

<b>Committee(s)</b>	<b>Dated:</b>
Property Investment Board – For information Corporate Asset Sub (Finance) Committee – For information	16 July 2021 19 July 2021
<b>Subject:</b> City Surveyor's Departmental Risk Register – Update	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	<b>5</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>N</b>
<b>If so, how much?</b>	<b>N/A</b>
<b>What is the source of Funding?</b>	<b>N/A</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>N/A</b>
<b>Report of: City Surveyor (CS 215/21)</b>	<b>For Information</b>
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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 City Surveyor department currently has four risks on its Departmental Risk Register (Appendix 1). The department is also managing three additional risks – two red, and one amber – in response to Covid-19 (Appendix 2).

The red risks currently being managed by the department in response to Covid-19 are:

- CVD19 SG PROP 01 – Impact on investment portfolio  
Current risk score 16 (Red)
- CVD19 SG PROP 02 – Property projects  
Current risk score 16 (Red)

This Committee has previously seen the risks relating to the City Bridges. These risks will now be reported through to the Bridge House Estates Board.

### Recommendation(s)

Members are asked to:

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

## **Main Report**

1. The Risk Management Strategy of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department. The Property Investment Board (PIB) and Corporate Asset Sub (Finance) Committee (CAsC) has determined that they will receive the City Surveyor's risk registers on a quarterly basis.
2. This report separates the overall departmental risk register (Appendix 1) and the departmental responsibilities in relation to Covid-19 (Appendix 2).
3. Risks are reviewed regularly by the department's Senior Management Team (SMT) in line with the organisation's Risk Management Framework (RMF). Risks are assessed on a likelihood-impact basis, and the resultant score is associated with a traffic light colour.
4. Should any changes occur between formal meetings a process exists such that risks can be captured, assessed, and mitigating activities captured. This ensures that the risk management process remains 'live'.

## **Current Position**

5. The City Surveyor Departmental Risk Register currently contains four amber risks. The details of each of these are included in Appendix 1.
6. The City Surveyor continues to monitor its risks associated with Covid-19 reporting to the thematic governance group. The department has three risks being monitored by the group (Appendix 2). Risks relating to Covid-19 are regularly reported through to the Audit and Risk Management Committee.

## **Changes since last review**

7. The risk SUR SMT 003 – A fall in property performance (Amber – 12) has been re-elevated to the Departmental Risk Register from the Group (Divisional) Risk Register. This risk had been de-escalated in early 2020 as the department focussed on the immediate actions to manage the risks associated with Covid-19 on our investment estates. As the focus of the department moves to the longer-term, this risk has been re-elevated.

Reflecting the changed post-pandemic world, the focus of this risk is on new working styles and how this may affect our income generation. As the department further analyses this risk, we anticipate capturing further mitigating actions.

8. Risk SUR SMT 001 – Climate Action Strategy (Amber – 8) is being reported to Committee for the first time this period. This replaces the earlier Carbon Descent Plan. As noted in the register there are four workstreams (Investment Property, Corporate Property, Capital Projects and Resilience) that are in the process of mobilisation.

9. Risk SUR SMT 002 – Insufficient budget to meet user and asset demand at Guildhall (Amber – 6) has had its risk score reduced. One of the impacts that was being managed through this risk related to employee productivity. As the City Corporation builds more resilient IT networks, and as remote working becomes more familiar for staff, this particular impact is diminished. This has been reflected in lowering the impact in the ‘current risk score’ from ‘major’ to ‘serious’.
10. The risk SUR SMT 016 – Health and Wellbeing of Staff (Green – 4) has had its risk score reduced. This is now aligned with the target and consequently this risk has been de-escalated from the Departmental Risk Register. The risk focussed on the wellbeing of staff over the extended lockdown period. Directors and the City Surveyor are content that, through the delivery of mitigating activities, the risk score could be reduced.
11. Following a successful negotiation, the non-public risk, as reported to PIB on 17 March and CAsC on 28 April, has been closed.
12. The department is aware of emerging trends in construction and project costs. These have the potential to increase costs for these activities. The department is in the process of gathering further intelligence on the impact of this risk and will report formally to Members in the next quarterly report.
13. The department continues to manage the thematic Covid-19 risks (Appendix 2) and discussions are held frequently with the risk owners to ensure that our information remains current. These risks will continue to be monitored to assess any impact following the next stage of lockdown easing.
14. The department manages the risks associated with repairs and maintenance on the City Bridges. These risks will now be reported through to the recently created Bridge House Estates Board. These risks have been presented to both CAsC and PIB over the last few years.

## **Heatmap**

15. Through the performance dashboard tool, Power BI, it is possible to create heatmaps of the department’s risks. This is a graphical summary of the current public departmental risks (left). This relates to the information presented in Appendix 1 (departmental) and Appendix 2 (Covid-19) risks. A comparison with the those presented at the last report (March) is included as the table on the right. Risks relating to the City Bridges (as previously reported to this Committee) have been excluded from both Heatmaps.
16. The Heatmaps do not track individual risks over time, rather it is a snapshot comparison of the overall risk profile. Interestingly the overall profile of the department’s risks has remained the same between March and July, despite the changes outlined in paragraphs 7 to 10.

	Minor	Serious	Major	Extreme
Likely			2	
Possible		1	1	
Unlikely			3	
Rare				

Table 1: July 2021 Risk Heatmap

	Minor	Serious	Major	Extreme
Likely			2	
Possible		1	1	
Unlikely			3	
Rare				

Table 2: March 2021 Risk Heatmap  
(excluding non-public risk)

## Conclusion

17. Members are asked to note the recent changes to the departmental risk register. The department continues to ensure that it manages its risks in line with best practice and the organisation's RMF.

## Appendices

- Appendix 1 – Departmental risk register
- Appendix 2 – Covid-19 thematic risk register

## Background Papers

- The City Surveyor – The City Surveyor's Departmental Risk Register – March Update (CS 072/21)

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