

BHE Principal Risks

Guidance notes:

- All risks are scored on a risk scale from the lowest score one to the highest score of thirty-two.
- The risk score is marked on the matrix with the white circle.
- The risks are shown in order of the highest scored risks to the lowest scored risks.
- The flight path shows the progress of the risk rating (e.g. if the flight path is flat, the risk score has remained the same.)
- Completed actions are not shown on this report.

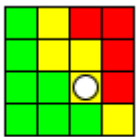
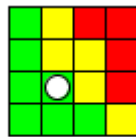



Rows are sorted by Risk Score

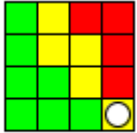
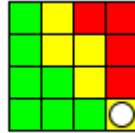
Risk no, Title, Creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Flight path
BHE LT 003 Structural damage to bridges 08-Jul-2021 Paul Wilkinson	Cause: Terrorist incidents, natural disasters or engineering failure. Effect: Structural damage to one of the bridges may cause it to become non-operational. Impact: Public not able to access the bridge and cross the River Thames, causing disruption to daily life. Reputational damage. Additional cost to repair. Prevention of river traffic passing under one/ more of the bridges.	Likelihood Impact	16	No change to risk. 31 Jan 2022	Likelihood Impact	6	01-Apr-2022	

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
BHE LT 003b Counter terrorism activities	Counter terrorism activities - TFL and DBE, the City Police and the MET Police continue to engage with respect to the threat assessments for the bridges.	TFL and DBE, the City Police and the MET Police continue to engage with respect to the threat assessments for the bridges. TFL will be taking the lead in terms of the response. When TFL assess the overall risk, they applied a higher risk impact than the City currently assesses. However, this relates to the overall risk, rather than the element for which the City of London Corporation, and the City Surveyor's Department, is responsible.	Nicholas Gill; Paul Monaghan; Peter Young	28-Oct-2021	01-Apr-2022
BHE LT 003c	Policing on the bridges - The City of London	The City of London Police receive funding from Bridge House Estates to provide policing to the City	Nicholas	28-Oct-2021	01-Apr-2022

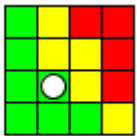
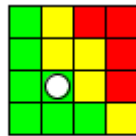
Policing on the bridges	Police receive funding from Bridge House Estates to provide policing to the City Bridges.	Bridges. This has included contributions towards replacing the existing CCTV coverage. A Service Level Agreement between BHE and the City of London Police is currently being developed.	Gill; Paul Monaghan; Peter Young		
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BHE LT 005 Reputation 08-Jul-2021 David Farnsworth	Cause: A range of occurrences outside the direct control of the Trustee, including incidents, events and outcomes which adversely impact upon the charity operation and activities. Effect: Damage to the charity's ability to advance its objects, damage to reputation and position in London's civil society. Impact: Increased risk of breach of legal duties; direct impact upon furtherance of the bridges/primary object; Damage to BHE's reputation; damage to key relationships; decline in visitors to Tower Bridge; decline in impact of City Bridge Trust's activities.	Likelihood  Impact	8	Jan 2022 - no change to risk score. Depending on nature of the issue there is still possibility of major reputational damage on the charity - however, due to effective management of other risks and proactive strategic communications in place the likelihood of the risk is lower. 31 Jan 2022	Likelihood  Impact	4	01-Apr-2022	
							Reduce	

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
BHE LT 005a Manage other risks effectively	Manage other risks effectively as reputation risk is largely a consequence of other risk events materialising.	Ongoing activity.	David Farnsworth	31-Jan-2022	01-Apr-2022
BHE LT 005b Proactive strategic communications	Proactive strategic communications detailing the charity's activities, reach and impact.	BHE Communications and Engagement Director is currently working on a clear and purposeful influencing strategy for the charity.	David Farnsworth	31-Jan-2022	31-Mar-2022




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BHE LT 009 Management and maintenance of London's River Crossings 29-Oct-2021 David Farnsworth	Cause - External bodies seeking interest/ ownership of the five BHE Thames bridges as a result of the London Transport Assembly Inquiry into the Management and Maintenance of London's River Crossings. Event - Ownership of Bridges transferred to another external body. Effect - Charity is unable to fulfil its primary object.	Likelihood  Impact	8	No change to risk. Chair of BHE Board responded to the London Assembly's Report in January 2022 - keeping a close eye on future developments but have offered to share expertise. 31 Jan 2022	Likelihood  Impact	8	31-Mar-2022	
							Accept	

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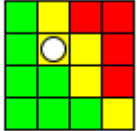
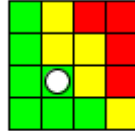

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BHE LT 001 Knowledge of Trustee duties & powers 01-Jul-2021 Amelia Ehren; David Farnsworth	Cause: Lack of understanding by Members and officers of the duties and powers of the City Corporation as Trustee of BHE Effect: Elected Members and officers may not be aware/ have knowledge of the particular Trustee duties which apply to governance of BHE; or may not be aware/ have knowledge of the powers (and limitations) available to the City Corporation when acting as Trustee of BHE in administering the charity. Effect: Non-compliance with the charity's governing document, and the relevant duties and powers; non-compliance with the relevant charity law applicable to the activities, size and structure of BHE; poor administration of the charity; BHE does not achieve its strategic objectives; risk to the charity's assets; reputational damage.	 Likelihood	4	Jan 2022 - no change to risk score. 31 Jan 2022	 Likelihood	4	01-Apr-2022 Accept	

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BHE LT 001b Officer Charity Governance Training	Design and implement appropriate training and corporate governance information resources for officers to ensure proper understanding of the charity's governance and the role of the City Corporation as trustee – specifically, knowledge of the general charity regulatory framework, the charity's own governing document, and how the charity operates and is administered within the City Corporation's corporate governance framework.	The Members' BHE Handbook is also available as a resource to officers to support with their continued training. Further training to be delivered in 2022 following recruitment of BHE Head of Strategy & Governance Post.	Amelia Ehren	31-Jan-2022	31-Mar-2022
BHE LT 001c Develop strong procedures for	Implement clear and strong procedures to ensure the skills, knowledge and experience required on the Board are appropriate and	BHE Board continues to keep its arrangements under review. Detailed review of its governance arrangements will be undertaken at February BHE Board meeting. Following this meeting, any recommendations agreed will be implemented.	Amelia Ehren	31-Jan-2022	31-Mar-2022

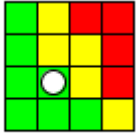
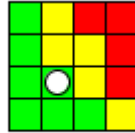
new BHE Board	relevant.				
BHE LT 001d Implement Governance Procedures and Frameworks	Implement corporate governance procedures and frameworks, including revising corporate documents such as Standing Orders, Officer Delegations and Financial Regulations.	Under continuous review by the BHE Board - granting of Supplemental Royal Charter is soon expected which will support with enhancing governance procedures and frameworks.	Amelia Ehren	31-Jan-2022	31-Mar-2022

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BHE LT 002 Conflict of interests 08-Jul-2021 David Farnsworth	Trustees have a duty to act in the best interest of the charity, and understand the duties and powers of the City Corporation as Trustee of BHE.	 Likelihood Impact	4	Jan 2022 - likelihood and impact of risk reviewed by the BHE Board in November 2021 and likelihood and impact was subsequently reduced from 24 which was considered an unrealistically high rating. Mitigations in place have helped to reduce the risk rating. 31 Jan 2022	 Likelihood Impact	4	01-Apr-2022	
							Reduce	

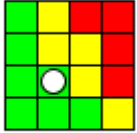
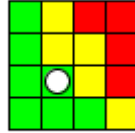

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BHESLT 002b Seek Supplemental Charter	Seek Supplemental Royal Charter to expressly confirm authorisation of conflicts of interest/loyalty for the City Corporation, and to provide a framework for managing them.	The grant of the Supplemental Royal Charter is expected in Spring 2022. BHE Board have been informed that the PCO and Charity Commission are content with the changes sought. If granted, a new conflicts of interest policy will be developed for the charity.			David Farnsworth	31-Jan-2022	31-Mar-2022
BHE LT 002c Implement Conflicts of Interest Policy	Implement a Conflicts of Interest Policy and incorporate other relevant changes in the City Corporation's corporate governance framework to support this outcome.	Officers have begun mapping out the changes required following the expected grant of the Supplemental Royal Charter in Spring 2022 - this includes developing a new conflicts of interest policy.			Amelia Ehren	31-Jan-2022	31-Mar-2022

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BHE LT 004 Insufficient Income generation 08-Jul-2021 David Farnsworth	Cause: Positive returns from investment activities are not achieved to enable the charity to maintain its asset value and support its charitable activities. Not maintaining and keeping under adequate review a properly balanced asset portfolio appropriate for the permanently endowed charity having regard to suitability and diversity across the portfolio. Effect: Lack of return/ diversity of investment portfolio could result in loss of income and asset growth. Impact: Insufficient income to maintain operations at appropriate level of spend - inability to meet maintenance/ replacement costs of the Bridges both now and in the future; reduced spending on ancillary object; reputational risk.	 Likelihood	6	Gains on financial investments for 2020/21 were recognised at £178.7m (£147m above budget), with £159.6m of this increasing the value of free reserves. Due to this stronger than expected performance, BHE is in an improved position However income streams have performed below expectations as a result of the pandemic. 31 Jan 2022	 Likelihood	4	01-Apr-2022	
							Accept	

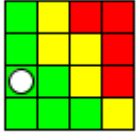
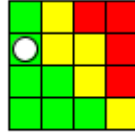

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BHE LT 004a Monitor investments held and implement a new Investment Strategy	Monitor investments held against the 'transitional' Investment Strategy. Implement a new Investment Strategy and regularly review to ensure that the investments are suitable and appropriately diverse (i.e. appropriate levels of asset allocation between asset types and within funds held by the charity).	Stronger performance of gains from financial investments than expected over 2020/21. Investment income streams below expectations due to impacts of Covid. Review of Investment Strategy due to take place in 2022 following grant of Supplemental Royal Charter. The Charter is intended to provide a new total return accounting power which will be a key mitigation to this risk.		Karen Atkinson;	31-Jan-2022	31-Mar-2022
BHE LT 004b Financial scenario planning.	Continue to undertake financial scenario planning.	Ongoing activity. Medium Term Financial Plan presented to the BHE Board in February 2022		Karen Atkinson	31-Jan-2022	31-Mar-2022

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BHE LT 007 Failure to delivery strategy 08-Jul-2021 Amelia Ehren; David Farnsworth	Cause: Lack of support for strategic vision. Effect: The charity's strategy, Bridging London, 2020-2045, is not successfully implemented. Impact: The charity drifts with no clear vision, aims, priorities of plans.	Likelihood  Impact	4	Jan 2022 - no change. Strategy continues to be implemented and promoted internally and externally - expected that impact/likelihood of this risk is further reduced over next 12 months as further implementation of the strategy is completed. 31 Jan 2022	Likelihood  Impact	4	01-Apr-2022 Accept	

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
BHE LT 007c Deliver policies and plans for overarching strategy	Deliver an appropriate structure of strategies, policies and plans which sit under the overarching strategy to ensure that the charity is administered effectively, to first ensure the advancement of the primary object and allow for the advancement of the ancillary object.	Ongoing and continuous action. Will be a priority in 2022 to review all BHE strategies and policies in alignment with overarching BHE Strategy - Bridging London.	David Farnsworth	31-Jan-2022	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/Risk Approach	Flight path
BHE LT 006 Organisational change 08-Jul-2021 David Farnsworth	Cause: Changes to operational structure resulting from TOM process. Effect: Failure to execute organisational change and transformation programmes effectively. Impact: Lack of information flow and poor decision-making procedures; uncertainty as to roles and responsibilities; decisions made at inappropriate level or excessive bureaucracy; inefficient use of charity's resources.	Likelihood  Impact	4	Jan 2022 – No change to risk. From 4 January 2022, new BHE Leadership Team came into effect for the charity. However, some new roles are yet to be recruited and BHE remains in transition which is why risk not yet reduced. 31 Jan 2022	Likelihood  Impact	4	01-Apr-2022	
							Accept	

Action no, Title,	Action description	Latest Note			Action owner	Latest Note Date	Due Date
BHE LT 006a Effective implementation project and change management programme.	Effective planning and implementation of a project and change management programme.	BHE Leadership Team continues to be implemented, with recent successful recruitment of the Chief Operating Officer and Head of Strategy and Governance Post. The Chief Funding Officer role is yet to be recruited on a permanent basis, with plans to advertise the role in March 2022. Continue to review the resourcing arrangements of the rest of the charity and deliver an effective change programme.			David Farnsworth	31-Jan-2022	31-Mar-2022

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BHE LT 008 Key person risk 08-Jul-2021 David Farnsworth	Cause: Loss of key staff with detailed knowledge and key skills needed to support the charity. Effect: Loss of institutional knowledge. Impact: Experience or skills lost; operational impact on key projects and priorities; loss of corporate knowledge/ relationships	 Likelihood	2	Jan 2022 - reduction of risk due to creation of new BHE Leadership Team in January. Reduces key person risk across the charity and spreads risk across the leadership team. 31 Jan 2022	 Likelihood	3	01-Apr-2022	
							Accept	

Action no, Title,	Action description	Latest Note			Action owner	Latest Note Date	Due Date
BHE LT 008b Staff Development	Upskill a wider pool of staff in key processes and procedures relating to BHE and the relationship with the City Corporation as corporate Trustee.	New Leadership Team agreed in January 2022 - further work to embed changes and deliver training in 2022.			David Farnsworth	31-Jan-2022	31-Mar-2022
BHE LT 008a Workforce planning and succession documents	Develop comprehensive workforce planning and succession documents.	New Leadership Team in place supports with workforce planning. Continuous review in 2022 of the charity's wider resourcing needs.			David Farnsworth	31-Jan-2022	01-Apr-2022