

# SUR Departmental risks - detailed report EXCLUDING COMPLETED ACTIONS for committee

Report Author: Faith Bowman

Generated on: 16 February 2021



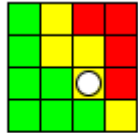
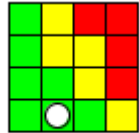

Rows are sorted by Risk Score

| 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>SUR SMT 002</b><br><b>Insufficient budget to meet user and asset demand at Guildhall</b> | <p><b>Cause:</b><br/>                     . Insufficient budget and accessibility due to the increase/intensification of use at Guildhall Complex.<br/>                     . Insufficient funding being made available for Major Works, Cyclical Works and Day to Day Maintenance Budget to manage the repair demands on the Guildhall Complex.</p> <p><b>Event:</b> Insufficient asset funding and lack of accessibility to complete all works due to increase/intensification of use at Guildhall Complex</p> <p><b>Impact:</b> The standard of the Guildhall Complex will start to deteriorate, resulting in; poorer working environments leading to increased dissatisfaction and lower employee productivity and potential increase in breakdowns and reactive costs as the basic infrastructure of the Complex becomes beyond economic repair.</p> | <p>Likelihood</p> <p>Impact</p> | 12 | <p>This risk captures the longer-term risks associated with funding for the Guildhall. Risks relating to the current Coronavirus situation (CVD19 SG PROP 05) are covered in a separate appendix.</p> <p>The principal mitigation actions are related to forecasting and monitoring the allocation of financial and human resources.</p> <p>It has been identified that elements of the West Wing mechanical and electrical systems, and plan equipment, are at an increased risk of failure. Additional inspections have been instituted</p> <p>Some parts of the general infrastructure of the Guildhall Complex are becoming beyond</p> | <p>Likelihood</p> <p>Impact</p> | 4 | 31-Mar-2022 |                                     |

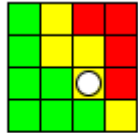
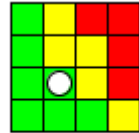

|                            |  |  |  |  |  |  |          |
|----------------------------|--|--|--|--|--|--|----------|
| 10-Feb-2015<br>Peter Young |  |  | <p>economic life, resulting in main Mechanical/Electrical Plant and Fabric failing across the Complex.</p> <p>The Guildhall Masterplan considers a complete refurbishment of some parts of the general infrastructure and has been proposed as part of the Fundamental Review.</p> <p>Due to increasing likelihood of breakdowns of life-expired elements of mechanical and electrical or plant and equipment, increased inspection regime has been instituted for the West Wing. The increase in air circulation (Covid-19 response) is also placing greater pressure on certain M&amp;E items.</p> <p><b>15 Feb 2021</b></p> |  |  |  | Constant |
|----------------------------|--|--|--|--|--|--|----------|

| Action no    | Action description                          | Latest Note   | Action owner                     | Latest Note Date | Due Date    |
|--------------|---|---|----------------------------------|------------------|-------------|
| SUR SMT 002e | Fundamental Review of the Guildhall Complex | A wholesale review of the North Wing and West Wing was presented as an option to Members for consideration as part of the Fundamental Review. The initial fees were approved by Members and this will be progressed to Gateway 2 stage.   | Paul Wilkinson;<br>Peter Young   | 15-Feb-2021      | 31-Mar-2022 |
| SUR SMT 002f | Cross departmental working                  | <p>Single point of contact for Profit and Loss to be created within the Remembrancer's Department. This activity has been agreed by CASC and a more detailed report, noting the key figures, will be presented to Members later in the year.</p> <p>The possibility of a sinking fund for the site has been explored and agreed by CASC. CSD will provide a facilities event-related operating business plan with the Remembrancer's Department, detailing the funding, management and operating arrangements including the funding sources. This action has been delayed due to current events (Covid-19) and this will be revisited shortly, taking account of any changes as proposed by the Target Operating Model (TOM).</p> | Remembrancer;<br>Peter Collinson | 15-Feb-2021      | 30-Sep-2021 |

|              |                        |  |                                 |             |             |
|--------------|------------------------|--|---------------------------------|-------------|-------------|
| SUR SMT 002g | Maintenance management | <p>The department continues to work with Skanska, our Building Repairs and Maintenance Contractor, to review and improve the correct Planned Preventative Maintenance (PPM) regime.</p> <p>The Corporate Property Asset Management Strategy (CPAMS) 2020-25 was presented and approved by CAsC and Finance. The condition standard for properties (good / fair) remains consistent</p> | Peter Collinson                 | 15-Feb-2021 | 30-Jun-2021 |
| SUR SMT 002h | Prioritisation review  | The department reviewed the prioritisation of major projects in light of covid-19 and the financial circumstances. This also considered the Guildhall Masterplan and how this may impact projects. This review has been approved by CAsC, and the bids are being presented to Resource Allocation Sub-Committee for funding.   | Peter Collinson;<br>Peter Young | 15-Feb-2021 | 31-Jul-2021 |
| SUR SMT 002j | Budget adjustment      | The department is identifying how to maintain services across the complex in light of lower budget allocations for 2021-22. The team is working through options with the view that a report will be presented to CAsC in April. This will identify areas where savings can be made.  | Peter Collinson;<br>Peter Young | 15-Feb-2021 | 30-Apr-2021 |

| 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  |
|--|--|--|----------|---|---|----------|--------------------|--|
| <p><b>SUR SMT 010</b><br/><b>Unable to meet the Carbon Decent Plan for 2026</b></p> <p>13-Dec-2018<br/>Peter Collinson</p> | <p><b>Cause:</b> Lack of resources – people and funds across organisation to deliver energy efficiency projects<br/> <b>Event:</b> Failure to reach Carbon Descent Plan Targets (40% reduction in 2008 energy consumption by 2026)<br/> <b>Effect:</b> Environmental damage, Failure to reduce expenditure, Reputational damage, Failure to achieve vision of the department, unable to meet ambition of the Corporate Plan.</p> |  <p>Likelihood</p> <p>Impact</p> | <p>8</p> | <p>The Carbon Descent Plan will be integrated into the Climate Action Strategy (CAS).</p> <p>The department has recently (end February) held meetings with colleagues in Town Clerks, Chamberlain’s and Built Environment. This is to ensure that the new risk will directly align and support the draft Climate Action corporate risk (CR30).</p> <p>The City Surveyor’s Department is responsible for the delivery of a programme of works across operational and investment portfolios.</p> <p>Work on developing this risk is on-going and it was not possible for the department to finalise the draft in time for the March and April Committee cycle.</p> <p>In terms of the existing Carbon Descent Plan 2026, consumption has reduced significantly from the 2008 baseline year, and the trajectory would meet the CDP targets.</p> <p>25 Feb 2021</p> |  <p>Likelihood</p> <p>Impact</p> | <p>2</p> | <p>31-Mar-2026</p> | <p></p> <p>Constant</p> |

| Action no    | Action description   | Latest Note   | Action owner    | Latest Note Date | Due Date    |
|--------------|--|---|-----------------|------------------|-------------|
| SUR SMT 010c | Funding source and route for capital programme             | Agreed delivery model and costs Phase 1 and 2 submitted for funding as part of the annual capital bid programme. ( Phase 1 provisionally approved). Further funding opportunities discussions have been undertaken with colleagues in the Chamberlain's Department, particularly in regards to Salix funding. | Peter Collinson | 06-Nov-2020      | 31-Mar-2022 |
| SUR SMT 010d | Better utilisation of the building management system (BMS) | Improved use of the BMS system to result in better energy use at the Guildhall Complex. The BMS expert has been secured for an additional 12 months. They will be working on a detailed BMS strategy, including for the Guildhall complex.  | Peter Collinson | 06-Nov-2020      | 31-Mar-2022 |
| SUR SMT 010e | Project identification                                     | The upcoming challenge will be to identify deliverable projects under the CAS – particularly where this relates to occupied properties. Initial scoping work is underway.   | Peter Collinson | 06-Nov-2020      | 31-Mar-2022 |

| 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  |
|---|--|--|----------|---|---|----------|--------------------|--|
| <p><b>SUR SMT 014</b><br/><b>Backlog maintenance</b></p> <p>04-Nov-2019<br/>Peter Collinson</p> | <p><b>Cause:</b> insufficient funds to manage the repair demands at operational properties (Budget available does not match the annual Cyclical Works Programme Bid List of requirements)</p> <p><b>Event:</b> Maintenance demands for operational properties exceeds available funding.</p> <p><b>Impact:</b> Reactive repairs budget used to meet maintenance demands, loss of income from events spaces, reputational impacts, long-term properties may cease to meet operational requirements (Reduced rental income, reduced capital value, increased breakdown of M&amp;E services, reduced customer satisfaction, poor building use and efficiency)</p> |  <p>Likelihood</p> <p>Impact</p> | <p>8</p> | <p>The Cyclical Works Programme (CWP) bid for 20/21 has a reserve list of unfunded works of £26m, these works are essential to keep the operational properties in a good standard. This unfunded works will result in an increase in the backlog of maintenance.</p> <p>CWP report has been presented to CASC. This shows a gradual rise in deferred maintenance from c£80m to c£130m over the next five years. The Fundamental Review has proposed the reduction in the funds available to the CWP for 2020/21 by £1m, which will impact this risk.</p> <p>The CWP process has been reviewed to focus more clearly on asset need rather than on available funds. This will rely upon intelligent information from our CAFM (Computer Aided Facilities Management) system</p> <p>Major projects will be subject to the Capital Bid process. To deliver additional projects, savings from the capital budget will need to be made (ie, a new project will result in the de-prioritisation of an existing project).</p> <p><b>15 Feb 2021</b></p> |  <p>Likelihood</p> <p>Impact</p> | <p>4</p> | <p>31-Mar-2022</p> | <p></p> <p>Constant</p> |

| Action no    | Action description   | Latest Note   | Action owner                    | Latest Note Date | Due Date    |
|--------------|--|---|---------------------------------|------------------|-------------|
| SUR SMT 014b | Additional funding report may be required                            | The CWP bid list for 2022/23 has been supported. This list is broken down into three functional areas to aid tracking and transparency.   | Alison Bunn                     | 15-Feb-2021      | 31-May-2021 |
| SUR SMT 014g | Next generation CAFM system  | The department is looking to procure a 'next generation' CAFM (Computer Aided Facilities Management) system. This will enhance the department's capacity to plan forward maintenance on asset condition and result in a more accurate determination of outstanding and upcoming repairs and maintenance.<br><br>This procurement activity is currently on track.  | Peter Collinson                 | 15-Feb-2021      | 31-Oct-2021 |
| SUR SMT 014h | Ring fenced budgets  | CSD is communicating with ring fenced property departments to identify appropriate building maintenance spend (forward maintenance). Building occupiers allocate funds for the maintenance of the built assets. Whilst the City Surveyor's Department recommends work to be undertaken, it is the occupying department who has final control over activity.<br><br>There is an upcoming internal audit in this area. Ideally this will recommend more transparency on decisions and impacts, and how these are communicated corporately. The City Surveyor's Department will implement the audit recommendations. | Peter Young                     | 15-Feb-2021      | 31-Jul-2021 |
| SUR SMT 014i | Special Structures 'includes both building and non-building assets'. | An inventory of special structures is being developed, following which time surveys will be undertaken. A gap analysis will be undertaken to consider the current v desired condition. A funding bid may be required, depending on the results of the above analysis.   | Peter Collinson;<br>Peter Young | 15-Feb-2021      | 31-Mar-2022 |





|              |                  |   |                                |             |             |
|--------------|------------------|---|--------------------------------|-------------|-------------|
|              |                  | staff are able to access appropriate services.  | Gill; Ola Obadara; Peter Young |             |             |
| SUR SMT 016b | Flexible working | <p>Flexibility with returning to the office is being considered. This will enable those who feel their work is best undertaken at the office to work from this location to do so, together with the option for greater flexibility for remote working for those who work optimally away from their desks. Ultimately this will provide a variety of work environments for employees.</p> <p>To reach this situation, infrastructure constraints will need to be overcome. This includes DSE and internet connectivity issues which continue to impact a minority of staff.</p> <p>There is anxiety from some staff about returning to the office in the short-term.</p> <p>The government's second lockdown has impacted employee's mental health, and efforts are being made to ensure that managers are aware of this, and pro-actively encouraging staff to take time away from their home office environment.</p> | Paul Wilkinson                 | 15-Feb-2021 | 31-Mar-2022 |