

<b>Committee(s):</b> Corporate Asset Sub (Finance) Committee – For information Property Investment Board – For information	<b>Date(s):</b> 15 September 2020 16 September 2020
<b>Subject:</b> City Surveyor’s Departmental Risk Register – September Update	<b>Public</b>
<b>Report of:</b> The City Surveyor (CS 301/20)	<b>For Information</b>
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### Summary

This report has been produced to provide your Committee with a quarterly update on the management of risks within the City Surveyor’s Department.

The City Surveyor department currently has four amber risks on its Departmental Risk Register (Appendix 1). Furthermore, the department is managing three additional risks – two red, and one amber – in response to Covid-19 (Appendix 2).

The City Surveyor Department manages the repairs and maintenance risks associated with the City Bridges (Appendix 3), which currently notes three red risks.

Finally, the department is managing one additional red risk which is non-public (Appendix 4).

The red risks currently being managed by the department in response to Covid-19 are:

- CVD19 SG PROP 01 – Impact on investment portfolio  
Current risk score 16 (Red)
- CVD19 SG PROP 02 – Property projects  
Current risk score 16 (Red)

The red risks pertaining to the City Bridges are the following:

- SUR CB 003 – City Bridges: Substantial vessel strike  
Current risk score 16 (Red)
- SUR CB 006 – City Bridges: Wanton damage / terrorism  
Current risk score 16 (Red)
- SUR CB 007 – City Bridges: Tunnelling for the Thames Tideway Tunnel  
Current risk score 16 (Red)

### Recommendation(s)

Members are asked to:

- Note the report, and the actions taken within the City Surveyor Department to effectively monitor and manage risks arising from our operations.

## **Main Report**

### **Background**

1. The Risk Management Strategy of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department. The Property Investment Board (PIB) and Corporate Asset Sub (Finance) Committee (CAcC) has determined that they will receive the City Surveyor risk register on a quarterly basis.
2. This report separates the overall departmental risk register (Appendix 1), the departmental responsibilities in relation to Covid-19 (Appendix 2), and the repairs and maintenance items in relation to the City Bridges (Appendix 3). There is a further risk which has been included separately due to being non-public (Appendix 4).
3. Risks are reviewed regularly by the department's Senior Management Team (SMT) in line with the organisation's Risk Management Framework (RMF). Risks are assessed on a likelihood-impact basis, and the resultant score is associated with a traffic light colour.

### **Current Position**

4. The City Surveyor departmental risk register currently contains four amber risks. The details of each of these are included in Appendix 1. This is a reduction of two compared to the previous report (presented to the July Committees).
5. In response to coronavirus, the City of London Corporation has instituted several thematic governance groups to co-ordinate the organisation's response and risks associated with Covid-19. The City Surveyor department has three risks being monitored by this group (Appendix 2).
6. The information presented in Appendix 2 is that following the updates of 13 August. This includes two red risks, and one amber risk. These risks are also being reported through to Audit and Risk Management Committee on a regular basis.
7. The department also manages the repairs and maintenance risks associated with the City Bridges, of which there are currently three red risks. The details for these risks are included in Appendix 3.

### **Changes since last review**

8. In relation to the departmental risks (Appendix 1), the key changes since the last review was presented to Committee are:
  - A. SUR SMT 001 – A fall in property performance

This risk was deactivated from the departmental risk register as the major property performance issue relates to Covid-19. This is contained on the Covid-19 thematic register (CVD19 SG PROP 01 – Impact on investment portfolio). For the short-term SUR SMT 001 will be deactivated whilst the focus and attention of the department is on the impact of coronavirus on the investment estate.

B. SUR SMT 005 - Recruitment and retention of property professionals

This risk has been reduced and de-escalated from the departmental risk register to the Group level. Currently, there are lower rates of turnover, and a general downswing in the market will result in heightened demand should the department need to recruit externally. This item will continue to be monitored at Group level.

C. SUR SMT 014 - Backlog maintenance

Current risk score 8 (amber)

The risk score has reduced from 12 (amber) to 8 (amber). This is as result of the updated Corporate Property Asset Management Strategy presentation to CAsC on 22 July

The department is looking to procure a 'next generation' CAFM (Computer Aided Facilities Management) system. The adoption of such a system will enhance the department's capacity to plan forward maintenance on a condition basis. Implementation will reduce the risk in the medium-term.

9. The department continues to manage the thematic Covid-19 risks (Appendix 2). These are assessed in line with new information and guidance. The risks in this group have recently reduce from four to three.

A. CVD19 SG PROP 05 FM – Team and Contractor Resilience

This has been de-escalated to the Operations Group risk register. All current mitigation actions have been completed and risk score reduced to the target level. This will be re-escalated in the future if required.

10. The department also manages the risks associated with repairs and maintenance on the City Bridges (Appendix 3).

A. SUR CB 009 – City Bridges: Overweight vehicles

Current risk score 8 (amber)

The above risk is being managed at a Group level, and its group-level scoring would not ordinarily warrant this risk being reported to Committee. However, it has recently come to the attention of the City Corporation that Transport for London (TfL) is considering removing all but busses, cycles and taxis from London Bridge. This may increase the number of heavy vehicles crossing Tower Bridge. This is only a proposal at this stage but should TfL progress with this item there will be an increased risk of structural damage to Tower Bridge. The City Corporation is making representations to TfL to better understand their proposals.

## Heatmap

11. Through the performance dashboard tool, Power BI, it is possible to create heatmaps of the department's risks. This is a graphical summary of the current public departmental risks (right). This relates to the information presented in

Appendix 1 (departmental), Appendix 2 (Covid-19) and Appendix 3 (City Bridge) risks. A comparison with the those presented at the last report (June) is included as the table on the left. Note that this is not tracking individual risks over time, rather it is a snapshot comparison of our overall risk profile.

12. Members will note the reduction in the total number of risks from June (13) to August (10). This reflects the changes identified in paragraphs 8 and 9 above.

	Minor	Serious	Major	Extreme
Likely			4	
Possible		2	3	
Unlikely		1	2	1
Rare				

Table 1: June 2020 Risk Heatmap

	Minor	Serious	Major	Extreme
Likely			4	
Possible		1	1	
Unlikely			3	1
Rare				

Table 2: August 2020 Risk Heatmap

## Conclusion

13. Members are asked to note the recent changes to the departmental risk register. The department continues to ensure that it manages its risks in line with best practice and the organisation's RMF.

## Appendices

- Appendix 1 – Departmental risk register
- Appendix 2 – Covid-19 thematic risk register
- Appendix 3 – City Bridge top risks
- Appendix 4 – Non-public risk

## Background Papers

- The City Surveyor – The City Surveyor's Departmental Risk Register – June Update (CS 202/20)

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