

<b>Committee(s)</b>	<b>Dated:</b>
Open Spaces and City Gardens Committee	6 October 2022
<b>Subject:</b> Risk Management Update Report	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	1, 2, 4, 11, 12
<b>Does this proposal require extra revenue and/or capital spending?</b>	No
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b> Juliemma McLoughlin, Executive Director Environment	<b>For information</b>
<b>Report author:</b> Joanne Hill, Business Planning and Compliance Manager	

### Summary

This report provides the Open Spaces and City Gardens Committee with assurance that risk management procedures in place within the Environment Department are satisfactory and that they meet the requirements of the Corporate Risk Management Framework and the Charities Act 2011. Risk is reviewed regularly within the Department as part of the ongoing management of the operations.

Following the formation of the Environment Department in April 2022, a detailed review of all risks has been undertaken with risk owners and management teams across the Department. The outcome of this review is reflected in the risk registers presented in this report and its appendices.

Risks which were formerly categorised as Open Spaces departmental risks are now held in a Natural Environment Cross-Divisional risk register. A separate risk register is held for City Gardens, which has transferred to the City Operations Division of the Environment Department. Both of these risk registers are summarised in this report and provided in full in its appendices.

### Recommendation

Members are asked to:

- Note the content of this report and the action being taken to effectively manage risks, including the recent review of risks and risk management processes across the Environment Department.

### Main Report

#### Background

1. The Risk Management Strategy of the City of London Corporation requires each Chief Officer to report regularly to Committee on the risks faced by their department.

2. Risk owners are consulted, and risks are routinely reviewed, with the updates recorded in the corporate risk management information system (Pentana).
3. The Charity Commission requires Trustees to confirm in a charity's annual report that any major risks to which the charity is exposed have been identified and reviewed and that systems are established to mitigate those risks. These risks are to be reviewed annually. Your Committee will be presented with relevant risk registers every six months which fulfils this requirement.
4. The Executive Director assures your Committee that all risks held by the Natural Environment Division and City Operations Division continue to be managed in compliance with the Corporate Risk Management Framework and, where applicable, with the Charities Act 2011.
5. The requirements of the Charities Act 2022, which is due to be implemented over the coming year, will be monitored. Should there be any implications for the management and reporting of risks, processes will be amended as necessary to ensure continued compliance with the appropriate legislation.

### **Current Position**

6. Over recent months, a full review has been undertaken of all risks and risk management processes across the Environment Department. The outcome of this review is reflected in the risk registers presented in this report.
7. The scores, descriptions and mitigating actions of all risks have been fully reviewed and updated; they have been assessed in accordance with the City of London's Risk Matrix (Appendix 1). New risks have been added where necessary and others have been removed.
8. The Natural Environment Cross-Divisional Risk Register includes risks which are managed by the Natural Environment Director at a higher, strategic, level. The Cross-Divisional risks are summarised in this report and the detailed register is presented at Appendix 2.
9. Each of the Natural Environment charities holds its own risk register which is reported to its respective Committee.
10. City Gardens is now part of the City Operations Division and its risks are held in a separate risk register which is summarised in this report and provided in full at Appendix 3.

### **Natural Environment Cross-Divisional Risks**

11. The Cross-Divisional Risk Register of the Natural Environment Division contains top, strategic, risks, such as those on key projects. Other risks on the register are those which are common to most or all sites: individual charities hold their own local risks on these matters, and the Cross-Divisional risk consolidates them for oversight by the Director.

12. The Cross-Divisional risks are owned by the Natural Environment Director who reviews them regularly along with her Senior Leadership Team.
13. The Register contains four RED risks and three AMBER risks as summarised below and included in full at Appendix 2:
  - **ENV-NE 001:** Health and Safety (RED, 24)
  - **ENV-NE 003:** Repair and maintenance of buildings and structural assets (RED, 24)
  - **ENV-NE 007:** Wanstead Park Reservoirs (RED, 24)
  - **ENV-NE 004:** Pests and diseases (RED, 16)
  - **ENV-NE 002:** Extreme weather and climate change (AMBER, 12)
  - **ENV-NE 005:** Impact of development (AMBER, 12)
  - **ENV-NE 009:** Failure to implement the Charity Review (AMBER, 6)
14. The Wanstead Park Reservoirs risk (ENV-NE 007) is managed jointly with the City's Building Control Service. A full report on this project will be presented to the next meeting of the Epping Forest and Commons Committee.
15. ENV-NE 009 has been added to the register to address the risk of failing to implement the Charity Review by the required deadline. The Director leads on the review and regular reports on the progress of the programme will be presented to all Natural Environment Committees.
16. ENV-NE 002 addresses the risks associated with extreme weather and climate change. This includes the risk of fire which, despite the increased probability over recent months, has been contained as a result of the successful implementation of mitigating actions at each site. This is kept under continual review at a local and cross-divisional level and further actions to manage the risk will be taken as necessary.

### **City Gardens Risks**

17. City Gardens is now part of the City Operations Division of the Environment Department, alongside Cleansing Services. The City Gardens Risk Register contains five RED and three AMBER risks owned and managed by the City Gardens Manager and his Management Team.
  - **ENV-CO-GC 010:** Finance – Budget pressure (RED, 16)
  - **ENV-CO-GC 015:** Electric vehicles (RED, 16)
  - **ENV-CO-GC 016:** Staff resources (RED, 16)
  - **ENV-CO-GC 017:** Decline in condition of assets (RED, 16)
  - **ENV-CO-GC 018:** Anti-social behaviour (RED, 16)
  - **ENV-CO-GC 011:** Tree and plant diseases and other pests (AMBER, 12)
  - **ENV-CO-GC 012:** Climate and weather (AMBER, 12)
  - **ENV-CO-GC 009:** Health and Safety incidents (AMBER, 8)

### **Risk Management Process**

18. Risk management is a standing agenda item at the regular meetings of local, divisional and departmental management teams.
19. Between management team meetings, risks are reviewed in consultation with risk and action owners, and updates are recorded in the corporate risk management information system (Pentana).
20. Regular risk management update reports are provided to this Committee in accordance with the City's Risk Management Framework and the requirements of the Charities Act 2011.

### **Identification of New Risks**

21. New and emerging risks are identified through several channels, including:
  - Directly by senior management teams as part of the regular review process.
  - In response to ongoing review of progress made against Business Plan objectives and performance measures, e.g., slippage of target dates or changes to expected performance levels.
  - In response to emerging events and changing circumstances which have the potential to impact on the delivery of services. For example, changes to legislation, accidents, severe weather events.

### **Corporate and Strategic Implications**

22. Effective management of risk is at the heart of the City Corporation's approach to delivering cost effective and valued services to the public as well as being an important element within the corporate governance of the organisation.
23. The risk management processes in place in the Environment Department support the delivery of the Corporate Plan, our Departmental and Divisional Business Plans and relevant Corporate Strategies, such as the Climate Action; Cultural; Sport and Physical Activity; and Volunteering Strategies. Risks are also being considered as part of the development of the Natural Environment and City Operations Divisions' emerging strategies.
24. Risks which could have a serious impact on the achievement of business and strategic objectives are proactively identified, assessed and managed in order to minimise their likelihood and/or impact.

### **Conclusion**

25. The proactive management of risk, including the reporting process to Members, demonstrates that the Environment Department is adhering to the requirements of the City of London Corporation's Risk Management Framework and the Charities Act 2011.

### **Appendices**

- Appendix 1 – City of London Corporation Risk Matrix
- Appendix 2 – Natural Environment Cross-Divisional Risk Register

- Appendix 3 – City Gardens Risk Register

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