporation may be unable to access the specialist talent and supply chains it needs to deliver some of its services, e.g. Official Veterinarians (OVs) and Port Health Officers and may be unable to train sufficient additional staff in time for Brexit. Increased risk to public, animal and environmental health due to legislative changes. Increased risk and cost to consumers. Reduction in income if charging regimes are not established as part of Brexit. Potential for increased workload depending on agreement reached from 'no deal' (check everything), through to no checks on EU products based on risk via a full reciprocal arrangement (status quo).

### **Conclusion**

9. 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

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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
CR21 Air Quality  07-Oct-2015 Ruth Calderwood	<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>	 Likelihood Impact	12	Early indications are that roadside concentrations of nitrogen dioxide have reduced following the introduction of the Mayor of London Ultra Low Emission Zone and zero emission buses and taxis. A full assessment will take place in April 2020, one year after the implementation of the ULEZ.  <b>05 Dec 2019</b>	 Likelihood Impact	6	31-Dec-2020	  Constant

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR21 001h Publish annual report of air quality data	Develop baseline model for compliance assessment and publish annual report of air quality data	Next annual report due April 2020	Ruth Calderwood	05-Dec-2019	31-Dec-2025
CR21 001i Compliant vehicles	100% of vehicles owned or leased by the CoL are electric or hybrid by 2025	We are working to ensure that 100% of vehicles owned or leased by the CoL are electric or hybrid by 2025	Ruth Calderwood	05-Dec-2019	31-Dec-2025
CR21 001j Develop Private Members Bill	Develop and support an Emission Reduction Private Members Bill for London local authorities	Bill introduced to the House of Lords in October by Lord Tope. Parliament now dissolved so Bill will need to be reintroduced with new parliament	Ruth Calderwood	05-Dec-2019	31-Dec-2021
CR21 001k Engine idling programme	Manage pan London idling vehicle engine programme	Hosted London Borough wide idling enforcement workshop. Hosted training session for enforcement officers	Ruth Calderwood	05-Dec-2019	20-Mar-2020

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>MCP-PHPP 001 Brexit - Impact on Port Health and Animal Health</b>	<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 January 2020. 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 existing arrangements will continue, this could change Government stance currently remains the same – no checks from Day 1. UK's listed status application for the export of some species of live animals including equine, and products of animal origin, including meat and dairy has been agreed. This means</p>	<p>Likelihood</p> <p>Impact</p>	<p>6</p>	<p>31-Dec-2020</p>	

08-Nov-2016 Jon Avern				that exports can continue after Brexit in the event of a No Deal, by following the new process for exporting animals and products of animal origin to the EU after Brexit, but it needs to include pets. This comes after the UK achieved the required animal health and biosecurity requirements. The Port Health Service has now received sufficient funding from the Food Standards agency to cover all its Brexit related expenditure until 31 March 2020. The Animal Health Service has generated sufficient income to cover all its preparation for Brexit. Consequently, there is no current need for any grant from MHCLG. <b>05 Dec 2019</b>				Constant
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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' was compiled and sent as written PQs. Some answers were. There will be ongoing engagement with government until final trading arrangements with the EU are agreed.	Jon Avern	05-Dec-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 Avern	05-Dec-2019	31-Dec-2020