

# CHB CP City Procurement Detailed risk register EXCLUDING completed actions

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Generated on: 17 February 2020



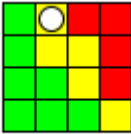
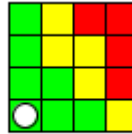

Rows are sorted by Risk Score

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>CHB CP001</b> <b>Brexit risk to City Corporation procurement and supply chains</b>  12-Nov-2018 Christopher Bell	<p><b>Cause:</b> The UK leaving the EU (Brexit) with no trading deals in place.</p> <p><b>Event:</b> The result of the Brexit negotiations could have a negative impact on the Corporation's supply chain, both with direct tier 1 suppliers and their sub-contractor network.</p> <p><b>Effect:</b> Brexit could effect changes to our direct suppliers and their supply chain, impacting negatively on the Corporation. A range of potential impacts are:</p> <ul style="list-style-type: none"> <li>• <b>Regulatory / Legal requirements</b> -existing supply contracts may be impacted by changes in regulation, or legal requirements.</li> <li>• <b>Assurance of Supply</b> - risk that a complete failure in supply of the goods / service (e.g. Carillion) from key suppliers could be felt.</li> <li>• <b>Quality</b>- quality of the goods / service impact due to changes in our Supply Chain.</li> <li>• <b>Service</b>- Service levels be impacted negatively by any changes in the Supply Chain or access to workers, particularly in low skilled categories.</li> <li>• <b>Financial risk</b> -Are any supply changes likely to drive up</li> </ul>	 Likelihood Impact	12	<p>During the transition period there are no identified supply or cost pressures.</p> <p>Supplier Responses have been collected, with a response rate of 64%. The Commercial Contract Management team is now analysing all responses. No significant risks were identified in the initial sift. Some suppliers have highlighted that there will be some cost pressures post transition, but these are considered low risk. A report will be presented to Brexit Planning Group.</p> <p><b>11 Feb 2020</b></p>	 Likelihood Impact	8	31-Dec-2019	 Constant

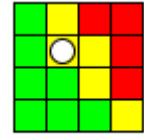
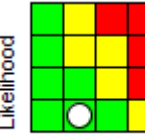

	<p><i>costs of the Goods / Services/Works in the short/medium/long term.</i></p> <ul style="list-style-type: none"> <li>• <b>Sustainability-</b> <i>risk that will change the level of innovation or sustainability of the goods / service/work against expectations?</i></li> <li>• <b>Workload-</b> <i>Will changes in the Supply Chain cause significant workload to the Procurement/Commercial/Legal teams due to change controls/re-negotiation of terms?</i></li> </ul>						
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB CP001e		<p>During the transition period there are no identified supply or cost pressures.</p> <p>Supplier Responses have been collected, with a response rate of 64%. The Commercial Contract Management team is now analysing all responses. No significant risks were identified in the initial sift. Some suppliers have highlighted that there will be some cost pressures post transition, but these are considered low risk. A report will be presented to Brexit Planning Group.</p>	Christopher Bell	11-Feb-2020	31-Dec-2020



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<b>CHB CP009</b> <b>Monitoring Corporate Contract Spend</b>  22-Oct-2019 Darran Reid	<b>Cause</b> – There is a weakness in reporting and monitoring of contractual spend data <b>Event</b> – CCM has identified that the current ERP system is set up to track supplier level expenditure and not contract level expenditure <b>Effect</b> . Any issues or inconsistencies with the contract are not identified or proactively mitigated	 Likelihood	8	Working with the Oracle team, the AD for Commercial Contract Management has identified a solution to monitor spend for the Category A contracts.  Alongside that change, City Procurement's SMT will be reviewing change control processes and the contract register requirements.  <b>17 Feb 2020</b>	 Likelihood	1		  Constant

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CHB CP009a	AD for Commercial Contract Management and Procurement Operations Manager to work with the Oracle Team to explore options for a report and/or controls which might assist with this issue.	Review has identified a systems-based solution that will allow contract managers and City Procurement to track contract spend accurately reducing the process to a single point failure at requisitioner level. This should be implemented in the new financial year for all category A contracts.	Darran Reid	12-Feb-2020	01-Apr-2020
CHB CP009b	City Procurement SMT to review process and procedures for maintaining a Corporate Contracts Register.	City Procurement SMT to hold a workshop covering process and procedures for maintaining a Corporate Contracts Register including change controls.	Darran Reid	17-Feb-2020	01-Apr-2020
CHB CP009c	Commercial Contract Management to assure appropriate change controls and spend for contracts is being tracked.	City Procurement SMT to hold a workshop covering process and procedures for maintaining a Corporate Contracts Register including change controls.	Darran Reid	17-Feb-2020	01-Apr-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>CHB CP003</b> <b>VAT loss through use of Purchase Cards</b>  11-Dec-2018 Andrew Lenihan	<b>Cause:</b> P-card users not uploading valid VAT receipts to transactions <b>Event:</b> Quarterly reporting shows an average of £64,000 worth of transactions potentially being lost each quarter <b>Effect:</b> City is losing out on a significant proportion of the VAT that we are entitled to reclaim and incorrect reporting to HMRC can incur penalties.	 Likelihood Impact	6	Our current P-card supplier is still working on the data import solution. We expect implementation in the next couple of months. The new contract starts in June 2020 and there will be a corresponding KPI for VAT and reporting.  <b>12 Feb 2020</b>	 Likelihood Impact	2	31-Mar-2020	  Constant

Action no	Action description	Latest Note			Action owner	Latest Note Date	Due Date
CHB CP003d	Review possibility of a data import in CityCard system to exemption level 2/3 suppliers negating need to upload VAT receipts.	Our current P-card supplier is still working on the solution. We have been clear that this is a priority for the City and expect implementation within the coming months.			Andrew Lenihan	12-Feb-2020	31-May-2020
CHB CP003f	Procurement Sub have requested that the three lowest performing departments to provide full annotated commentary on all transactions which are marked as a VAT risk so there can be quality assurance that the transactions are being reviewed.	The Barbican and the City of London School have provided responses to Procurement Sub Committee. The Head of Accounts Payable has requested a response from the Chief Operating Officer of the City of London Police for the March 2020 Procurement Sub Committee.			Andrew Lenihan	12-Feb-2020	31-Aug-2020