

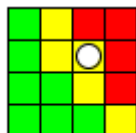
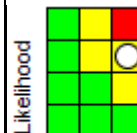

SUR Departmental risks - detailed report EXCLUDING COMPLETED ACTIONS for COMMITTEE

Report Author: Faith Bowman

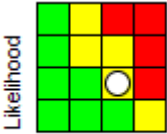
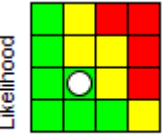

Generated on: 30 August 2021



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/Risk Approach | Current Risk score change indicator |
|---|--|--|-----------|---|---|-----------|---------------------------|---|
| SUR SMT 003 A fall in property performance 17-May-2021 Nicholas Gill | Cause: Changed occupation patterns as businesses move towards a hybrid model Event: Lower demand for office space in the City and surrounding areas, with a knock-on impact on the viability of businesses in the food and beverage sector. Impact: Income levels are not achieved, arrears levels are not significantly reduced post-pandemic. |  Likelihood Impact | 12 | This risk captures issues arising as the UK emerges from the Covid-19 pandemic. Risks relating to the current Coronavirus situation (CVD19 SG PROP 01) are covered in a separate appendix. The department is keenly observing footfall data where this is available, and this is trending positive. With a wider opening of offices in September (and a knock-on impact on other asset types) we should get a greater insight into trends at this time 27 Aug 2021 |  Likelihood Impact | 12 | 31-Mar-2021 |  Constant |
| | | | | | | | Accept | |

| Action no | Action description | Latest Note | Action owner | Latest Note Date | Due Date |
|--------------|---|---|---------------|------------------|-------------|
| SUR SMT 003a | <p>The strategy is to maintain a diverse portfolio that reduces the impact of this risk. This includes:</p> <ol style="list-style-type: none"> 1. Use (office, retail, industrial) 2. Location (City, Southwark, West End etc.) 3. Tenancies (Long term Headlease geared, FRI, directly managed) 4. Covenants (multinationals, SME) 5. Asset management (lease renewals, voids, arrears, etc) 6. Monitoring retail habits in change of building use | The actions described are being undertaken and reviewed regularly with the Assistant Directors. | Nicholas Gill | 27-Aug-2021 | 31-Mar-2022 |

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|---|---|--|---|--|---|---|---------------------------|---|
| SUR SMT 001 Climate Action Strategy - Deliver programme of works across operational and investment portfolios 13-Apr-2021 | Cause: Insufficient resources and prioritisation allocated to Climate Action. Event: The City Surveyor's Department fails to deliver programme of works on time, to budget, or with the required contribution to assist the delivery of the City Corporation's Climate Action Strategy. Impact: Failing to adequately invest in net zero initiatives leading to negative impact on our financial and property investments. |  Likelihood Impact | 8 | <p>The Department has four workstreams, detailed below, which detail the actions to be undertaken to mitigate this risk. Currently the department is at the mobilisation stage.</p> <p>The core issue currently facing the scheme is recruitment of appropriate skills and competencies. The team is working to resolve this item.</p> <p>Whilst this has caused delays, the team is confident that this should be recovered over 2022/23.</p> <p>If recruitment proceeds the long-term delivery of the programme should not be impacted.</p> <p>Materials and technology availability is being tracked. Aligned to other departmental risks there are input price inflation and availability issues in the supply chain that is being considered. This industry-wide issue is being monitored and more information will be available through the delivery of our pilot projects.</p> <p>Further risks may be highlighted as the programme evolves.</p> <p>The delivery of mitigations under this risk support the Corporate Risk CR30</p> |  Likelihood Impact | 4 | 31-Mar-2027 |  |
| | | | | | | | Reduce | Constant |

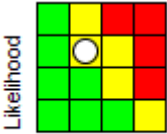
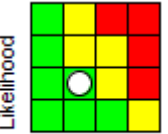

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| Peter Collinson | | | | | | | |
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| Action no | Action description | Latest Note | Action owner | Latest Note Date | Due Date |
|--------------|--------------------------|--|---------------------------------|------------------|-------------|
| SUR SMT 001a | Investment property | Investment Property Consultant has recently been appointed for the first phases. We are anticipating work commencement in September. | Peter Collinson; James Rooke | 27-Aug-2021 | 31-Mar-2027 |
| SUR SMT 001b | Corporate Property | Mobilisation in progress facilitated by the delivery of the recruitment action | Peter Collinson; James Rooke | 27-Aug-2021 | 31-Mar-2027 |
| SUR SMT 001c | Capital Projects | Mobilisation in progress facilitated by the delivery of the recruitment action. | Peter Collinson; James Rooke | 27-Aug-2021 | 31-Mar-2027 |
| SUR SMT 001d | Resilience | Mobilisation in progress facilitated by the delivery of the recruitment action. | Peter Collinson; James Rooke | 27-Aug-2021 | 31-Mar-2027 |
| SUR SMT 001f | Monitoring and awareness | Review of targets annually to reflect changing industry standards. This is related to the 'carbon factor' of the electricity grid, and how rapidly this de-carbonises. This may change the programme or prioritisation of works. | Peter Collinson; James Rooke | 27-Aug-2021 | 31-Mar-2027 |
| SUR SMT 001g | Recruitment | There is a requirement to have a team of nine for climate action, but recruitment has been delayed by governance issues. The team has gone out to tender for a services contract which we are aiming to have in place by end of 2021. | Peter Collinson; James Rooke | 27-Aug-2021 | 31-Mar-2027 |

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| SUR SMT 014 Backlog maintenance < | | | | | | | | |

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|--------------|---|--|-----------------|------------------|-------------|
| SUR SMT 014g | Next generation CAFM system | The new CAFM system has been procured and is now in the mobilisation stage with a go live date of the 1st November 2021 anticipated. There is a dedicated resource leading this project in the Property Contracts Performance Team so it is fully expected the project will be delivered on time. | Peter Collinson | 27-Aug-2021 | 31-Oct-2021 |
| SUR SMT 014h | Ring fenced budgets | CSD is communicating with ring fenced departments to identify appropriate building maintenance requirements and spend (forward maintenance). These department 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 holds the budget responsibility and thus decides with final control over activity. This follows the completion of the Internal Audit in this area. | Peter Collinson | 27-Aug-2021 | 31-Oct-2021 |
| SUR SMT 014i | Special Structures 'includes both building and non-building | An inventory of special structures is being developed, following which time surveys will be | Peter | 27-Aug- | 31-Mar- |

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|--|----------|--|------------------------------|------|------|
| | assets'. | undertaken. A gap analysis will be undertaken to consider the current v desired condition. Funding to undertake the surveys is being sort in the CWP 22/23 Bid List, once approved and funding becomes available in April 2022 the surveys will be instructed. | Collinson; Peter Young | 2021 | 2022 |
|--|----------|--|------------------------------|------|------|

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| SUR SMT 002 Insufficient budget to meet user and asset demand at Guildhall 10-Feb-2015 Peter Young | Cause: Insufficient funding available for Major Works, Cyclical Works and Reactive Maintenance to manage the repair demands on the Guildhall Complex. Event: Insufficient asset funding. Impact: The standard of the Guildhall Complex will 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. |  Likelihood Impact | 6 | The principal mitigation actions are related to forecasting and monitoring the allocation of financial and human resources 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. 30 Aug 2021 |  Likelihood Impact | 4 | 31-Mar-2022 |  Decreasing |
| | | | | | | | Reduce | |

| Action no | Action description | Latest Note | | | Action owner | Latest Note Date | Due Date |
|--------------|--|--|--|--|-------------------------------|------------------|-------------|
| SUR SMT 002e | Fundamental Review of the Guildhall Complex – Guildhall Masterplan | 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. An Annual Bid for fees in 2021/22 was approved and this will be progressed to Gateway 2 stage in September 2021. The GW2 report will explore outline options for the future of the north and west wings to provide modern, fit-for-purpose accommodation for Members and Officers. | | | Paul Wilkinson; Peter Young | 30-Aug-2021 | 31-Mar-2022 |
| SUR SMT 002f | Cross departmental working | 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. | | | Remembrancer; Peter Collinson | 30-Aug-2021 | 31-Mar-2022 |
| SUR SMT 002g | Maintenance Management | The department continues to work with Skanska, our Building Repairs and Maintenance Contractor, to review and improve the correct Planned Preventative Maintenance (PPM) regime | | | Peter Collinson | 30-Aug-2021 | 31-Mar-2022 |

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|--------------|--|--|---------------------------------|-------------|-------------|
| 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 and ongoing Covid 19 conditions. This will identify areas where savings are being made and any changes in service to align to the new budget. | Peter Collinson; Peter Young | 30-Aug-2021 | 31-Mar-2022 |
| SUR SMT 002k | Annual Bid Process and CWP – major and minor repair projects | Further bids for Guildhall major projects approved by CASC Aug 2021 and will be submitted for funding in 2022/23. CWP bid for minor projects to be approved by CASC on 30 September and then submitted to RASC | Dorian Price | 30-Aug-2021 | 31-Mar-2022 |