

Committee(s)	Dated:
Finance Committee – For Information	12/11/19
Subject: Chamberlain’s Department Risk Management – Monthly Report	Public
Report of: Chamberlain	For Information
Report author: Grace Rawnsley, Chamberlain’s Department	

Summary

This report has been produced to provide Finance Committee with an update on the most significant risks faced by the Chamberlain’s department.

There are currently two red risks on the Corporate Risk Register within the responsibility of Chamberlain’s Department, there are none on the departmental risk register

- **CR31 – Fundamental review delivery (red)**
- **CR23 – Police Funding (red)**

The Chamberlain’s Senior Leadership Team continues to monitor closely the progress being made to mitigate these risks, working with the Town Clerk and City of London Police colleagues.

Recommendation(s)

Members are asked to note the report.

Main Report

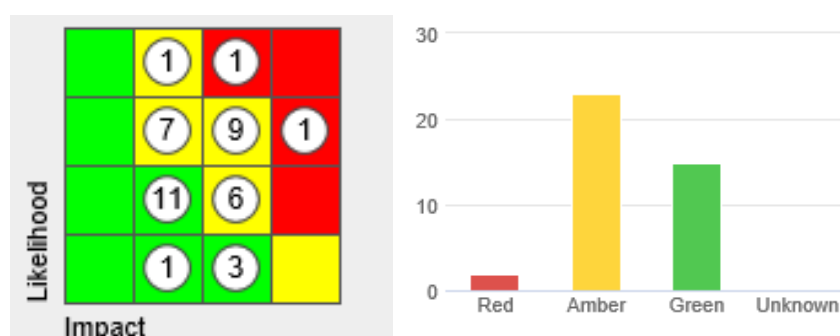
Background

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. Finance Committee has determined that it will receive the Chamberlain’s risk register on a quarterly basis with update reports on red rated risks at the intervening Committee meetings.

Current Position

2. This report provides an update on the current red risks that exist in relation to the operations of the Chamberlain’s department and, therefore, Finance Committee.
3. There are currently two red risks on the Corporate Risk Register for which the Chamberlain’s Department is responsible and none on the departmental Risk Register. Diagram 1 illustrates the risk heat map for the department including our corporate risks.

Diagram 1: Heat Map for the Chamberlain's Department as of 29/10/19



CR31 – Fundamental review delivery (Current Risk: Red – new)

4. Chief Officers submitted options for income and savings, and these were considered across 3 RASC away days held in July and October 2019. Constructive opportunities to increase income and make potential savings in 2020/21 which do not impact on front-line services have now been identified. The identified savings will not meet the full extent of the financial gap. However, for our local authority fund, the government have pushed back their reform of the Business Rates arrangements until next year. This means that we have an extra year of retaining the current level of Business Rates before they are reduced. For our non-local authority functions, in the next financial year as a one-off measure, we will in addition draw down on reserves to balance the books. This will give us more time to examine the options put forward in the Fundamental Review to achieve further change in future years.
5. The Town Clerk continues to communicate with staff about the objectives of the fundamental review through the Senior Leadership Forum. In addition, Chief Officers have now been given their budget envelopes for 2020/21 taking into account fundamental review proposals. The Chair of Policy and the Chairman of Finance have briefed Members on progress.

CR23 – Police Funding (Current Risk: Red – no change)

6. An updated medium-term financial projection for the Police was shared at the July RASC away day, which proposed an increase in resource allocation to the extent of the approved bid of 67 roles (£5.4m in 20/21), with the remaining aspects of the identified deficits to be resolved within the existing resource base of the City of London Police - through savings measures linked to its Transform programme, which will include shared services. The projections explicitly excluded capital repayment assumptions pending identification by the Force of its medium-term capital priorities. These priorities will be submitted to the November Police Authority Board, with approval then being sought at the December RASC meeting, based on a future loan-based model for Police capital funding, and with the medium-term and Police budget 'revenue' implications arising from it being clarified. The Spending Round outcome for the Police will not be known before December 2019 and will be limited to 2020/21 with a multi-year Spending Review to follow in 2020.

Conclusion

7. Members are asked to note the actions taken by Chamberlain's Department to manage the risks presented.

Appendices

- none

Background Papers

Monthly Reports to Finance Committee: Finance Committee Risk
Report to Finance Committee 23 July 2019: Finance Committee Risk – Quarterly Report

Grace Rawnsley

Chamberlain's Department

T: 020 7332 1315

E: grace.rawnsley@cityoflondon.gov.uk