

Committee	Dated:
City Bridge Trust (CBT)	26 th November 2020
Subject: Risk Register for Bridge House Estates (charity number: 1035628): risks relevant to City Bridge Trust	Public
Report of: Chief Grants Officer & Director of City Bridge Trust (CGO)	For Decision
Report author: Scott Nixon, CBT	

Summary

The report provides this Committee's section of the key risks register for Bridge House Estates (BHE) for review. The Charity Commission's Statement of Recommended Practice (SORP) requires that risks that impact upon a charity are reviewed continuously to ensure that existing risks are reconsidered, any new risks are identified and that appropriate measures are in place to mitigate those risks. This requirement is further emphasised within the Charity Governance Code. BHE is managed by six Committees or Boards, each of which is required to review and monitor risks for the services they oversee e.g. the Planning and Transportation Committee manages risks relating to the five bridges maintained by the charity. Accordingly, a separate risk report has been prepared for each managing Committee or Board.

Six of the risks on the BHE risk register relate to the services overseen by the CBT Committee. These relate to grants not being used for their intended purpose; financial loss through fraud or theft; negative publicity leading to reputational damage; IT failure, impact of Brexit and staff capacity – the six risks are detailed at Appendix 2.

The risk related to financial loss through fraud or theft has increased and is now amber on the risk RAG rating. This is due to CBT administering an increasingly high number of low value one-off grant awards to smaller organisations which has increased the likelihood of potential fraud.

The risk relating to staff capacity and Brexit remain amber. Although CBT staff are working effectively from home, with the uncertainty of the Covid-19 pandemic staff levels could be negatively impacted at short notice. Similarly with Brexit, the impact for London and CBT grantees remains uncertain and as such the risk rating will remain amber, but will be regularly reviewed.

Recommendations

Members are asked to:

- a) review the six risks currently on the register for this Committee and confirm that appropriate control measures are in place; and
- b) confirm that there are no other risks relating to the services overseen by the CBT Committee which should be added to the BHE risk register.

Main Report

Background

1. In accordance with the SORP, trustees are required to confirm in the charity's annual report that any major risks to which the charity is exposed have been identified and reviewed and that systems are established to mitigate those risks. This requirement is further emphasised within the Charity Governance code, which recommends that effective risk-assessment processes are set up and monitored. This Committee's section of the key risks register for BHE is set out for review.
2. BHE is overseen by six Committees or Boards each of which is required to review and monitor risks for the services they oversee e.g. the Planning and Transportation Committee manages risks relating to the five bridges maintained by the charity. Accordingly, a separate risk report has been prepared for each managing Committee or Board.
3. The Charities SORP requires that the register is reviewed continuously to ensure that existing risks are reconsidered and any new risks are identified.

Review of Risks

4. The method of assessing risk reflects the City of London Corporation's (CoLC) standard approach to risk assessment as set out in its Risk Management Strategy approved by the Audit and Risk Management Committee. The CoLC risk matrix, which explains how risks are assessed and scored, is attached at Appendix 1 of this report. Risk scores range from one, being lowest risk, to the highest risk score of thirty-two. These scores are summarised into 3 broad groups, each with increasing risk, and categorised green, amber or red.
5. Each risk in the register has been considered by the responsible officer within the Corporation who is referred to as the 'Risk Owner' in the register.
6. The CBT Committee's element of the BHE risk register is shown at Appendix 2 and contains six risks: the first relating to the impact of Brexit; the second to the reduction in staff capacity as a result of the COVID-19 pandemic; the third to financial loss through fraud or theft ; the fourth to the grant not being used for its intended purpose; the fifth to negative publicity leading to reputational damage: and sixth, major IS failure. Controls are in place to mitigate these risks, including

an open, transparent and rigorous grants assessment process and, in relation to IT systems, the main grants system Blackbaudgrant-making now running from an Agilisys data centre which is more resilient than the previous server at Guildhall.

7. Three risks have been assessed as amber with a score of 6 (on a risk scale from one to the highest risk score of thirty-two). The remaining three risks are assessed as green with a score of four. The current mitigating actions are considered appropriate at this time.

Conclusion

8. The risks faced by the charity have been reviewed and have been identified as relating to the services overseen by the CBT Committee. This Committee is requested to confirm that appropriate control measures are in place for these risks and that there are no other risks that should be added to the BHE register in relation to services overseen by the Committee.

Appendices

- Appendix 1 - City of London Corporation Risk Matrix
- Appendix 2 – BHE Risk Register: risks relevant to CBT

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