

<b>Committee:</b>	<b>Date:</b>
Audit and Risk Management Committee	31 March 2020
<b>Subject:</b> Corporate Risk Update	<b>Public</b>
<b>Report of:</b> Chamberlain	<b>For decision</b>
<b>Report Author:</b> Paul Dudley, Corporate Risk Manager	

## Summary

This report seeks the Committee's endorsement of the Summit Group's decision 19 March 2020 to approve two new risks on the corporate risk register (CR33 Major Capital Schemes and CR34 Covid-19).

The Committee were advised on 28 January 2020 that two related risks were being considered for corporate risk status, the first being the major capital schemes and the second general competence in managing City Corporation projects. Summit Group on 24 February 2020 approved the major capital schemes risk whilst the Town Clerk considered the second risk to be a departmental level risk.

Given the serious current Covid-19 pandemic, Summit Group on 19 March 2020 approved a second new risk on to the corporate risk register. This risk is in relation to the spread of COVID 19 and its impacts on the delivery of the City of London Corporation's services and on staff and communities. The City Corporation have established a senior Member COVID 19 group as well as Gold, Silver and Bronze management structure and are implementing a range of plans to manage the effects of the virus on the City Corporation staff, stakeholders and critical services. This risk is being reviewed on a daily basis by COVID Gold group.

## Recommendations

The Committee is asked to:

1. Endorse the decision of the Summit Group to approve the Major Capital Scheme's risk and the COVID -19 risk on to the corporate risk register.

## Background

- 1 The Committee were advised at their meeting on 28 January 2020 that two related risks, one in relation to major capital schemes and a second - general competence in City Corporation project management were being considered for corporate status. Summit Group on 24 February 2020 considered and agreed that the major capital schemes risk should be included on the corporate risk register whilst the Town Clerk indicated the general competence in project management risk should be maintained at departmental level. The major capital schemes risk is now included on the corporate risk register as CR33.
- 2 Since late January/early February 2020 it has become clear that the COVID 19 virus, that originated in China, was spreading across the world. All countries are

now taking measures to delay the spread and reduce the serious impact of virus on their citizens and economies.

- 3 The City Corporation has been following UK government and Public Health England advice as well as liaising with London Authorities through London Resilience to co-ordinate a London approach. The City Corporation have established a senior Member COVID 19 group as well as Gold, Silver and Bronze management structure and are implementing a range of plans to manage the effects of the virus on the City Corporation staff, stakeholders and critical services. This risk is being reviewed on a daily basis by COVID Gold group.
- 4 Given the potential risk to the City Corporation a COVID 19 risk (ref CR34) has been approved as a corporate risk by Summit Group on 19 March 2020. This risk is in relation the spread of COVID 19 and its impacts on the delivery of the City of London Corporation's services and on staff and communities. This risk is being kept under daily review by the City Corporation's COVID Gold.
- 5 Both these corporate risks are attached as appendix 1. The total number of corporate risks is now 19 (ten red and nine amber). The next risk management report to the Committee will take place at the May 2020 meeting

#### **Conclusion**

- 6 The Committee are requested to endorse two new risks – CR33 Major Capital Schemes and CR34 COVID 19 risk.

#### **Appendices:**

#### **APPENDIX 1 – Corporate risk register extract – CR33 Major Capital Schemes and CR34 COVID 19**

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## CR33 Major Capital Schemes

Report Author: Paul Dudley

Generated on: 20 March 2020



Rows are sorted by Risk Score

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<b>CR33 Major Capital Schemes</b>  14-Feb-2020 Peter Lisley; Paul Wilkinson	<b>Risk owner</b> Town Clerk & City Surveyor <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). <b>Event:</b> there is insufficient technical and professional capability and resource to effectively deliver the schemes. <b>Effects:</b> <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> <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> <b>Note - given that this risk spans several years, the</b>	 Likelihood Impact	16	The risk remains largely unchanged since it's introduction to the Corporate Risk Register within the past month with initial steps taken to mitigate.  There is some concern that the Covid 19 crisis could have a further impact on capacity however checks on virtual working capability across programme teams and assistance is being offered by the MPMO.  <b>18 Mar 2020</b>	 Likelihood Impact	12	31-Mar-2021	Constant

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	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.						
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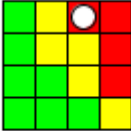


Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR33 a	Build PMO Capability utilising newly available budget.	Job Descriptions and Person Specs for a further PMO Analyst and Finance Analyst (to be approved by the Chamberlain) are being drafted following approval of the budget on 5 March 2020 – Moratorium, Job Evaluation and usual HR processes clearance is a next step.	Matthew Pitt	18-Mar-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	18-Mar-2020	31-Mar-2021
CR33 c	Develop Corporate Capability around Financial Modelling	To follow	Caroline Al-Beyerty		31-Mar-2021
CR33 d	Implement a standard approach to Optimism Bias Modelling	To follow	Caroline Al-Beyerty		31-Mar-2021
CR33 e	PMO to adopt a portfolio approach int management of these schemes and systematically identify and manage dependencies	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.  A cashflow overlay onto this programme is a next step and the team will explore other tools to manage these dependencies	Matthew Pitt	18-Mar-2020	31-Mar-2021
CR33 f	To identify and monitor indicators such as climate action, apprenticeships. social benefits for each project.	A tracking document 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	18-Mar-2020	31-Mar-2021
CR33 g	To regularly report progress to Summit Group for each project.	Some reporting to Summit Group took place during 2019 and that will continue into 2020 using the Major Programmes Dashboards and Timeline above. Suggested interval quarterly.	Matthew Pitt	18-Mar-2020	31-Mar-2021

## CR34 COVID 19-detailed risk register INCLUDING completed actions

**Report Author:** Paul Dudley

**Generated on:** 26 March 2020

Rows are sorted by Risk Score

Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
CR34 COVID-19  12-Mar-2020 Peter Lisley	<p><b>Cause:</b> The spread of COVID 19 has continued to escalate affecting staff, businesses, residents and visitors.</p> <p><b>Event:</b> The spread of COVID 19 impacts on the delivery of the City of London Corporation's services and impact on our staff and communities.</p> <p><b>Effects:</b> Through the spread of COVID 19 critical and other services are affected, information is not properly shared, proper support is not given to our staff, partners and confidence in the City of London Corporation and the City of London is damaged.</p>	 Likelihood Impact	16	<p>As the UK has now moved into the delay phase of the Government's COVID-19 action plan the planning assumption is that COVID-19 will become widespread. It is highly likely that reduces in staff availability could affect the City Corporation's services as will the impact and implementation of Government advice.</p> <p><b>26 Mar 2020</b></p>	 Likelihood Impact	8	Ongoing until clearer evidence virus effect is lessening.	 Constant

Action no, Title,	Action description	Latest Note			Action owner	Latest Note Date	Due Date
CR34a Plan review and updating	Review and revising emergency and business continuity plans	<p>Plans have been and continue to be reviewed with a concentration on identifying and supporting critical services, as well as BAU as best we can in this very fluid situation.</p> <p>They are now being further stress-tested to ensure they are fit for a higher end assumption of</p>			Gary Locker	26-Mar-2020	27-Mar-2020

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		<p>staff absence caused by sickness and caring responsibilities.</p> <p>The pan London business continuity plans are also embedded and linked to the London Local Authority Co-ordination Centre LLACC and London local Authority Gold LLAG.</p> <p>All department plans being reviewed and are implemented, currently critical services are being delivered as normal at present. There is no end date so fluidity in planning continues, with daily reviews.</p>			
CR34b Command and Control	Establishment of Gold and Silver command and communication structure within the CoLC	<p><b>Complete.</b> A Gold Group has been established with a nominated Gold Commander and resilience. This met for the first time on 10/3/20. A Gold Strategy has been approved and continues to be reviewed.</p> <p>Corporate Risk Strategy in place, that is fed by the Silver local risk strategies.</p>	Peter Lisley	23-Mar-2020	13-Mar-2020
CR34c Tactical planning	Prepare and implement tactical plans that will be deployed based upon the continuing /evolving situation.	<p><b>Complete-</b> Silver Groups have been established under the Gold group and silver leads are developing their tactical plans to deliver against the strategy. All Silver Groups have met at least once.</p> <p>Silver activities are being continual reviewed through the Gold Group.</p>	Peter Lisley	23-Mar-2020	20-Mar-2020
CR34d Fatalities	Prepare and implement tactical plans to ensure the ability of CoLC to deal with excess deaths caused by Covid 19, including emergency mortuaries and the coronial service.	<p>Bronze Group has been established under the Gold group and silver leads who are developing their tactical plans to deliver against the strategy.</p> <p>This will also run parallel with the London Plan for accelerated and excess deaths group.</p> <p>There is now an excess death multi agency working group, that covers both City and Pan London work. Both COL and COLP sit on both.</p> <p>COL has agreed and offered the Market site at Barking and Dagenham to the pan London work streams for emergency mortuary site if needed. At this time, it is not being utilised.</p> <p>There is current dialogue around Manor Flats land, in London Borough of Newham owned by COL. This is intended to be utilised for the temporary mortuary, being directly opposite Epping Crematorium. Proximity to the mass hospital being created at the Excel Centre.</p>	Jon Avern	26-Mar-2020	27-Mar-2020
CR34e Technology - solutions	Prepare and deploy, upgraded technology solutions and IT support including additional laptops for staff as required	<p>IT Division is collating data for both COL and COLP staff who do not have Corporate Laptops, prioritisation is in place where this may be required.</p> <p>There is an IT plan to procure additional engineering resource required to build and deploy these laptops over 2-3 weeks. Additional resource is on board, with more to come for COLP, subject to expedited clearance (in progress.)</p> <p>IT technical support for home workers and critical staff resilience in place.</p>	Matt Gosden	26-Mar-2020	27-Mar-2020

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		<p>Significant shortage of Power supplies for laptops due to supply chain issues and staff historically not returning them. Plans to address are being developed. <b>Issue closed.</b></p> <p>COLP IT systems are not coping with working from home and firewall. This is being worked on, considering repair current system or replace new system.</p>			
CR34f Communication	Prepare and implement effective regular staff and member situational awareness and communications.	<p>Director of Communications has implemented effective communication strategies and is coordinating external and internal communications.</p> <p>The audience being, Staff, Members, Residents, visitors, stakeholders across the political and financial city footprint.</p> <p>There is a clear Bronze structure in place behind this.</p> <p>Gold provides daily Chief Officer briefing notes.</p> <p>There is a COVID 19 Sounding group of members and there is a briefing to members planned for Friday 27th March 2020, including Gold, chair of Policy and Lord Mayor.</p>	Bob Roberts	26-Mar-2020	27-Mar-2020
CR34g Financial Impact audit	Ensure accurate audit of the financial impact of the COVID-19	<p>Assistant Director of Economic Development has implemented effective command and control across the COL portfolios.</p> <p>There is a clear Bronze structure in place.</p> <p>Financial impact considering current actuals and future impacts.</p> <p>Actual include investment and revenue, covering, rentals of Investment property and Barbican. Department of Built Environment enforcement and charges, Lord Mayors, Mansion House and Remembrancers, hosted and city events as well as Business usage. Commodities, Services and Products, as well as tourist and visitor attractions.</p>	Giles French	26-Mar-2020	27-Mar-2020
CR34h Safeguarding of property during shutdown	<p>Assistant Director of Facilities Management has implemented effective command and control across the COL portfolios, feeding into Silver Public Services</p> <p>There is a clear Bronze structure in place, covering Security, Fire, FM.</p> <p>As the City of London is rapidly, changing to a working from home, work force. Our buildings become, locked down or reduced capacity. As such this is now a new Silver command.</p>	<p>Assistant Director of Facilities Management has implemented effective command and control across the COL portfolios, feeding into Silver Public Services.</p> <p>There is a clear Bronze structure in place, covering Security, Fire, FM.</p> <p>As the City of London is rapidly, changing to a working from home, work force. Our buildings become, locked down or reduced capacity. As such this is now a new Silver command.</p> <p>Focus of work on Business Continuity FM. Statutory Building requirements.as buildings close and ability to meet statutory requirements as we reopen.</p> <p>Contingencies relating to decontamination if required</p>	Alison Bunn	26-Mar-2020	27-Mar-2020

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	Focus of work on Business Continuity FM. Statutory Building requirements.as buildings close and ability to meet statutory requirements as we reopen. Contingencies relating to decontamination if required.				
CR34i Supporting critical workers	As pressures build on partners, with reductions on public transport, we are providing free parking across our estate to priority partners. For example, 100 spaces across our estate for NHS at Barts Hospital.	<p>As pressures build on partners, with reductions on public transport, we are providing free parking across our estate to priority partners. For example, 100 spaces across our estate for NHS at Barts Hospital.</p> <p>This ongoing work will feed into Silver public Services.</p> <p>There is now agreed prioritisation of key workers, for example blue light services, social care with support to city business where possible.</p>	Kay English	26-Mar-2020	27-Mar-2020
CR34k Shield Plan	Prepare and implement contingency plans for the 'shield plan', for vulnerable residents	<p>As vulnerable residents receive their letters advising on 12 week self-isolation. The Government is looking to provide food parcels to those who need them, with local authorities tasked to implement.</p> <p>Guildhall is being set up as a hub for the delivery of the first wave of ambient food support, so that distribution can be done across the city.</p>	Andrew Carter	26-Mar-2020	27-Mar-2020