

<b>Committee(s):</b> Port Health & Environmental Services Committee	<b>Dated:</b> 10 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>	All
<b>Does this proposal require extra revenue and/or capital spending?</b>	N
<b>Report of:</b> Juliemma McLoughlin, Executive Director Environment	<b>For Information</b>
<b>Report authors:</b> Joanne Hill, Business Planning and Compliance Manager	

### Summary

This report provides the Port Health and Environmental Services 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.

Risk is reviewed regularly within each service area as part of the ongoing management of operations. In addition to the flexibility for emerging risks to be raised as they are identified, a process exists for in-depth periodic review of the risk register.

This report considers the key risks managed by the following service areas which fall within the remit of your Committee:

- Port Health and Public Protection Division
- City Operations: Cleansing Service

### Recommendation

Members are asked to:

- Note the report and the actions being taken by the Environment Department to monitor, mitigate and effectively manage risks arising from their operations.

## **Main Report**

### **Background**

1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to Committee on the key risks faced by their department.
2. To fulfil this requirement, the key risks of the service areas of the Environment Department which fall within the remit of the Port Health and Environmental Services Committee are presented to you every four months.
3. Risk Management is discussed regularly by the Department's Senior Leadership Team and at the meetings of each service area's Senior Management Team.
4. Between Management Team meetings, risks are reviewed in consultation with risk and control owners, and updates are recorded in the corporate risk management system (Pentana).

### **Current Position**

5. Over recent months, a full review has been undertaken of all risks and risk management processes across the Environment Department. 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) which takes into account the likelihood of a risk occurring and the potential impact of the risk should it occur. New risks have been added where necessary and others have been removed.
6. This report provides an update on the key risks that exist in relation to the operations of service areas of the Environment Department which fall within the remit of the Port Health and Environmental Services Committee:
  - Port Health and Public Protection Division
  - City Operations: Cleansing Service
7. In accordance with the Corporate Risk Management Framework, only Corporate and Departmental level risks are reported to Committee. Service level risks are only reported by exception, i.e. if there are significant changes which are considered to be of interest to Members.

### **Summary of key risks**

8. The Register of key risks held by the Port Health and Public Protection Division and the City Operation Division's Cleansing Service (Appendix 2) includes one Amber (Corporate) risk and two Red Departmental risks. One Amber service level risk is also included as it has recently been de-escalated from a Departmental risk.

**9. CR21 - Air Quality (Current risk: Amber, 12)**

This corporate risk remains at a score of 12 (possible with a major impact) with a target to reduce it to 6 (possible; serious) by the end of 2024. A range of mitigating actions are being undertaken to address the risk.

The 2021 annual report on air quality data has been approved by Defra and the GLA and is presented to this Committee in a separate paper.

**10. ENV-PHPP 001 Brexit – Impact on Port Health and Animal Health (Current risk: Red, 24)**

This departmental level risk continues to be held at a score of 24 (possible with an extreme impact). Currently, the target is to reduce the risk to a score of 6 (possible; serious) by the end of 2023, but this is dependent upon further developments and policy decisions by Government which are beyond our direct control.

**11. ENV-CO-GC 002 - Road traffic collision caused by City of London staff or contractor who is unfit to drive while on City business (Current risk: Red, 16).**

This departmental risk remains at a score of 16 (unlikely but an extreme impact). We are unable to reduce the risk score until the HR department has resolved ongoing technical issues with the 'Driver Check' database. Cleansing Managers are working closely with senior HR colleagues to progress this work and hope to be in a position to reduce the risk to a score of 8 (rare; extreme) by the end of this year.

**Other significant changes**

**12. Env-CO-GC 006 - A major incident, such as flooding or fire, makes Walbrook Wharf unusable as a depot (Current risk: Amber, 8)**

This was previously a Departmental level risk for the Department of the Built Environment. However, it is now considered that the risk can be appropriately managed at service level within the new Environment Department and it has been de-escalated accordingly.

As a service level risk for the Cleansing Service, the risk is scored as Amber 8: unlikely but with a major impact on the ability to deliver cleansing and waste services should it occur. We are unable to further reduce the likelihood or impact of the risk, but undertake appropriate actions, including regular review and testing of the Business Continuity Plan, to maintain the risk at its current score.

**Identification of New Risks**

**13. New and emerging risks are identified through a number of channels, the main being:**

- 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, such as Brexit and the COVID-19 pandemic.
- The risk register may be refreshed over and above the stated process for review and oversight, in response to emerging issues or changing circumstances.

## **Corporate & Strategic Implications**

14. **Strategic implications:** 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.

15. **Financial implications:** None

16. **Resource implications:** None

17. **Legal implications:** None

18. **Risk implications:** The proactive management of risk, including the reporting process to Members, demonstrates that each service area is adhering to the requirements of the City of London Corporation's Risk Management Policy and Strategy.

19. **Equalities implications:** There are no proposals in this report that would have an impact on people protected by existing equality legislation.

20. **Climate implications:** None

21. **Security implications:** None

## **Conclusion**

22. Members are asked to note that risk management processes within each service area adhere to the requirements of the City Corporation's Risk Management Framework. Risks identified within the operational and strategic responsibilities of each area are proactively managed.

## **Appendices**

- Appendix 1 – City of London Corporation Risk Matrix
- Appendix 2 – Environment Department Key Risks (Port Health & Environmental Services Committee)

## **Contact**

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