

Committee(s)	Dated:
Finance Committee – For Information	13 October 2020
Subject: Chamberlain’s Department Risk Management – Monthly Report	Public
Report of: Chamberlain	For Information
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Summary

This report has been produced to provide Finance Committee with an update on the most significant risks faced by the Chamberlain’s department.

There are currently two RED risks on the Corporate Risk Register within the responsibility of Chamberlain’s Department, there are no RED risks currently listed on the departmental risk register. Please see the RED corporate risks listed below:

- **CR23 – Police Funding**
- **CR35 – Unsustainable Medium-Term Finances**

The Chamberlain’s Senior Leadership Team continue to monitor closely the progress being made to mitigate these risks.

Recommendation(s)

Members are asked to note the report.

Main Report

Background

1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department. Finance Committee has determined that it will receive the Chamberlain’s risk register on a quarterly basis with update reports on RED rated risks at the intervening Committee meetings.

Current Position

2. This report provides an update on the current RED risks that exist in relation to the operations of the Chamberlain’s department.
3. There are two RED risks on the Corporate Risk Register for which the Chamberlain’s Department is responsible.

CR23 – Police Funding (Current Risk: Red – no change)

4. The Police Medium Term Financial Plan is undergoing an update this Autumn, which will incorporate the use of in-year underspends for Action Fraud loan repayment, thereby reducing downstream pressures, and will assess what further savings are required to close off residual gaps.

CR35 – Unsustainable Medium-Term Finances (Current Risk: Red – no change)

5. The Corporate risk was added to the Chamberlain's risk register after the endorsement of Audit & Risk Management Committee in July 2020. The new CR35 Risk consolidated a number of risks highlighted by the Gold group in response to the COVID-19 pandemic and existing risks on the Chamberlain's risk register. Several mitigations are being undertaken by the finance team and departments across the corporation to reduce the risk score by the end of the current financial year.
6. Mitigations include expenditure reduction, reassessment of Fundamental Review savings, reprioritisation of in-year capital expenditure, resetting local risk budgets to reduce the impact of COVID-19 income losses and ensuring sufficient liquidity is maintained in the Corporation's treasury investments for cashflow purposes. This approach is in combination with possible savings created by the implementation of the Target Operating Model.

Conclusion

7. Members are asked to note the actions taken by Chamberlain's Department to manage the two RED finance risks. Actions aim to continue monitoring and reducing the risk level and reported on at future Finance Committees.

Appendices

- Chamberlain's Department Risk Register

Background Papers

Chamberlain's Department Risk Management – Quarterly Report

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