



## Audit and Risk Management Committee

**Date:** TUESDAY, 2 JUNE 2020  
**Time:** 2.00 pm  
**Venue:** VIRTUAL PUBLIC MEETING (ACCESSIBLE REMOTELY)

**Members:** Alderman Ian Luder (Chairman)  
Alexander Barr (Deputy Chairman)  
Hilary Daniels (Deputy Chairman)  
Randall Anderson  
Alderman Nick Anstee  
Chris Boden  
Deputy Jamie Ingham Clark (Ex-Officio Member)  
Anne Fairweather  
Marianne Fredericks (Ex-Officio Member)  
Alderman John Garbutt  
Paul Martinelli  
Caroline Mawhood (External Member)  
Jeremy Mayhew (Ex-Officio Member)  
Andrien Meyers  
John Petrie  
Dan Worsley (External Member)

**Enquiries:** Chloe Rew  
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### Accessing the virtual public meeting

Members of the public can observe the virtual public meeting at the below link:  
<https://youtu.be/hb1B1dW5Yvc>

John Barradell  
Town Clerk

# **AGENDA**

## **Part 1 - Public Agenda**

- 1. OPENING REMARKS - WELCOME TO NEW EXTERNAL MEMBER**
- 2. APOLOGIES**
- 3. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
- 4. MINUTES OF THE PREVIOUS MEETING**  
To agree the public minutes and non-public summary of the meeting held on 28 January 2020.

**For Decision**  
(Pages 1 - 6)

- 5. COMMITTEE WORK PROGRAMME**  
Member are asked to agree the revised Committee Work Programme.

**For Decision**  
(Pages 7 - 8)

## **Governance**

- 6. ANNUAL GOVERNANCE STATEMENT 2019/20**  
Joint report of the Town Clerk & Chief Executive and the Chamberlain.

**For Decision**  
(Pages 9 - 58)

- 7. 2019/20 ANNUAL REPORT OF THE AUDIT AND RISK MANAGEMENT COMMITTEE**  
Report of the Chairman of the Audit and Risk Management Committee.

**For Decision**  
(Pages 59 - 66)

## **Risk Management**

- 8. RISK UPDATE**  
Report of the Chamberlain.

To be read in conjunction with the non-public appendix at Item 14.

**For Discussion**  
(Pages 67 - 108)

**9. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

**10. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

**11. EXCLUSION OF THE PUBLIC**

**MOTION**, that – under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

**For Decision**

**Part 2 - Non-Public Agenda**

**12. NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

To agree the Non-Public minutes of the meeting held on 28 January 2020.

**For Decision**  
(Pages 109 - 110)

**Risk Management**

**13. DEEP DIVE - CR34 COVID-19**

Report of the City of London Corporation Gold Group.

**For Discussion**  
(Pages 111 - 132)

**14. NON-PUBLIC APPENDIX TO THE RISK UPDATE REPORT**

Appendix to be read in conjunction with the report of the Chamberlain at Item 8.

**For Discussion**  
(Pages 133 - 144)

**15. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

**16. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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## AUDIT AND RISK MANAGEMENT COMMITTEE

**Tuesday, 28 January 2020**

Minutes of the meeting of the Audit and Risk Management Committee held at  
Committee Rooms, 2nd Floor, West Wing, Guildhall on Tuesday, 28 January 2020 at  
2.00 pm

### **Present**

#### **Members:**

Alderman Ian Luder (Chairman)	Kenneth Ludlam (External Member)
Alexander Barr (Deputy Chairman)	Paul Martinelli
Randall Anderson	Caroline Mawhood (External Member)
Deputy Jamie Ingham Clark (Ex-Officio Member)	Jeremy Mayhew (Ex-Officio Member)
Alderman John Garbutt	Andrien Meyers
Kenneth Ludlam (External Member)	John Petrie

### **In Attendance**

#### **Officers:**

Chloe Rew	- Town Clerk's Department
Peter Kane	- Chamberlain
Caroline Al-Beyerty	- Chamberlain's Department
Alistair Cook	- Chamberlain's Department
Paul Dudley	- Chamberlain's Department
Matthew Lock	- Chamberlain's Department
Cecilie Booth	- City of London Police
David Evans	- City of London Police
Michael Cogher	- Comptroller and City Solicitor
Jon Averbs	- Director of Markets & Consumer Protection
Ruth Calderwood	- Department of Markets and Consumer Protection
Jenny Brown	- City of London School for Girls
Alan Bubbear	- City of London School for Girls

#### **Also in attendance:**

Nick Bensted-Smith	- Chairman, Board of Governors of the City of London School for Girls
Alderman Prem Goyal	- Court of Aldermen
Alderman Bronek Masojada	- Court of Aldermen
Dan Worsley	- External Member (commencing April 2020)
Fiona Condron	- External Auditors, BDO

1. **APOLOGIES**

Apologies were received from Deputy Chairman (External) Hilary Daniels, Alderman Nick Anstee, Anne Fairweather and Marianne Fredericks.

2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

There were no declarations.

3. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED, that – the minutes of the previous meeting held on 19 November 2019 were agreed as a correct record.

4. **OUTSTANDING ACTIONS OF THE COMMITTEE**

RESOLVED, that – the list of outstanding actions of the Committee be received and its contents noted.

5. **COMMITTEE WORK PROGRAMME**

RESOLVED, that – the Committee work programme be received and its contents noted.

6. **MEMBERSHIP TERMS FOR APRIL 2020 COMMITTEE APPOINTMENTS**

Members considered a report of the Town Clerk & Chief Executive relative to the membership terms for the April 2020 Committee appointments. As six out of 10 Members' terms will expire at once, the report proposed staggered terms be implemented for the upcoming court appointments to mitigate against the risk of excessive Member turnover in any one year in the future.

RESOLVED, that Members agree:

1. staggered terms be implemented when Members are elected to the Audit and Risk Management Committee at the Court of Common Council meeting on 23 April 2020;
2. the terms commencing April 2020 will be 4 terms of 3 years; 1 term of 2 years, and 1 term of 1 year; and,
3. all future terms thereafter be for three years.

7. **EXTERNAL AUDIT PROCUREMENT: NEXT STEPS**

Members considered a report of the Chamberlain relative to the next steps in external audit procurement.

RESOLVED, that Members:

1. endorse the procurement approach for the new external audit service contract;
2. agree that Hilary Daniels serve as Chairman of the IAAP;
3. agree Alderman Ian Luder and Jamie Ingham Clark sit on the IAAP.

8. **2020/21 DRAFT INTERNAL AUDIT PLAN**

Members considered a report of the Head of Audit and Risk Management relative to the 2020/21 Draft Internal Audit Plan. Members considered the two categories of prioritisation and the Chamberlain's provided justification for both

categories with a view to move to a smaller number of areas of higher risk in the future.

RESOLVED, that Members:

1. review the proposed Internal Audit Plan for 2020/21 as set out in Appendix 1 and consider the extent to which:
  - the plan covers the organisation's key risks as they are recognised by Audit and Risk Management Committee;
  - the plan incorporates the areas that the Audit and Risk Management Committee believe should be covered as priority; and,
2. agree, subject to the above, the 2020/21 Draft Internal Audit Plan.

**9. INTERNAL AUDIT RECOMMENDATIONS UPDATE**

Members considered a report of the Head of Audit and Risk Management relative to the Internal Audit Recommendations Update. Members were supportive of the Audit Recommendations follow-up process. Following a question from a Member in relation to the timelines of follow-up activity, the Head of Audit and Risk Management confirmed that the target would be to undertake follow-up reviews within 6 months of issuing Final Audit Reports, in line with the current target timelines for implementing Internal Audit recommendations.

With respect to the City of London School for Girls outstanding recommendations, the Bursar noted that action had been taken on all 23 outstanding recommendations, and 6 items had been closed. The Finance and Estates Sub-Committee of the Board of Governors of the City of London School for Girls had been established and would oversee outstanding audit recommendations. The School confirmed it would provide an update on the status of outstanding recommendations prior to the next meeting.

RESOLVED, that Members:

1. note the current status of live audit recommendations;
2. endorse the proposed changes to the way that audit follow-up work is undertaken.

**10. CORPORATE RISK UPDATE**

Members considered a report of the Chamberlain relative to the Corporate Risk Update, including the final City of London Corporation Risk Management Policy and Strategy, following the receipt of the draft Risk Management Strategy at the previous committee meeting. Members expressed concern over the growing number of corporate risks although the Chairman noted that there had been one risk which had recently been removed from the register (GDPR) and other risks which were candidates for removal later in 2020. There was also a discussion concerning the meaning of target risk score/date. The Deputy Chairman made a suggestion to amend the definition within the glossary of the risk management strategy which clarified this point. The strategy would be amended accordingly.

RESOLVED, that Members:

1. note the risk report including changes to both corporate and top red departmental risk registers since November 2019;
2. endorse Summit Group's decision to include CR32 Wanstead Park Reservoirs risk on to the corporate risk register;
3. note the development of two potential corporate risks to be considered by Summit Group relating to capacity and capability of the City Corporation's ability to simultaneously deliver 3-4 major capital schemes over the next few years as well as general competency in managing projects;
4. agree the proposed reporting arrangements for corporate risks to the Committee set out as follows:
  - a detailed corporate risk register including all corporate risks to be provided on an annual basis, categorising risks into appetite levels (above, at, below) and an indication of the approach to managing each risk;
  - for the other three Committee meetings per year, only risks above risk appetite to be reported in a detailed risk register format;
  - a list of all corporate risks indicating risk appetite levels to be provided in summary format at each meeting.
5. endorse the City Corporation's Risk Management Strategy.

**11. DEEP DIVE CR21: AIR QUALITY**

Members received a Deep Dive report of the Director of Markets and Consumer Protection (M&CP) relative to CR21 Air Quality. It was noted that emission sources include road traffic and non-traffic sources such as boilers and generators. Fine particles found in air come from both City sources and blown from other parts of London. M&CP reported it was working with the Department for the Built Environment to manage idling and encourage use of electric vehicles in the City. In addition to the work undertaken within the City, an emissions reduction bill had gone through a first reading in Parliament and would be considered in a second reading in due course.

RESOLVED, that – the report be received and its contents noted.

**12. CITY OF LONDON POLICE FREEDOM OF INFORMATION REQUESTS UPDATE**

Members received a report of the Commissioner of Police relative to the City of London Police Freedom of Information (FOI) Requests. Members were informed that the historic backlog of requests received prior to April 2019 had been cleared. Since April 2019, there had been 1112 requests; 479 were completed within the statutory timeframe of 28 days and of the remaining 633, only 169 were past the statutory deadline. All outstanding requests would be completed by 31 March and any requests that had not yet been cleared by that date would be less than 28 days old.

RESOLVED, that –

1. the report be received and its contents noted; and,

2. the Committee is to receive a note of the 31 March position on FOI Requests at the 2 June 2020 meeting, with a view to remove the subject from outstanding actions moving forward.

13. **RESOLUTION OF THE POLICE AUTHORITY BOARD MEETING**

Members considered a resolution of the Police Authority Board from its meeting on 28 November 2019 requesting the Committee consider whether it would be appropriate to adopt Strategic Project Management as a Corporate Risk.

RESOLVED, that – a Major Capital Projects risk would be considered by the Committee at a future meeting.

14. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

15. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

The Chairman congratulated Caroline Mawhood on being awarded an MBE in the New Year's Honours.

16. **EXCLUSION OF THE PUBLIC**

**RESOLVED**, that – under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

Item	Paragraph
17-19, 22	3
23	1-3

17. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

RESOLVED, that – the non-public minutes of the previous meeting held on 19 November 2019 be agreed as a correct record.

18. **DEEP DIVE CR23: POLICE FUNDING**

Members received a Deep Dive report of the Police Authority Treasurer relative to CR23: Police Funding.

RESOLVED, that – the report be received and its contents noted.

19. **APPENDIX 3: CORPORATE RISK UPDATE**

Members received the non-public appendix in conjunction with the report of the Chamberlain, Corporate Risk Update, at agenda item 11.

20. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

21. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There was no other business.

22. **CONFIDENTIAL MINUTES**

RESOLVED, that – the confidential minutes of the previous meeting held 19 November 2019 be agreed as a correct record.

23. **INTERNAL AUDIT RESOURCES**

Members received a report of the Head of Audit and Risk Management relative to Internal Audit Resources.

RESOLVED, that – the report be received and its contents noted.

24. **CONFIDENTIAL QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

25. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED DURING CONFIDENTIAL SESSION**

There was no other business.

**The meeting closed at 4:00 pm**

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Chairman

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**Audit & Risk Management Committee - Work Programme: June – November 2020**

2 June 2020	14 July 2020	September 2020 NEW DATE TBC	3 November 2020 *MOVED*
<b>Financial Statements and External Auditors</b>			
		Bridge House Estate Accounts  External Auditor Recommendations from the IAAP  City Fund and Pension Fund Accounts	City's Cash Accounts
<b>Risk Management (Regular update reports, Deep Dive Risk Reviews and Independent Risk Challenge</b>			
<u>Deep Dive:</u> *  1. CR34 COVID-19 (Town Clerk)   <u>Risk Challenge</u> **	<u>Deep Dive:</u>  1. CR31 Fundamental Review (Town Clerk)  2. CR24 Operational Security (Town Clerk)  <u>Risk Challenge:</u> Department for the Built Environment	<u>Deep Dive:</u>  1. CR29 Information Management (Town Clerk)  2. CR16 Information Security (Chamberlain)  <u>Risk Challenge:</u> Town Clerk's Department	<u>Deep Dive:</u>  1. CR10 Adverse Political Developments (Town Clerk)  2. CR09 Health & Safety (Town Clerk)  <u>Risk Challenge:</u> Department of Community & Children's Services

Corporate Risk Update  CR25 GDPR Report (Comptroller & City Solicitor)		Risk Update Report	Risk Management Update
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\* *Deferred Deep Dives*

- CR27: Change Management (Town Clerk) – March 2020
- CR16: Information Security (Chamberlain/CoLP) – March 2020
- CR28: Action Fraud (Chamberlain/CoLP) – March 2020
- CR30: Climate Change (Town Clerk) – June 2020
- CR02: Loss of Business Support for the City (Town Clerk) – June 2020

\*\* *Deferred Risk Challenge Sessions*

- Remembrancer's – March 2020
- Markets & Consumer Protection – June 2020

Internal Audit/Corporate Anti-fraud			
Head of Audit Annual Report and Audit Opinion	Internal Audit Update	Internal Audit Recommendations Follow-Up	Internal Audit Update
Anti-Fraud Annual report			Anti-Fraud Update

Governance			
Annual Governance Statement			
Annual Report of the Committee			

External Inspections/OFSTED Reports etc			
		HMIC (City of London Police)	

<b>Committee</b>	<b>Dated:</b>
Audit and Risk Management Committee	2 June 2020
<b>Subject:</b> Annual Governance Statement 2019/20	<b>Public</b>
<b>Report of:</b> The Town Clerk and Chief Executive and the Chamberlain	<b>For Decision</b>
<b>Report author:</b> Hayley Hajduczek, Corporate Strategy & Performance Officer	

## Summary

This report presents the annual summary and update of the City Corporation's governance and internal control framework in the format agreed by this Committee in March 2020. Appendix 1 sets out the City Corporation's Annual Governance Statement (AGS) as required by the Accounts and Audit (England) Regulations 2015. Appendix 2 contains the AGS with all changes tracked.

The AGS is prepared in accordance with proper practice guidance – “*Delivering Good Governance in Local Government*” – issued jointly by the Society of Local Authority Chief Executives and Senior Managers and the Chartered Institute of Public Finance and Accountancy

## Recommendation(s)

Members are asked to:

- approve the AGS set out in Appendix 1 for signing by the Chair of the Policy and Resources Committee and the Town Clerk and Chief Executive;
- note that the AGS will be published alongside the 2019/20 City Fund and Pension Funds Statement of Accounts;
- note the future work programme in paragraph 105 of the AGS to improve the governance framework; and
- delegate authority to the Town Clerk and Chief Executive, in consultation with the Chairman and Deputy Chairmen of this Committee, to amend the AGS for any significant events or developments relating to the governance arrangements that occur prior to the date on which the Statement of Accounts is signed by the Chamberlain.

## **Main Report**

### **Background**

1. This report presents the annual update of the City Corporation's governance and internal control framework. The Accounts and Audit (England) Regulations 2015, which apply to the City of London's City Fund activities, require an audited body to conduct a review, each financial year, of the effectiveness of its system of internal control and publish an Annual Governance Statement (AGS) each year, alongside the authority's Statement of Accounts. The AGS is set out in Appendix 2 with all additions, deletions and other changes since last year shown as tracked changes.
2. The Chartered Institute of Public Finance and Accountancy (CIPFA), in association with the Society of Local Authority Chief Executives and Senior Managers (SOLACE), publishes a *Delivering Good Governance in Local Government: Framework* and an accompanying guidance note, which represents the proper practice guidance in relation to internal control.
3. In 2010, CIPFA issued its *Statement on the Role of the Chief Financial Officer in Local Government*. The governance requirements in this document are that the Chief Financial Officer should be professionally qualified, report directly to the Chief Executive and be a member of the leadership team, with a status at least equivalent to other members. The Statement requires that, if different arrangements are adopted, the reasons should be explained in the organisation's AGS, together with how these deliver the same impact. The role of the Chamberlain conforms to the requirements of the Statement on the Role of the Chief Financial Officer.

### **Approval**

4. The AGS must be signed by the most senior officer (Chief Executive or equivalent) and the most senior member (Leader or equivalent). Following a resolution of this Committee in March 2012, the Policy and Resources Committee approved a report on the process for producing the AGS, and approved the practice whereby the AGS is approved by this Committee and signed by the Chairman of the Policy and Resources Committee.
5. There is a requirement that any significant events or developments relating to the governance arrangements that occur between the Balance Sheet date (31 March 2020) and the date on which the Statement of Accounts is signed by the Chamberlain are reported within the AGS. Therefore a paragraph has been added to note any changes that arise from the COVID-19 outbreak between March and June 2020 and delegated authority is sought for the Town Clerk, in consultation with the Chairman and Deputy Chairmen of this Committee, to amend the AGS if necessary.

### **Ownership**

6. As a corporate document, the AGS should be owned by all senior officers and members of the authority. The draft AGS was considered and approved at Summit Group on 18 May.

7. The signatories need to ensure that the AGS accurately reflects the governance framework for which they are responsible. To achieve this, reliance may be placed on many sources of assurance, such as:
- Chief Officers and Senior Managers;
  - the Chief Financial Officer responsible for the accounting control systems and records and the preparation of the statement of accounts;
  - the Monitoring Officer in meeting his/her statutory responsibilities;
  - members (e.g. through audit or scrutiny committees);
  - the Head of Internal Audit;
  - performance and risk management; and
  - external audit and other review agencies.
8. The Audit and Risk Management Committee has a key role within the 'review of effectiveness' of the City's governance framework, including the system of internal control. One of its prime responsibilities is to review the work of the internal auditors, consider the risk management framework, and consider comments made by the external auditors and other review agencies and inspectorates

## **External Audit**

9. The AGS is required to be published with an authority's Statement of Accounts, but is not part of the accounts. This is an important distinction, as the statement is not then covered directly by the Chief Financial Officer's certification. The external auditors review whether the AGS reflects compliance with "*Delivering Good Governance in Local Government*" and report if the AGS does not comply with proper practices or if it is misleading or inconsistent with other information the auditor is aware of from the audit of the Statement of Accounts.

## **Appendices**

- Appendix 1 – Draft Annual Governance Statement 2019/20
- Appendix 2 – Draft Annual Governance Statement 2019/20 with all changes tracked

## **Background Papers**

- Report to Audit and Risk Management Committee, 31 March 2020: *Annual Governance Statement - Methodology*
- CIPFA/SOLACE publications:
  - Delivering good governance in Local Government: Framework (2016)
  - Delivering good governance in Local Government:– Guidance Note for English Authorities (2016)

## **Hayley Hajduczek**

Corporate Strategy & Performance Officer

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## **ANNUAL GOVERNANCE STATEMENT 2019/20**

### **Scope of Responsibility**

1. The City of London Corporation is the governing body of the Square Mile dedicated to a vibrant and thriving City, supporting a diverse and sustainable London within a globally-successful UK. It aims to contribute to a flourishing society, support a thriving economy and shape outstanding environments by strengthening the character, capacity and connections of the City, London and the UK for the benefit of people who live, learn, work and visit here. Its unique franchise arrangements support the achievement of these aims.
2. Although this statement has been prepared to reflect the City of London Corporation in its capacity as local authority, police authority and port health authority, which are paid for through the City Fund, the governance arrangements are applied by the Corporation to its other functions funded by City's Cash and the Bridge House Estates.
3. The City of London Corporation ("the City Corporation") is responsible for ensuring that its business is conducted in accordance with the law and proper standards of governance; that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively; and that arrangements are made to secure continuous improvement in the way its functions are operated.
4. In discharging this overall responsibility, the City Corporation is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
5. The City Corporation has approved and adopted a code of corporate governance which is consistent with the principles of the CIPFA/SOLACE <sup>1</sup>Framework *Delivering Good Governance in Local Government*. This statement explains how the City Corporation has complied with the code and also meets the requirements of regulation 6(1) of the Accounts and Audit (England) Regulations 2015, which requires all relevant bodies to prepare an annual governance statement.

### **The Purpose of the Governance Framework**

6. The governance framework comprises the systems and processes by which the City Corporation is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the City Corporation to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
7. The system of internal control is a significant part of that framework and is designed to manage all risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable rather than absolute assurance of effectiveness. The City Corporation's system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of its policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them economically, efficiently and effectively.

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<sup>1</sup> CIPFA is the Chartered Institute of Public Finance and Accountancy  
SOLACE is the Society of Local Authority Chief Executives

8. The governance framework has been in place at the City Corporation for the year ended 31<sup>st</sup> March 2020 and up to the date of approval of the statement of accounts.

## **Key Elements of the Governance Framework**

### Code of Corporate Governance

9. The principles of good governance are embedded within a comprehensive published Code of Corporate Governance. This code covers both the local authority and police authority roles, and links together a framework of policies and procedures, including:
- Standing Orders, which govern the conduct of the City Corporation's affairs, particularly the operation of Committees and the relationship between Members and officers;
  - Financial Regulations, which lay down rules that aim to ensure the proper management and safeguarding of the City Corporation's financial and other resources;
  - Terms of reference for each Committee;
  - A Scheme of Delegations, which defines the responsibility for decision-making and the exercise of authority;
  - A Members' Code of Conduct, which defines standards of personal behaviour;
  - A Standards Committee whose role is to promote high standards of Member behaviour and to deal with complaints made against Members, and oversight of the register of interests, gifts and hospitality;
  - A Code of Conduct for employees;
  - The Corporate Plan 2018-23;
  - A corporate complaints procedure, operated through the Town Clerk's Department, with a separate procedure in the Department of Community and Children's Services to comply with the relevant regulations, and a separate complaints process in respect of complaints about the City of London Police;
  - A corporate Project Toolkit and other detailed guidance for officers, including procedures and manuals for business-critical systems;
  - An anti-fraud and corruption strategy, including: anti-bribery arrangements; a social housing tenancy fraud, anti-fraud and prosecution policy; and a whistleblowing policy;
  - A Risk Management Strategy;
  - Job and person specifications for senior elected Members and the Court of Aldermen; and
  - A protocol for Member/officer relations.
10. The City Corporation's main decision-making body is the Court of Common Council, which brings together all of its elected Members. Members sit on a variety of committees which manage the organisation's different functions, and report to the Court of Common Council on progress and issues as appropriate. The Town Clerk and Chief Executive is the City Corporation's statutory head of paid service, and chairs the Chief Officers Group, and the Summit Group, which is the primary officer decision-making body. The Comptroller and City Solicitor discharges the role of monitoring officer under the Local Government and Housing Act 1989. The Chamberlain carries

out the duties of the section 151 officer as necessitated by the Local Government Act 1972 which requires every local authority to appoint a suitably qualified officer responsible for the proper administration of its affairs.

11. The Court of Common Council is defined as the police authority for the City of London Police area in accordance with the provisions of the City of London Police Act 1839 and the Police Act 1996.
12. The role of the police authority is to ensure that the City of London Police runs an effective and efficient service by holding the Commissioner to account; to ensure value for money in the way the police is run; and set policing priorities taking into account the views of the community. These, and other key duties, are specifically delegated to the Police Authority Board. The Police Authority Board has the following Sub Committees and Boards to provide enhanced oversight in specific areas of police work:
  - The Professional Standards and Integrity Sub Committee has responsibility for providing detailed oversight over professional standards and integrity within the Force, and examines the casework of every single complaint recorded by the Force;
  - The Performance and Resource Management Sub Committee monitors performance against the Policing Plan and oversees management of risk, human and financial resources;
  - The Economic Crime Committee considers matters relating to the Force's national responsibilities for economic crime and fraud investigation, as well as local performance on tackling economic crime; and
  - The Police Pensions Board is responsible for securing compliance with police pension scheme regulations and other legislation relating to the governance and administration of the scheme.
13. Under the Localism Act 2011, the City Corporation is under a duty to promote and maintain high standards of conduct by Members and co-opted Members. In particular, the Court of Common Council must adopt and publicise a code dealing with the conduct that is expected of Members when they are acting in that capacity and have in place a mechanism for the making and investigation of complaints. The Court approved a revised Code of Conduct in March 2018, following a review by the Standards Working Party.
14. The City Corporation has appropriate arrangements in place under which written allegations of a breach of the Member Code of Conduct can be investigated and decisions on those allegations taken. A Complaints Procedure is in place and following a review a revised model came into force in the 2018/19 municipal year. A Dispensations Sub Committee exists for the purposes of considering requests from Members for a dispensation to speak or vote on certain matters (where they have a disclosable pecuniary interest and are otherwise prevented from participation) being considered at Committee meetings. A new dispensations policy was approved by the Court of Common Council in March 2019 and further reviewed, with advice obtained from Counsel engaged by the City Corporation, on 24<sup>th</sup> January 2020 with further changes being made. Elected and co-opted Members are invited to review and update their Member Declarations on an annual basis (although there is no statutory requirement to do so).
15. Under Section 28 of the Localism Act, the Common Council is required to appoint at least one Independent Person to support the standards arrangements. The Court of Common Council has made three appointments to the position of Independent Person.

16. The Localism Act also requires the Common Council to prepare and publish a Pay Policy Statement each year, setting out its approach to pay for the most senior and junior members of staff. The Pay Policy Statement for 2019/20 was agreed by the Court of Common Council in March 2019 and published on the City Corporation's website.
17. To assist in meeting the City Corporation's obligations under the Bribery Act 2010, officers with decision-making powers in relation to higher risk activities are required to make an annual declaration to confirm that they have met the requirements relating to potential conflicts of interest, as set out in the Employee Code of Conduct, and to confirm that they have not engaged in any conduct which might give rise to an offence under the Act.
18. As a result of the Protection of Freedoms Act 2011-12, revisions were agreed to the City Corporation's policy and procedures in respect of the Regulation of Investigatory Powers Act 2000 (RIPA), which regulates surveillance carried out by public authorities in the conduct of their business. A report was made in September 2017 to the Policy and Resources Committee on the City Corporation's use of RIPA powers. In November 2018, the Office of the Surveillance Commissioners conducted an inspection of the City Corporation's arrangements. The inspector concluded that the City Corporation is keen to set and maintain standards and has a sound RIPA structure, with good policies and procedures.
19. In November 2019 following changes to legislation and best practice amendments, the City Corporation's RIPA Policy and Procedure document was updated to reflect these changes and to ensure continued compliance in relation to the procedural requirements of handling applications submitted under RIPA.

#### Standards Committee

20. The Standards Committee oversees the conduct of Members and Co-opted Members in all areas of the City of London Corporation's activities be it local authority, police authority or non-local authority functions. Its main responsibility is to promote and maintain high standards of conduct by elected Members and Members co-opted on to City of London Committees.
21. Its functions include:
  - monitoring and regularly reviewing the operation of the Code of Conduct for Members and related procedures;
  - considering any alleged breaches of the Code;
  - monitoring Members' declarations to ensure compliance with both the statutory and local registration requirements;
  - regularly reviewing the complaints procedure and dispensations arrangements; and submitting an annual report to the Court of Common Council.
22. In March 2019 a new and extensively consulted upon guidance and policy came into effect. However a petition relating to the Dispensations Policy was considered by the Committee alongside other relevant matters, including the Principles of Public Life, general public confidence in local government and the City Corporation in particular, and non-Localism Act requirements/restrictions in relation to conflicts of interest. Much of this municipal year has therefore been focused on the further refinement and liberalisation of our Dispensations Policy.
23. At the January 2020 meeting of the Standards Committee, Members considered the opinion of Counsel. The Committee voted nine in favour with one abstention, to accept his opinion that the approach suggested by the elected Member regarding the granting

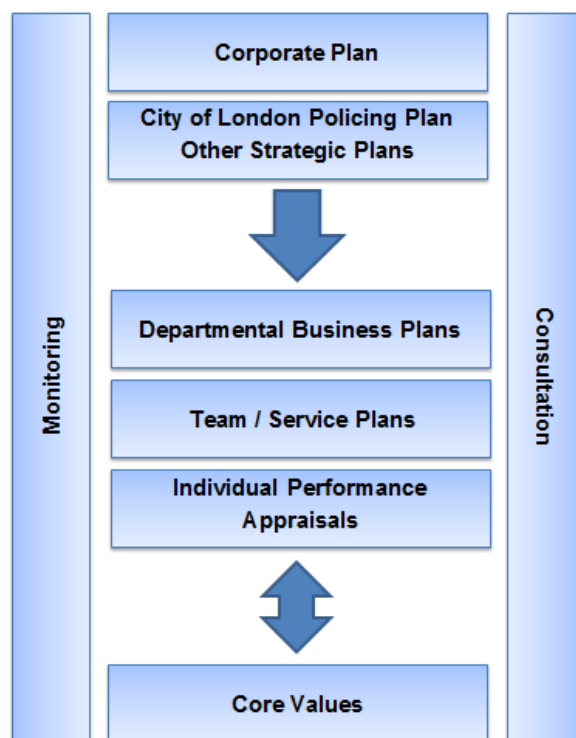
of 'general' dispensations was unlawful. The Committee then continued to agree ways in which we are able to further liberalise the policy.

24. The Committee undertakes an annual review of the Protocol on Member/Officer Relations. During 2019/20, eight alleged breaches of the Members' Code of Conduct were considered in accordance with the agreed procedure.
25. A comprehensive package of learning and development was offered to all new and returning Members and included briefing sessions on corporate planning, the Member Code of Conduct and the Member/Officer Protocol, as well as other aspects of the governance framework i.e. how decisions are taken, Standing Orders and financial regulations.

### Electoral arrangements

26. The City Corporation administers electoral registration and elections in the City of London and maintains an accurate database of organisations and individuals in the City of London who are eligible to register to vote. For these purposes, three separate registers are maintained: the Common Hall Register of Liverymen, the Ward Lists and the Electoral Register.
27. Common Hall is a meeting of the Liverymen of the City of London Livery Companies, held at Guildhall twice a year, to elect municipal officers including the Sheriffs and the Lord Mayor. The Lord Mayor is elected annually at Michaelmas, on 29 September, and the City's Sheriffs are elected after Midsummer day on 24 June. The main role of the Sheriffs is to support the Lord Mayor in their official duties undertaken on behalf of the City Corporation.
28. Throughout the year, all premises in the City of London are visited to identify eligible organisations for the purpose of registration on the City of London Ward Lists. The Ward Lists, which are updated annually and published every February, are used for elections for Aldermen and Members of the Court of Common Council. At national and London-wide elections, the Electoral Register is used, which is updated annually alongside the Ward Lists.
29. The City Corporation also provides advice to Members, candidates and election agents on a wide range of electoral matters, and guidance to those wishing to serve.
30. Four by-elections were held in 2019/20 and returned four new Members of the Court of Common Council. One Aldermanic election was also contested, which resulted in the sitting Alderman being re-elected. Five further Aldermen were returned in 2019/20 following uncontested elections.

## Business Strategy and Planning Process



31. The City Corporation has a clear hierarchy of plans, setting out its ambitions and priorities:

- The Corporate Plan 2018-23 is the strategic framework for all the City Corporation's work between 2018 and 2023. It includes a statement of the City Corporation's vision, aims, responsibilities, capabilities and commitments. It was approved by Court of Common Council on 8<sup>th</sup> March 2018 and introduced on 1<sup>st</sup> April 2018.
- The City of London Police Corporate Plan 2018-23 sets out the ambitions and high-level commitments for the Force. Its Policing Plan details the policing priorities and shows how these will be delivered over the coming year. It also contains all the measures and targets against which the Police Committee hold the City of London Police to account.

32. Plans and strategies are informed by a range of consultation arrangements, such as City-wide residents' meetings, representative user groups and surveys of stakeholders. The City Corporation has a unique franchise, giving businesses (a key constituency) a direct say in the running of the City, and a range of engagement activities, including through the Lord Mayor, Chair of Policy and Resources Committee and the Innovation and Growth Division (formerly known as the Economic Development Office). An annual consultation meeting was held in early spring 2019 for business rates and council tax payers, and another two for residents in May 2019.

33. The Health and Social Care Act 2012 transferred responsibility for health improvement of local populations to local authorities in England, with effect from 1<sup>st</sup> April 2013. The new duties included the establishment of a Health and Wellbeing Board, which provides collective leadership to improve health and wellbeing for the local area.

## Information Management Strategy

34. The 2009 Information Management Strategy has been updated and refreshed and was approved by Summit Group in March 2019. It sets out the headline approach to information management in the City Corporation. It summarises the current position, gives a vision of where we want to be and proposes a set of actions to start us on the path to that vision. The Strategy defines our approach to the other key elements for information management, in particular data security and data sharing.
35. Overall responsibility for Information Management Governance and cyber-security is vested in the Digital Services (Finance) Sub Committee (formerly known as the Information Technology Sub Committee). The Information Management Board reports to the Summit Group. The Comptroller and City Solicitor is the Senior Information Risk Owner (SIRO) and work continues to identify Information Asset Owners (IAO) and other key IM roles within departments. Key tasks include the building and maintenance of an information asset register.
36. The City Corporation has undertaken a thorough review and updated its policies and procedures following the implementation of the General Data Protection Regulation (GDPR) on 25<sup>th</sup> May 2018, together with a programme of training for officers and Members across departments and institutions. Over 90% of the City Corporation staff have completed their training.

## Financial Management Arrangements

37. The Chamberlain is the Chief Finance Officer in accordance with section 151 of the local government act 1972 and has overall responsibility for the proper administration of the City's financial affairs. In 2010 CIPFA issued a "*Statement on the Role of the Chief Financial Officer in Local Government*"<sup>2</sup> which defines the key responsibilities of this role and sets out how the requirements of legislation and professional standards should be met. The City's financial management arrangements conform to the governance requirements of the Statement. The Chamberlain also fulfils the role of Treasurer of the Police Authority.
38. The system of internal control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, a system of delegation and accountability, and independent scrutiny. In particular the system includes:
  - a rolling in-depth survey of the City Corporation's forecast position over a five-year period;
  - comprehensive budget setting processes;
  - monthly, quarterly and annual financial reports that indicate performance against budgets and forecasts;
  - access by all departmental and central finance staff to systems providing a suite of enquiries and reports to facilitate effective financial management on an ongoing basis;
  - ongoing contact and communication between central finance officers and departmental finance officers;
  - clearly defined capital expenditure guidelines;

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<sup>2</sup> Updated in 2016

- formal project management disciplines;
  - the provision of high-quality advice across the organisation;
  - an internal audit service combining in-house staff with external knowledge and expertise;
  - insuring against specific risks;
  - scrutiny by Members, OFSTED, CQC, HMICFRS, other inspectorates, External Audit and other stakeholders; and
  - requests for Members and Chief Officers to disclose related party transactions including instances where their close family have completed transactions with the City Corporation.
39. The City Corporation has a long-standing and in-built culture of maximising returns from its resources and seeking value for money. It assesses the scope for improvements in efficiency /value for money at a corporate and service level by a variety of means, including improvement priorities set by the Policy and Resources Committee through the annual resource allocation process, and internal examination and review by the Efficiency and Performance (Finance) Sub Committee.
40. Following approval by the Court of Common Council in October 2016, an Efficiency and Sustainability Plan for the City Corporation was submitted to and accepted by the Department for Communities and Local Government (now the Ministry for Housing, Communities and Local Government). This provided a degree of certainty over central government funding for the period from 2016/17 to 2019/20. It also established a framework for continuous efficiency improvement beyond 2017/18 when the service based review programme was completed. A 2% per annum budget reduction target to deliver sufficient efficiencies across the City Corporation's funds continued during 2019/20. This was established to sustain these budgets over the medium term and allow for planned investment in services through a Priorities Investment Pot.
41. The Efficiency and Performance Sub Committee has responsibility for monitoring and oversight of the Efficiency and Sustainability Plan and of departmental Economy, Efficiency and Effectiveness (EEE) Health Checks which include consideration of income, helping to embed further a value for money culture within the City Corporation's business and planning processes.
42. The EEE Health Checks are designed to achieve better alignment of business plans to the Corporate Plan, the delivery of the 2% year-on-year Efficiency and Sustainability Plan in local risk budgets, and to enable the Efficiency and Performance Sub-Committee to fulfil its duty to review periodically the performance of each Chief Officer in order to promote efficiency and value for money.
43. A Fundamental Review was conducted in 2019/20 in order to align spending with the Corporate Plan and strengthen financial discipline in a time of declining resources. The objective was to ensure that resources are more effectively applied. The review related to City's Cash and the City Fund but did not include Bridge House Estates or the City of London Police as these are funded differently. Departments were tasked with submitting options for consideration by the Resource Allocation (Policy & Resources) Sub Committee at its annual informal away day. Selected options were built into budgets for future years and a commitment was given to reviewing the operating model and Member governance arrangements. Work has commenced on these reviews and an officer group is taking a corporate view of the commercial opportunities put forward and will bring forward proposals in due course.

44. During 2018/19, the Procurement Sub Committee was established. This Sub Committee is responsible for scrutinising and ensuring value for money is obtained on all City Corporation and City of London Police procurement contracts with of value of over £2m at key stages, including initial tender strategy to final contract award sign off. The Sub Committee also ensure compliance with the UK Public Contract Regulations and the Corporation's Procurement Code.
45. Prior to the coronavirus outbreak, forecasts indicated a surplus in 2020/21, although moving to a deficit position from 2021/22 with, the inclusion of funding for the Museum of London and Combined Courts relocation. More recently, however, the City Corporation is facing an earlier financial challenge as a result of a drop in revenue income and a predicted reduction in business rates; the MTFP will be reworked, potentially in July and a revised budget may follow in September. This will impact on the Fundamental Review as the scale of the challenge becomes clearer.
46. The economic outlook and public finances remain uncertain following the EU Referendum and there is no guarantee that government funding will be not be revised further downwards in later years. The Ministry of Housing, Communities and Local Government is currently consulting on a Fair Funding Review that will recalculate the baseline grant for City Fund from 2020/21. This will coincide with a move to greater business rates retention nationally, currently under consultation for implementation by 2020/21. The position is being monitored on an ongoing basis.
47. The City of London Police manages its budget on a ring-fenced basis. and In year work on the Medium-Term Financial Plan for the City of London Police has reduced forecast deficits through a combination of savings from the Police's Transform Programme and additional funding. Outturn for 19/20 was managed within the Police's budget, and a balanced budget has been set for 20/21 which has included additional Home Office funding for uplift in Police Officers. The Corporation has previously invested additional funding for Police capital priorities and, from 20/21, is moving to a loan-based capital funding mechanism. The City Corporation is also committing capital funding towards the Police Accommodation Strategy and Secure City infrastructure requirements. The Police Performance and Resource Management Sub Committee's responsibilities include overseeing the Police's resource management in order to maximise the economic, efficient and effective use of resources to deliver its strategic priorities; monitoring government and other external agencies' policies and actions relating to police performance; overseeing the Police's risk management arrangements; ensuring continuous improvement in the Police's finance function and financial accounting systems; and ensuring that the Police delivers value for money. The Sub Committee also receives regular updates on the work of internal audit in relation to the Police and inspection reports from HMICFRS.
48. The Policy and Resources Committee determines the level of the City Corporation's own resources to be made available to finance capital projects on the basis of a recommendation from the Resource Allocation Sub Committee. Ordinarily, such projects are financed from capital rather than revenue resources, and major projects from provisions set aside in financial forecasts.
49. The City Corporation has a number of procedures in place to ensure that its policies and the principles that underpin them are implemented economically, efficiently and effectively. This framework includes:
  - Financial Strategy - This provides a common base for guiding the City Corporation's approach to managing financial resources and includes the pursuit of budget policies that seek to achieve a sustainable level of revenue spending and create headroom for capital investment and policy initiatives.

- Budget policy - The key policy is to balance current expenditure and current income over the medium term. Both blanket pressure and targeted reviews are applied to encourage Chief Officers to continuously seek improved efficiency;
  - Annual resource allocation process - This is the framework within which the City Corporation makes judgements on adjustments to resource levels and ensures that these are properly implemented;
  - Corporate Property Asset Management Strategy - This aims to ensure that the City Corporation's operational assets are managed effectively, efficiently and sustainably, in support of the organisation's strategic priorities and business needs;
  - Capital project evaluation, management and monitoring - The City Corporation has a comprehensive system of controls covering the entire life cycle of capital and major revenue projects. An annual bids process was introduced from 2019/20 to enable Members to prioritise projects and align with the corporate plan objectives; and
  - Treasury Management and Investment Strategies - Setting out the arrangements for the management of the City Corporation's investments, borrowing, cash flows, banking and money market transactions; the effective control of risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
50. Consideration is given to efficiency during the development and approval stages of all major projects, with expected efficiency gains quantified within reports to Members.
51. The performance of the City Corporation's financial and property investments is monitored and benchmarked regularly, both in-house and independently, through experts in the field.
52. The City Corporation's project management and procurement arrangements provide a consistent approach to project management and co-ordination of the portfolio of projects across the organisation. The Projects Sub Committee meets monthly to ensure that projects align with corporate objectives and strategy and provide value for money.

### Risk Management

53. In January 2020, the Audit and Risk Management Committee approved a revised and updated Risk Management Strategy that includes an updated policy statement and a revised framework, which aligns with the key principles of ISO 31000:2018 Risk Management Principles and Guidelines, and defines clearly the roles and responsibilities of officers, senior management and Members. The Strategy emphasises risk management as a key element within the City's systems of corporate governance and establishes a clear system for the evaluation of risk and escalation of emerging issues to the appropriate scrutiny level. The Strategy assists in ensuring that risk management continues to be integrated by Chief Officers within their business and service planning and aligned to departmental objectives. The strategy will be reviewed on annual basis.
54. Strategic decisions on risk management are made by the Summit Group. On a quarterly basis Summit Group receives risk update reports and is responsible for approving new corporate risks. The Chief Officer Risk Management Group (CORMG), acting on behalf of Summit Group, meets quarterly to undertake a more in-depth review of the corporate and top departmental-level red risks. CORMG also makes recommendations to Summit Group for new corporate risks.
55. During 2019/20, the Committee has exercised its oversight role in a number of ways. In addition to receiving quarterly risk update reports, which contain information about the

corporate and red departmental level risks, it considers and endorses new corporate risks. The Committee continues to operate a cycle of regular departmental risk challenge sessions with Chief Officers and their respective Committee Chairmen, of which there were five in 2019/20. The Committee has received nine deep-dive reports, including the safeguarding, resilience, information security and Police funding.

56. The last committee meeting of this Municipal year (31 March 2020) was disrepute by the COVID-19 emergency. As a result the two corporate risk deep dive reports and the Chief Officer risk challenge have been rescheduled for 2020/21.

57. The corporate risk register contains 19 risks, including six new risks that have been added during the last year. One risk, GDPR, has been determined now to be at departmental level.

### Health & Safety and Wellbeing

58. The Health & Safety at Work etc. Act 1974 requires the City as an employer to ensure that it implements systems for the protection of its staff and others affected by its activities. The City Corporation health and safety management system is aligned to HSG65, the Health and Safety Executive's guidance document on the essential philosophy of good health and safety. The City Corporation systems will remain aligned with this guidance, to ensure that safety becomes part of normal business by applying a practical, sensible and common-sense approach.

59. Corporate Risk 09 (Health Safety and Wellbeing) concerns the City's Health and Safety Management System and its application. Effective health and safety management enables innovation, growth and enhances productivity, as well as helping the City Corporation to achieve its strategic objectives. The Health Safety and Wellbeing (People) Team (in Corporate HR) are the custodians of the health and safety management system. In 2019/ 20 a revised risk description was agreed so it is better aligned to the City Corporations objectives and remains relevant.

60. The City Corporation has an effective Chief officer-led Health, Safety and Wellbeing Committee which is chaired by the Town Clerk and Chief Executive. This sets the tone from the top and facilitates buy-in. Its function is to advise and make recommendations to the City Corporation's Chief Officers on matters relating to the overall management of health, safety and wellbeing as established under the Health, safety and Wellbeing Policy.

61. Training and development for Senior Management in larger organisations is one of the most important parts of any safety programme. The senior leadership team must be 'on-board' in order to give the safety initiative weight – and to understand how good safety practice contributes directly to service delivery, profitability or both. Senior managers need to understand their own role and accountabilities in 'making safety happen' (particularly in light of the Corporate Manslaughter legislation). Without the support and 'buy-in' of the senior management team, any health and safety programme will inevitably falter – and fail to deliver the benefits expected.

62. A programme of interactive senior leadership health and safety briefings was delivered in 2019/20 for Chief Officers and their reports. This included all the higher risk profile departments as represented on the Health Safety and Wellbeing Committee. In addition, briefings were also completed for two of the City Corporation's Independent Schools and for the Guildhall School of Music and Drama. There is an established annual inspection and audit programme for property and people health and safety - for example audit, inspections and compliance checks have focused on water hygiene

(legionella), fire safety, asbestos management, bulk fuel storage, workplace transport and lone working/preventing violence. These are currently considered to be the City Corporation's areas of higher risk profile.

63. A new Corporate Policy on Lifting and Work Equipment was drafted and implemented and the Corporate Policy on Legionella and Corporate Health and Safety Building Compliance Standards were revised in 2019/20.
64. The City Corporation has established Key Performance Indicators (KPIs) for health and safety including accident/incident reporting and investigation. The health and safety professionals have supported departments with their more challenging and/or significant health and safety investigations. This has helped to ensure that lessons are learned and are fed back into the development of the health and safety management system.
65. In September 2019 the Health Safety and Wellbeing Committee took the opportunity to refresh and develop / augment health safety and wellbeing performance measures. A revised corporate health safety and wellbeing dashboard, with agreed performance measures reported at a set frequency, has been produced to help to drive performance (including statutory compliance) and facilitate positive behaviour change.
66. The Pentana Risk Management Information System is used to manage significant health and safety risks. Pentana enables departments to highlight their safety risks as a 'Top X' risk, emphasising any activities with considerable implications that are un-mitigated, or where there is a lack of clarity. Significant fire safety support has been provided to several departments, including the Barbican Centre, Guildhall School of Music and Drama, the Department for Community and Children's Services and Mansion House/Central Criminal Court.
67. In 2019/20 there has been no health and safety enforcement action by the HSE. In June 2019 a member of the public drowned in Hampstead men's pond. The incident was notified to the HSE, and they subsequently undertook a robust investigation. This included interviews with staff and the swimming community. Documentation from the safety management system was also interrogated including site safety procedures, risk assessments, evidence of training and local monitoring and testing arrangements. The HSE has confirmed in writing that no further action is being taken against the City Corporation. Robust application of our safety management system has a 'protective' effect.
68. The Corporate Transport policy is currently being refreshed. After being approved for onward consultation there was no challenge from Chief Officers, and it was due to go to Summit Group but this has been put on hold during the Coronavirus pandemic.
69. There were no prosecutions or fire enforcement notices against the Corporation in 2019/20. However, the organisation did receive one non-statutory deficiency notice that related to only one site and was issued by the London Fire Brigade.
70. The top (and persistent) reason for reported sickness absence at the City Corporation is *anxiety/stress/depression/other psychiatric illnesses*. Grounded in a growing body of evidence, including awareness of best practice, and following a report to Establishment Committee in 2018, the "CityWell" (employee wellbeing) programme has been re-focused on mental health as the top priority, supported by a wider health promotion / wellness programme. There is a mental health and wellbeing action plan which was refreshed during 2019/20.
71. The CityWell wellbeing strategy is a strong employee brand and has helped embed the wellbeing programme at the City Corporation. The CityWell programme has been re-

focused on mental health as the top priority with mandatory training for managers supported by a wider health promotion and wellness programme.

72. Mental Health First Aid (MHFA) training is analogous to physical first aid. Whilst not a legal requirement, one is more likely to meet someone suffering distress / suicidal thoughts than someone experiencing physical ill-health or injury requiring intervention. The City Corporation took the decision to train in-house Mental Health First Aid Instructors and roll-out an internal programme of accredited MHFA training across the corporation. To date over 150 MH First Aiders have been trained.

### Business Continuity

73. The Civil Contingencies Act 2004 requires the Court of Common Council, as a Category 1 responder to maintain plans to ensure that it can continue to exercise its functions in the event of an emergency. The City Corporation Resilience Team has overall responsibility for maintaining Business Continuity Management arrangements across the organisation, and providing support, advice and guidance for officers developing business continuity plans within their departments. This includes the testing and exercising of these plans on a regular basis.
74. The City Corporation has an overarching Business Continuity strategy and framework and each department has its own business continuity arrangements. Both corporate and departmental arrangements are regularly reviewed to ensure they align with the relevant national and local risk registers and business objectives. Officers from the different departments share best practice and validate their arrangements through the Emergency Planning and Business Continuity Steering Group, which convenes each quarter following the previously established Resilience Steering Group. The group works on actions highlighted that have been set at previous meetings and it is also currently working its way through actions from its most recent Independence Assurance Review conducted by the Emergency Planning College in October 2018.
75. Business Continuity testing is undertaken periodically by departments, with the intention of testing their ability to cope under pressure. Testing scenarios are based on adverse effects and 'worst case' events which aim to limit 'Business as Usual' operations, and are derived from departmental emergency management and business continuity plans, national and local risk register documentation, previous lessons learned and horizon scanning events. Testing is undertaken in formats including live play exercise, table-top / workshop, and seminar/discussion exercises, and is based on objectives which aim to be specific, measurable, achievable, realistic and targeted towards departmental functions. Information is captured throughout testing and fed back to the departments being exercised. Reports are produced and any lessons learned are sought to be implemented.
76. Programme management of the City Corporation's business continuity management system (BCMS) lies with the Resilience Planning Team, and all departments play a role in it. Minimum standards for London were previously set for London local authorities in relation to resilience and business continuity planning. In 2019, these standards were replaced by a London-wide Independent Assurance Process and a new 2020 Resilience Standard for London Governance, which applies to all London local authorities. The Resilience Team has aligned City Corporation arrangements with these new standards and has participated in all the Pan-London training requirements related to the new Resilience Standards for London and continues to represent the City Corporation at all workshops and training events organised by 'London Resilience'.

77. The Resilience Team continues its on-going work with the IT service provider Agilisys to ensure robust business continuity plans dovetail between IT functions and critical services. Departmental business continuity plans were activated in March 2020 in response to the COVID-19 pandemic. The City Corporation as a whole transitioned smoothly to its working from home arrangements as well as maintaining and delivering its key critical services across the organisation. As part of the current response to Covid-19 the City Corporation has had to adapt its business continuity planning arrangements to incorporate the delivery of critical services and focus on business recovery plans simultaneously during the response and transition to recovery.
78. The Resilience Team recognised there was a requirement to provide a software system to assist its BCM and support the process of identifying business impact analysis within those arrangements. Through research we identified a company who provide business continuity software systems to help better manage organisational BCM. Prior to Covid-19 the Resilience Team were in the process of trialling this system in a test portal built specifically for us, and departmental business continuity representatives were invited to test this system. On completion of the trial they were all in agreement with its ability to successfully support the City Corporation's business continuity arrangements. We are currently looking at the next phase of this process with the view to procuring the system.
79. Due to its location as an international financial and business hub, the City (Square Mile) remains an attractive location for protest groups to demonstrate attempting to maximize publicity both nationally and globally. The City has previously experienced an array of protests and demonstrations; however, by working with business and emergency service partners to ensure robust Business Continuity and emergency response plans are in place, the City Corporation has maintained 'business as usual' during these disruptions, and thus enhancing its reputation of working with and supporting business and local communities within the City.

#### Role of Internal Audit

80. Internal Audit plays a central role in providing the required assurance on the adequacy of internal controls through its comprehensive risk-based audit programme, with key risk areas being reviewed annually. This is reinforced by consultation with Chief Officers and departmental heads on perceived risk and by a rigorous follow-up audit regime.
81. The internal audit process is supported, monitored and overseen by the Audit and Risk Management Committee in accordance with the Public Sector Internal Audit Standards. An Audit Charter is in place and reviewed annually, most recently ratified by the Audit and Risk Management Committee in March 2020. This defines the role of Internal Audit, and sets out accountability, reporting lines and relationships that Internal Audit has with the Audit and Risk Management Committee, Town Clerk and Chief Executive, Chamberlain and Chief Officers.
82. The Internal Audit Section operates under the requirements of the Public Sector Internal Audit Standards (PSIAS). The City of London's internal audit function was subject to an External Quality Assessment (EQA) by Mazars LLP in February 2017 and assessed as "generally conforms" to the new standard. An EQA is undertaken every 5 years in accordance with the PSIAS, with an annual self-assessment undertaken annually.
83. The anti-fraud and investigation function continues to be effective in identifying and investigating allegations of fraud and corruption, with mature processes in place to tackle fraud across the City Corporation's social housing estates; along with conducting a wide range of risk based anti-fraud and awareness activities. The Audit and Risk Management Committee is provided with six-monthly anti-fraud and investigation

update reports which detail the anti-fraud and investigation activity undertaken by the Anti-Fraud Team and provides progress against the strategic pro-active anti-fraud plan.

### Performance Management

84. The corporate business planning framework sets out the planning cycle with clear linkages between the different levels of policy, strategy, target setting, planning and action (the “Golden Thread”). We are looking to make these links more robust in coming years, but the following list describes the current process.
- All departments are required to produce annual departmental business plans and submit high-level summaries of their plans for approval by the relevant service committee(s). These are all linked to the overall Corporate Plan and show key objectives alongside financial and staffing resources. All departments are required to report regularly to their service committees with progress against their business plan objectives and with financial monitoring information. The exceptions are City of London Police, the Guildhall School of Music and Drama and the three independent schools as they are governed and funded differently.
  - The same departments are also required to produce business plan workbooks which list all their workstreams and show linkages to corporate outcomes, strategies and performance indicators so that, once all the information is available, analysis can be undertaken by the Corporate Strategy and Performance Team as to their targetted and actual impacts on corporate goals.
  - In 2019/20, 2020/21 business plans were presented to committee alongside 2020/21 budget estimates for the first time. This was done to provide Members with better information about priorities and departmental resource allocation proposals to promote debate and good decision making. This presented some issues and challenges as departmental business plans do not currently align with committee budgets. The ongoing reviews of the operating model and Member governance arrangements will take these challenges into account.
  - Performance and Development Appraisals are carried out for all staff. In 2019/20 a new appraisal framework was rolled out which was designed to link directly to the Corporate Plan 2018-23. . The appraisals are used to set individual objectives and targets and to identify learning and development needs that are linked to business needs. In 2019/20 pay progression was linked to performance assessments under the appraisal process but following feedback from staff the approach has been revised and the direct link removed. With effect from February 2020, a new performance development approach has been adopted. The aim of this approach is to help establish a culture of coaching conversations around recognising the value of our employees as well as the organisation maximising its performance and future potential. The coaching conversation approach is aimed at helping to deliver the Corporate Plan objectives and to make sure we have developed the right skills and behaviours across the organisation. There are now no overall assessment criteria on the Appraisal form (i.e. Improvement Required, Good, Very Good or Outstanding) but line managers can make recommendations for a reward to Chief Officers.
85. Following the Fundamental Review, work commenced to design and develop a Corporate Performance Framework which will act as a single source of performance information on Key Performance Indicators across the whole of the City Corporation and enable comparison with publicly held benchmarking data. It is being built in Microsoft PowerBI for ease of analysis, to support the production of easy to understand reports and so that it can be quickly adapted to changes to the operating model and member

governance structures. The intention is that it will be used to provide performance information for scrutiny at committee, corporate, strategic, departmental, service and operational levels, as well as in published reports.

86. Performance is communicated to Council Tax and Business Rate payers through the City-wide residents' meetings, the annual business ratepayers' consultation meeting and regular electronic and written publications, including an annual overview of the accounts.

#### Audit and Risk Management Committee

87. The Audit and Risk Management Committee is an enhanced source of scrutiny and assurance over the City Corporation's governance arrangements. It considers and approves internal and external audit plans, receives reports from the Head of Audit and Risk Management, external audit and other relevant external inspectorates, including HMICFRS, as to the extent that the City Corporation can rely on its system of internal control. The Committee reviews the financial statements of the City Corporation prior to recommending approval by the Finance Committee and considers the formal reports, letters and recommendations of the City Corporation's external auditors. The Committee also monitors and oversees the City Corporation's Risk Management Strategy. The Committee undertakes a systematic programme of detailed reviews of each of the risks on the City Corporation's Corporate Risk Register.
88. During 2019/20, the Committee continued its schedule of departmental risk challenge sessions. The Committee reviews the risks and risk management process for each department, on a rotating basis, with one department being invited to each meeting. These reviews are attended by the relevant Chairman and Chief Officer, with support and challenge applied so that risks are fully understood, and clear mitigation plans are in place. The Committee has also actively promoted a process for the regular reporting of top departmental risks to Service Committees, to encourage all Members to engage with the management of risk.
89. The Committee has strongly supported the internal audit function by setting clear performance expectations for Chief Officers in the timely implementation of audit recommendations, as well as ensuring internal audit's independence is fully recognised.
90. The Committee has a link to the Police Performance and Resource Management Sub Committee through the appointment of two of its Members to this Sub Committee.
91. The Committee has supported the management of the Information Security corporate risk, highlighting the mandatory awareness training for all staff, resulting in a significant increase in the percentage of staff fully completing this training.
92. The Committee has taken a keen interest in cyber-security risks and remains committed to supporting the continuous development of cyber security across the City Corporation, including the incorporation into the City Corporation's controls of lessons learned from good practice elsewhere in the private and public sectors.

#### **COVID-19 Impact**

93. On 23<sup>rd</sup> March, the Prime Minister announced a period of 'lockdown' for the country to limit the spread of COVID-19. As a result of restrictions on travel and other measures which have been implemented, all staff in the City of London Corporation who were able to work at home were asked to do so, and many of our sites were shut to all but essential workers. The restrictions also mean that the City Corporation has been unable to undertake its decision-making processes and committee meetings in the usual fashion

over the recent period. Many committees have been running on an informal basis and only items for Member decision have been reviewed, with decisions being taken under urgency.

94. Elections for committees will not be held this year. Instead the organisation will continue with Members currently in place, unless they resign. The introduction of the *Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020* ("the Regulations") is expected to resolve some of the more pressing issues by permitting formal decision-making meetings to be undertaken virtually and facilitating public scrutiny. However, in the interim (and until the implications of these new Regulations can be put into effect), alternative processes have had to be implemented.
95. To allow for greater transparency and public scrutiny, steps have been taken to utilise the existing committee management software to allow for real-time reporting of urgent decisions taken, together with relevant background information. This work is expected to be completed shortly and will allow for improved public scrutiny. This will provide democratic benefits not only during this interim period, but in the longer-term too.
96. There are other areas also that will be affected in the year 2020/21 such as the annual residents' meetings which may need to be carried out by different means if social distancing continues.

### **Review of Effectiveness**

97. The City Corporation has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the internal auditors and managers within the authority who have responsibility for the development and maintenance of the governance environment and also by comments made by the external auditors and other review agencies and inspectorates.
98. Processes that have applied in maintaining and reviewing the effectiveness of the governance framework include scrutiny primarily by the Policy and Resources, Finance, Police, Audit and Risk Management, Investment, and Standards Committees; and the Resource Allocation, Police Performance and Resource Management, and Efficiency and Performance Sub Committees.
99. Each year training events and briefing sessions are provided for Members as part of the Member Development Programme to ensure that they are aware of current and emerging issues, how the City Corporation is delivering its services and responding to changing priorities; and the role of decision-makers. Amongst other things, in 2019/20 sessions included, Media Awareness and Social Media; Corporate Parenting and Equality, Inclusion and Diversity.
100. In September 2019, the Policy & Resources Committee agreed that a comprehensive and independent review of the City Corporation's governance arrangements should be undertaken in parallel with the Fundamental Review. The Court of Common Council endorsed this approach at its October 2019 meeting. As we go into 2020/21, this piece of work is continuing and will conclude later this year subject to COVID-19.

### **Head of Internal Audit's Opinion**

101. The Public Sector Internal Audit Standards require the Head of Internal Audit to deliver an annual internal audit opinion and report that can be used by the City Corporation to

inform its Annual Governance Statement. The Head of Internal Audit is satisfied that sufficient quantity and coverage of internal audit work and other independent assurance work has been undertaken to allow them to draw a reasonable conclusion as to the adequacy and effectiveness of the City's risk management, control and governance processes. In their opinion, the City Corporation has adequate and effective systems of internal control in place to manage the achievement of its objectives. In giving this opinion they have noted that assurance can never be absolute and, therefore, only reasonable assurance can be provided that there are no major weaknesses in these processes.

102. Notwithstanding this overall opinion, internal audit's work identified a number of opportunities for improving controls and procedures, which are documented in each individual audit report. A 'red' (limited) assurance opinion was provided in 6 of the 65 Internal Audit reviews completed in 2019/20, within which, 18 red and 26 amber priority recommendations were raised.
103. Following an effectiveness review undertaken by the Head of Audit and Risk Management, a revised process has been adopted for following up action taken by management to implement recommendations raised, it is anticipated that the new approach will be more efficient for both management and the Internal Audit team and will result in greater clarity in reporting to Members where significant control weaknesses remain.
104. Internal audit work continues to identify improvement areas for management; albeit, the overall opinion provided on the City's internal control environment is that it remains adequate and effective. There is a high level of acceptance of recommendations.

### **Future Work Programme**

105. The governance framework is constantly evolving due to service and regulatory developments and assessments. Improvement plans have been compiled in response to the reports and assessments summarised above. Controls to manage principal risks are constantly monitored, in particular for services with statutory responsibilities for the safety of vulnerable people. The City Corporation proposes over the coming year to take the following steps to maintain, develop and strengthen the existing governance framework:
  - Review the City Corporation's governance arrangements against the requirements of the CIPFA/Solace framework *Delivering Good Governance in Local Government 2016* and following the fundamental review.
  - Following the conclusion of the independent Governance Review, implement changes as per agreed recommendations.
  - Improve the links made between the different levels of policy, strategy, target setting, planning and action via changes to the business planning process, specifically links to finances and risks.
  - Continue building the Corporate Performance Framework and populating it with data against a set of outcome-based measures for the whole City Corporation, that demonstrate impact and progress towards delivering the Corporate Plan 2018-23.
  - Undertake an annual update for the registration and publication of declarations of interest by the City Corporation's Members and Co-opted Members.
  - Provide training events and briefing sessions for Members as part of the Member Development Programme to ensure that they are aware of current and emerging

issues, how the City Corporation is delivering its services and responding to changing priorities; and the role of decision-makers.

- Deliver the benefits from the options selected as part of the fundamental review and the 2% budget efficiency target.
- Deliver the priority actions from the updated and refreshed Information Management Strategy:
  - Develop Business Intelligence infrastructure, new reports and analytics across the organisation.
  - Deliver communications and training on using IM for new ways of working across the organisation.
  - Implement good IM practices including protective marking and classification.
- Implement the solutions identified following the review of programme governance arrangements, to improve the handling of corporate and departmental projects, related to the Project Management software used. This is still a work in progress as it was superseded by the Project Management Academy.
- Investigate ISO22301 accreditation for our business continuity services.
- Deliver the extended remit of the Audit & Risk Management Committee to undertake periodic reviews of the risk management procedures, financial capabilities, controls, and safeguarding procedures of the City of London School, the City of London School for Girls, the City of London Freeman's School, the City of London Academies Trust (including its embedded academies) and the City Academies that are free-standing entities.
- Due to COVID-19 the May residents' consultation has been postponed and may take a different form in 2020 but this is yet to be determined.

This annual governance statement was approved by the City Corporation's Audit and Risk Management Committee on 2 June 2020.

John Barradell  
Town Clerk and Chief Executive  
Date: 2<sup>nd</sup> June 2020

Catherine McGuinness  
Chair, Policy and Resources  
Committee  
Date: 2<sup>nd</sup> June 2020

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## Scope of Responsibility

1. The City of London Corporation is the governing body of the Square Mile dedicated to a vibrant and thriving City, supporting a diverse and sustainable London within a globally-successful UK. It aims to contribute to a flourishing society, support a thriving economy and shape outstanding environments by strengthening the character, capacity and connections of the City, London and the UK for the benefit of people who live, learn, work and visit here. Its unique franchise arrangements support the achievement of these aims.
2. Although this statement has been prepared to reflect the City of London Corporation in its capacity as ~~a~~ local authority, ~~and a~~ police authority ~~and port health authority~~, which are paid for through the City Fund, the governance arrangements are applied by the Corporation to its other functions funded by City's Cash and the Bridge House Estates~~equally to its other funds—City's Cash and Bridge House Estates~~.
3. The City of London Corporation ("the City Corporation") is responsible for ensuring that its business is conducted in accordance with the law and proper standards of governance; that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively; and that arrangements are made to secure continuous improvement in the way its functions are operated.
4. In discharging this overall responsibility, the City Corporation is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
5. The City Corporation has approved and adopted a code of corporate governance which is consistent with the principles of the CIPFA/SOLACE <sup>1</sup>Framework *Delivering Good Governance in Local Government*. ~~A copy of the code is on the City Corporation's website, [www.cityoflondon.gov.uk](http://www.cityoflondon.gov.uk).~~ This statement explains how the City Corporation has complied with the code and also meets the requirements of regulation 6(1) of the Accounts and Audit (England) Regulations 2015, which requires all relevant bodies to prepare an annual governance statement.

## The Purpose of the Governance Framework

6. The governance framework comprises the systems and processes by which the City Corporation is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the City Corporation to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
7. The system of internal control is a significant part of that framework and is designed to manage all risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable rather than absolute assurance of effectiveness. The City Corporation's system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of its policies, aims and objectives, to evaluate the likelihood of those risks

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<sup>1</sup> CIPFA is the Chartered Institute of Public Finance and Accountancy  
SOLACE is the Society of Local Authority Chief Executives

being realised and the impact should they be realised, and to manage them economically, efficiently and effectively.

8. The governance framework has been in place at the City Corporation for the year ended 31<sup>st</sup> March 202019 and up to the date of approval of the statement of accounts.

## **Key Elements of the Governance Framework**

### Code of Corporate Governance

9. The principles of good governance are embedded within a comprehensive published Code of Corporate Governance. This code covers both the local authority and police authority roles, and links together a framework of policies and procedures, including:
- Standing Orders, which govern the conduct of the City Corporation's affairs, particularly the operation of Committees and the relationship between Members and officers;
  - Financial Regulations, which lay down rules that aim to ensure the proper management and safeguarding of the City Corporation's financial and other resources;
  - Terms of reference for each Committee;
  - A Scheme of Delegations, which defines the responsibility for decision-making and the exercise of authority;
  - A Members' Code of Conduct, which defines standards of personal behaviour;
  - A Standards Committee whose role is to promote high standards of Member behaviour and to deal with complaints made against Members, and oversight of the register of interests, gifts and hospitality;
  - A Code of Conduct for employees;
  - The Corporate Plan 2018-23;
  - A corporate complaints procedure, operated through the Town Clerk's Department, with a separate procedure in the Department of Community and Children's Services to comply with the relevant regulations, and a separate complaints process in respect of complaints about the City of London Police;
  - A corporate Project Toolkit and other detailed guidance for officers, including procedures and manuals for business-critical systems;
  - An anti-fraud and corruption strategy, including: anti-bribery arrangements; a social housing tenancy fraud, anti-fraud and prosecution policy; and a whistleblowing policy;
  - A Risk Management Strategy;
  - Job and person specifications for senior elected Members and the Court of Aldermen; and
  - A protocol for Member/officer relations.
10. The City Corporation's main decision-making body is the Court of Common Council, which brings together all of its elected Mmembers. Members sit on a variety of committees which manage the organisation's different functions, and report to the Court of Common Council on progress and issues as appropriate. The Town Clerk and Chief Executive is the City Corporation's statutory head of paid service, and chairs the Chief Officers Group, and the Summit Group, which is the primary officer decision-

making body. ~~In 2015/16 a new officer governance framework was introduced, comprising four Chief Officer Strategic Steering Groups, reporting to the Summit Group, although, following the substantive development of the new Corporate Plan 2018-23, three of these groups have ceased to meet.~~ The Comptroller and City Solicitor discharges the role of monitoring officer under the Local Government and Housing Act 1989. The Chamberlain carries out the duties of the section 151 officer as necessitated by the Local Government Act 1972 which requires every local authority to appoint a suitably qualified officer responsible for the proper administration of its affairs.

11. The Court of Common Council is defined as the police authority for the City of London Police area in accordance with the provisions of the City of London Police Act 1839 and the Police Act 1996.
12. The role of the police authority is to ensure that the City of London Police runs an effective and efficient service by holding the Commissioner to account; to ensure value for money in the way the police is run; and set policing priorities taking into account the views of the community. These, and other key duties, are specifically delegated to the Police Authority Board. The Police Authority Board has the following Sub Committees and Boards to provide enhanced oversight in specific areas of police work:
  - The Professional Standards and Integrity Sub Committee has responsibility for providing detailed oversight over professional standards and integrity within the Force, and examines the casework of every single complaint recorded by the Force;
  - The Performance and Resource Management Sub Committee monitors performance against the Policing Plan and oversees management of risk, human and financial resources;
  - The Economic Crime ~~Board~~ Committee considers matters relating to the Force's national responsibilities for economic crime and fraud investigation, as well as local performance on tackling economic crime; and
  - The Police Pensions Board is responsible for securing compliance with police pension scheme regulations and other legislation relating to the governance and administration of the scheme.
13. Under the Localism Act 2011, the City Corporation is under a duty to promote and maintain high standards of conduct by Members and co-opted Members. In particular, the Court of Common Council must adopt and publicise a code dealing with the conduct that is expected of Members when they are acting in that capacity and have in place a mechanism for the making and investigation of complaints. The Court approved a revised Code of Conduct in March 2018, following a review by the Standards Working Party.
14. The City Corporation has appropriate arrangements in place under which written allegations of a breach of the Member Code of Conduct can be investigated and decisions on those allegations taken. A Complaints Procedure is in place and following a review a revised model came into force in the 2018/19 municipal year. A Dispensations Sub Committee exists for the purposes of considering requests from Members for a dispensation to speak or vote on certain matters (where they have a disclosable pecuniary interest and are otherwise prevented from participation) being considered at Committee meetings. A new dispensations policy was approved by the Court of Common Council in March 2019 and further reviewed, with advice obtained from Counsel engaged by the City Corporation, on 24<sup>th</sup> January 2020 with further changes being made following a review by the Dispensations (Standards) Working Party, which

~~was established by the Town Clerk in July 2018 to review the dispensations policy and associated issues.~~ Elected and co-opted Members are invited to review and update their Member Declarations on an annual basis (although there is no statutory requirement to do so).

15. Under Section 28 of the Localism Act, the ~~Common Council~~ City Corporation is required to appoint at least one Independent Person to support the standards arrangements. The Court of Common Council has made three appointments to the position of Independent Person.
16. The Localism Act also requires the ~~City Corporation~~ Common Council to prepare and publish a Pay Policy Statement each year, setting out its approach to pay for the most senior and junior members of staff. The Pay Policy Statement for ~~2018~~ 2019/1920 was agreed by the Court of Common Council in March 201~~8~~9 and published on the City Corporation's website.
17. To assist in meeting the City Corporation's obligations under the Bribery Act 2010, officers with decision-making powers in relation to higher risk activities are required to make an annual declaration to confirm that they have met the requirements relating to potential conflicts of interest, as set out in the Employee Code of Conduct, and to confirm that they have not engaged in any conduct which might give rise to an offence under the Act.
18. As a result of the Protection of Freedoms Act 2011-12, revisions were agreed to the City Corporation's policy and procedures in respect of the Regulation of Investigatory Powers Act 2000 (RIPA), which regulates surveillance carried out by public authorities in the conduct of their business. A report was made in September 2017 to the Policy and Resources Committee on the City Corporation's use of RIPA powers. In November 2018, the Office of the Surveillance Commissioners conducted an inspection of the City Corporation's arrangements. The inspector concluded that the City Corporation is keen to set and maintain standards and has a sound RIPA structure, with good policies and procedures.
19. In November 2019 following changes to legislation and best practice amendments, the City Corporation's RIPA Policy and Procedure document was updated to reflect these changes and to ensure we remain compliant continued compliance in relation to the procedural requirements of handling applications submitted under RIPA.

### Standards Committee

- ~~18.~~ The Standards Committee oversees the conduct of Members and Co-opted Members in all areas of the City of London Corporation's activities be it local authority, police authority or non-local authority functions. Its main responsibility is to promote and maintain high standards of conduct by elected Members and Members co-opted on to City of London Committees.

~~19-20.~~

~~20-21.~~ Its functions include:

- monitoring and regularly reviewing the operation of the Code of Conduct for Members and related procedures;
- considering any alleged breaches of the Code;

- monitoring Members' declarations to ensure compliance with both the statutory and local registration requirements;
- regularly reviewing the complaints procedure and dispensations arrangements; and
- submitting an annual report to the Court of Common Council.

22. In March 2019 a new and extensively consulted upon guidance and policy came into effect. However a petition relating to the Dispensations Policy was considered by the Committee alongside other relevant matters, including the Principles of Public Life, general public confidence in local government and the City Corporation in particular, and non-Localism Act requirements/restrictions in relation to conflicts of interest. Much of this municipal year has therefore been focused on the further refinement and liberalisation of our Dispensations Policy.

24. At the January 2020 meeting of the Standards Committee, Members considered the opinion of Counsel. The Committee voted nine in favour with one abstention, to accept his opinion that the approach suggested by the elected Member regarding the granting of 'general' dispensations was unlawful. The Committee then continued to agree ways in which we are able to further liberalise the policy.

~~22. During 2016/17, the Standards Committee commissioned an independent, broadly-based review of the arrangements in place for addressing matters connected with the conduct of Members (including co-opted Members) under the Localism Act 2011, with particular focus on the Complaints Procedure (relating to alleged breaches of the Members' Code of Conduct). A Member Working Party was formed to review the resulting report and how the recommendations in the report might be progressed and implemented. The Working Party's recommendations were considered by the Court of Common Council on 8<sup>th</sup> March 2018, with a revised Code of Conduct and Guidance on the Code of Conduct adopted. A new Complaints Procedure was also approved, which came into force on 19<sup>th</sup> July 2018, once the Members of the Standards Committee and the newly created Standards Appeal Committee had been trained in the new arrangements.~~

23.

24. The Committee undertakes an annual review of the Protocol on Member/Officer Relations. ~~Four allegations of breaches of the Members' Code of Conduct were made to the Committee during 2018/19. During 2019/20, eight alleged breaches of the Members' Code of Conduct were considered in accordance with the agreed procedure.~~

~~25.24.~~

26.25. A comprehensive package of learning and development was offered to all new and returning Members and included briefing sessions on corporate planning, the Member Code of Conduct and the Member/Officer Protocol, as well as other aspects of the governance framework i.e. how decisions are taken, Standing Orders and financial regulations.

## Electoral arrangements

~~27.~~ The City Corporation administers electoral registration and elections in the City of London and maintains an accurate database of organisations and individuals in the City

of London who are eligible to register to vote. For these purposes, three separate registers are maintained: the Common Hall Register of Liverymen, the Ward Lists and the Electoral Register.

~~28.26.~~

~~29.27.~~ Common Hall is a meeting of the Liverymen of the City of London Livery Companies, held at Guildhall twice a year, to elect municipal officers including the Sheriffs and the Lord Mayor. The Lord Mayor is elected annually at Michaelmas, on 29 September, and the City's Sheriffs are elected after Midsummer day on 24 June. The main role of the Sheriffs is to support the Lord Mayor in their official duties undertaken on behalf of the City Corporation.

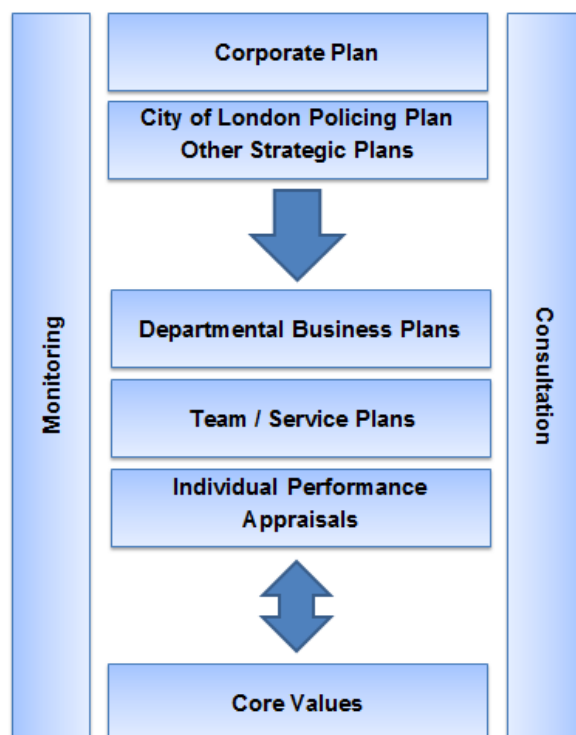
~~30.~~ Throughout the year, all premises in the City of London are visited to identify eligible organisations for the purpose of registration on the City of London Ward Lists. The Ward Lists, which are updated annually and published every February, are used for elections for Aldermen and Members of the Court of Common Council. At national and London-wide elections, the Electoral Register is used, which is updated annually alongside the Ward Lists.

~~31.28.~~

~~32.~~ The City Corporation also provides advice to Members, candidates and election agents on a wide range of electoral matters, and guidance to those wishing to serve.

~~33.29.~~

~~30. Five-Four~~ by-elections were held in ~~2018/19~~2019/20 and returned ~~a total of four Aldermen and one new Member of the Court of Common Council~~four new Mmembers of the Court of Common Council. One Aldermanic election was also contested, which resulted in the sitting Alderman being re-elected. Three-Five further Aldermen were returned in ~~2018/19~~2019/20 following uncontested elections.



34.31. The City Corporation has a clear hierarchy of plans, setting out its ambitions and priorities:

- The Corporate Plan 2018-23 is the strategic framework for all the City Corporation's work between 2018 and 2023. It includes a statement of the City Corporation's vision, aims, responsibilities, capabilities and commitments. It was approved by Court of Common Council on 8<sup>th</sup> March 2018 and introduced on 1<sup>st</sup> April 2018.
- The City of London Police Corporate Plan 2018-23 sets out the ambitions and high-level commitments for the Force. Its Policing Plan details the policing priorities and shows how these will be delivered over the coming year. It also contains all the measures and targets against which the Police Committee hold the City of London Police to account.

35.32. Plans and strategies are informed by a range of consultation arrangements, such as City-wide residents' meetings, representative user groups and surveys of stakeholders. The City Corporation has a unique franchise, giving businesses (a key constituency) a direct say in the running of the City, and a range of engagement activities, including through the Lord Mayor, Chair of Policy and Resources Committee and the [Innovation and Growth Division \(formerly known as the Economic Development Office\)](#). An annual consultation meeting ~~is was~~ held ~~in early spring 2019~~ for business rates and council tax payers, ~~and another two for residents in May 2019~~. ~~the May residents' has been postponed and may end up taking a~~

36.33. The Health and Social Care Act 2012 transferred responsibility for health improvement of local populations to local authorities in England, with effect from 1<sup>st</sup> April 2013. The new duties included the establishment of a Health and Wellbeing Board, which provides collective leadership to improve health and wellbeing for the local area.

37-34. ~~The 2009 Information Management Strategy has been updated and refreshed. It and was approved by Summit Group in March 2019. The Information Management Strategy (originally updated and approved in October 2009) October 2009) It~~ sets out the headline approach to information management in the City Corporation. It summarises the current position, gives a vision of where we want to be and proposes a set of actions to start us on the path to that vision. The Strategy defines our approach to the other key elements for information management, in particular data security and data sharing. ~~The Information Management Strategy has been updated and refreshed. It was approved by Summit Group in March 2019.~~

38-35. Overall responsibility for Information Management Governance and cyber-security is vested in the Digital Services (Finance) Sub Committee (formerly known as the Information Technology Sub Committee). The Information Management Governance Steering Group Board reports to the Strategic Resources Group and Summit Group. The Comptroller and City Solicitor is the Senior Information Risk Owner (SIRO) and work continues to identify Information Asset Owners (IAO) and other key IM roles within departments. Key tasks include the building and maintenance of ~~and build~~ an information asset register.

39-36. The City Corporation has undertaken a thorough review and updated its policies and procedures ~~in~~ following the implementation of the General Data Protection Regulation (GDPR) on 25<sup>th</sup> May 2018, together with a programme of training for officers and ~~Mm~~ members across departments and institutions. Over 90% of the City Corporation staff have completed their training.

## Financial Management Arrangements

40-37. The Chamberlain ~~of London~~ is the Chief Finance eOfficer in accordance with section 151 of the local government act 1972 and has overall responsibility for ~~with statutory responsibility for~~ the proper administration of the City's financial affairs. In 2010 CIPFA issued a "*Statement on the Role of the Chief Financial Officer in Local Government*"<sup>2</sup> which defines the key responsibilities of this role and sets out how the requirements of legislation and professional standards should be met. The City's financial management arrangements conform to the governance requirements of the Statement. The Chamberlain also fulfils the role of Treasurer of the Police Authority.

41-38. The system of internal control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, a system of delegation and accountability, and independent scrutiny. In particular the system includes:

- a rolling in-depth survey of the City Corporation's forecast position over a five-year period;
- comprehensive budget setting processes;
- monthly, quarterly and annual financial reports that indicate performance against budgets and forecasts;
- access by all departmental and central finance staff to systems providing a suite of enquiries and reports to facilitate effective financial management on an ongoing basis;

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<sup>2</sup> Updated in 2016

- ongoing contact and communication between central finance officers and departmental finance officers;
- clearly defined capital expenditure guidelines;
- formal project management disciplines;
- the provision of high-quality advice across the organisation;
- an internal audit service combining in-house staff with external knowledge and expertise;
- insuring against specific risks;
- scrutiny by Members, OFSTED, CQC, HMICFRS, other inspectorates, External Audit and other stakeholders; and
- requests for Members and Chief Officers to disclose related party transactions including instances where their close family have completed transactions with the City Corporation.

39. The City Corporation has a long-standing and in-built culture of maximising returns from its resources and seeking value for money. It assesses the scope for improvements in efficiency /value for money at a corporate and service level by a variety of means, including improvement priorities set by the Policy and Resources Committee through the annual resource allocation process, and internal examination and review by the Efficiency and Performance (Finance) Sub Committee.

~~42.~~40. Following approval by the Court of Common Council in October 2016, an Efficiency and Sustainability Plan for the City Corporation was submitted to and accepted by the Department for Communities and Local Government (now the Ministry for Housing, Communities and Local Government). This provided a degree of certainty over central government funding for the period from 2016/17 to 2019/20. It also established a framework for continuous efficiency improvement beyond 2017/18 when the service based review programme was completed. A 2% per annum budget reduction target to deliver sufficient efficiencies across the City Corporation's funds continued during 2018/19/20. This was established to sustain these budgets over the medium term and allow for planned investment in services through a Priorities Investment Pot.

~~43.~~41. The Efficiency and Performance Sub Committee also has responsibility for monitoring and oversight of the Efficiency and Sustainability Plan and of delivery of the service based review savings departmental Economy, Efficiency and Effectiveness (EEE) Health Checks which include consideration of and increased income, and the cross-cutting efficiency reviews, and continues to challenge the achievement of value for money, helping to embed further a value for money culture within the City Corporation's business and planning processes.

~~44.~~ Following approval by the Court of Common Council in October 2016, an Efficiency and Sustainability Plan for the City Corporation was submitted to and accepted by the Department for Communities and Local Government (now the Ministry for Housing, Communities and Local Government). This provided a degree of certainty over central government funding for the period from 2016/17 to 2019/20. It also established a framework for continuous efficiency improvement beyond 2017/18 when the current service based review programme was completed. A 2% per annum budget reduction target to deliver sufficient efficiencies across the City Corporation's funds continued during 2018/19. This was established to sustain these budgets over the medium term and allow for planned investment in services through the Priorities Investment Pot.

- ~~45. Chief Officer Peer Reviews were piloted in 2017/18. The focus of these sessions was to discuss how each Chief Officer can make their departments more innovative, collaborative and agile whilst delivering the required 2% per annual budget reductions. These sessions led to the production of Economy, Efficiency and Effectiveness (EEE) Health Checks by each department, a number of which were provided to the Efficiency and Performance Sub Committee during 2018/19 after officer scrutiny through Summit Group.~~
- ~~42.~~ The EEE Health Checks are designed to achieve better alignment of business plans to the Corporate Plan, the delivery of the 2% year-on-year ~~e~~Efficiency and ~~s~~Sustainability ~~p~~Plan in local risk budgets, and to enable the Efficiency and Performance Sub-Committee to fulfil its duty to review periodically the performance of each Chief Officer in order to promote efficiency and value for money.
- ~~46.~~~~43.~~ A Fundamental Review was conducted in 2019/20 in order to align spending with the Corporate Plan and strengthen financial discipline in a time of declining resources. The objective was to ensure that resources are more effectively applied. The review related to City's Cash and the City Fund but did not include Bridge House Estates or the City of London Police as these are funded differently. Departments were tasked with submitting options for consideration by the Resource Allocation (Policy & Resources) Sub Committee at its annual informal away day. Selected options were built into budgets for future years and a commitment was given to reviewing the operating model and Member governance arrangements. Work has commenced on these reviews and an officer group is taking a corporate view of the commercial opportunities put forward and will bring forward proposals in due course.
- ~~47.~~~~44.~~ During 2018/19, the Procurement Sub Committee was established. This Sub Committee is responsible for scrutinising and ensuring value for money is obtained on all City Corporation and City of London Police procurement contracts with of value of over £2m at key stages, including initial tender strategy to final contract award sign off. The Sub Committee also ensure compliance with the UK Public Contract Regulations and the Corporation's Procurement Code.
- ~~48.~~~~45.~~ ~~For non-Police services, the local government settlement in autumn 2018<sup>9</sup> was challenging but fell within the prudent assumptions included with the City's financial forecast. Subject to there being no significant adverse changes in financial planning assumptions across the period~~Prior to the coronavirus outbreak, forecasts indicated a surplus in 20~~19~~~~20~~/20~~1~~, although moving to a deficit position from 20~~20~~/21/24~~2~~ with, the inclusion of funding for the Museum of London and Combined Courts relocation ~~projects will move the fund into a deficit position.~~ More recently, however, the City Corporation is facing an earlier financial challenge as a result of a drop in revenue income and a predicted reduction in business rates; the MTFP will be reworked, potentially in July and a revised budget may follow in September. This will impact on the Fundamental Review as the scale of the challenge becomes clearer.
- ~~49.~~~~46.~~ The economic outlook and public finances remain uncertain following the EU Referendum and there is no guarantee that government funding will be not be revised further downwards in later years. The Ministry of Housing, Communities and Local Government is currently consulting on a Fair Funding Review that will recalculate the baseline grant for City Fund from 2020/21. This will coincide with a move to greater business rates retention nationally, currently under consultation for implementation by 2020/21. The position is being monitored on an ongoing basis.
- ~~50.~~ The City Corporation will ~~continues~~ to participate in a pilot scheme for the London business rate devolution pool during 2019~~20~~/20~~1~~ with all 32 London Boroughs and the Greater London Authority, involving the establishment of a business rates pool. The

original proposal was approved in December 2017. The scheme has a financially neutral starting point but enables any year-on-year growth in rates revenue to be retained within London. Some of this has been used to establish a strategic investment fund and the rest will continue to be shared among participating authorities.

51. The City of London Police manages its budget on a ring-fenced basis. and The Court of Common Council approved the allocation of additional funds an increase in the from the business rates premium following the revaluation of business rates (£2.25m) and from a further increase in the Business Rates Premium from April 2019 (£2.0m) being allocated to cover most of the £5.4m Corporation funding commitment in 2020/21. Along with the Police savings plans, this would balance the 20/21 budget while also providing for the increased demands CoLP are facing in maintaining the security of the City, emerging cost pressures relating to security. This will result in a further £4.2m being available for Police activity. Nevertheless, the underlying financial position remains challenging with deficits forecast across the period and reserves being exhausted during 2018/2019/21.
52. In year work on the Medium-Term Financial Plan for the City of London Police has reduced forecast deficits through a combination of savings from the Police's Transform Programme and additional funding. Outturn for 19/20 was managed within the Police's budget, and a balanced budget has been set for 20/21 which has included additional Home Office funding for uplift in Police Officers. The Corporation has previously invested additional funding for Police capital priorities and, from 20/21, is moving to a loan-based capital funding mechanism. The City Corporation is also committing capital funding towards the Police Accommodation Strategy and Secure City infrastructure requirements. The City of London Police has a forecast deficit in subsequent years arising from increasing demand and the changing nature of policing. The Police is in the process of implementing recommendations through its Transform programme. Additional support is being provided by the City Corporation for capital investment priorities over the period between 2017/18 and 2022/23 totalling £17.5m plus some further IT and pension costs. The Police and the City Corporation are also investigating areas for greater collaboration, including the further development of a Joint Contact and Control Room as part of the Secure City programme.
- 53.47. The Police Performance and Resource Management Sub Committee's responsibilities include overseeing the Police's resource management in order to maximise the economic, efficient and effective use of resources to deliver its strategic priorities; monitoring government and other external agencies' policies and actions relating to police performance; overseeing the Police's risk management arrangements; ensuring continuous improvement in the Police's finance function and financial accounting systems; and ensuring that the Police delivers value for money. The Sub Committee also receives regular updates on the work of internal audit in relation to the Police and inspection reports from HMICFRS.
- 54.48. The Policy and Resources Committee determines the level of the City Corporation's own resources to be made available to finance capital projects on the basis of a recommendation from the Resource Allocation Sub Committee. Ordinarily, such projects are financed from capital rather than revenue resources, and major projects from provisions set aside in financial forecasts.
- 55.49. The City Corporation has a number of procedures in place to ensure that its policies and the principles that underpin them are implemented economically, efficiently and effectively. This framework includes:
- Financial Strategy - This provides a common base for guiding the City Corporation's approach to managing financial resources and includes the pursuit of budget policies

that seek to achieve a sustainable level of revenue spending and create headroom for capital investment and policy initiatives;

- Budget policy - The key policy is to balance current expenditure and current income over the medium term. Both blanket pressure and targeted reviews are applied to encourage Chief Officers to continuously seek improved efficiency;
- Annual resource allocation process - This is the framework within which the City Corporation makes judgements on adjustments to resource levels and ensures that these are properly implemented;
- Corporate Property Asset Management Strategy - This aims to ensure that the City Corporation's operational assets are managed effectively, efficiently and sustainably, in support of the organisation's strategic priorities and business needs;
- Capital project evaluation, management and monitoring - The City Corporation has a comprehensive system of controls covering the entire life cycle of capital and major revenue projects. An annual bids process was introduced from 2019/20 to enable Members to prioritise projects and align with the corporate plan objectives; and
- Treasury Management and Investment Strategies - Setting out the arrangements for the management of the City Corporation's investments, borrowing, cash flows, banking and money market transactions; the effective control of risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

56.50. Consideration is given to efficiency during the development and approval stages of all major projects, with expected efficiency gains quantified within reports to Members.

57.51. The performance of the City Corporation's financial and property investments is monitored and benchmarked regularly, both in-house and independently, through experts in the field.

58.52. The City Corporation's project management and procurement arrangements provide a consistent approach to project management and co-ordination of the portfolio of projects across the organisation. The Projects Sub Committee meets monthly to ensure that projects align with corporate objectives and strategy and provide value for money.

## Risk Management

59. ~~In May 2014, the Audit and Risk Management Committee approved a Risk Management Strategy that set out a new policy statement and a revised framework, which aligns with the key principles of ISO 31000: Risk Management Principles and Guidelines, and BS 31100: Risk Management Code of Practice, and defines clearly the roles and responsibilities of officers, senior management and Members. The Strategy emphasises risk management as a key element within the City's systems of corporate governance and establishes a clear system for the evaluation of risk and escalation of emerging issues to the appropriate scrutiny level. The Strategy assists in ensuring that risk management continues to be integrated by Chief Officers within their business and service planning and aligned to departmental objectives. A review of the strategy will be undertaken in 2019/20.~~

60. ~~Strategic decisions on risk management are made by the Summit Group on a quarterly basis. Summit Group also receives quarterly risk update reports and is responsible for determining new corporate risks. The Chief Officer Risk Management Group (CORMG), acting on behalf of Summit Group, meets quarterly to undertake a more in-depth review of the corporate and top departmental level red risks. CORMG also makes recommendations to Summit Group for new corporate risks.~~

61. Oversight of the City Corporation's risk management is provided by the Audit and Risk Management Committee. In addition to receiving quarterly risk update reports, the Audit and Risk Management Committee has adopted a cycle of regular departmental risk challenge sessions, with Chief Officers and their respective Committee Chairmen, which take place prior to their meetings. During 2018/19, the Committee has undertaken 11 deep-dive reports, including the General Data Protection Regulation, police funding, road safety and Brexit. There have also been six informal risk challenges, where the Committee discusses with respective Chief Officers a department's risk management arrangements, current and future risks.
62. The Committee has also introduced the regular reporting of top departmental risks to every Service Committee.
53. The corporate risk register contains thirteen risks, including three new risks that have been added during the last year. In January 2020, the Audit and Risk Management Committee approved a revised and updated Risk Management Strategy that includes an updated policy statement and a revised framework, which aligns with the key principles of ISO 31000:2018 Risk Management Principles and Guidelines, and BS ISO 31000:2018 Risk management guidelines, and defines clearly the roles and responsibilities of officers, senior management and Members. The Strategy emphasises risk management as a key element within the City's systems of corporate governance and establishes a clear system for the evaluation of risk and escalation of emerging issues to the appropriate scrutiny level. The Strategy assists in ensuring that risk management continues to be integrated by Chief Officers within their business and service planning and aligned to departmental objectives. The strategy will be reviewed on annual basis.
54. Strategic decisions on risk management are made by the Summit Group. On a quarterly basis Summit Group receives a quarterly risk update reports and is responsible for approving new corporate risks. The Chief Officer Risk Management Group (CORMG), acting on behalf of Summit Group, meets quarterly to undertake a more in-depth review of the corporate and top departmental-level red risks. CORMG also makes recommendations to Summit Group for new corporate risks.
55. Oversight of the City Corporation's risk management is provided by the Audit and Risk Management Committee. In addition to receiving quarterly risk update reports, the Audit and Risk Management Committee has adopted a cycle of regular departmental risk challenge sessions, with Chief Officers and their respective Committee Chairmen, which take place prior to their meetings. During 2019/20, the Committee has undertaken 8 deep-dive reports, including information security, health and safety, Police Funding and Safeguarding. There have also been five informal risk challenges, where the Committee discusses with respective Chief Officers a department's risk management arrangements, current and future risks. The last committee meeting of this Municipal year (31 March 2020) was disrupted by the COVID 19 emergency. During 2019/20, the Committee has exercised its oversight role in a number of ways. In addition to receiving quarterly risk update reports, which contain information about the corporate and red departmental level risks, as well it considers and endorses as endorsing new corporate risks. The Committee continues to operate a cycle of regular departmental risk challenge sessions with Chief Officers and their respective Committee Chairmen, of which there were five in 2019/20. The Committee has received nine deep-dive reports, including the safeguarding, resilience, information security and Police funding.
56. The last committee meeting of this Municipal year (31 March 2020) was disrupted by the COVID-19 emergency. As a result the two corporate risk deep dive reports and the Chief Officer risk challenge have been rescheduled for 2020/21.

57. The corporate risk register contains 19 risks, including six new risks that have been added during the last year. One risk, GDPR, has been determined now to be at departmental level.

## Health & Safety and Wellbeing

~~63.~~58. The Health & Safety at Work etc. Act 1974 requires the City as an employer to ensure that it implements systems for the protection of its staff and others affected by its activities. The City Corporation health and safety management system is aligned to HSG65, the Health and Safety Executive's guidance document on the essential philosophy of good health and safety. The City Corporation systems will remain aligned with this guidance, to ensure that safety becomes part of normal business by applying a practical, sensible and common-sense approach.

59. Corporate Risk 09 (Health Safety and Wellbeing) concerns the City's Health and Safety Management System and its application. Effective health and safety management enables innovation, growth and enhances productivity, as well as helping the City Corporation to achieve its strategic objectives. The Health Safety and Wellbeing (People) Team (in Corporate HR) are the custodians of the health and safety management system. In 2019/ 20 a revised risk description was- agreed so it is better aligned to the City Corporations objectives and remains relevant.

64. The City Corporation has an effective Chief officer-led Health, Safety and Wellbeing Committee which is chaired by the Town Clerk and Chief Executive. This sets the tone from the top and facilitates buy-in. Its function is to advise and make recommendations to the City Corporation's Chief Officers on matters relating to the overall management of health, safety and wellbeing as established under the Health, safety and Wellbeing Policy.

~~60. Training and development for senior management in larger organisations is one of the most important parts of any safety programme, to ensure it carries weight and to understand how good safety practice contributes directly to service delivery. Senior managers need to understand their own role and accountabilities in 'making safety happen' (particularly in light of the Corporate Manslaughter legislation). At the end of 2018/19, the majority of high and medium risk profile departments have completed interactive senior leadership health and safety briefings for Chief Officers and their reports.~~

61. Training and development for Senior Management in larger organisations is one of the most important parts of any safety programme. The senior leadership team must be 'on-board' in order to give the safety initiative weight – and to understand how good safety practice contributes directly to service delivery, profitability or both. Senior managers need to understand their own role and accountabilities in 'making safety happen' (particularly in light of the Corporate Manslaughter legislation). Without the support and 'buy-in' of the Ssenior Mmanagement team, any health and safety programme will inevitably falter – and fail to deliver the benefits expected.

65. A programme of interactive senior leadership health and safety briefings was delivered in 2019/20 for Chief Officers and their reports. This included all the higher risk profile departments as represented on the Health Safety and Wellbeing Committee. In addition, briefings were also completed for two of the City Corporation's Independent Schools and for the Guildhall School of Music and Drama.

- ~~66.~~ There is an established annual inspection and audit programme for property and people health and safety - for example audit, inspections and compliance checks have focused on water hygiene (legionella), fire safety, asbestos management, bulk fuel storage, workplace transport and lone working/preventing violence. These are currently considered to be the City Corporation's areas of higher risk profile.
- ~~62. Corporate Policies on Control of Contractors, Fire Safety and Control of Asbestos were updated and revised during 2018/19 and new Corporate Policies on Working at Heights and Pool Water Quality were also produced.~~
- ~~63. A new Corporate Policy on Lifting and Work Equipment was drafted and implemented and t. The Corporate Policy on Legionella and Corporate Health and Safety Building Compliance Standards were revised in 2019/20.~~
- ~~64. The City Corporation has established Key Performance Indicators (KPIs) for health and safety including accident/incident reporting and investigation. The health and safety professionals have supported departments with their more challenging and/or significant health and safety investigations. This has helped to ensure that lessons are learned and are fed back into the development of the health and safety management system.~~
- ~~67.65. In September 2019 the Health Safety and Wellbeing Committee took the opportunity to refresh and development / augmentation of health safety and wellbeing performance measures. A revised corporate health safety and wellbeing dashboard, with agreed performance measures reported at a set frequency, shouldhas been produced to help to drive performance (including statutory compliance) and facilitate positive behaviour change.~~
- ~~68.66. The Pentana Risk Management Information System is used to manage significant health and safety risks. Pentana enables departments to highlight their safety risks as a 'Top X' risk, emphasising any activities with considerable implications that are unmitigated, or where there is a lack of clarity. Significant fire safety support has been provided to several departments, including the Barbican Centre, Guildhall School of Music and Drama, the Department for Community and Children's Services and Mansion House/Central Criminal Court.~~
- ~~67. In 2019/2018/19 there has been no health and safety enforcement action by the HSE. In June 2019 a member of the public drowned in Hampstead men's pond. The incident was notified to the HSE, and they subsequently undertook a robust investigation. This included interviews with staff and the swimming community. Documentation from the safety management system was also interrogated including site safety procedures, risk assessments, evidence of training and local monitoring and testing arrangements. The HSE has confirmed in writing that no further action is being taken against the City Corporation. Robust application of our safety management system has a 'protective' effect.~~
- ~~68. The Corporate Transport policy is currently being refreshed. After being approved for onward consultation there was no challenge from Chief Officers, and it was due to go to Summit Group but this has been put on hold during the Coronavirus pandemic.~~
- ~~69. There were no prosecutions or fire enforcement notices against the Corporation in 2019/20. However, the organisation did receive one non-statutory deficiency notice that related to only one site and was issued by the London Fire Brigade. Several non-statutory deficiency notices were issued by the Fire and Rescue service. A joint (fire) enforcement notice on the Barbican Centre and tenant was issued, and this was complied with. There were no prosecutions by the Fire and Rescue Service.~~

~~70. The City Corporation has reviewed its processes and procedures relating to fire safety in its residential blocks, with particular emphasis on:~~

~~Fire Risk Assessments (FRAs);~~

~~Communication with residents;~~

~~Fire safety maintenance and improvement works; and~~

~~Potential future improvement works.~~

~~71.69.~~

~~72. As a result, a number of steps have been taken to further enhance the safety of the City Corporation's residential portfolio and its residents, including:~~

- ~~• Commissioning and completing new, more detailed and intrusive, Type 3 FRAs for all residential blocks to provide a greater level of assurance in relation to fire safety. An action plan has been implemented to deal with the recommendations arising from the Type 3 FRAs;~~
- ~~• Developing and implementing a Fire Safety Communications Plan;~~
- ~~• A detailed assessment of the various fire safety maintenance and improvement works that could help further enhance the safety of residents; and~~
- ~~• Implementing a door replacement programme to ensure that the front entrance doors and frames to all City Corporation social housing flats provide up to 60 minutes fire resistance.~~

~~73. The City Corporation will also, subject to any planning restrictions, retro-fit automatic water fire suppression systems (sprinklers) to the five social housing high-rise tower blocks in its portfolio. It has also commenced a programme of one-hour visits to all tenanted properties, which will include a risk assessment on the dwelling, the provision of fire safety advice to householders and identification of any support needs.~~

~~74.70. The top (and persistent) reason for reported sickness absence at the City Corporation is *anxiety/stress/depression/other psychiatric illnesses*. Grounded in a growing body of evidence, including awareness of best practice, and following a report to Establishment Committee in-xxx 2018, the "CityWell" (employee wellbeing) programme has been re-focused on mental health as the top priority, supported by a wider health promotion / wellness programme. There is a mental health and wellbeing action plan which was~~will be~~ refreshed during 2019/20.~~

~~71. The CityWell wellbeing strategy is a strong employee brand and has helped embed the wellbeing programme at the City Corporation. The CityWell programme has been re-focused on mental health as the top priority with mandatory training for managers supported by a wider health promotion and wellness programme.~~

~~75. Mental Health First Aid (MHFA) training is analogous to physical first aid. Whilst not a legal requirement, one is more likely to meet someone suffering distress / suicidal thoughts than someone experiencing physical ill-health or injury requiring intervention. The City Corporation took the decision to train in-house Mental Health First Aid Instructors and roll-out an internal programme of accredited MHFA training across the corporation. To date over 150 MH First Aiders have been trained.~~

~~72.~~

~~The City Corporation has established key performance indicators for health and safety including accident/incident reporting and investigation. The health and safety professionals have supported departments with their more challenging and/or significant~~

~~health and safety investigations. This has helped to ensure that lessons are learned and are fed back into the development of the health and safety management system.~~

## Business Continuity

~~76.73. The Civil Contingencies Act 2004 requires the City CorporationCourt of Common Council, as a Category 1 responder, to maintain plans to ensure that it can continue to exercise its functions in the event of an emergency. The City Corporation Resilience Team has overall responsibility for maintaining Business Continuity Management arrangements across the organisation, is required to and providing support, advice and guidance for officers developing business continuity plans within their departments. train its staff responsible for business continuity. This includes the testing and to exercising and test its of these plans, and to review these plans on a regular basis. The Emergency Planning College, which is a Cabinet Office approved training provider, were contracted recently to carry out an Independent Assurance Review of the City Corporation Business Continuity Management System (BCMS). This included masterclass workshops for departmental business continuity representatives to skill them in the fundamentals of business continuity. These workshops took place in October 2018 and February 2019. Key actions identified from the review are now being taken forward by the Resilience Team with assistance of business continuity representatives across City Corporation departments.~~

~~77.74. The City Corporation has an overarching Business Continuity sStrategy and fFramework and each department has their-its own business continuity arrangements. Both corporate and departmental arrangements are regularly reviewed to ensure they align with the relevant national and local risk registers and business objectives. Officers from the different departments share best practice and validate their arrangements through the Emergency Planning and Business Continuity Steering Group, which convenes each quarter following the previously established Resilience Steering Group. –The group works on actions highlighted that have been set at previous meetings and it is also currently working its way through actions from its most recent Independence Assurance Review conducted by the Emergency Planning College in October 2018. A forum has now been established based on recommendations from October's Independence Assurance Review. This group has been set up to work on the actions highlighted from this review and to maintain a closer overview of current and future business continuity strategy across City Corporation departments. It is also intended to maintain current arrangements and advance a more focused workstream with regards to business continuity work. This forum will now sit following the already established Resilience Steering Group, which sits on a quarterly basis.~~

~~78.75. Business Continuity testing is undertaken periodically by departments, with the intention of testing their ability to cope under pressure. Testing scenarios are based on adverse effects and 'worst case' events which aim to limit 'Business as Usual' operations, and are derived from departmental emergency management and business continuity plans, national and local risk register documentation, previous lessons learned and horizon scanning events. Testing is undertaken in formats including live play exercise, table-top / workshop, and seminar/discussion exercises, and is based on objectives which aim to be specific, measurable, achievable, realistic and targeted towards departmental functions. Information is captured throughout testing and fed back to the departments being exercised. Reports are produced and any lessons learned are sought to be implemented.~~

~~79.76. Programme management of the City Corporation's business continuity management system (BCMS) lies with the Resilience Planning Team, and all departments play a role~~

in it. Minimum standards for London were previously set for London local authorities in relation to resilience and business continuity planning. In 2019, these standards are currently being replaced by a London-wide Independent Assurance Process and a new 2020 Resilience Standard for London Governance, which will apply to all London local authorities. The Resilience Team is currently ensuring that City Corporation arrangements align with these new standards and has participated in all the Pan-London training requirements related to the new Resilience Standards for London and continues to represent the City Corporation at all workshops and training events organised by 'London Resilience'.

77. The Resilience Team continues its on-going work with the IT service provider Agilisys to ensure robust business continuity plans dovetail between IT functions and critical services. Departmental business continuity plans were activated in March 2020 in response to the COVID-19 pandemic. The City Corporation as a whole transitioned smoothly to its working from home arrangements as well as maintaining and delivering its key critical services across the organisation. As part of the current response to Covid-19 the City Corporation has had to adapt its business continuity planning arrangements to incorporate the delivery of critical services and focus on business recovery plans simultaneously during the response and transition to recovery.

80.78. The Resilience Team recognised there was a requirement to provide a software system to assist its BCM and support the process of identifying business impact analysis within those arrangements. Through research we identified a company called 'Clearview' who provide business continuity software systems to help better manage organisational BCM. Prior to Covid-19 the Resilience Team were in the process of trialling this system in a test portal built specifically for us, and departmental business continuity representatives were invited to test this system. On completion of this trial they were all in agreement with its ability to successfully support the City Corporation's business continuity arrangements. We are currently looking at the next phase of this process with the view to procuring the system.

84.79. Due to its location as an international financial and business hub, the City (Square Mile) remains an attractive location for protest groups to demonstrate attempting to maximize publicity both nationally and globally. The City has previously experienced an array of protests and demonstrations; however, by working with business and emergency service partners to ensure robust Business Continuity and emergency response plans are in place, the City Corporation has maintained 'business as usual' during these disruptions, and thus enhancing its reputation of working with and supporting business and local communities within the City.

### Role of Internal Audit

82.80. Internal Audit plays a central role in providing the required assurance on the adequacy of internal controls through its comprehensive risk-based audit programme, with key risk areas being reviewed annually. This is reinforced by consultation with Chief Officers and departmental heads on perceived risk and by a rigorous follow-up audit regime.

83.81. The internal audit process is supported, monitored and managed/overseen by the Audit and Risk Management Committee in accordance with the Public Sector Internal Audit Standards. An Audit Charter is in place established in 2013 was updated and agreed and reviewed annually, most recently ratified by the Audit and Risk Management Committee in March 201820. This defines the role of internal audit, and sets out accountability, reporting lines and relationships that internal audit has with

the Audit and Risk Management Committee, Town Clerk and Chief Executive, Chamberlain and Chief Officers.

84.82. The Internal Audit Section operates under the requirements of the Public Sector Internal Audit Standards (PSIAS). The City of London's internal audit function was subject to an External Quality Assessment (EQA) by Mazars LLP in February 2017 and assessed as "generally conforms" to the new standard. ~~Most of the recommendations identified during the review have been addressed to ensure that the Internal Audit section fully conforms to the new standards.~~ An EQA is undertaken every 5 years in accordance with the PSIAS, with an annual self-assessment undertaken annually.

85.83. The anti-fraud and investigation function continues to be effective in identifying and investigating allegations of fraud and corruption, with mature processes in place to tackle fraud across the City Corporation's social housing estates; along with conducting a wide range of risk based anti-fraud and awareness activities. The Audit and Risk Management Committee is provided with six-monthly anti-fraud and investigation update reports which detail the anti-fraud and investigation activity undertaken by the Anti-Fraud Team and provides progress against the strategic pro-active anti-fraud plan.

### Performance Management

86.84. The corporate business planning framework sets out the planning cycle with clear linkages between the different levels of policy, strategy, target setting, planning and action (the "Golden Thread"). We are looking to make these links more robust in coming years, but the following list describes the current process.

- All departments are required to produce annual departmental business plans and submit high-level summaries of their plans for approval by the relevant service committee(s). These are all clearly linked to the overall Corporate Plan and show key objectives aligned alongside financial and staffing resources. All departments are required to report regularly to their service committees with progress against their business plan objectives and with financial monitoring information. The exceptions are City of London Police, the Guildhall School of Music and Drama and the three independent schools as they are governed and funded differently.
- The same All departments are also required to produce business plan workbooks which list all their workstreams and show linkages to corporate outcomes, strategies and performance indicators so that, once all the information is available, analysis can be undertaken by the Corporate Strategy and Performance Team as to their intended targeted and actual impacts on corporate goals. al business plans are reviewed for compliance with the corporate business planning framework, and regular meetings are held between the Corporate Strategy and Performance Team and business planners.
- ~~All departments are required to report regularly to their service committees with progress against their business plan objectives and with financial monitoring information.~~ In 2019/20, 2020/21 business plans were presented to committee alongside 2020/21 budget estimates for the first time. This was done to provide Members with better information about priorities and departmental resource allocation proposals to promote debate and good decision making. This presented some issues and challenges as departmental business plans do not currently align with committee budgets. The ongoing reviews of the operating model and Member governance arrangements will take these challenges into account. In 2018/19, this was supplemented with enhanced Member scrutiny of 'clusters' of business plans, to identify strategic links between them and progress towards the Corporate Plan aims.

- Performance and Development Appraisals are carried out for all staff. In 2019/20 a new appraisal framework was rolled out which was designed to link directly to the Corporate Plan 2018-23. Performance and Development Appraisals are carried out for all staff, using a standard set of core behaviours. The appraisals are used to set individual objectives and targets and to identify learning and development needs that are linked to business needs. In 2019/20 pPay progression ~~was~~ is linked to performance assessments under the appraisal process but following feedback from staff the approach has been revised and the direct link removed. With effect from February 2020, a new performance development approach has been adopted. The aim of this approach is to help establish a culture of coaching conversations around recognising the value of our employees as well as the organisation maximising its performance and future potential. The coaching conversation approach is aimed at helping to deliver the Corporate Plan objectives and to make sure we have developed the right skills and behaviours across the organisation. There are now no overall assessment criteria on the Appraisal form (i.e. Improvement Required, Good, Very Good or Outstanding) but line managers can make recommendations for a reward to Chief Officers.

85. Following the Fundamental Review, work commenced to design and develop a Corporate Performance Framework which will act as a single source of performance information ~~from~~ Key Performance Indicators across the whole of the City Corporation and enable comparison with publicly held benchmarking data. It is being built in Microsoft PowerBI for ease of analysis, to support the production of easy to understand reports and so that it can be quickly adapted to changes to the operating model and member governance structures. The intention is that it will be used to provide performance information for scrutiny at committee, corporate, strategic, departmental, service and operational levels, as well as in published reports.

87. Performance is communicated to Council Tax and Business Rate payers through the City-wide residents' meetings, the annual business ratepayers' consultation meeting and regular electronic and written publications, including an annual overview of the accounts.

86.

~~In tandem with the development of the new Corporate Plan 2018-23, a new corporate performance management framework is in development. This will be supported by a new appraisals process to be rolled out in 2019/20.~~

#### Audit and Risk Management Committee

88-87. The Audit and Risk Management Committee is an enhanced source of scrutiny and assurance over the City Corporation's governance arrangements. It considers and approves internal and external audit plans, receives reports from the Head of Audit and Risk Management, external audit and other relevant external inspectorates, including HMICFRS, as to the extent that the City Corporation can rely on its system of internal control. The Committee reviews the financial statements of the City Corporation prior to recommending approval by the Finance Committee and considers the formal reports, letters and recommendations of the City Corporation's external auditors. The Committee also monitors and oversees the City Corporation's Risk Management Strategy. The Committee undertakes a systematic programme of detailed reviews of each of the risks on the City Corporation's Corporate Risk Register.

89-88. During 20189/2019, the Committee continued its schedule of departmental risk challenge sessions. The Committee reviews the risks and risk management process for each department, on a rotating basis, with one department being invited to each meeting. These reviews are attended by the relevant Chairman and Chief Officer, with

support and challenge applied so that risks are fully understood, and clear mitigation plans are in place. The Committee has also actively promoted a process for the regular reporting of top departmental risks to Service Committees, to encourage all Members to engage with the management of risk.

90-89. The Committee has strongly supported the internal audit function by setting clear performance expectations for Chief Officers in the timely implementation of audit recommendations, as well as ensuring internal audit's independence is fully recognised. ~~It has reviewed the outcome of the Service Based Review of the internal audit function and is overseeing the adoption of a more efficient approach to the targeting of internal audit resources.~~

91-90. The Committee has a link to the Police Performance and Resource Management Sub Committee through the appointment of two of its ~~M~~members to this Sub Committee.

92-91. The Committee has supported the management of the Information Security corporate risk, highlighting the mandatory awareness training for all staff, resulting in a significant increase in the percentage of staff fully completing this training.

93-92. The Committee has taken a keen interest in cyber-security risks and remains committed to supporting the continuous development of cyber security across the City Corporation, including the incorporation into the City Corporation's controls of lessons learned from good practice elsewhere in the private and public sectors.

## **COVID-19 Impact**

93. On 23<sup>rd</sup> March, ~~t~~The Prime Minister announced a period of 'lockdown' for the country to limit the spread of COVID-19. As a result of restrictions on travel and other measures which have been implemented, all staff in the City of London Corporation who were able to work at home were asked to do so, and many of our sites were shut to all but essential workers. The restrictions also mean that the City Corporation has been unable to undertake its decision-making processes and committee meetings in the usual fashion over the recent period. Many committees have been running on an informal basis and ~~only~~ items for ~~M~~member decision ~~only~~ have been reviewed, with decisions being taken under urgency.

94. Elections for committees will not be held this year. Instead the organisation will continue with ~~M~~members currently in place, unless they resign. The introduction of the *Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020* ("the Regulations") is expected to resolve some of the more pressing issues by permitting formal decision-making meetings to be undertaken virtually and facilitating public scrutiny. However, in the interim (and until the implications of these new Regulations can be put into effect), alternative processes have had to be implemented.

95. To allow for greater transparency and public scrutiny, steps have been taken to utilise the existing committee management software to allow for real-time reporting of urgent decisions taken, together with relevant background information. This work is expected to be completed shortly and will allow for improved public scrutiny. This will provide democratic benefits not only during this interim period, but in the longer-term too.

96. There are other areas also that will be affected in the year 2020/21 such as the annual residents' meetings which ~~will~~may need to be carried out by different means if social distancing continues. ~~This is being looked at currently and more information will be available on how this will be done in the near future.~~

## Review of Effectiveness

- 94.97. The City Corporation has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the internal auditors and managers within the authority who have responsibility for the development and maintenance of the governance environment and also by comments made by the external auditors and other review agencies and inspectorates.
98. Processes that have applied in maintaining and reviewing the effectiveness of the governance framework include scrutiny primarily by the Policy and Resources, Finance, Police, Audit and Risk Management, Investment, and Standards Committees; and the Resource Allocation, Police Performance and Resource Management, and Efficiency and Performance Sub Committees.
- 95.99. Each year training events and briefing sessions are provided for Members as part of the Member Development Programme to ensure that they are aware of current and emerging issues, how the City Corporation is delivering its services and responding to changing priorities; and the role of decision-makers. Amongst other things, in 2019/20 sessions included, Media Awareness and Social Media; Corporate Parenting and Equality, Inclusion and Diversity.
96. In September 2019, the Policy & Resources Committee agreed that a comprehensive and independent review of the City Corporation's governance arrangements should be undertaken in parallel with the Fundamental Review. The Court of Common Council endorsed this approach at its October 2019 meeting. As we go into 2020/21, this piece of work is continuing and will conclude later this year subject to COVID-19. This review of the main elements of the City Corporation's governance framework has not identified any significant issues for reporting to senior management.
- 100.

## Head of Internal Audit's Opinion

97. The Public Sector Internal Audit Standards require the Head of Internal Audit to deliver an annual internal audit opinion and report that can be used by the City Corporation to inform its Annual Governance Statement. The Head of Internal Audit is satisfied that sufficient quantity and coverage of internal audit work and other independent assurance work has been undertaken to allow them to draw a reasonable conclusion as to the adequacy and effectiveness of the City's risk management, control and governance processes. In their opinion, the City Corporation has adequate and effective systems of internal control in place to manage the achievement of its objectives. In giving this opinion they have noted that assurance can never be absolute and, therefore, only reasonable assurance can be provided that there are no major weaknesses in these processes.
- 98.101.
99. Notwithstanding this overall opinion, internal audit's work identified a number of opportunities for improving controls and procedures, which are documented in each individual audit report. Ten areas reviewed in 2018/19. A resulted in 'red' (limited) assurance opinion was provided in 6 of the 65 Internal Audit reviews completed in 2019/20, s. Of note is that four of the six audits finalised in respect of the City of London Police have been assessed as Limited assurance reports, with nine within which, 18 red and 3426 amber priority recommendations were raised. There will be an ongoing focus

on key risk areas within the City of London Police by internal audit, working closely with the Police Authority.

100.102.

101. There remain a significant percentage of recommendations (52%) which are only partially implemented, or had not been implemented or evidence had not been provided to demonstrate implementation by the due date agreed with management. The quality of status updates from some departments falls short of expectations, resulting in additional work for internal audit staff. This issue has been raised with the departments concerned and will be kept under review. These should continue to be focuses for challenge to officers by the Audit & Risk Management Committee. Following an effectiveness review undertaken by the Head of Audit and Risk Management, a revised process has been adopted for following up action taken by management to implement recommendations raised, it is anticipated that the new approach will be more efficient for both management and the Internal Audit team and will result in greater clarity in reporting to Members where significant control weaknesses remain.

102.103.

103.104. Internal audit work continues to identify improvement areas for management; albeit, the overall opinion provided on the City's internal control environment is that it remains adequate and effective. There is a high level of acceptance of recommendations.

## Future Work Programme

104.105. The governance framework is constantly evolving due to service and regulatory developments and assessments. Improvement plans have been compiled in response to the reports and assessments summarised above. Controls to manage principal risks are constantly monitored, in particular for services with statutory responsibilities for the safety of vulnerable people. The City Corporation proposes over the coming year to take the following steps to maintain, develop and strengthen the existing governance framework:

- Review the City Corporation's governance arrangements against the requirements of the CIPFA/Solace framework *Delivering Good Governance in Local Government 2016* and, subject to agreement, following the fundamental review.
- Following the conclusion of the independent Governance Review, implement changes as per agreed recommendations.
- Improve the links made between the different levels of policy, strategy, target setting, planning and action via changes to the business planning process, specifically links to finances and risks.
- Begin/Continue building the Corporate Performance Framework and populating it with/collecting data against a set of outcome-based measures for the whole City Corporation, that demonstrate impact and progress towards delivering the Corporate Plan 2018-23.
- Undertake an annual update for the registration and publication of declarations of interest by the City Corporation's Members and Co-opted Members.
- Provide training events and briefing sessions for Members as part of the Member Development Programme to ensure that they are aware of current and emerging issues, how the City Corporation is delivering its services and responding to changing

priorities; and the role of decision-makers. ~~Forthcoming sessions will focus on Cyber-Security, Chairing skills and Rough Sleeping & Homelessness.~~

- Deliver the benefits from the ~~programme of cross-cutting efficiency and effectiveness reviews resulting from options selected as part of~~ the fundamental review and the 2% budget efficiency target.
- Deliver the priority ~~outcomes~~ actions from the updated and refreshed Information Management Strategy:
  - Develop Business Intelligence infrastructure, new reports and analytics ~~developed~~ across the organisation.
  - Deliver ~~C~~ommunications and training on using IM for new ways of working across the organisation.
  - Implement good IM practices including protective marking and classification.
- ~~Implement the new risk appetite framework for the City Corporation, which reflects its capacity to manage risk and willingness to take risk in order to meet the strategic objectives.~~
- ~~Review the City Corporation's risk management strategy and corporate risk register.~~
- ~~Implement the solutions identified following the r~~Review of programme governance arrangements, to improve the handling of corporate and departmental projects, related to the Project Management software used. This is still a work in progress as it was superseded by the PProject Management Academy.~~Review programme governance arrangements, to improve the handling of corporate and departmental projects, including reviewing the terms of reference of relevant governance groups and a process for escalating risks to the appropriate levels.~~
- Investigate ISO22301 accreditation for our business continuity services.
- Deliver the extended remit of the Audit & Risk Management Committee to undertake periodic reviews of the risk management procedures, financial capabilities, controls, and safeguarding procedures of the City of London School, the City of London School for Girls, the City of London Freemen's School, the City of London Academies Trust (including its embedded academies) and the City Academies that are free-standing entities.
- Due to COVID-19 the May residents' consultation has been postponed and may end up taking a -different form in 2020 but this is yet to be determined.

This annual governance statement was approved by the City Corporation's Audit and Risk Management Committee on ~~7<sup>th</sup> May~~ 2 June 2019~~2020~~.

John Barradell

Town Clerk and Chief Executive

Date: ~~20<sup>th</sup> June~~ 2<sup>nd</sup> June ~~2019~~ 2020

Catherine McGuinness

Chair, Policy and Resources

Committee

Date: ~~20<sup>th</sup>-2<sup>nd</sup> June 2019~~ May 2020

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<b>Committee(s):</b> Audit and Risk Management Committee	<b>Date(s):</b> 02/06/2020
<b>Subject:</b> 2019/20 Annual Report of the Audit and Risk Management Committee	<b>Public</b>
<b>Report of:</b> Chairman of the Audit and Risk Management Committee	<b>For Decision</b>

## Summary

The Chairman of the Audit and Risk Management Committee presents to the Committee the 2019/20 Annual Report of the Audit and Risk Management Committee, reporting on activity up to 31 March 2020.

## Recommendation(s)

Members are asked to agree the 2019/20 Annual Report of the Audit and Risk Management Committee at Appendix 1 for onward submission to the Court of Common Council.

## Main Report

1. The report outlines the Committee's progress during 2019/20 in relation to its key areas of remit, including the Annual Governance Framework, Internal Audit, Risk Management, Anti-Fraud, External Audit and Financial Reporting.

## Appendices

- Appendix 1 – 2019/20 Annual Report of the Audit and Risk Management Committee

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## **AUDIT & RISK MANAGEMENT COMMITTEE**

### **Annual Report 2019/20**

#### **Introduction**

1. The Audit & Risk Management Committee (the Committee) has a wide-ranging brief that underpins the City of London Corporation's governance processes by providing independent challenge and oversight of the adequacy of risk management, the internal control and financial reporting frameworks. It also deals with a limited number of matters not reserved to the Court of Common Council or delegated to another Committee and related to a non-executive function. The Committee was formed as a Grand Committee in 2011, replacing the former Audit Sub-Committee (Finance).
2. Since the Audit and Risk Management Committee was established in 2011, it has served to scrutinise the risk management process at the City Corporation and enhance the maturity of risk management organisation wide. It has contributed to increasing the engagement with risk management, both on the part of Officers within the various departments, and elected Members through a process of "deep dive" review of significant risks. This process has resulted in re-evaluation of risks to ensure that mitigating actions are given the appropriate priority. The Committee has also served to improve engagement with the work of Internal Audit through regular monitoring of departmental implementation of Internal Audit recommendations and holding Chief Officers to account at Informal Risk Challenge Sessions alongside the formal Committee meetings.
3. This report details the work of the Committee for the period from 1 April 2019 to 31 March 2020 (this includes an overlap of 4 months with the first such report of the Committee, made in September 2019 which covered the period 1 April 2018 – 31 July 2019, thus bringing this report in line with the financial reporting year) and outlines work in relation to the key remit areas of:
  - Annual Governance Framework
  - Internal Audit
  - Risk Management
  - Counter-Fraud
  - External Audit
  - Financial Reporting
4. Members of the Committee have a wide range of skills in many technical and professional areas, bringing significant experience and expertise to the Committee. All the Members have some experience in relation to the governance processes they challenge; supported by a periodic skills gap analysis undertaken by the Nominations Committee. The Committee is comprised of 13 Members, together with three external members who provide additional knowledge and skills to support the function. Table 1 details the Committee Members during 2019/20.

**Table 1: Members of the Audit & Risk Management Committee 2019/20**

Alderman Ian Luder (Chairman)  
Alexander Barr (Deputy Chairman)  
Hilary Daniels (Deputy Chairman – External Member)  
Randall Anderson  
Alderman Nick Anstee  
Chris Boden  
Deputy Jamie Ingham Clark (Ex-Officio Member, Finance Committee, Deputy Chairman)  
Anne Fairweather  
Marianne Fredericks (Ex-Officio Member, Policy and Resources Committee Representative)  
Alderman John Garbutt  
Kenneth Ludlam (External Member)  
Paul Martinelli  
Caroline Mawhood (External Member)  
Jeremy Mayhew (Ex-Officio Member, Finance Committee, Chairman)  
Andrien Meyers  
John Petrie

5. The three external members are each appointed for a three-year term, which can be renewed twice, Kenneth Ludlam's final term ended on 31 March 2020. A nominations sub-committee, cognisant of the skills audit undertaken by members of the Committee, was appointed to oversee the appointment of a replacement external member, and Dan Worsley was recommended for appointment. His appointment was ratified by the Court of Common Council on 5 December 2019 and he took up his role on 1 April 2020.

### **Changes Within the Year**

6. There were two events during the year which should be noted for context:
- Following the retirement of the incumbent Head of Audit and Risk Management, a new postholder was appointed with effect from 1 July 2019.
  - As a result of the lockdown in response to the COVID-19 outbreak, the final Committee meeting of the year, scheduled for 31 March 2020, was cancelled, an informal meeting was convened with urgent decisions taken under urgency procedures.

### **Annual Governance Framework** (as incorporated within the 2018/19 report)

7. On 7 May 2019, the Committee received a report on the annual update of the City Corporation's governance and internal control framework. The Accounts and Audit (England) Regulations 2015, which apply to the City of London's City Fund activities, require an audited body to conduct a review, each financial year, of the effectiveness of its system of internal control and publish an Annual Governance Statement (AGS) each year, alongside the authority's Statement of Accounts
8. The Committee approved the Annual Governance Statement 2018/9 for signing by the Chairman of the Policy and Resources Committee and the Town Clerk and Chief Executive.

## Internal Audit

9. The Committee received the Head of Audit & Risk Management's Annual Audit Opinion for the year ended 31 March 2019 in May 2019:

*"I am satisfied that sufficient quantity and coverage of internal audit work has been undertaken to allow me to draw a reasonable conclusion as to the adequacy and effectiveness of the City's risk management, control and governance processes."* (as incorporated within the 2018/19 report)

10. The Audit Plan is aligned to the City's corporate and departmental objectives and key risks so that assurance can be obtained on these areas. Internal Audit's work identified a number of opportunities for improving controls and procedures, with a "Limited (Red) Assurance" opinion having been provided in six cases. Those recommendations raised have been accepted by management.
11. The Audit & Risk Management Committee has continued to support and drive departmental engagement in relation to the follow-up work of Internal Audit to assess the implementation of recommendations. The Committee has escalated the matter of tardy implementation and poor departmental compliance with the follow-up process to relevant Chief Officers and the Chairmen of the respective Committees which has resulted in swift action to rectify issues raised. The Committee signed off in January 2020 a more efficient process for capturing and reporting follow-up activity, the effectiveness of this process will be monitored over the coming year.
12. In October 2019, the City hosted the second meeting of the Chairs of the London Borough Audit Committees, seeking to share knowledge, experiences and best practice and to explore the development of joint initiatives such as member training and performance benchmarking. The meeting was well received by the Chairs and there was widespread demand for this network to meet more frequently; a further meeting was arranged, although subsequently cancelled as a result of the COVID-19 outbreak.

## Risk Management

13. The Committee is responsible for monitoring and overseeing the City of London Corporation's risk management strategy and to be satisfied that the authority's assurance framework properly reflects the risk environment. The strategy was reviewed and updated during 2019/20.
14. The City Corporation's Risk Management strategy includes a Policy Statement and a framework, which aligns with the key principles of ISO 31000: Risk Management Principles and Guidelines and defines clearly the roles and responsibilities of officers, senior management and Members.
15. The Strategy emphasises risk management as a key element within the City's systems of corporate governance and establishes a clear system for the evaluation of risk and escalation of emerging issues to the appropriate scrutiny level. The Strategy assists in ensuring that risk management continues to be

integrated by Chief Officers within their business and service planning and aligned to departmental objectives.

16. During 2019/20, the Committee has exercised its oversight role in a number of ways:

- Receiving quarterly risk update reports in relation to the corporate and red departmental level risks
- Endorsing new corporate risks flagged by management
- Deep-dive review of individual risks
- Operating a cycle of regular departmental risk challenge sessions with Chief Officers and their respective Committee Chairmen, of which, five were held in 2019/20

Chief Officers have commented that risk challenge sessions have been helpful to them in raising the profile of issues that are of most concern to them and resulted in a revised course of action for example, the raising of a new corporate risk in relation Open Spaces and Wanstead Park reservoirs project. The Committee has received nine deep-dive reports, including the safeguarding, resilience, information security and Police funding.

17. The last Committee meeting of this Municipal year (31 March 2020) was disrupted by the COVID 19 emergency. As a result, the two corporate risk deep dive reports and the Chief Officer risk challenge sessions have been rescheduled for 2020/21.

### **Counter-Fraud**

18. During 2018/19, the Anti-Fraud team completed 45 investigations across all fraud disciplines, with an associated value of just over £600k.

19. Social housing tenancy fraud is a key fraud risk area for the Anti-Fraud team and a concern for the Committee, with 16 successful outcomes secured, composing of the recovery of nine illegally occupied properties, two right to buy frauds and three fraudulent housing applications during 2019/20.

20. The Counter-Fraud Team successfully investigated two mandate frauds during the 2019/20 reporting year with a value of £116k, resulting in a direct saving to The City Corporation.

### **Financial Reporting**

21. The Audit and Risk Management Committee has scrutinised the City Corporation's various 2018/19 financial statements, seeking assurances on significant financial reporting issues, estimates and judgements. Reports have been received from both the External Auditors and the Audit Panel. The Committee has held the External Auditors to account to drive effective delivery of the audit and continues to support realisation of the ambition to achieve improved efficiency through greater consistency and a more joined up approach across all funds. In particular, the Committee challenged the External Auditor in relation to delays in the delivery

of the City's Cash Audit which impacted adversely the overall timetable for Member consideration and approval of the accounts by some two months.

22. Having completed its review, the Audit and Risk Management Committee recommended approval of the 2018/19 statements to the Finance Committee as follows:

- City Fund and Pension Fund statements were approved at the July 2019 Committee meeting
- Bridge House Estates statements were approved at the September 2019 Committee meeting
- Statements for City's Cash, the City's Cash Charities (seven Open Spaces charities and Sir Thomas Gresham Trust) and the other Sundry Trusts were expected at the September 2019 meeting but not received until the November 2019 meeting

Following a potential material issue raised by the External Auditor at the November Committee meeting, Members agreed that the Committee would not recommend the City's Cash accounts to the Finance Committee. The accounts were subsequently approved under delegated authority, the outstanding query having been resolved. The City's Cash Charities and Sundry trust statements were approved at the November 2019 Committee meeting.

23. The External Auditors, BDO, had been appointed for a three-year term, ending with the 2020-21 accounts, with the possibility of extension at the option of the Corporation. The Committee decided against an extension and the process of retendering the role has now been put in place. In accordance with the statutory regulations, the Appointments Committee is being chaired by Hilary Daniels, one of the external members of the Audit and Risk Management Committee.

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<b>Committee:</b>	<b>Date:</b>
Audit and Risk Management Committee	2 June 2020
<b>Subject:</b> Risk Update	<b>Public</b>
<b>Report of:</b> Chamberlain	<b>For Discussion</b>
<b>Report Author:</b> Paul Dudley, Corporate Risk Manager	

## Summary

This report provides Committee with an update on the corporate and the top red departmental risk registers as well as information on the red Covid-19 Silver Group risks.

A total of 393 risks (344 in January 2020) have been identified by departments providing a wide range of risks that may affect service delivery. This total does not include the 56 Covid-19 Silver Group risks, nine of which are red risks.

There are currently 19 (17 in January 2020) corporate risks included on the corporate risk register of which there are eight red and eleven amber risks. The increase is due to both CR33 Major Capital Schemes and CR34 Covid-19 (Response) risks being added to the corporate risk register and endorsed by the Committee in March 2020.

The Covid-19 emergency has impacted upon a number of corporate risks, in terms of their progression including the CR31 Fundamental Review where the proposals as they affect staff are being held in abeyance and a possible change in this risk to one focused on the Medium Term Financial Plan. This is under review.

In relation to the CR26 Brexit risk, a major review of this risk is expected following the government's update on negotiations with the EU in June 2020.

There are 29 top red departmental risks, an increase of 11 since the January 2020 report. Two risks were removed from the register whilst thirteen more were added.

## Recommendations:

The Committee is asked to:

1. Note the risk report including changes to both corporate and top red departmental risk registers since January 2020.
2. Note the Covid -19 Silver Group red risks report.

## Background













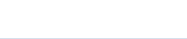
















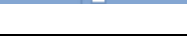
- 1 The corporate risk and top red departmental risk registers have been reviewed by the Chamberlain and respective Chief Officers.
- 2 A total of 393 (344 in January 2019) wide ranging risks have been identified by departments – 52 red, 218 amber and 123 green risks at all levels. Nearly two thirds












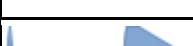









of the new risks added relate to the development of a new service level risk register for Culture and Visitor Centres (Town Clerks).

- 3 Of the 393 total risks, there are 19 corporate, and 29 red departmental level risks. There are another 92 amber and 40 green risks recorded at departmental level. The remaining 213 are recorded as either service or team level risks.
- 4 Held separately from the departmental risk registers are another 56 Covid-19 silver group risks maintained on the Pentana risk system (see para 14).

### Corporate risk register







- 5 There are currently 19 corporate risks (eight red and 11 amber) which includes the new corporate risks of CR33 Major Capital Schemes and CR 34 Covid 19 (Response). At the Committee meeting on 28 January 2020, it was agreed that at the first meeting after the end of each municipal year, the Committee would receive a detailed risk register of all corporate risks and at three other meetings during the year only, risks above appetite would be shown in detailed form. Attached as appendix 1 is the detailed corporate risk register which shows risks categorised by risk score as well as a summary version of this register (showing appetite levels) is attached as appendix 2.
- 6 Members are asked to note that the corporate risks CR28 Action Fraud and CR34 Covid-19 (detailed report) are presented in the Not for Publication part of the agenda (appendix 3).
- 7 Table 1 below – List of current corporate risks as at 14 May 2020 (ordered by risk score) and highlighting the risk assessment flight path.

Risk reference	Title	Current Risk Score	Current risk score	Trend	Risk flight path
CR34	COVID-19 (Response)	24			
CR20	Road Safety	24			
CR24	Operational Security	24			
CR28	Action Fraud	24			
CR31	Fundamental review delivery	24			
CR32	Wanstead Park Reservoirs (formerly OSD 013)	24			
CR23	Police Funding	16			
CR33	Major Capital Schemes	16			
CR01	Resilience Risk	12			
CR02	Loss of Business Support for the City	12			
CR09	Health Safety and Wellbeing Risk (Management System)	12			
CR16	Information Security (formerly CHB IT 030)	12			

CR21	Air Quality	12			
CR29	Information Management	12			
CR10	Adverse Political Developments	8			
CR17	Safeguarding	8			
CR26	Brexit - Organisational Impact	8			
CR30	Climate Action	8			
CR27	Change Management	6			

### Changes to the Corporate risk register

- 8 There have been a number of changes to the corporate risk register since the January 2020 report and these are set out below in table 2.

Corporate risk reference	Change	Current risk score change	Comment
CR24 Action Fraud	Amber 12 to Red 24		Commercial reasons. See risk update in Appendix 2
CR09 H&S	Amber 8 to Amber 12		Increased following Covid19 outbreak
CR34 Covid-19 (Response)	Red 16 to Red 24		Increased to reflect possible financial impacts and some service pinch points
CR10 Adverse Political Developments	Amber 12 to Amber 8		Decreased following UK exit from the EU
CR17 Safeguarding	Red 16 to Amber 8		Decreased following the out of hours issued which has now been addressed
CR30 Climate Action	Red 16 to Amber 8		Decreased following good progress to being made to mitigate risk

- 9 In addition to these changes there are a number of corporate risks which have been impacted (in terms of progressing actions) by the Covid-19 response by the City Corporation including CR31 Fundament Review where the proposals that affect staff have been put into abeyance and a possible change in this risk to one focused on the Medium Term Financial Plan (under review), CR23 Police Funding where further work will be required to understand and model impact on the MTFP and CR 33 Major Capital Schemes which is subjects to review in July 2020.

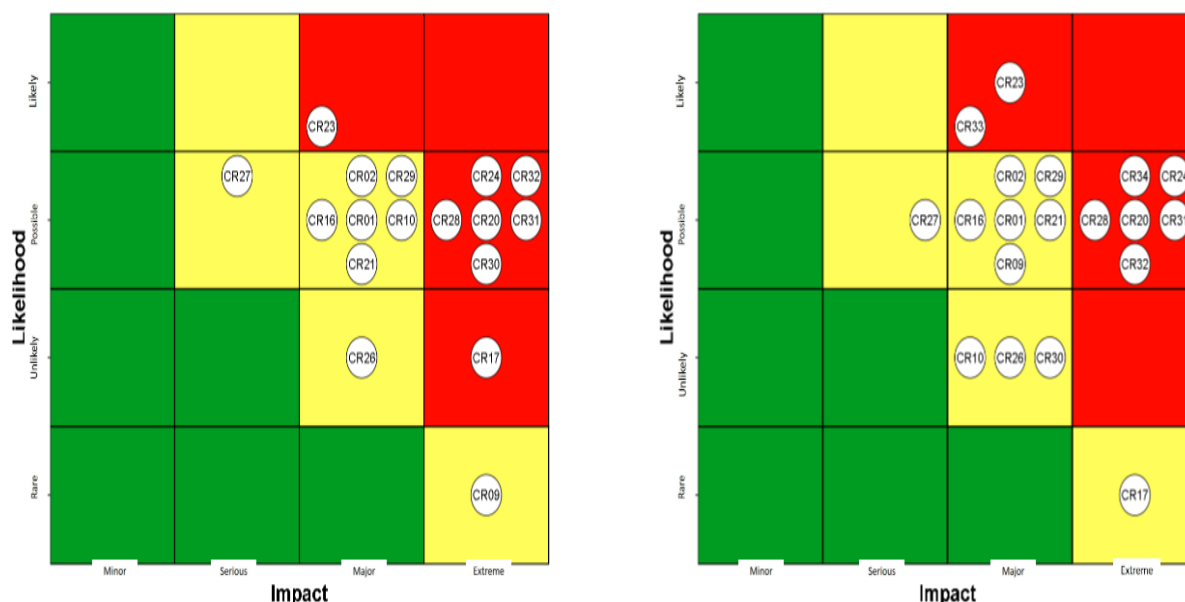
### Brexit

- 10 The UK formally left the European Union on 31 January 2020. There is a 11-month transition period, where the UK remains in both the EU customs union and single market, until the 31 December 2020. During this period, the UK and the EU are negotiating their future relationship which aims to include a free trade deal. These negotiations are continuing during the Covid-19 emergency and have yet to be concluded. It is expected that the government will announce an update on their progress in June 2020.
- 11 The existing corporate risk CR26 Brexit, continues to be monitored along with the departmental Brexit risks by Chief Officers. These will be reassessed in June to

confirm if these risks remain current and /or if new risks need to be developed along with related mitigations to reflect any new risk exposures to the City Corporation which may occur following this update.

### Disposition of corporate risk on the risk matrix

- 12 Table 3 below shows the disposition of corporate risks on the risk matrix between 24 January 2020 and 14 May 2020



### Development of a new corporate risk – Covid-19 (Recovery)

- 13 The City Corporation's Covid-19 Gold, whilst still focused of managing the issues arising from the emergency, is now preparing for the recovery phase. Covid-19 Gold, in discussions with Chief Officers, are developing a proposed new corporate risk in terms of recovery and restoration of City Corporation services. An update on this will be provided at the meeting on 2 June.

### Covid-19 silver group risks

- 14 In addition to the CR34 Covid-19 corporate risk, which is reviewed by Gold on a regular basis, there are five Silver Groups which support Gold in the management of this emergency. Each Silver Group has a dedicated risk register which are reviewed on a weekly basis. These risks are largely operational in nature and change both in risk score and additions/removals from the registers on a frequent basis. Currently there are a total on 56 risks on all Silver Group registers nine red risks, 40 amber and 6 green risks. Attached as appendix 4 is a short summary report highlighting the nine red Covid-19 silver group risks.

### Departmental red risks

- 15 There are 29 departmental red risks an increase of 11 since the January 2020 report. Two risks were removed from the register (CHB IT power/resilience and MAN CCC 002 Working at heights) and 13 new red risks added. The Barbican Centre added eight risks, City of Freeman's School three risks and City Surveyor's –

one risk. A summary version of the top red risk departmental risk register is attached as appendix 5. (The new risks are identified in this appendix).

### **Conclusion**

- 16 The corporate and top red departmental risk registers were reviewed by the Chamberlain and respective Chief Officers. This provides additional assurance to the Summit Group, COG and the Audit and Risk Management Committee that corporate and top red departmental risks (as well as the Covid 19 Silver Group red risks) are being appropriately and being actively managed during this emergency.

### **Appendices:**

<b>APPENDIX 1</b>	Corporate risk and actions detailed report
<b>APPENDIX 2</b>	Corporate risk summary report
<b>APPENDIX 3</b>	CR28 Action Fraud and CR34 Covid-19 (Response) risks (Included in the Not for Publication section of the agenda)
<b>APPENDIX 4</b>	Covid-19 Silver Group red risks – summary report
<b>APPENDIX 5</b>	Red departmental risk register- summary report

**Contact:** *Paul.Dudley | [Paul.Dudley@cityoflondon.gov.uk](mailto:Paul.Dudley@cityoflondon.gov.uk) | 02073321297*

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## Corporate risks - detailed report EXCLUDING COMPLETED ACTIONS

**Report Author:** Paul Dudley

**Generated on:** 18 May 2020

(Note this report does not include CR28 Action Fraud and CR34 Covid-19 (Response) which are included in the Not for Publication part of the A&RMC agenda 2 June 2020)



Rows are sorted by Risk Score

### Code CR01

Department Description: Town Clerk's 1

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>CR01 Resilience Risk</b>          20-Mar-2015 John Barradell	<b>Cause</b> - Lack of appropriate planning, leadership and coordination <b>Event</b> - Emergency situation related to terrorism or other serious event/major incident is not managed effectively <b>Effect</b> - Major disruption to City business, failure to support the community, assist in business recovery. Reputational damage to the City as a place to do business.	Likelihood  Impact	12	<ul style="list-style-type: none"> <li>Business Continuity training complete. Action plan now in place to implement key recommendations from the training and BIA process</li> <li>BECC Training session complete, process and call out still to be finalised . Cycle of training to continue - Current work postponed due to response to Covid 19</li> </ul> 13 May 2020	Likelihood  Impact	12	31-Jan-2021	       Constant


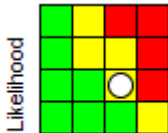

## APPENDIX 1

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR01L	Assurance process with Cabinet Office College Provide refresher and initial training for Col staff, this training intended to increase knowledge to ensure BC plans are able to support the Col maintain its business during a major incident, provide an in depth independent oversight of the Col business impact analysis, identifying its most critical business areas	Action place now in place to implement key recommendations from the training and BIA process  Work has started with Clearview a company providing software to assist Col depts identify and document the BIA process linked to the action plan, however work is postponed during the response to Covid 19	Gary Locker	13-May-2020	31-Jan-2021
CR01M	process, training, call out process to strengthen the City capability and resilience in responding to major incident and complying with the wider London boroughs standardisation programme	Training for this session complete, process and call out still to be finalised  LALO were involved in a City based partnership exercise February 2020, further exposure to training and exercise is intended but postponed due to response to COVID 19 and call out process to be consulted on post Covid 19 response	Gary Locker	13-May-2020	31-Jan-2021
CR01N	to increase City capability and resilience in also supporting wider London boroughs during major incident response, Local Emergency Control Centres, Emergency centres as part of a wider humanitarian	BECC training as part of this process completed March 2019, cycle of training to continue  Further staff awareness date planned 25/6/19 as part of cycle of training/awareness  Pan London Standardisation process postponed due to Covid 19 response	Gary Locker	13-May-2020	31-Jan-2021
CR01Q	Plan an annual calendar of IT DR tests, covering critical systems and services	Rolling DR Tests have commenced and are now an ongoing BAU activity.  Papers describing this have been submitted to Audit and Risk and Digital Services Subcommittees  These tests will continue through the technology services, throughout the year. It is therefore commended this is only updated by exception in future.	Matt Gosden	13-May-2020	31-Mar-2021
CR01R	All COL and COLP comms and data rooms are being audited with a view to: <ul style="list-style-type: none"> <li>Assessing power and security provision</li> <li>Update the Comms Room Policy and MoU with City Surveyors, including categorisation of rooms into critical and non-critical.</li> </ul>	The final Recommendations report has been delayed by Covid-19, However, the Covid situation has further highlighted the need to ensure the security and resilience of Technology services for COL. Therefore, this has led to COL IT re-evaluating its technology roadmap regarding service hosting, connectivity and therefore measures to ensure the resilience of these. Capital funds for these activities has been approved and once plans are complete, will be taken through the gateway process to secure the funds and deliver the work.	Matt Gosden; Kevin Mulcahy	13-May-2020	31-Mar-2021

	Provide recommendations for a project to improve the power/UPS resiliency in these rooms.				
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## Code CR02

Department Description: Town Clerk's 1

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>CR02 Loss of Business Support for the City</b>  Page 75	<b>Cause</b> - The City Corporation's actions to promote and support the competitiveness of the business City do not succeed. <b>Event</b> - The City's position as the world leader in international financial services is adversely affected <b>Effect</b> - The City loses its ability to attract and retain high value global business activity, both as a physical location and in mediating financial and trade flows; the City Corporation's business remit is damaged, and its perceived relevance is diminished. Reputational damage to the City as a place to do business and to Corporation ability to govern effectively	 Likelihood	<b>12</b>	Loss of Business Confidence has previously been most associated with Brexit related issues, but now the Covid 19 crisis presents a greater risk.  Our overarching strategies of IG remain valid, but the delivery of some of our services is now being done virtually. This can be seen via the Virtual Engagement Programme, where senior level meetings have been organised for the Lord Mayor and Policy Chair to discuss the crisis and economic recovery with major businesses and investors. The insight obtained from these conversations are helping to inform our ongoing response to the crisis and our longer-term work on economic competitiveness.  In addition, through the structures established as part of the Corporation's Covid 19 response, we have assisted in providing support and guidance to businesses and representing the priorities to government.	 Likelihood	<b>8</b>	31-Jul-2020	

## APPENDIX 1

22-Sep-2014 Damian Nussbaum				<p>Increased engagement with priority markets including Japan, US, Switzerland and China.</p> <p>Significant work underway to make a full contribution to the COP26 conference in Glasgow, when the UK will host the latest climate action conference. This has been postponed until 2021, although a smaller scale event may take place later this year. A major opportunity to place London at the centre of global Green Finance.</p> <p><b>12 May 2020</b></p>				Constant
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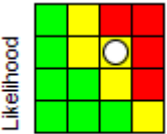
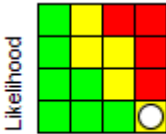
Page 76

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR02H	Work on initiatives which ensure London is at the forefront of innovation in financial and professional services	<p>We are delivering a review for HM Treasury into the FinTech ecosystem in the UK. The review is chaired by Ron Kalifa and will examine how the UK can remain the best place for FinTech development.</p> <p>Ongoing working in support of promoting the UK as a centre of excellence for FinTechs and increasingly Cyber security businesses.</p> <p>Secondment of Head of Skills to become the first Chief Executive of the new Financial Services Skills Commission.</p> <p>Engagement with policymakers and businesses at the World Economic Forum, has informed our ongoing work programme to increase bilateral trade and investment, as well as ensuring the UK economy is prepared for technological changes.</p> <p>Increased engagement with priority markets including Japan, US, Switzerland and China.</p> <p>Ongoing Campaign to encourage US based Venture Capital firms to invest more in UK based tech businesses</p> <p>Major preparations underway to ensure financial services have a substantial role at the COP26</p>	Damian Nussbaum	12-May-2020	31-Jul-2020

		climate conference in Glasgow in November (postponed until 2021).			
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## Code CR09

Department Description: Town Clerk's 1

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>CR09 Health Safety and Wellbeing Risk (Management System)</b>  <div>Page 77</div>	<p><b>Cause:</b> Lack of management grip/attention to effective health and safety in the workplace, management and staff competency, poor supervision and guidance, and ineffective controls and monitoring / feedback systems.</p> <p><b>Event:</b> Significant breach/non-compliance with Statutory regulations and/ or internal H&amp;S policies and procedures by staff/managers whilst undertaking/delivery of City Corporation functions.</p> <p><b>Effect:</b> Fatality or life-threatening illness / disease compromising the safety and wellbeing of service users, public or the workforce, potential enforcement action/financial penalties to City Corporation. Adverse effect on the delivery of the Corporate Plan: Especially Outcomes 1 &amp; 2</p>	 <p>Likelihood</p> <p>Impact</p>	12	<ul style="list-style-type: none"> <li>At the Corporate Health Safety and Wellbeing Committee on 25/11/19 the committee discussed the risk scoring based upon number of key factors and agreed in the current risk climate that the score could be reduced to 8 (Extreme * Rare). The committee will keep the score under regular review. Update April 2020. Risk Score increased back to previous due to Covid-19 pandemic</li> <li>New Guidance issues for Supporting Frontline Staff during the C19 Pandemic</li> <li>New Guidance for Supporting Staff outside the office during the C-19 pandemic</li> <li>Dedicated Mental Health and C-19 resources for managers and staff on Colnet – updated daily</li> <li>Refresh of Corporate Transport Policy (H&amp;S) progressed from Chief Officers without challenge but on-hold for Summit Group during the pandemic</li> </ul>	 <p>Likelihood</p> <p>Impact</p>	8	31-Mar-2021	<div> <div></div> </div>
22-Sep-2014				12 May 2020				Constant

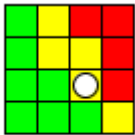
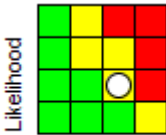

## APPENDIX 1

Chrissie Morgan							
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR09K	Deliver a series of health and safety audits and compliance checks to provide corporate assurance that the organisation is being managed safely	Under development BAU audits / inspections paused during pandemic	Justin Tyas	12-May-2020	31-May-2020
CR09L	Evidence being collected for submission for Achievement Award for LHWC	Steering group in place with evidence being collected. Pushed back to 1 Dec 2020 due to C-19 pandemic	Justin Tyas	12-May-2020	30-Jun-2020
CR09M	Business as usual HSW suspended due to Covid-19 outbreak	Focus is on supporting the Gold strategy via Public Service Silver and other corporate mechanisms in line with HR Business Continuity / Emergency Management Plan	Justin Tyas	12-May-2020	31-May-2020

### Code CR10

Department Description: Remembrancer's 1

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>CR10 Adverse Political Developments</b>	<p><b>Cause:</b> Policy issues that may compromise the City's operation as an international financial marketplace to which the City Corporation's functions are aligned; other financial services issues that make the City Corporation vulnerable to political criticism; local government proposals that call into question the justification for the separate administration of the Square Mile; overarching political hostility.</p> <p><b>Event:</b> Changes in international relationships particularly those with the EU; reputational questions related to financial institutions; local government changes in London; increase in political hostility to the Corporation.</p> <p><b>Impact:</b> Damage to the City's ability to put its case nationally and internationally and to the City's standing as a dedicated international financial marketplace. The City</p>	 <p>Likelihood</p> <p>Impact</p>	8	Constant attention is given to the form of legislation affecting the City Corporation and the broader City, and any remedial action pursued. Making known the work of the City Corporation in the financial sphere among opinion formers, particularly in Parliament and central Government, is also part of the apparatus by which the City's voice is heard and by which the Corporation is seen to be "doing a good job" for London and the nation for a crucial sector of the economy; the foremost consideration at the present time is the continuing	 <p>Likelihood</p> <p>Impact</p>	8	30-Jun-2020	

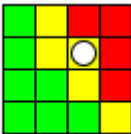
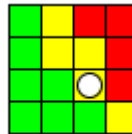

## APPENDIX 1

22-Sep-2014 Paul Double	of London Corporation would be compromised if the City's position as a world-leading financial and professional services centre were undermined. Loss of City Corporation functions as a result of adverse attitudes towards the Corporation. The risk appetite is assessed on the basis of an assumption as to the Corporation's ultimate constitutional existence in its current form is beyond the risk register time-line			uncertainty in the UK's post Brexit trading relations. The same approach is replicated in respect of professional services; the digital economy; arts and culture; and other activities undertaken by the City Corporation. The COVID-19 pandemic has given rise to complex issues affecting the City, as for other sectors, and this is being reflected in submissions and briefings.  <b>14 May 2020</b>				Constant
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR10a	Monitoring of Government legislation and proposed regulatory changes.	Relevant Bills in the Government's legislative programme will be identified and City Corporation departments alerted to issues of potential significance as the measures are introduced in the new Session. Action taken through negotiation with departmental officials or amendments tabled in Parliament as required. The legislative consequences of Britain leaving the EU as they may affect the Corporation and the City more generally as an international financial centre is a key priority. Government responses to the COVID-19 pandemic are currently being monitored.	Paul Double	14-May-2020	30-Jun-2020
CR10b	Provision of information to Parliament and Government on issues of importance to the City.	Briefing has been provided for parliamentary debates including on Brexit, air quality, immigration, housing, planning, the creative industry, trade and investment, apprenticeships, economic crime, Fintech and broadband.	Paul Double	14-May-2020	30-Jun-2020
CR10c	Engagement with key opinion informers in Parliament and elsewhere. Programme of work to monitor and respond to issues affecting the reputation of the City Corporation.	Liaison with the City's MP and other MPs, Peers and Select Committee of both Houses on matters of importance to the City, including increased engagement on Brexit-related issues. Working with other organisations, including the Financial Markets Law Committee, to analyse the legal framework following the UK's departure from the EU. Continuing engagement on devolution in London and liaison with London Councils and Central London Forward on the application of devolution to the London boroughs and the City, either directly from Central Government or the Mayor.	Paul Double	14-May-2020	30-Jun-2020

## Code CR16

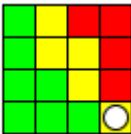
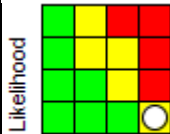

Department Description: Chamberlain's 1

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>CR16</b> <b>Information Security</b> <b>(formerly CHB IT 030)</b>  <b>Page 80</b> May-2019 Peter Kane	<b>Cause:</b> Breach of IT Systems resulting in unauthorised access to data by internal or external sources. Officer/ Member mishandling of information. <b>Event:</b> The City Corporation does not adequately prepare, maintain robust (and where appropriate improve) effective IT security systems and procedures. <b>Effect:</b> Failure of all or part of the IT Infrastructure, with associated business systems failures. Harm to individuals, a breach of legislation such as the Data Protection Act 2018. Incur a monetary penalty of up to €20M. Compliance enforcement action. Corruption of data. Reputational damage to Corporation as effective body.	Likelihood  Impact	12	<ul style="list-style-type: none"> <li>A capital bid has been approved to fund new security protection.</li> <li>The Digital Services Sub-Committee Chairman and Deputy Chairman reviewed the roadmap and the capital bid prior to submission.</li> <li>New projects are now being planned to increase security.</li> </ul> <b>13 May 2020</b>	Likelihood  Impact	8	30-Apr-2021	  Constant

Action no	Action description	Latest Note		Action owner	Latest Note Date	Due Date
CR16j	CR16j An update IT Security Roadmap has been developed which has informed work activity for 20/21 and a capital bid for new security tools.	The staff training and awareness of IT security continues during 20/21 under the oversight of the Information Management Board led by our SIRO Michael Cogher. Security campaign to be run in Oct 2020. During COVID regular security messages being sent out.		Gary Brailsford-Hart	13-May-2020	31-Dec-2020
CR16k	Final stages of completing information security projects which will mean that we can assure Members that the City of London Corporation has implemented all the national government recommended security practices and technology achieving a maturity level of 4.	New Security Projects being planned to fit the funding of £250K that was allocated.		Gary Brailsford-Hart	13-May-2020	30-Jan-2021

## Code CR17

Department Description: Department of Community &amp; Children's Services 1

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
CR17 Safeguarding	<p><b>Cause:</b> Not providing appropriate training to staff or members; not providing effective leadership, management or supervision; poor case management, information sharing or actions.</p> <p><b>Event:</b> Failure to deliver actions under the City of London's Corporate Safeguarding Policy. All staff (and in particular social workers &amp; teachers) not taking appropriate action in relation to safeguarding issues.</p> <p><b>Effect:</b> Physical or mental harm suffered by a child or vulnerable adult, damage to the City of London's reputation, possible legal action, investigation by CQC and or Ofsted. (Risk description revised June 2019)</p>	<p>Likelihood</p>  <p>Impact</p>	8	<p>This London Borough of Hackney out of hours service were experiencing some issues accessing the City of London social care information system, this has now been addressed and the new access arrangements are working well.</p> <p>A report on the updated Corporate Safeguarding Policy was presented to the February meeting of the Safeguarding Sub-committee. The network of Safeguarding Champions to fully embed safeguarding responsibilities across the organisation has been relaunched. Some of the existing champions have moved on or no longer perform this role. Chief Officers have been asked to nominate a Safeguarding Champion for their departments. This but this might be delayed due to demands of the Covid-19 response Chief Officers have also been asked to report to the Director of Community and Children's Services every six months on the discharge of their safeguarding responsibilities.</p> <p>Monitoring of the demand for Adult and Children Social Care is taking place to ensure resources are adequate to manage the response to Covid-19</p>	<p>Likelihood</p>  <p>Impact</p>	8	31-Mar-2021	


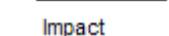

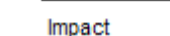

## APPENDIX 1

22-Sep-2014 Andrew Carter				14 May 2020				Constant
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR17X	Chief Officers have been asked to nominate Safeguarding Champions and to report to the Director of Community and Children's Services every six months on the discharge of their safeguarding responsibilities.	The network of Safeguarding Champions to fully embed safeguarding responsibilities across the organisation has been relaunched. Some of the existing champions have moved on or no longer perform this role. Chief Officers have been asked to nominate a Safeguarding Champion for their departments. This provision may be delayed due to extra demands on departments due to the Covid-19 response. Chief Officers have also been asked to report to the Director of Community and Children's Services every six months on the discharge of their safeguarding responsibilities.	Andrew Carter	14-May-2020	31-Mar-2021
CR17y	Monitoring is taking place to ensure that the Children and Adult Social Care Workforce is adequately resourced to tackle the increase in demand which is likely to occur when the Covid-19 lockdown period finishes.	If It is possible this will generate additional demands on the system as an increase in identified need happens at the same time and a surge on safeguarding and support services risks outstripping capacity.  Additional capacity has been brought into the front line Children and Adult Social Care services to support demand however these arrangements are temporary and require a wider service review to ensure that there is sufficient capacity long term to meet demand due to Covid-19	Chris Pelham	14-May-2020	31-Dec-2020

### Code CR20

Department Description: Department of the Built Environment 1

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>CR20 Road Safety</b>	<b>Cause:</b> Limited space on the City's medieval street network to cope with the increased use of the highway by vehicles, pedestrians and cyclists within the City of London. Interventions and legal processes take time to	 Likelihood  Impact           24	The risk assessment is unchanged, reflecting the probability that a fatality is fairly likely to occur while mitigation measures are being	 Likelihood           16  Impact	31-Mar-2022	

## APPENDIX 1

23-Oct-2015 Carolyn Dwyer	<p>deliver SAFELY AND EFFECTIVELY</p> <p><b>Event:</b> The City Corporation's statutory duties and the measures outlined in the Transport Strategy are not fully and effectively implemented.</p> <p><b>Effect:</b></p> <ul style="list-style-type: none"> <li>•The number of casualties occurring on the City's streets rises or remains unchanged instead of reducing</li> <li>•The safety and feeling of safety of the City's communities is adversely affected (Corporate Plan Outcome 1)</li> <li>•Physical or mental harm suffered by those involved in collisions and their associates</li> <li>•Economic costs of collisions impact on INDIVIDUALS, City businesses and wider society</li> <li>•The City Corporation's ABILITY TO IMPROVE ROAD SAFETY is adversely impacted with businesses and/or the public BY VIRTUE OF A LOSS OF CREDIBILITY AND/OR AUTHORITY</li> </ul> <p>(revised risk description 27/6/19)</p>			<p>implemented. The Road Danger Reduction Delivery Plan for 2020/21 - 2022/23 which was due to go to Committee in May 2020 is on hold while the impacts of COVID-19 on budget and future transport need are reviewed. A range of measures to enable the safe return of the City's workforce and support COVID-19 recovery are being developed.</p> <p><b>15 May 2020</b></p>				Constant
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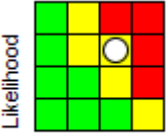
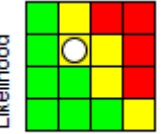

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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR201	<p>A programme of projects to reduce road danger on the City's streets including:</p> <ul style="list-style-type: none"> <li>• Bank on Safety and All Change at Bank</li> <li>• RDR engineering programme</li> <li>• 15mph traffic limit</li> <li>• Ludgate Circus (lead by TfL)</li> </ul>	<p>Delivery of Bank on Safety interim scheme is underway and expected to complete July 2020, this has been delayed by a month due to COVID-19 pausing work. Preparing 15mph request to DfT, with target submission date of June 2020. Safety improvements to Gresham Street/Old Jewry/Basinghall Street have been completed and locations for future improvements are being reviewed. Working with TfL to explore temporary interventions to improve safety and enable social distancing on Bishopsgate and Gracechurch Street, this may lead to an accelerated delivery of permanent changes. A range of on-street measures to enable the safe return of the City's workforce and support COVID-19 recovery are being developed and delivery is expected to begin in late May.</p>	Zahur Khan	15-May-2020	31-Mar-2022
CR20m	<p>Campaigns and engagement activities to encourage safe behaviours and promote safe vehicles, including:</p> <ul style="list-style-type: none"> <li>• Active City Network</li> <li>• User and stakeholder liaison</li> </ul>	<p>Working with City of London Police on engagement and enforcement to support COVID-19 measures. Developing campaigns to encourage safe and considerate behaviors by all street users while temporary changes and social distancing requirements are in place.</p>	Zahur Khan	15-May-2020	31-Mar-2022

	• Schools programme				
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## Code CR21

Department Description: Department of Markets and Consumer Protection 1

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>CR21 Air Quality</b>  <b>P</b> <b>20</b> <b>84</b> 20 Oct-2015 City of London C. Underwood	<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>	 <p>Likelihood</p> <p>Impact</p>	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.  <b>20 Apr 2020</b>	 <p>Likelihood</p> <p>Impact</p>	6	31-Dec-2020	  Constant

## APPENDIX 1

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR21 001h	Develop baseline model for compliance assessment and publish annual report of air quality data	Data being compiled for annual report	Ruth Calderwood	20-Apr-2020	31-Dec-2025
CR21 001i	100% of vehicles owned or leased by the CoL are electric or hybrid by 2025	<ul style="list-style-type: none"> <li>• We have reduced the size of the corporate fleet by over 40% over the past 5 years.</li> <li>• We have trialed eight new electric vehicle technology over the last 3 years</li> <li>• We have recently purchased 14 new plug in / hybrid vehicles including 3 electric vehicles for the Lord Mayor which includes 2 London electric taxis.</li> <li>• We have installed 20 new electric vehicle charge points to support our vehicles.</li> <li>• 100% of the electricity used by the City Corporation is from renewable sources so electricity used to charge Corporate vehicles isn't contributing to air pollution outside the City of London boundary.</li> </ul>	Ruth Calderwood	20-Apr-2020	31-Dec-2025
CR21 001j	Develop and support an Emission Reduction Private Members Bill for London local authorities	Bill reintroduced to the House of Lords in January 2020. Await date for second reading	Ruth Calderwood	20-Apr-2020	31-Dec-2021

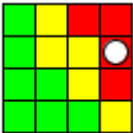
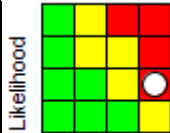



## APPENDIX 1

	Revenue position Capital financing	settlement provided for further uplift of 44 officers. Balanced budget set for 20/21. In subsequent years deficits of c.£3m pa exist due to addition of loan repayment assumptions for Action Fraud and Police capital priorities. Further mitigations will therefore be required which may include delivering further savings on shared services. New loan-based capital financing model introduced from 20/21 which will fund CoLP capital priorities up to £5m pa. A key financial risk within the MTFP relates to future Action Fraud requirements. Further work will be required to understand and model the impact of COVID 19 on the Police MTFP.			
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### Code CR24

Department Description: Town Clerk's 1


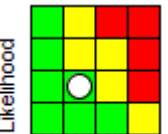

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<b>CR24</b> <b>Operational security</b>  07-Jun-2017 John Barradell	<b>Cause:</b> Inadequate, poorly maintained or time expired security infrastructure; lack of security culture within the organisation; poor training or organisation of staff; insufficient staff. <b>Event:</b> Security of an operational property is breached. <b>Effect:</b> Unauthorised access to building by criminals/protestors/terrorists; disruption of business/ high profile events; reputational damage; injury or potential loss of life amongst staff or members of the general public	 Likelihood Impact	<b>24</b>	Some works have been delayed due to risk assessments in line with HM Government COVID-19 Risk Assessment on social distancing, others due to supply chain being closed due to COVID 19. All other work is carrying on as can be within the social distancing restrictions.  <b>13 May 2020</b>	 Likelihood Impact	<b>16</b>	01-Sep-2020	  Constant

Action no	Action description	Latest Note			Action owner	Latest Note Date	Due Date
CR24a	Deliver a programme of security infrastructure enhancements	CR24 A location 7 was approved in October 2019 and expected to commence works in February 2020, this is delayed due to the supply chain being closed awaits opening with COVID19			Paul Wilkinson	13-May-2020	01-Sep-2020
CR24b	Mitigating risk of vehicle borne attacks across Corporation estate.	Target hardening to six high risk sites is now complete since the last deep dive, three areas have temporary mitigation in place whilst permanent solutions are in design and construction. There are three in detailed design and three under construction. Initially due to COVID19			Carolyn Dwyer; Paul	13-May-2020	01-Sep-2020

		works stopped, those that can are now being implemented subject to supply chain delays. All works have been subject to COVID19 risk assessments.	Wilkinson		
CR24e	Protecting CR24 location A for major events by installing HVM.	CR24 A location 7 was approved in October 2019 and expected to commence works in February 2020, this is delayed due to the supply chain being closed awaits opening with COVID19	Carolyn Dwyer; Richard Woolford	13-May-2020	01-Sep-2020

## Code CR26

Department Description: Town Clerk's 1

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
CR26 Brexit - Organisational Impact Page 88	<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 on 31 December, 2020, following the commencement of the transition phase on 31 January, 2020.</p> <p><b>Effect</b> – There are a range of potential impacts. The City Corporation's services are disrupted 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.</p>	 <p>Likelihood</p> <p>Impact</p>	8	<p>Operation Yellowhammer stood down by the Government</p> <ul style="list-style-type: none"> <li>A review of the various Brexit risks continues to be undertaken by Summit.</li> <li>The City Corporation has provided information as part regular data submissions to MHCLG via London Councils.</li> <li>Town Clerk attending regular meetings with the GLA, LLAG and London Councils on Brexit Preparedness.</li> <li>Simon Latham has been nominated as the Corporation's point of contact for MHCLG and London Councils briefings and work on this.</li> <li>Engaging with political stakeholders at a central, regional and local level, including MPs, remains vital. The City Corporation must ensure that it is coordinated in its approaches to</li> </ul>	 <p>Likelihood</p> <p>Impact</p>	4	31-Dec-2020	

# APPENDIX 1

Page 89 Oct-2018 John Barradell				<p>political stakeholders, with key departments and teams maintaining oversight – namely the Remembrancer's, Communications Teams (including Corporate Affairs) and the Town Clerk and Chief Executive's Office.</p> <ul style="list-style-type: none"> <li>Summit Group will have a watching brief on this risk throughout 2020 to ensure that CoL services continue to remain prepared following the departure of the UK from the European Union at the end of January 2020 and through the transition period which ceases on 31 December 2020</li> <li><b>A major review of the risk is expected following the government's update on negotiations in June 2020.</b></li> </ul> <p><b>14 May 2020</b></p>				Constant

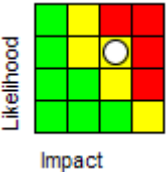
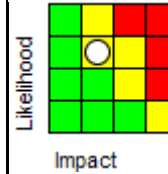
Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR26b	Progress on all departmental Brexit risks and their mitigations be reported regularly to Summit Group	<ul style="list-style-type: none"> <li>Town Clerk attending regular meetings with the GLA, LLAG and London Councils on Brexit Preparedness.</li> <li>A review of the various Brexit risks is being undertaken by Summit Group, and a number of additions to the register and changes to scores are being agreed.</li> </ul>	Simon Latham	14-May-2020	31-Dec-2020
CR26c	Effective corporate coordination of communications with political and government stakeholders at a central, regional and local level is vital, to ensure that the organisation speaks with one voice and to agreed lines.	The necessity to continue engaging with political and government stakeholders at a central, regional and local level, including MPs, remains vital. The City Corporation must ensure that it is coordinated in its approaches to political and government stakeholders, with key departments and teams maintaining oversight – namely the Remembrancer's, Communications Teams (including Corporate Affairs) and the Town Clerk and Chief Executive's Office	John Barradell; Paul Double; Simon Latham;	14-May-2020	31-Dec-2020

			Bob Roberts		
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## Code CR27

Department Description: Town Clerk's 1

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>CR27 Change Management</b>  <div>Page 90</div> Dec-2018 John Barradell	<p><b>Cause:</b> Failure to appreciate the scale, complexity and impact of change and take the necessary steps to ensure the organisation has the capability and capacity to change (to stay relevant)</p> <p><b>Event:</b> poorly managed and ineffective change</p> <p><b>Effect:</b></p> <ul style="list-style-type: none"> <li>• Disruption to service, poor performance and damage to reputation</li> <li>• Outcomes not achieved, reduction in benefits (financial and non-financial)</li> <li>• Failure to change or keep up with change, organisational paralysis and reduction in ability to remain relevant</li> <li>• Adverse impacts on external stakeholders including businesses and residents.</li> <li>• Loss of valued staff and / or negative mental health impacts for staff.</li> </ul>	<div> <div>Likelihood</div> </div> <div> <div>Impact</div> </div>	6	<p>Note this risk is under consideration for removal from the corporate risk register pending the review of the Fundamental Review as it affects staff. Should this occur change management will be included as an action within CR31 Fundamental Review risk.</p> <p><b>14 May 2020</b></p>	<div> <div>Likelihood</div> </div> <div> <div>Impact</div> </div>	4	31-Mar-2020	<div> </div> Constant

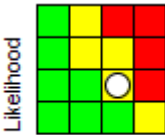
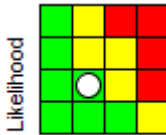

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<b>CR29</b> <b>Information Management</b>  <div>Page 91</div>	<p><b>Cause:</b> Lack of officer commitment and investment of the right resources into organisational information management systems and culture.</p> <p><b>Event:</b>The City Corporation's IM Strategy (2018-2023) is not fully and effectively implemented</p> <p><b>Effect:</b></p> <ul style="list-style-type: none"> <li>• Not being able to use relevant information to draw insights and intelligence and support good decision-making</li> <li>• Vulnerability to personal data and other information rights breaches and non-compliance with possible ICO fines or other legal action</li> <li>• Waste of resources storing information beyond usefulness</li> </ul>		12	<ul style="list-style-type: none"> <li>• New business intelligence dashboards continue to be developed for improved decision making by the Corporate Strategy and Performance team</li> <li>• An Information Management Awareness campaign has been completed. Second campaign is planned for October</li> <li>• Work has begun to review relevant staff roles that should have an information management competency added</li> <li>• A paper covering the benefits and proposed implementation of Protective was agreed by Summit in their December meeting</li> <li>• Capital bids approved for information management investment to support the mitigation of this risk</li> </ul>		6	31-Jan-2021	<div>Constant</div>
08-Apr-2019 John Barradell				13 May 2020				

## APPENDIX 1

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR29a	Ensure that CoL has the necessary awareness, tools and skills to manage information effectively	<ul style="list-style-type: none"> <li>• Capital proposal prepared for investment in SharePoint for migration of Shared Drives has been agreed</li> <li>• Launch of protective marking, IM training and communication will be in April 2020 - campaign date changed due to a more important corporate communications priority</li> </ul>	Sean Green	13-Mar-2020	30-Apr-2020
CR29b	Start the culture change by Integrating good information management practice into the Leadership and Management stand of the City of London Learning Academy	<ul style="list-style-type: none"> <li>• Work will began in December 2019 between HR, IT and the Corporate Strategy and Performance teams to identify the key skills required for good information management. HR can then develop the training to support this.</li> <li>• HR to review where in HR policies and procedures this can be integrated. HR to Work with the senior leadership team to develop a plan and then deliver key messages and communications on the importance, relevance and benefits of good information management. The IM campaign will launch the messages.</li> </ul> <p>Work has begun to develop a new Local Information Manager role that will be launched in April 2020</p> <p>Further work to be develop new IM competencies being agreed with HR</p>	Chrissie Morgan	13-Mar-2020	30-Apr-2020
CR29e	Ensure that CoL has the necessary checks, balances and oversight to ensure successful implementation of the IM Strategy	<ul style="list-style-type: none"> <li>• The Information Governance groups provides governance and assurance that the strategy is being delivered.</li> <li>• IT Division to work with departments to implement retention policies during 2020</li> <li>• The Information Governance group meeting monthly and agreed important further improvements including the implementation of local Information Managers and new Information Management Metrics both of which should begin from early June</li> <li>• IT Division to work with departments to implement retention policies during 2020</li> </ul> <p>Closed see CR29f</p>	Sean Green	13-May-2020	30-Jun-2020
CR29f	Ensure officers can implement the data retention policy and data discovery requirements from GDPR	<ul style="list-style-type: none"> <li>• Put in place a new Data retention and discovery tool set to ensure we only retain and archive information in line with the agreed policy and retention schedule.</li> <li>• Plan to use readily available MS tools and pilot the move of shared drives to MS Teams</li> <li>• Business case for capital investment in automated MS tools has been submitted for funding in 2020. – Protective marking tool to be launched in March 2020</li> <li>• With COVID decided to delay roll out of Protective Marking to June 20</li> <li>• We will kick of project for Data Discovery tool to support the implementation of Data Retention policy and our Data Protection 'right to be forgotten' responsibility .</li> </ul>	Sean Green	13-May-2020	30-Jun-2020

## Code CR30

Department Description: Town Clerk's 1

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>CR30 Climate Action</b>  <div>Page 93</div> 07-Oct-2019 John Barradell	<p><b>Cause:</b> Insufficient resources and prioritisation allocated to Climate Action.</p> <p><b>Event:</b> The City Corporation fails to reduce and mitigate the impact and effect of climate change, PHASE 1: DEVELOP STRATEGY &amp; ACTION PLAN - The City Corporation does not adopt a credible Climate Action Strategy to meet the challenges and effects of climate change, as it affects the discharge of its role and responsibilities across its own organisational assets within the Square Mile and beyond (i.e. we have open spaces, offices, property assets and housing outside the Square Mile), as well as its role and responsibilities as the governing body of the Square Mile. This risk register entry relates only to phase 1.</p> <p>PHASE 2: DELIVER AND REFINE ACTION PLAN – To be addressed in completion of phase 1.</p> <p><b>Impact:</b> As the governing body of the Square Mile dedicated to the City, there are a range of potential impacts including:</p> <ul style="list-style-type: none"> <li>• failing to deliver on the climate ambitions in our Responsible Business Strategy</li> <li>• damaging the City's credibility in Green Finance and Insurance markets;</li> <li>• reducing our ability to play a major role in the 2020 UN Climate Change Conference COP 26 in Nov 2020;</li> <li>• reducing our ability to effectively reduce carbon emissions in the next two carbon budget periods (2022 and 2027);</li> <li>• failing to adequately invest in climate resilience measures.</li> </ul>	 <p>Likelihood</p> <p>Impact</p>	8	<p>• 2nd Member briefing held 14 May 2020 to update on progress (on track), share baseline and high-level engagement plan and refresh strategic imperative in light of Covid-19 outbreak and COP26 being postponed.</p> <p>• 3rd Member Briefing tba and engagement plan to P&amp;R in June, RASC Away Day in July, P&amp;R in September and Court in October ready for publishing in November.</p> <p>• All contracts on track, delivering required outs and due to complete in June 2020 as planned. Outputs being used to build the business case for the strategy and action plan.</p> <p><b>13 May 2020</b></p>	 <p>Likelihood</p> <p>Impact</p>	4	30-Jun-2020	  Decreasing

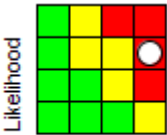
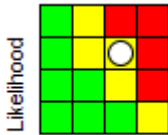

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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR30a	To establish and embed the methodology for GHG accounting and reporting for the Corporation & Square Mile	Outputs have been used to build the greenhouse gas baseline and support the business case for the strategy and action plan. Work due to complete in June 2020.	Peter Kane	13-May-2020	30-Jun-2020
CR30b	To calculate the baseline GHG emissions of the Corporation and Square Mile and to develop pathway options with indicative costings, to achieve Net Zero for the Square Mile (scope 1 and 2)	Baseline of the City Corporation and Square Mile draft completed prior to net zero pathway development. Work due to complete in June 2020. Outputs will be used to build the business case for the strategy and action plan.	Carolyn Dwyer	13-May-2020	30-Jun-2020
CR30c	To develop pathway options with indicative costings to achieve Net Zero for the Corporation's corporate and investment properties (including fugitive gases) and fleet vehicles	Currently conducting analyses of the potential to achieve net zero for the property portfolio, vehicles and fugitive gases. Work due to complete in June 2020.	Paul Wilkinson	13-May-2020	30-Jun-2020
CR30d	To calculate the scope 3 emissions of the Corporation and Square Mile and to develop pathway options with indicative costing for its reduction as part of a Net Zero ambition	Completing one final data return on financial investment emissions, now moving to scope 3 reduction analysis & pathways development. Work is due to complete in June 2020. Outputs will be used to build the business case for the strategy and action plan.	Peter Kane	13-May-2020	30-Jun-2020
CR30e	Develop a climate resilience adaptive pathways model to establish critical thresholds, before which actions must be taken to adapt to climate related flood risk, overheating, infrastructure protection.	First phase report on climate risks completed and technical workshop to gather expert input delivered, now developing climate resilience pathways. Work due to complete in June 2020. Outputs will be used to build the business case for the strategy and action plan.	Carolyn Dwyer	13-May-2020	30-Jun-2020
CR30f	Develop evidence on carbon sequestration from City Corporation managed Open Spaces and identify innovative options for greater sequestration	Contract let to University of Surrey (5A) and AECOM (5B). Initial findings on sequestration rates completed. Work on land acquisition for carbon sequestration and renewable energy began w/c 30 March. Work due to complete in June 2020. Outputs will be used to build the business case for the strategy and action plan.	Colin Buttery	13-May-2020	30-Jun-2020
CR30g	Review exposure in equity and property portfolios of the Corporation to investments that are not in line with current ESG standards	Level of exposure largely understood. Now starting to develop actions.	Peter Kane	13-May-2020	30-Jun-2020
CR30h	Draft Climate Action Strategy and Action Plan in line with the government's 5-year carbon budget periods (2017-22, 2023-27, 2028-32 etc).	Strategy structure drafted and consultants now working on delivering key content for its development by 11 May. Each of the seven cross-departmental teams are assembled and working toward each producing short summaries of strategic implications to support Strategy development in May 2020. Revised governance agreed and Strategic Communications and Engagement Manager in post.	Damian Nussbaum; Kate Smith	13-May-2020	30-Jun-2020
CR30i	Gain Officer and then Members' approval of Climate Action Strategy and Action Plan with associated funding secured through the 2019 City Corporation's Fundamental	COP26 postponed but original timetable and governance route being worked to with all consultation now virtual. June – P&R for engagement plan; July - RASC awayday; Sept - P&R for strategy; Oct - Court, ready to publish in November. 2nd Member Briefing held 14 May	Damian Nussbaum; Kate Smith	13-May-2020	30-Jun-2020

	Review.	and 3rd tbc in June.			
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## Code CR31

Department Description: Town Clerk's 1

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
CR31 Fundamental review delivery  Page 95	<p><b>Cause:</b> Anticipated decline in public sector funding (local government and Police), increasing demands (revenue and capital) and an ambitious programme of major project delivery threaten our ability to continue to deliver a vibrant and thriving Square Mile.</p> <p><b>Event:</b> Compensatory savings and/or income generation to meet the Corporation's forecast medium term financial deficit are not fully realised through the Fundamental Review. Police <i>Transform</i> programme fails to realise the budget mitigations anticipated.</p> <p><b>Effects:</b></p> <ul style="list-style-type: none"> <li>• Additional savings over and above those identified through the Fundamental Review to meet this challenge are required and/or general reserves are utilised and/or services stopped.</li> <li>• Stakeholders experience the impacts of reduced services / service levels</li> <li>• The City Corporation's reputation is damaged due to failure to meet financial objectives or the need to reduce services / service levels to business and community.</li> <li>• Being unable to set a balanced budget which is a statutory requirement for City Fund.</li> <li>• Spend is not aligned to Corporate Plan outcomes resulting in inefficient use of resources and/or poor performance.</li> </ul>	 <p>Likelihood</p> <p>Impact</p>	24	<p>Chief Officers have submitted various options to meet the objectives of the Fundamental Review, which have been reviewed by relevant committees in early 2020 alongside other options put forward by the Fundamental Review Steering Group.</p> <p>Additionally, work continues to develop a new conceptual operating model for the City Corporation. Policy &amp; Resources Committee received two reports on this work in March 2020 and it will form a significant part of the agenda at the next RASC Away Day in July 2020.</p> <p>The Town Clerk and Chief Officers continue to brief all staff on Fundamental Review developments in meetings and / or through online communications, while the Director of HR continues to liaise with staff unions.</p> <p>The Chair of Policy, Chairman of Finance and their Deputies are continuing to brief Members, following the RASC Away Days in 2019 and early 2020.</p>	 <p>Likelihood</p> <p>Impact</p>	12	31-Mar-2021	

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07-Oct-2019 John Barradell				FR proposals affecting staff put into abeyance during CoLC's response to Covid-19. <b>14 May 2020</b>				Constant
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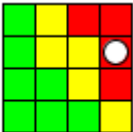
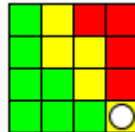
Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR31h	To establish the governance and reporting arrangements for the Fundamental Review implementation stage of each of the three aspects of the Review	FR proposals affecting staff put into abeyance during CoLC's response to Covid-19.	Simon Latham	14-May-2020	31-Mar-2020
CR31i	To establish the governance and reporting arrangements for the Fundamental Review implementation stage of each of the three aspects of the Review	The Chamberlain's department is currently scoping project ideas identified for 2021/22 as part of the Fundamental Review Programme.	Simon Latham	14-May-2020	31-Mar-2021
CR31j	To establish the governance and reporting arrangements for the Fundamental Review implementation stage of each of the three aspects of the Review	HR Programme Director appointed 6 Jan 2020 to co-ordinate a key aspect of governance and reporting arrangements. Draft programme work plan produced in Jan 2020.  Berkeley Partnership commissioned to assess and help co-design a future TOM, which help to finalise the work programme.  Proposed work programme due to be taken to RASC Away Day on 5 March and P&R on 19 March.	Simon Latham	20-Feb-2020	31-Mar-2020
CR31k	To implement the Fundamental Review project plan	FR proposals affecting staff put into abeyance during CoLC's response to Covid-19.	Simon Latham	14-May-2020	31-Mar-2021
CR31L	To implement the Fundamental Review project plan	Still being scoped	Simon Latham	20-Feb-2020	31-Mar-2021
CR31m	To implement the Fundamental Review project plan	HR Programme Director appointed 6 Jan 2020 to co-ordinate the implementation of a key aspect of the project plan. Programme work plan produced in Jan 2020. Berkeley Partnership commissioned to assess and help co-design a future TOM, which help to finalise the work programme.  Proposed work programme due to be taken to RASC Away Day on 5 March and P&R on 19 March.	Simon Latham	20-Feb-2020	31-Mar-2021
CR31n	Through financial modelling provide clarity on the City	Work has commenced to revise the MTFP in view of the impact of Covid-19	Peter Kane;	14-May-	31-Mar-

# APPENDIX 1

	Corporation's budget 2021/22.		Simon Latham	2020	2021
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## Code CR32

Department Description: Director of Open Spaces 1

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>CR32</b> <b>Wanstead Park Reservoirs</b> <b>(formerly OSD 013)</b> Dec-2019 Colin Buttery	<p><i>(Cause)</i> Gradual deterioration of the fabric of the reservoirs and / or excessive rain.</p> <p><i>(Event)</i> Risk that the reservoirs may overtop and be washed away, leading to a cascading breach.</p> <p><i>(Impact):</i></p> <ul style="list-style-type: none"> <li>• Potential for loss of life or injury to staff/residents.</li> <li>• Low level flooding of the park and surrounding residential/commercial areas</li> <li>• Park closed for several weeks</li> <li>• Civil claims/financial loss claims made from residents/businesses</li> <li>• Adverse effect on the reputation of the City corporation (Local/national media interest)</li> <li>• Legal action by the Environment Agency</li> <li>• Requirement for significant immediate CoLC funds to repair damage</li> <li>• Damage to a listed landscape.</li> </ul>	 <p>Likelihood</p> <p>Impact</p>	24	Wanstead Park Ponds Project Board met on 24 April. The panel engineers report has been received and is being discussed and analysed at present, with some elements being challenged. Project remains on track, pending further analysis of this report.  <b>13 May 2020</b>	 <p>Likelihood</p> <p>Impact</p>	8	30-Jun-2024	Constant

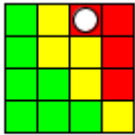
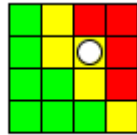

## APPENDIX 1

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
OSD 013 a	Appointment of all-panels reservoir engineer to undertake a study of the risk of overtopping and identify if any actions are required.	New action.	Paul Monaghan	09-Dec-2019	31-Mar-2020
OSD 013 b	Create and lead a project board.	Next meeting scheduled for February 3 2020.	Colin Buttery	09-Dec-2019	03-Feb-2020
OSD 013 c	Evaluate and analyse the report from the reservoir engineer.	To commence upon receipt of the report.	Paul Monaghan	09-Dec-2019	15-May-2020
OSD 013 d	Confirm to EA that measures in the interest of safety have been completed.	To take place after receipt of the report.	Paul Monaghan	09-Dec-2019	31-Oct-2020
OSD 013 e	Submit an update to A&R Committee in June 2020.	New action. Update to take place after receiving the report.	Colin Buttery	09-Dec-2019	30-Jun-2020
OSD 013 f	Gateway 3 report requesting funding to consider the options.	New action. Report planned for October 2020.	Paul Monaghan	09-Dec-2019	31-Oct-2020

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### Code CR33

Department Description: Town Clerk's 1

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>CR33 Major Capital Schemes</b>	<p><b>Risk owner</b> Town Clerk &amp; City Surveyor</p> <p><b>Cause:</b> The City Corporation has set itself the ambition to deliver at least three landmark multi-million pound capital schemes over the next decade (currently programmed to complete 2028).</p> <p><b>Event:</b> there is insufficient technical and professional capability and resource to effectively deliver the schemes.</p> <p><b>Effects:</b></p> <ul style="list-style-type: none"> <li>Schemes not delivered on time</li> <li>Inability of the organisation to move at the required pace</li> <li>Potential for increased capital costs as a result of delayed decision making</li> </ul>	<p><b>Likelihood</b></p>  <p><b>Impact</b></p>	<b>16</b>	Remote working practices have ensured that much of the design phase work has been able to continue as programmed with little impact in terms of capability and resourcing across major project teams. The increasing of capacity within the MPMO is being impacted by urgent work taking place in both in the MPMO and HR and recruiting team members at this time will be challenging with social distancing measures expected to remain in place	<p><b>Likelihood</b></p>  <p><b>Impact</b></p>	<b>12</b>	31-Mar-2021	

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14-Feb-2020 Peter Lisley; Paul Wilkinson	<ul style="list-style-type: none"> <li>• Reputational impact on the Corporation vis a vis key stakeholder across London and UK Govt.</li> <li>• Potential revenue impact of delayed delivery to services affected (e.g. Markets, Museum of London Grant, City of London Police)</li> <li>• failure to deliver on corporate outcomes</li> </ul> <p><b>Note - given that this risk spans several years, the target risk score/date has been set to March 2021 when it is expected that, after completion of the related actions, the risk score will be reduced.</b></p>			for some time. Monthly assurance meetings continue with all regular reporting on programme, risk and dependencies being carried out as usual  <b>14 May 2020</b>				Constant
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR33 a	Build PMO Capability utilising newly available budget.	Job Descriptions and Person Specs for a further PMO Analyst and Finance Analyst have been being drafted following approval of the budget on 5 March 2020 – Moratorium, Job Evaluation and usual HR processes clearance is a next step.	Matthew Pitt	14-May-2020	31-Mar-2021
CR33 b	To Improve assurance of Major Programme Risks	Assurance of risks on each programme will take place at the monthly Major Programmes Assurance meeting chaired by the Director of Major Projects / City Surveyor with senior representation from the Chamberlain's Department, CS, TCs and Programme Directors.	Matthew Pitt	14-May-2020	31-Mar-2021
CR33 c	Develop Corporate Capability around Financial Modelling	A specification has been developed to seek a call off contract for specific modelling requirements to back up the additional finance analyst post being recruited to as part of the PMO capability. Skills transfer is included within the specification for existing finance staff.	Caroline Al-Beyerty	14-May-2020	31-Mar-2021
CR33 d	Implement a standard approach to Optimism Bias Modelling	Part of work programme for 2020/21	Caroline Al-Beyerty	14-May-2020	31-Mar-2021
CR33 e	PMO to adopt a portfolio approach int management of these schemes and systematically identify and manage dependencies	<p>A Summary Timeline of all Major Programmes has been produced and will be updated monthly (in line with the assurance meetings above) – this clearly defines and maps dependencies and interdependencies between Programmes.</p> <p>A cashflow overlay onto this programme is a next step and the team will explore other tools to manage these dependencies</p>	Matthew Pitt	14-May-2020	31-Mar-2021
CR33 f	To identify and monitor indicators such as climate action, apprenticeships. social benefits for each project.	A tracker will be established to identify and monitor these areas for each programme i.e. BREAM, WELL Standards, building of apprenticeships into contracts, supply chain benefits of each Programme etc. A useful precedent was set by Crossrail on these latter items.	Matthew Pitt	14-May-2020	31-Mar-2021
CR33 g	To regularly report progress to Summit Group for each	Some reporting to Summit Group took place during 2019 and that will continue into 2020	Matthew	14-May-	31-Mar-

	project.	using the Major Programmes Dashboards and Timeline above. Suggested interval quarterly.	Pitt	2020	2021
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## Corporate risks by appetite and category - short summary

**Report Type:** Risks Report



















**Generated on:** 15 May 2020

Rows are sorted by Risk Score (Note risk appetite levels are on page 2 of this appendix)

**Traffic Light: Red 8 Amber 11**

Risk code	Risk title	Current Risk Score	Current Risk Score Indicator	Approach	Risk Appetite Level at current risk score	Trend Icon
CR34	COVID-19 (Response)	24		Reduce	Risk above appetite	
CR20	Road Safety	24		Reduce	Risk above appetite	
CR24	Operational Security	24		Reduce	Risk above appetite	
CR28	Action Fraud	24		Reduce	Risk above appetite	
CR31	Fundamental review delivery	24		Reduce	Risk above appetite	
CR32	Wanstead Park Reservoirs (formerly OSD 013)	24		Reduce	Risk above appetite	
CR23	Police Funding	16		Reduce	Risk above appetite	
CR33	Major Capital Schemes	16		Reduce	Risk above appetite	
CR01	Resilience Risk	12		Accept	Risk above appetite	
CR02	Loss of Business Support for the City	12		Reduce	Risk at appetite	

## APPENDIX 2

CR09	Health Safety and Wellbeing Risk (Management System)	12		Accept	Risk at appetite	
CR16	Information Security (formerly CHB IT 030)	12		Reduce	Risk at appetite	
CR21	Air Quality	12		Reduce	Risk above appetite	
CR29	Information Management	12		Reduce	Risk at appetite	
CR10	Adverse Political Developments	8		Accept	Risk below appetite	
CR17	Safeguarding	8		Reduce	Risk above appetite	
CR26	Brexit – Organisational Impact	8		Accept	Risk at appetite	
CR30	Climate Action	8		Reduce	Risk below appetite	
CR27	Change Management	6		Reduce	Risk below appetite	

Page 102  
Risk appetite levels:

	1 - Negligible				2 - Low		3 - Moderate	4 - High	5 - Very High	
	1	2	3	4	6	8	12	16	24	32
Financial										
Compliance & Regulatory										
Contractual & Partnerships										
Health & Safety, Wellbeing										
Safeguarding										
Innovation										
Technology										
Environmental										
Physical Security										
Reputational										



## Covid -19 Short summary report by risk score RED RISKS ONLY

**Report Type:** Risks Report








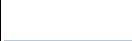
**Report Author:** Paul Dudley

**Generated on:** 15 May 2020

Rows are sorted by Risk Score

Code	Title	Risk owner	Current Impact	Current Likelihood	Current Risk Score	Current score	Latest Note Date	Target Impact	Target Likelihood	Risk Score	Target score	Target Date	Flight Path
P SGPS 07	Annual Canvass (TC ES)	Charlotte Gordon	8	3	24		13 May 2020	4	3	12		30-Jul-2020	
C SGPS 18	Failure of Cemetery & Crematorium Services (OSD)	Colin Buttery	8	3	24		06 May 2020	8	2	16		01-Jun-2020	
CVD19 SG BE 21	Impact on investment portfolio (SUR)	Nicholas Gill	4	4	16		12 May 2020	4	2	8		02-Mar-2021	
CVD19 SG CM 04	Pandemic Risk (GSMD)	Lynne Williams	4	4	16		07 May 2020	4	2	8		31-Mar-2021	
CVD19 SG CM 05	Risk Associated with a closed building (GSMD)	Lynne Williams	8	2	16		12 May 2020	8	1	8		31-Mar-2021	
CVD19 SGPS 14	Risk Associated with a Closed Building (BBC)	Jonathon Poyner	8	2	16		13 May 2020	8	1	8		TBC	

## APPENDIX 4

Code	Title	Risk owner	Current Impact	Current Likelihood	Current Risk Score	Current score	Latest Note Date	Target Impact	Target Likelihood	Risk Score	Target score	Target Date	Flight Path
CVD19 SGPS 15	Pandemic Including Coronavirus (BBC)	Jonathon Poyner	4	4	16		13 May 2020	4	2	8		TBC	
CVD19 SGPS 27	Failure to deliver the New DBE – Finance (DBE)	Carolyn Dwyer; Elizabeth Hannah	4	4	16		13 May 2020	TBC	TBC	TBC		TBC	
CVD19 SGPS 32	Income Generation and Financial Management (OSD)	Colin Buttery	4	4	16		29 Apr 2020	4	4	16		01-Jun-2020	



## Red departmental risks - short summary report

**Report Type:** Risks Report

**Report Author:** Paul Dudley

**Generated on:** 15 May 2020

Rows are sorted by Risk Score

Code	Title	Risk owner	Current Impact	Current Likelihood	Current Risk Score	Current score	Latest Note Date	Target Impact	Target Likelihood	Risk Score	Target score	Target Date	Flight Path
Page 105 F-016	Financial Sustainability <b>(New)</b>	Roland Martin	8	4	32		16 Apr 2020	2	2	4		31-Aug-2025	
BBC Buildgs 012	Art Gallery Chiller <b>(New)</b>	Jonathon Poyner	8	3	24		04 May 2020	8	1	8		31-Mar-2022	
BBC Buildgs 013	Water Storage Tanks <b>(New)</b>	Jonathon Poyner	8	3	24		04 May 2020	8	1	8		31-Mar-2022	
BBC Ex Halls 003	Exhibition Halls Compliance and Condition Risk Resulting from Bow-Wave	Jonathon Poyner	8	3	24		01 May 2020	4	2	8		31-Mar-2021	
CLSG-01	Loss of income due to drop in student numbers <b>(New)</b>	Jenny Brown	8	3	24		30 Apr 2020	4	2	8		03-Jul-2020	






















## APPENDIX 5

Code	Title	Risk owner	Current Impact	Current Likelihood	Current Risk Score	Current score	Latest Note Date	Target Impact	Target Likelihood	Risk Score	Target score	Target Date	Flight Path
BBC Arts 004	Loss of Key Artists/Companies/Events <b>(New)</b>	Leonora Thomson	8	2	16		04 May 2020	4	2	8		11-Sep-2020	
BBC Arts 008	Box Office Targets <b>(New)</b>	Leonora Thomson	8	2	16		04 May 2020	4	2	8		03-Jul-2020	
BBC Buildgs 006	Ex Halls Electrical Condition	Jonathon Poyner	4	4	16		30 Apr 2020	4	3	12		31-Dec-2022	
BBC Buildgs 007	High Risk Hazardous Work Areas	Jonathon Poyner	4	4	16		30 Apr 2020	4	2	8		31-Dec-2021	
BBC Buildgs 006	Risk Associated with a Closed Building <b>(New)</b>	Jonathon Poyner	8	2	16		13 May 2020	8	1	8		31-Mar-2021	
BBC Commerc 003	Impact of Brexit on the Movement of Talent, Technical and Production Staff and Temporary Movement of Cultural Goods	Nicholas Kenyon	4	4	16		03 May 2020	4	3	12		31-Dec-2020	
BBC Commerc 005	Pandemic Affecting Touring of Exhibitions <b>(New)</b>	Sandeep Dwesar	4	4	16		29 Apr 2020	4	2	8			
BBC Finance 001	Financial Targets Not Achieved, Including Income and Expenditure Volatility	Sandeep Dwesar	4	4	16		04 May 2020	4	2	8		30-Apr-2021	

## APPENDIX 5

Code	Title	Risk owner	Current Impact	Current Likelihood	Current Risk Score	Current score	Latest Note Date	Target Impact	Target Likelihood	Risk Score	Target score	Target Date	Flight Path
BBC Finance 003	Funding Cuts	Sandeep Dwesar	4	4	16		04 May 2020	4	3	12		30-Apr-2021	
BBC H&S 005	Failure to Deliver the Fire-Related Projects <b>(New)</b>	Jonathon Poyner	8	2	16		30 Apr 2020	2	1	2		31-Dec-2021	
BBC H&S 007	Pandemic Including Coronavirus <b>(New)</b>	Jonathon Poyner	4	4	16		13 May 2020	4	2	8		31-Dec-2020	
BBC H&S 008	Fire Leading to Major Incident	Jonathon Poyner	8	2	16		01 May 2020	8	1	8		05-Mar-2022	
Page 107 F-012	Freemen's Estate Development Plan Funding <b>(New)</b>	Roland Martin	4	4	16		09 Apr 2020	4	3	12		31-Mar-2020	
F-013	Freemen's Estate Development Plan: Delivery of Main House <b>(New)</b>	Roland Martin	4	4	16		09 Apr 2020	4	1	4		31-Mar-2020	
DBE-TP-01	Road Traffic Collision caused by City of London staff or contractor who is unfit to drive while on City business	Vince Dignam	8	2	16		30 Apr 2020	8	1	8		31-Dec-2020	
DCCS ED 001	Failure to deliver City of London Academy expansion programme	Gerald Mehrstens	4	4	16		21 Apr 2020	2	2	4		30-Jul-2021	
GSMD SUS 004	Failure to mitigate against a potential fall in EU student numbers as a result of Brexit	Jo Hutchinson; Jeremy	4	4	16		07 May 2020	4	2	8		30-Sep-2020	

## APPENDIX 5

Code	Title	Risk owner	Current Impact	Current Likelihood	Current Risk Score	Current score	Latest Note Date	Target Impact	Target Likelihood	Risk Score	Target score	Target Date	Flight Path
		Newton											
OSD 004	Repair and Maintenance of Buildings and Structural Assets summary risk	Colin Buttery;	8	2	16		13 May 2020	4	2	8		31-Mar-2020	
OSD 005	Pests and Diseases summary risk	Colin Buttery;	4	4	16		13 May 2020	4	3	12		30-Apr-2020	
OSD 007	Maintaining the City's water bodies summary risk	Colin Buttery	8	2	16		13 May 2020	8	1	8		31-Mar-2022	
SUR CB 005	City Bridges: – Substantial vessel strikes	Paul Wilkinson	8	2	16		13 May 2020	8	2	16		31-Mar-2021	
SUR CB 006	City Bridges: – Wanton Damage / Terrorism	Paul Wilkinson	4	4	16		13 May 2020	2	3	6		31-Mar-2021	
SUR CB 007	City Bridges: – Tunnelling for the Thames Tideway Tunnel	Paul Wilkinson	4	4	16		13 May 2020	4	4	16		31-Mar-2021	
SUR SMT 015	Service Cessation (April 2021) (New)	Peter Collinson; James Rooke	8	2	16		13 May 2020	2	2	4		31-Mar-2021	

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