

# SUR Departmental risks - DETAILED REPORT EXCLUDING COMPLETED ACTIONS for COMMITTEE

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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/Risk Approach	Current Risk score change indicator
<b>CR37</b> <b>Maintenance and Renewal of Corporate Physical Operational Assets (excluding housing assets)</b>	<p><b>Cause:</b> Significant on-going and previously unmet property maintenance costs across the City's Corporate property portfolio (excluding housing).</p> <p><b>Event:</b> Misalignment between funding available and that required by the asset (as defined by the relevant Asset Management Strategy).</p> <p><b>Impact:</b> Built estate becomes not fit for purpose / functions / occupancy. Cost of maintenance and utility costs increases, placing further pressure on City resources. In extreme circumstances there will be H&amp;S implications, leading to potential enforcement action, legal action by tenants or asset failure in whole or part with detrimental effects leading to impact on occupiers.</p>	<p>Likelihood</p> <p>Impact</p>	<b>16</b>	<p>The main driver of this risk is the adequacy of funding to manage and mitigate asset risks.</p> <p>In March 2024 Court of Common Council agreed a funding amount of £133m to be delivered over five years to support the Cyclical Works Programme (CWP). The delivery of these works will go a significant way to bringing the operational estate back into line with the Corporate Property Asset Management strategy. It should be highlighted that CWP funding is not attributable to ring-fenced property assets (Police estate, New Spitalfields, Billingsgate and the three private schools).</p> <p>It should be highlighted that the earlier lack of funding did not impact the delivery of Health and Safety and statutory compliance items – these were prioritised within the funding available.</p>	<p>Likelihood</p> <p>Impact</p>	<b>8</b>	31-Mar-2025	

<p>04-Nov-2019 Paul Wilkinson</p>				<p>This risk is corporate wide, so extending to sites where asset accountability sits with the relevant Premises Controller in occupation.</p> <p>This risk includes the Barbican and the Guildhall School of Music and Drama (GSMD). At these sites there is a requirement to ensure an appropriate experience for audiences, performers, students and staff, to sustain their business models. Similarly, sites across the Environment Department, including the City’s off-street car parks; the City of London Cemetery and Crematorium; and the Natural Environment Division’s green spaces, are open to the public – so adequate funding is critical to manage H&amp;S and reputational impacts.</p> <p>The City Surveyor has worked to ensure that accountability and responsibilities were understood across the organisation.</p> <p>Where gaps in expertise or capacity exist, the City Surveyor is looking to develop solutions with the Premises Controllers in line with his role as the Head of Profession.</p> <p>The target date for this risk (31 March 2025) is included as a ‘review point’ rather than a target date.</p> <p>The CWP delivery programme is being further defined, and this will provide greater clarity over target timeframes.</p> <p><b>08 Apr 2024</b></p>				<p>Reduce</p> <p>Constant</p>
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR37a	<p>Cyclical Works Programme (CWP)</p> <p>The Cyclical Works Programme (CWP) is the principal way that the backlog of asset maintenance is delivered to Corporate properties (excluding ring-fenced assets). Funding for the CWP varies annually, and there is a clear link between the availability of funding and the capacity to reduce the risk.</p>	<p>The City Corporation approved £133m for the Cyclical Works Programme (CWP) to be delivered over five years. The final approval at Court of Common Council in March 2024. This will address the current backlog of works on non-ring-fenced property assets (currently outstanding works, plus those due in the next three years).</p> <p>The next stage is the delivery of these works, and this is subject to a Delivery Strategy (to be presented separately to Recourse Allocation Sub Committee, Project and Procurement Sub Committee and Policy and Resources Committee). This paper will outline the strategy that will be adopted in delivering the significant programme of works.</p> <p>As delivery timelines are confirmed this will provide further definition around target risk scoring and delivery. The risk score will diminish as these works are delivered, but the profile of this reduction is still to be determined – therefore the target date of this action (31 March 2025) can be considered a review point.</p>	Peter Collinson; Sonia Virdee; Paul Wilkinson	08-Apr-2024	31-Mar-2025
CR37b	<p>Ring fenced properties and budgets (CoLP estate, New Spitalfields, Billingsgate and the three private schools)</p> <p>These departmental occupiers allocate their own funds for the maintenance of the built assets. Whilst the City Surveyor's Department recommends work to be undertaken, it is the occupying department who holds the budget responsibility and thus decides with final control over maintenance activity.</p> <p>The City Surveyor's Department is seeking to ensure that communications are optimised such that there is a clear understanding of works to be done, and there is clarity over roles and responsibilities. This helps to reduce risk likelihood.</p>	<p>The City Surveyor's Department (CSD) is communicating with ring fenced departments to identify appropriate building maintenance requirements and spend (forward maintenance).</p> <p>This action also covers the delivery of the recommendations arising from the recent Internal Audit (IA). Whilst there has been progress in some areas, the actions have not been implemented comprehensively across the Corporation. CSD has highlighted this item to colleagues in IA as well as elsewhere through the organisation's Chief Officer Risk Management Group.</p> <p>CSD regularly reviews repairs and maintenance risks held by departments across the organisation to ensure that this overarching corporate risk correctly captures the pressures felt by our various departments.</p> <p>The target date for this action is considered as a 'major review' date.</p>	Peter Collinson; Paul Wilkinson; Peter Young	08-Apr-2024	31-Mar-2025
CR37f	<p>Annual Major Capital Bids</p> <p>The capital bids programme operates on an annual cycle, and recommendations (October) are built into the subsequent year's organisational budget which is presented to Court.</p> <p>The City Surveyor's Department presents bids in relation to works at the Guildhall, Walbrook Wharf and</p>	<p>The most recent bidding round was successful for works at the Guildhall and the Central Criminal Court in respect of H&amp;S works. These bids were approved in October and were approved as part of the overall organisational budget approval process (March 2024).</p> <p>The City Surveyor's Department will continue to develop bids where it can for future years. Further, it will continue to offer support to other departments for their bids.</p> <p>The target date on this risk reflects the annual nature of bidding process.</p>	Peter Young	08-Apr-2024	31-Mar-2025

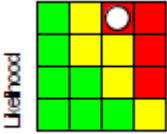
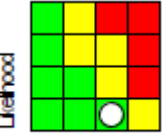

	<p>the Central Criminal Court. Support is also provided to occupying departments where they are required to collate their own bids.</p> <p>Capital bids are only considered where funding is not possible through other funding routes (such as CWP).</p>				
CR37g	<p>Operational Property Review</p> <p>The City Corporation has commenced an Operational Property Review (OPR) programme to consider the future property requirements to deliver the organisation's services. This will align with the Resource Priority Refresh programme.</p> <p>Where properties are identified as no longer required to deliver City services, alternative uses (or disposal) can be progressed. This will both lower the maintenance backlog, and funds can be used for maintenance projects elsewhere in the estate. Whilst a positive move, the majority of outstanding maintenance is at our major buildings (Guildhall, Barbican etc).</p>	<p>The review is commencing and further details as to milestones and objectives will be available shortly.</p> <p>Environment, and Community &amp; Children Services have completed the outcome of their reviews, and this is being presented to Members. This initial review establishes baseline operational requirements, financial position, and state of repair, with the view that a detailed and costed options can be considered.</p> <p>As this programme progresses through the approval process, greater clarity will be achieved in understanding how this action alters the overall risk position. The target action date is consequentially a 'major review' date. It should be noted that 85% of the organisation's floor space is contained within the top 20 buildings, so even should asset disposals progress, this will only have a minor effect on the overall risk position.</p> <p>The target date on this action reflects a major review point rather than a target for delivery.</p>	Judith Finlay; Bob Roberts; Sonia Virdee; Peter Young	08-Apr-2024	31-Mar-2025
CR37h	<p>Renewal Programmes</p> <p>Where appropriate it may be more efficient to wrap up a number of maintenance requirement (both forward and backlog) into a major renewal programme. By their nature these will be far wider in scope and therefore substantial funding is required. Whilst these actions are more uncertain it is useful to track progress as, should they progress, they will make a significant impact on the overall risk.</p>	<p>The Barbican Centre renewal project is a £50-£150m project which will repair the building to it can function long into the future, opening up under-utilised space, improving accessibility, whilst delivering against its sustainability aspirations. Public survey and workshops were completed in December 2022 with further public consultations through 2023 in advance of an initial business case being submitted to the City Corporation. In the interim, £25m has been identified to be spent on the site to address immediate concerns, and further work up detailed analysis on requirements.</p> <p>A report considering the longer-term needs of the Barbican Centre was presented to Finance Committee in February. This highlighted a potential spend of £450m, but with costs spread over the next 20-25 years. Further surveys on the works are to be undertaken in spring 2024 which will further inform the business case.</p> <p>The Guildhall School of Music and Drama (GSMD) are working closely with corporate colleagues to develop and further the Barbican Renewal Team. Further, it is working with the Department of Community and Children's Service in respect of waterproofing works, and the City Surveyor on Fire Safety. GSMD have also engaged space consultants who are undertaking a wide-ranging review of the site. This is with the view that current and future needs are detailed, and future funding bids align with this requirement.</p> <p>The Guildhall Renewal programme has developed a range of options varying by scope and</p>	Ian Hughes; Claire Spencer; Jonathan Vaughan; Peter Young	08-Apr-2024	31-Mar-2025

		<p>speed of delivery. These were presented to Members in January. These options also highlighted the other cash pressures on the City Corporation and, as such, it was determined by Resource Allocation Sub Committee (RASC) that major renewal is not possible in the short-term. This recommendation was approved by Policy and Resources Committee at the end of February 2024. Whilst minor works will continue, this will not result in a step-change in the overall risk position.</p> <p>Whilst the major renewal of the Guildhall is now deferred, the Cyclical Works Programme (action CR 37a) includes a significant funding allotment for the Guildhall Complex site and will help alleviate short- and medium-term issues.</p>			
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<b>SUR SMT 005</b> <b>Construction and Service Contracts</b> <b>Price Inflation beyond that which was anticipated or planned</b>  14-Oct-2021 Ola Obadara	<b>Cause:</b> Market conditions have led to input price inflation <b>Event:</b> Project and programme cost escalation <b>Impact:</b> Inability to delivery capital and revenue projects within budget	 Likelihood Impact	<b>16</b>	<p>Material costs and labour availability are combining to raise costs beyond that anticipated or planned.</p> <p>This item impacts property projects, our facilities management (FM) provision, reactive repairs, and revenue works.</p> <p>Whilst construction cost inflation had been forecast to level out, this has yet to plateau to expectation. This is across both building materials and construction expertise where labour constraints continue to place upward pressure on pricing.</p> <p>Market conditions remain dynamic and will be kept under review. As such the target date should be considered a review point.</p>	 Likelihood Impact	<b>6</b>	31-Mar-2025	 Constant
							Reduce	

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 005a	Procurement Strategy The department is working with legal and procurement to identify different buying options, thereby managing the risk to the department / organisation.	<p>This exploration included a review of the prior Single Stage tender process (which had been preferred for medium range projects - £2m - £50m).</p> <p>Following the review Two Stage contracts will be used more frequently. This is the current market norm for these projects. The change enables contractors to better transfer their risk and leaves the City with a degree of cost uncertainty, even post Gateway 5. Whilst this transfer is</p>	Ola Obadara	08-Apr-2024	31-Mar-2025

		not desired, it offers far better market coverage and reflects the prevailing external conditions. This will be kept under review.			
SUR SMT 005d	Contracts Exploring the potential to include different clauses into contracts such that work offered by the City remains attractive to suppliers.	Chamberlain's procurement and the department have explored the inclusion of fluctuating provisions in our contracts. This action has resulted in attracting a greater number of contractors to bid on projects, however the inflation risk has been transferred to the organisation. The value of this approach will be continually reviewed.	Ola Obadara	08-Apr-2024	31-Mar-2025
SUR SMT 005e	Contract Engagement Expanding the amount of information available at an early stage of contract exploration. This will provide greater cost certainty.	We are looking to engage early with our contractors on a consultancy basis to obtain as much information as possible prior to contract.	Ola Obadara	08-Apr-2024	31-Mar-2025
SUR SMT 005f	Specification and Materials Ensuring materials are readily available before and during the design phase and, if possible, procure in advance of the contract. This limits the impact of further price rises in at risk commodities.	Inflation in raw materials has abated, but it should be noted that prices are not typically falling anywhere. Further consideration is being given to the origin of source materials to ensure supply. This item will be kept under review.	Ola Obadara	08-Apr-2024	31-Mar-2025

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SUR SMT 006 Construction Consultancy Management  14-Oct-2021 Ola Obadara	Cause: Poor performance by consultants Event: Abortive work, delays, or non-performance. Impact: Additional costs, project delays	 Likelihood Impact	16	<p>This relates to abortive design / development.</p> <p>The department continues to suffer the impacts of this risk, with action being taken against consultants when their performance does not meet expectations.</p> <p>This is combining with a lack of this skill set in the construction industry. Often individuals assigned in the commercial market to City (and public sector generally) projects do not have the skill and competency required to deliver the work to the standard required. This issue is being seen across the industry.</p>	 Likelihood Impact	4	31-Mar-2025	 Constant
							Reduce	

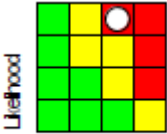
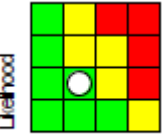

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 006a	Commissioning stage  The department has commenced going to market at RIBA stage 3 rather than RIBA stage 4. This is designed to prevent abortive design and development.	Close work with the Procurement Team in Chamberlain's has resulted in this change. The impact will be tracked over the coming months.	Ola Obadara	08-Apr-2024	31-Mar-2025
SUR SMT 006b	Legal  The team is working closely with the legal department to	Where performance has been poor action has been taken against consultants – these cases increase end-to-end timescales. Due to public sector contract constraints, our ability to seek immediate redress from	Ola Obadara	08-Apr-2024	31-Mar-2025



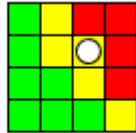
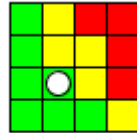

	ensure that procurement activity aligns with project objectives and the consultants meet quality requirements	construction consultancy contractors is constrained, so whilst action is taken, results take longer than would otherwise be possible in a commercial environment.			
SUR SMT 006c	<p>Procurement</p> <p>Working with Procurement to increasing due diligence, particularly in regard to the quality of contractor appointed (rebalancing the quality/cost equation). This is with the view that we will get better quality applications and this risk may reduce.</p>	<p>The department continues to work with colleagues from the Procurement Team to explore available options to manage and mitigate this risk. The City’s public sector role limits the number of avenues compared to commercial operators.</p> <p>The City Surveyor’s Department was a participant at the March “Meet the Supplier – Construction and Professional Services” event organised by the Procurement Team. This event was aimed at further diversification and strengthening of our supplier base. Further engagement with colleagues has occurred subsequent to this event to consider lessons and actions.</p>	Ola Obadara	08-Apr-2024	31-Mar-2025
SUR SMT 006d	<p>Scope of works</p> <p>The team is reviewing and tightening up the scope of works specification. This will counter opportunistic interpretations of the scope of works that we were seeing from some consultants</p>	<p>Detailed scoping is required to ensure that projects are delivered on-time and on-budget. This can lead to extended lead times.</p> <p>Due to a wider lack of skills in the industry, consultants allocated to this element of work are making more errors than desired – and this is contributing to the overall red-rating to this risk. Further actions are being explored, but this is an industry wide issue (particularly for public sector organisations).</p>	Ola Obadara	08-Apr-2024	31-Mar-2025
SUR SMT 006e	<p>Review of appointment documents</p> <p>The team is working closely with the legal department to ensure that procurement activity aligns with project objectives and the consultants meet quality requirements</p>	<p>Where performance has been poor action has been taken against consultants – these cases increase end-to-end timescales.</p>	Ola Obadara	08-Apr-2024	31-Mar-2025



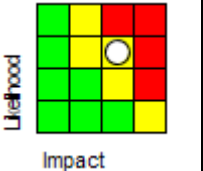
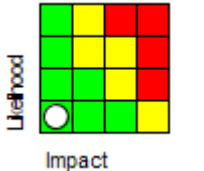

	Including delivery of appraisals, regular one-to-ones, team and group meetings. This aims to improve communications at all levels, ensuring that CSD is a positive work environment and that issues/blockers can be raised and addressed. In some areas career graded roles have been instituted, and deployment can be further explored.				
SUR SMT 009c	<p>Communication</p> <p>Including delivery of appraisals, regular one-to-ones, team and group meetings. This aims to improve communications at all levels, ensuring that CSD is a positive work environment and that issues/blockers can be raised and addressed. In some areas career graded roles have been instituted, and deployment can be further explored.</p>	<p>CSD is supporting the work of Corporate HR in moving towards all on-line appraisal documentation. This will enable greater tracking of compliance.</p> <p>Managers across the service have been active in ensuring that all start of year appraisals have been input into the system, and will do so again at the end of year point.</p>	Paul Wilkinson	08-Apr-2024	31-Mar-2025
SUR SMT 009d	<p>Engagement with HR</p> <p>Some of the items highlighted as the ‘causes’ of this risk are outside the control of CSD, and engagement with our Corporate partners will be critical to overcoming these items. This departmental risk directly supports the Corporate Risk on “Recruitment and Retention” (CR39).</p>	<p>The City Surveyor is a member of the organisation’s Chief Officer Risk Management Group where this overarching corporate risk is regularly considered.</p> <p>Corporate HR have just started to explore the development of a new staff survey. The 2024 survey follows on from that delivered in 2022. This department has supported the development of the survey and is currently promoting completion (the survey is live from mid-April). It will look to develop an action plan when the results are released.</p>	Paul Wilkinson	08-Apr-2024	31-Mar-2025
SUR SMT 009e	<p>Equalities, Diversity and Inclusion</p> <p>The department has an active ED&amp;I network, which regularly engages with the City Surveyor and the Senior Management Team. This is seeking to make the department a more attractive destination for under-represented groups and seek to retain and progress staff from all backgrounds. There is corporate HR representation on this departmentally-led Group</p>	<p>The ED&amp;I Group continue to meet monthly and have recently agreed an Action Plan for 2024 focussing around the themes of ‘recruitment, development &amp; advocacy’.</p> <p>In January colleagues from the City’s Procurement Unit spoke to the group around the diverse procurement event that was subsequently held at the Guildhall (March). The February meeting of the Group welcomed the leads from the organisation’s new Social Mobility Network, looking to support the work of this network through the department. The March meeting included members from the Corporate Equalities unit updating the City Surveyor’s Team on recent activity.</p>	Ola Obadara	08-Apr-2024	31-Mar-2025
SUR SMT 009f	<p>Pay and Review Survey</p> <p>The Corporation is reviewing pay &amp; reward</p>	<p>The department has highlighted that there are specific pressures within this department which may make the issue more acute within CSD roles. It should be noted that the earlier reward scheme (where those on top-of-grading salaries could achieve performance related pay) was withdrawn prior to the review conclusions, and this has made our local offer less competitive than our peers.</p> <p>The department is engaging with Korn Ferry in the Corporate review of pay and reward, and will be looking to implement recommendations wherever possible. Local feedback suggests that whilst recruitment is possible, the limited scope for (pay and professional) progression means that retention is more challenging.</p>	Paul Wilkinson	08-Apr-2024	31-Mar-2025

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SUR SMT 011 <b>Contractor Failure</b>  13-Feb-2023 Ola Obadara	<b>Cause:</b> Market conditions <b>Event:</b> Failure of either a main contractor, or a substantial sub contractor <b>Impact:</b> Delayed delivery of projects, or the delivery of projects at a higher cost	 Likelihood Impact	<b>16</b>  This risk relates to the failure of a main contractor, or a main sub-contractor. Particularly with the second of these elements the City Corporation has not historically had significant influence over who is commissioned to undertake work.  Should a main contractor, or sub-contractor, fail, there are knock on implications for warranties, or our capacity to seek redress for any design faults. Recent industry uncertainty has raised the risk likelihood and this risk is now red (February 2024).  <b>08 Apr 2024</b>	 Likelihood Impact	<b>4</b>	31-Mar-2025	  Increase	
						Reduce		


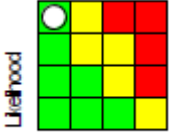

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SUR SMT 011a	Tendering  Seeking to have greater say over who a main contractor appoints as a sub-contractor. This will help reduce the likelihood of this risk occurring.	The department has commenced work with Procurement to ensure that our commissioning takes greater account of contractor and sub-contractor failure. We may need to have a greater say in who a main contractor identifies as an appropriate sub-Contractor. Further actions to follow this initial engagement.	Ola Obadara	08-Apr-2024	31-Mar-2025
SUR SMT 011b	Review Process  Regular review of contractors and their sustainability will reduce the likelihood of the risk, and help us put in place measures to reduce the impact.	The department is instituting six-monthly reviews of contractor suitability. Historically this only happened at contract commencement. This will better prepare the organisation should the contractor (or significant sub-contractor) begin to experience difficulty.	Ola Obadara	08-Apr-2024	31-Mar-2025

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<b>SUR SMT 002</b> <b>Insufficient budget to meet user and asset demand at Guildhall</b>  10-Feb-2015 Peter Young	<b>Cause:</b> Insufficient funding available for Major Works, Cyclical Works and Reactive Maintenance to manage the repair demands on the Guildhall Complex. <b>Event:</b> Insufficient asset funding. <b>Impact:</b> The standard of the Guildhall Complex will deteriorate, resulting in; poorer working environments leading to increased dissatisfaction and lower employee productivity and potential increase in breakdowns and reactive costs as the basic infrastructure of the Complex becomes beyond economic repair.		<b>12</b>	<p>The principal mitigation actions are related to forecasting and monitoring the allocation of financial and human resources.</p> <p>The Guildhall Renewal programme developed a range of options varying by scope and speed of delivery. These were considered by Members in January, however the organisation's wider financial context means that the larger renewal programmes is unlikely in the near term.</p> <p>As noted under Corporate Risk 37, the Cyclical Works Programme has recently been approved, and this includes significant funding for works at the Guildhall. This will maintain the building over the medium-term.</p> <p>Corporate Services Committee recently approved an updated policy relating to the minimum number of days that officers should be in the workplace. This increased occupation will result in greater 'wear and tear' on the building and its infrastructure than in recent years due to the pandemic.</p> <p>The target date on this risk will be confirmed once the programme of works is defined.</p> <p><b>08 Apr 2024</b></p>		<b>4</b>	31-Mar-2025	
		Likelihood Impact			Likelihood Impact		Reduce	Constant

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 002e	Fundamental Review of the North and West Wings of Guildhall	Options have been developed and presented to Members, however under every scenario there was a considerable funding gap – beyond that which the organisation could bridge in the near term. Consequently the progression of any renewal project is deferred until more funding is available. In the interim repair and improvement works will continue, although in a much reduced scope than could be delivered through a renewal programme.	Paul Wilkinson; Peter Young	08-Apr-2024	31-Mar-2025
SUR SMT 002f	Cross departmental working with Remembrancer's Events Team.  This activity is seeking to create a single profit and loss account for events at the Guildhall, such that there is greater transparency over income and repair and maintenance outgoings.	Single point of contact for Profit and Loss for event space created within the Remembrancer's. Shadow budget now agreed. The business plans of both the Remembrance and the City Surveyor have highlighted the delivery of this activity as a priority for the coming year. The mechanics of the Trading Account was presented to Finance Committee such that Members could have a comprehensive understanding of the agreed approach.	Remembrancer; John James; Peter Young	08-Apr-2024	31-Jan-2025

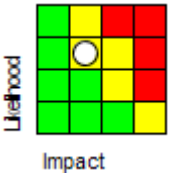
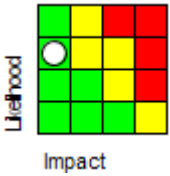
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<b>SUR SMT 010 Insurance - Investment and Corporate Estates</b>  26-May-2022 Robert Murphy; Peter Young	<p><b>Cause:</b> Revaluation of the City Corporation's estates (Investment and Corporate) does not happen in a timescale compliant with insurance policy requirements or the terms of leases.</p> <p><b>Event:</b> The City fails to meet the provision under its insurance policies that revaluations are undertaken by a RICS surveyor at least every five years (Investment and Corporate). The City is in breach of its legal obligations as a landlord under the terms of its leases to ensure that the full re-instatement value is insured.</p> <p><b>Impact:</b> The insurance policy does not respond in full (Investment and Corporate). Potential legal action from commercial occupiers in the event of an incident for which there is not appropriate cover.</p>		<b>12</b>	<p>This risk identifies the need of re-valuation of the City of London Estates – (Investment and Corporate) to ensure that the City reaches its legal obligations under its insurance policies.</p> <p>The last on-site valuations of the Investment Property Group estate and Corporate buildings (other than special sites) was undertaken in 2015. Funding has recently been identified and a budget is now in place. Tender documents have been drafted.</p> <p>Once contractors are on-site and progressing with completing this activity the risk scoring should start to reduce towards target.</p> <p><b>08 Apr 2024</b></p>		<b>1</b>	31-Mar-2025	
							Reduce	

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 010a	Register of data Ensuring the completeness of the organisation's data sets to ensure that assets are not 'lost'. This ensures the accuracy of our risk scoring.	A property schedule exists and this has been updated with the survey carried out on Special Sites (by RLF).	Robert Murphy	08-Apr-2024	31-Jan-2025
SUR SMT 010b	Funding The identification of funding streams to undertake any valuation work is key to the delivery of the programme.	Where leases allow, the cost can be recovered from commercial tenants, and operational occupiers as appropriate. Funding has been agreed and a budget line identified where relevant within the City Corporation.	John James; Robert Murphy	08-Apr-2024	31-Mar-2025
SUR SMT 010c	Delivery Delivery of the programme of valuation activity. As this progresses the risk score will reduce to target.	The delivery of this activity will be done by an external party. We are currently reviewing properties and gathering information. The tender has been developed and is being finalised. Once approved an awarded, contractors will be engaged to progress with the activity.	Robert Murphy	08-Apr-2024	31-Mar-2025

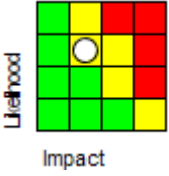
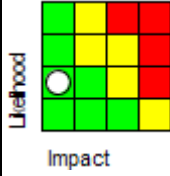
Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
<p><b>SUR SMT 012 Adjudication &amp; Disputes</b></p> <p>31-Aug-2023 Ola Obadara</p>	<p><b>Cause:</b> The impact of COVID-19 on project delivery.  <b>Event:</b> Regulations restricted access to sites and resulted in more design work being undertaken remotely. Productivity at sites was adversely impacted.  <b>Impact:</b> Increased likelihood that projects were designed correctly, and resulting legal and adjudication issues, reputational harm.</p>	 <p>Likelihood</p> <p>Impact</p>	<p><b>8</b></p>	<p>The COVID-19 pandemic resulted in 3 years of impact at project sites.</p> <p>Site productivity was limited (circa 60% productivity) and much design work was undertaken remotely, or with limited site access.</p> <p>This has created a situation where some sites were not designed correctly, or there are issues beyond that which would normally be expected on construction builds.</p> <p>We are now in a situation where we are engaged with legal discussions and adjudications with project suppliers in an effort to iron out issues with final products.</p> <p>The department's risk register has a separate risk relating to 'construction price inflation'. The inflation risk is wider as it also captures cost escalations due to other causes (Ukraine, energy, etc). This risk only focusses on adjudication &amp; disputes.</p> <p>This risk may remain on the register until projects commenced prior to, or during, the COVID-19 pandemic, have been delivered and finalised. The risk scoring will be kept under review.</p> <p><b>08 Apr 2024</b></p>	 <p>Likelihood</p> <p>Impact</p>	<p><b>4</b></p>	<p>31-Mar-2025</p>	<p></p> <p>Constant</p>



Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 012a	<p>Project Review and Claims Consultant</p> <p>Claims consultant can advise the organisation where it can seek to recover money from suppliers (thereby reducing the impact).</p>	<p>The department is reviewing projects alongside the contracts to understand our position. Further, we have engaged external Claims Consultants to ensure that the City's position is protected, and risks managed.</p> <p>Whilst the Claims Consultant has been effective in seeking redress, unfortunately there is a volume of work that needs to be considered. The risk will be retained at its overall scoring until this knot of projects has been delivered and considered.</p>	Ola Obadara	08-Apr-2024	31-Mar-2025

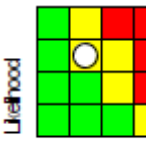
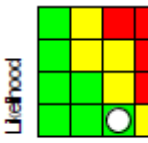
Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
SUR SMT 007 Energy Pricing              18-Oct-2021 Peter Collinson	<p><b>Cause:</b> Rapid increases in the market cost of energy</p> <p><b>Event:</b> Increasing price borne by the City of London Corporation</p> <p><b>Impact:</b> Money directed to energy payments that could be used in other endeavours</p>		6	<p>The department has recently seen a softening in pricing, and expectations are that commercial pricing will moderate to £80-£100/MwH. Due to this industry feedback, the risk score on this item has reduced in likelihood in its most recent assessment (February 2024).</p> <p>Whilst this trajectory is positive for the organisation, there remains wider macro-risks which may mean that volatility in energy pricing may be seen into the future. Factors include the ongoing invasion of Ukraine, and activity in the Red Sea impacting global supply of energy.</p> <p>The Power Purchase Agreement (solar farm in Dorset) provides circa 50% of the organisation's energy requirements at a significant discount to the market. This helps manage this risk on an on-going basis. Note that the impact will be seasonal. This risk will be kept under review, and the target date reflects that on-going review process.</p>		3	31-Mar-2025	↓
							Reduce	Reducing

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 007a	<p>Managing cost management</p> <p>The forward buying strategy, the Power Purchase Agreement (PPA) helps hedge our forward energy prices such that market risks are mitigated.</p>	This Power Purchase Agreement is in operation, with a hedging strategy in place to manage market risks. This risk management approach is regularly reviewed.	Peter Collinson; Graeme Low	08-Apr-2024	31-Mar-2025
SUR SMT 007b	<p>Managing supplier failure</p> <p>Should a supplier fail then a replacement supplier will need to be found, often with less agreeable contract terms. The department seeks to minimise this risk by contracting with suitable parties.</p>	The City is contracted with TGP energy, which is a large multi-national with risk divested across both supply and generation. TGP has a low portion of income generated from UK domestic customers (thereby minimising price capping implications). Since market spikes have subsided from the 2022/23 highs, subsequent risk of supplier failure has also fallen.	Peter Collinson; Graeme Low	04-Apr-2024	31-Mar-2025

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/Risk Approach	Current Risk score change indicator
SUR SMT 008 Special Structures          20-Oct-2021 Peter Young	<p><b>Cause:</b> Lack of central register for all privately owned special structures and/or ambiguity over accountability, responsibility for budget provision</p> <p><b>Event:</b> Incomplete, or not up-to-date register of special structures and planned maintenance regime</p> <p><b>Impact:</b> Potential failure of special structure and/or forced closure of asset / space</p>		6	<p>Special structures relate to those structural elements with an asset which supports other (often public) elements, so captures basements, sub-road spaces, supporting structures etc.</p> <p>Previously there was no central register of these structures within the portfolio, and therefore no prescribed or routine inspection regime in place to ensure that these structures remain in a suitable condition. This issue is being addressed through the mitigation of this risk, but the task is significant.</p> <p>Where inspections have identified remedial works, these are being flagged. These items may be subject to future bids for funds.</p> <p><b>08 Apr 2024</b></p>		2	31-Mar-2025	Constant
							Reduce	

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 008a	Special Structures register of challenge. By tracking delivery against and up-to-date register, and assessing the structures in a risk-based approach, will help mitigate the risk swiftly	<p>Funding to undertake the technical inspections, create the inventory and survey current condition was approved as part of the Cyclical Works Programme (CWP) 22/23 Bid List. The survey programme is now in progress.</p> <p>The initial desktop survey has been completed,(February 2024) and this has developed a list of structures which required more detailed assessment. These structural inspections are in progress currently.</p>	Peter Collinson	08-Apr-2024	31-Mar-2025

		The survey process is also developing survey programme for Special Structures (some assets will require more frequent assessment). This information will be captured on the Computer Aided Facilities Management (CAFM) software			
SUR SMT 008b	Special structures – investment portfolio  Ensuring on-going accuracy of the special structures register in the investment portfolio, in order to understand and assess our risks.	Register for the investment estate exists but requires a refreshed survey to ensure on-going accuracy of information. This is being addressed through the programme of works as identified in action SUR SMT 008a.	Peter Collinson; Robert Murphy	08-Apr-2024	31-Mar-2025
SUR SMT 008d	Special Structures – other assets  Ensuring that premises controllers, where this is not the City Surveyor, remain aware of their responsibilities. This helps manage the risk at these locations	Corporate Property Director and Operations Group Director are engaging with other departments to ensure that there is clarity over responsibilities and what actions need to progress to mitigate this risk comprehensively across the City of London Corporation.	Peter Collinson; Peter Young	08-Apr-2024	31-Mar-2025
SUR SMT 008e	Special Structures – works  To undertake works where the inspection programme has identified areas of need. This will manage the likelihood of this risk.	Should the inspection process (action SUR SMT 008a) identify assets which require additional works to bridge the gap between current and desired condition, further funding bid requests may result. Note that this action is subject to the availability of funding (CWP bid process, as outlined in action CR37a).  It is likely that these bids will be forthcoming through the first quarter of 2024.	Peter Collinson	08-Apr-2024	31-Mar-2025

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SUR SMT 015 UKPN - Condition and maintenance of substations  18-Feb-2024 Paul Wilkinson	<b>Cause:</b> Either the failure of UK Power Networks (UKPN) to adequately maintain their facilities (including equipment), or any failure on behalf of the City Corporation to maintain structures where these are our responsibility, to a condition adequate to prevent issues arising. <b>Event:</b> Potential for flood or fire in substation <b>Impact:</b> Potential flood or fire leading to impact on operational assets and interruption to service delivery and/or claim from UKPN for business interruption.	 Likelihood Impact	6	This risk was being tracked on Corporate Property Group Risk Register, but due to recent events (Central Criminal Court substation fire) it has been considered appropriate to raise this risk to the departmental level.  This risk covers investment and (operational (non Housing ) assets.  <b>08 Apr 2024</b>	 Likelihood Impact	4	Reduce	Constant

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 015a	The creation of a corporate wide Working Group by the Corporate Health and Safety committee is to bring the relevant organisational leads together (Legal, Housing, City Surveyor's, etc. to jointly assess and address the risk.	A corporate wide working group chaired by the City Surveyor has been set up that will report into the Corporate Health and Safety Committee where this item will be tracked. The Group's first meeting took place on 26 April. Further details on actions to address this risk will be updated shortly.	Oliver Sanandres; Peter Collinson	08-Apr-2024	31-Mar-2025
SUR SMT 015b	This background data will help codify the split of responsibility between the City Corporation and UKPN	The City Surveyor's Department is collating an inventory of all UKPN substations across our operational and investment assets, and seeking to identify leases wherever these are available. Because of age of the structures, many assets may not have current legal documentation.  The organisation's legal team, supported by the external legal experts Hogan Lovells, have been in contact with UKPN in connection with codifying roles and responsibilities.	Peter Young Robert Murphy	08-Apr-2024	31-Mar-2025
SUR SMT 015c	The organisation will need to be satisfied that UKPN equipment housed within City assets continues to operate as anticipated – this information will need to be supplied by UKPN as part of an inspection regime. Similarly the organisation will need to ensure that any structural or maintenance elements which are our responsibility are maintained appropriately.	Whilst substation leases will allow for the inspection by the landlord, functionally this requires an attendee from UKPN to ensure that the space is safe to enter and inspect. UKPN are not always responding to CoLCC requests.  This action is being progressed by the relevant Premises Controllers in City Surveyor's alongside colleagues from the Comptroller and City Solicitor and the external legal expert Hogan Lovells.		08-Apr-2024	31-Mar-2025