

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

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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
<b>CR37 (formerly SUR SMT 004) Maintenance and renewal of Physical Assets- Investment property and Corporate (operational) property (excluding housing assets)</b> 04-Nov-2019 Paul Wilkinson	<b>Cause:</b> Poor property condition combined with insufficient budget to maintain assets in line with commitments/expectations. <b>Event:</b> Misalignment between the relevant Asset Management Strategy, City's lease obligations to third parties in occupation and the available funds to reach / maintain this standard <b>Impact:</b> Built estate becomes not fit for purpose/ functions/occupancy. The City becomes in breach of legal repairing covenants. Cost of maintenance and utility costs increases, placing further pressure on City resources. In extreme circumstances there will be H&S implications, leading to potential enforcement action, legal action by tenants or asset failure in whole or part with detrimental effects leading to impact on occupiers		<b>16</b>	This risk was presented to Chief Officer Risk Management Group (CORMG – March) and the Executive Leadership Board (ELB – April). Following discussion at these forums, it was recommended that the risk be escalated as a Corporate Risk. Subsequently the risk has been presented to Audit & Risk Management Committee, who endorsed this decision.  <b>24 Jun 2022</b>		<b>4</b>	31-Mar-2023	
							Reduce	

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 004a	Cyclical Works Programme (CWP)	<p>The CWP bid for 22/23 is valued at £29.8m, and these works are essential to keep the operational properties in a good standard.</p> <p>This bid was subject to a bilateral meeting on 08/10 and following Member steer has subsequently been reduced to c.£11.1million. This funding was approved by RASC in January and progress will be reported through to OPPSC.</p> <p>Peter Collinson &amp; Peter Young will be meeting with Sonia Virdee (Chamberlain's) to discuss the interaction between the Medium-Term Financial Plan (MTFP) and the combination of backlog and deferred maintenance (July 2022). A new bid is being developed (23/24) and will likely be circa £30m, but will need to go through a similar prioritisation process.</p>	Peter Collinson	24-Jun-2022	31-Mar-2023
SUR SMT 004b	Ring fenced properties and budgets ( CoLP estate, New Spitalfields, Billingsgate and the three private schools	<p>CSD is communicating with ring fenced departments to identify appropriate building maintenance requirements and spend (forward maintenance). These department occupiers allocate their own 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 maintenance activity.</p> <p>This element is being mitigated through the delivery of the recommendations arising from the recent Internal Audit.</p> <p>Internal Audit are currently undertaking a planned progress update review following the 2021 Audit. The department is actively engaging with this review to help pinpoint areas where progress has not proceeded as rapidly as desired. Recommendations arising from this review will be implemented by the department and promoted to other departments where it falls outside of CSD control.</p> <p>The master planning of certain sites (such as the Boys' School) helps add clarity around required spend.</p>	Peter Collinson; Peter Young	24-Jun-2022	31-Mar-2023
SUR SMT 004c	Repairs and Maintenance Budget	<p>The local repairs and maintenance budget has come under significant pressure. The intelligent prioritising of works helps mitigate the impact of this issue. This reflects good practice and helps inform the CWP scoring matrix. The implementation of the new Computer Aided Facilities Management (CAFM) system Concerto increases the intelligence that can be drawn from our systems.</p>	Peter Collinson	24-Jun-2022	31-Mar-2023
SUR SMT 004d	Revenue Programme (Investment Estate Only)	<p>The allocation of sufficient funds to maintain our investment portfolio to a high standard is required to maximise income generation and asset appreciation. Discussions are on-going with internal colleagues such that sufficient provision is made from the rent received.</p> <p>For the coming year 4.6% of projected rent has been allocated, broadly in line with the 5% industry 'rule of thumb'. One of the post-Covid trends is a 'flight to quality' from occupiers, making the condition of our assets critical to future income.</p>	Nicholas Gill	24-Jun-2022	31-Mar-2023

