

Committee(s): Corporate Asset Sub (Finance) Committee – For information Property Investment Board – For information	Date(s): 05 September 2018 12 September 2018
Subject: City Surveyor's Departmental Risk Register Update (Quarter One update)	Public
Report of: The City Surveyor (CS 353/18)	For Information
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Summary

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

The department currently has three red risks, and six amber risks. The most significant risks, those categorised as red, are:

- SUR SMT 006 – City Bridges: Wanton Damage / Terrorism
Current risk score 16 (Red)
- SUR SMT 007 – City Bridges: Tunnelling for the Thames Tideway Tunnel
Current risk score 16 (Red)
- SUR SMT 008 – City Bridges: Substantial Vessel Strike
Current risk score 16 (Red)

The risks associated with the City Bridges are owned by the City Surveyor, whilst many actions are undertaken by the Department of the Built Environment (DBE) who provide engineering expertise.

To better understand the risks contingent upon the bridges, a workshop was held in early July which involved key stakeholders from across the Corporation. A follow-up meeting has been organised to re-cast the risks, considering further mitigating actions, and appropriate scoring.

Since the last report, two new risks have been identified and added to the Departmental Risk Register:

- SUR SMT 003 – Inadequate maintenance funding provided by ring-fenced property occupying departments
Current risk score 12 (Amber)
- SUR SMT 009 – Tender Returns
Current risk score 6 (Amber)

A copy of the City Surveyor's Departmental Risk Register has been included as Appendix 1.

Recommendation(s)

Members are asked to:

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

Main Report

Background

1. Departmental risks are reviewed at a quarterly Senior Management Team (SMT) Risk Review Meeting. At this meeting, SMT receives the Risk Register and a briefing is provided by officers responsible for the register's maintenance. They highlight any changes since the previous review. The current risks are assessed, and consideration is given to emerging risks. This ensures that adequate consideration is given to all operational risks.
2. This report provides an update on the risks that may impact the delivery of the City Surveyor's business objectives.

Current Position

3. The City Surveyor's Departmental Risk Register currently contains three red risks and six amber risks. The details of each of these are included in Appendix 1, and a summary of the red risks is provided below.

Summary of Red Risks

- SUR SMT 006 – City Bridges: Wanton Damage / Terrorism
Current risk score 16 (Red)
 - SUR SMT 007 – City Bridges: Tunnelling for the Thames Tideway Tunnel
Current risk score 16 (Red)
 - SUR SMT 008 – City Bridges: Substantial vessel strike
Current risk score 16 (Red)
4. The City Surveyor's Department hosted a workshop in July with key leads from across the Corporation who have a role in the City Bridges. This included Chamberlain's, City Bridge Trust, DBE and the City Surveyor's Department. This meeting took a 'first principals' approach, by initially looking at our objectives, and then considered which risks may impact their successful delivery. A follow up meeting has been arranged to re-cast the risks, considering further mitigating actions, and appropriate scoring. This will ensure that the department is better placed to manage these risks moving forward.
 5. To ensure the prompt sharing of information between DBE and the City Surveyor's Department, a Service Agreement is being developed. This will confirm that both departments are clear on the information requirements needed

to manage the risks associated with the bridges, and will include the identification and analysis of emerging risks.

6. All tunnelling for the Thames Tideway should be concluded in 2019. As the tunnelling progresses, and should no impacts be detected, the department anticipates that the risk score should diminish significantly. The greatest impact of this risk relates to Tower Bridge, and an active liaison is being undertaken with the Tideway Tunnelling Company to ensure that we are appraised of progress.

Changes since last review

7. Following feedback from Corporate Asset Sub Committee (CAsC) in July, the risk register has been comprehensively reviewed. The following notes, in addition to those relating to the City Bridges above, the major changes since the end of year report (CS 149/18) was presented to Committee.
 - A. SUR SMT 009 – Tender Returns – This new risk relates to our ability to attract a sufficient number of quality tenders for contracted works. Low numbers of quality returns can lead to additional cost and programme delivery implications.
 - B. SUR SMT 003 – Inadequate maintenance funding provided by ring-fenced property occupying departments – This is a new risk identified following the Audit and Risk Management Challenge Session in late May. This risk reflects that the City Surveyor has limited control over the repairs and maintenance budgets relating to these properties (the three independent schools, the three markets, and the four police sites).
 - C. SUR SMT 002 – Not maximising operational property performance – This risk was considered by Chief Officer Risk Management Group (CORMG), for escalation to the Corporate Risk Register. CORMG felt that the risk was being effectively managed at the departmental level, whilst recognising the funding challenges.
 - D. SUR SMT 005 – Recruitment and retention of property professionals – Continues to be a risk for the department, particularly in relation to professional grades. Consideration was given to raising the risk scoring on this item, but it was thought best to leave this at a high amber at present. Actions are being progressed, including a report to Members in July, to reduce the likelihood that this risk manifests.
 - E. SUR CB 009 – Overweight vehicles on Tower Bridge – This risk relates to large vehicles (over 18T) crossing the bridge, potentially at speed, and causing damage. This risk has been considered further following feedback from Members. The risk has been added to the City Bridge risk register, but current scoring does not, at this stage, warrant it being a departmental risk. This will be kept under review.

Audit and Risk Management Challenge Session

8. A 'deep dive' was held into the repairs and maintenance risk (SUR SMT 002 – Not maximising operational property performance) in late May. A wide-ranging discussion was held, and it was suggested that this risk be split into two, depending on funding source. This has been reflected in the new risk (SUR SMT 003 – Inadequate maintenance funding provided by ring fenced property occupying departments).
9. The risk relating to the quantity, quality and competitiveness of our tender returns was also raised. Feedback from this session has been included in the update to the Risk Register, and this item has now been included as a new risk (SUR SMT 009 – Tender Returns).

Conclusion

10. Members are asked to note the recent changes to the Departmental Risk Register. The department continues to ensure that it manages its risk in line with best practice as described within the City Corporation's Risk Management Framework.

Appendices

- Appendix 1 – City Surveyor's Departmental Risk Register

Background Papers

The City Surveyor (CS 149/18)

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