

<b>Committee(s):</b> Planning and Transportation Committee	<b>Dated:</b> 11 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 Planning and Transportation 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 service areas of the Environment Department which fall within the remit of your Committee.

### 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 Planning and Transportation 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 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 Planning and Transportation Committee:
  - The Planning and Development Division, including the District Surveyor
  - The City Operations Division: Highways and Transportation services
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. None of the service areas which report to your committee hold any corporate risks.
9. Following the formation of the new Environment Department, risks which were held at a Departmental level within the Department of the Built Environment have been reviewed. One risk remains a Departmental risk; several others are now considered appropriate for management at Service level within the new Department and have been de-escalated accordingly. One former Departmental risk has been deactivated. Two new Service level risks have been identified.

### **Departmental risk**

#### **ENV-CO-TR 001 – Road Safety (Current score: Red, 24)**

10. Formerly a Corporate risk, this risk continues to be held at Departmental level. The current risk score is Red 24 (likelihood: possible; impact: extreme) and the target is to reduce it to Red 16 (unlikely; extreme) by the end of March 2027. Further details of the actions being taken to mitigate this risk and achieve the target are provided at Appendix 2.

### **De-escalated risks**

11. The following risks are now being managed at Service level with the new Environment Department. Each of the risks has been reviewed and the current scores (shown below) have not changed since the last report to your Committee. For information, the risks are included in full at Appendix 2.

- **ENV-PD-PD 007** Adverse planning policy context (Amber, 12)
- **ENV-PD-DS-001** The District Surveyor's (Building Control) Division becomes too small to be viable (Amber, 8)
- **ENV-CO-HW 002** Service/Pipe Subways (Amber, 8)
- **ENV-PD-DM 002** Not being alive to the needs/requirements of the world business centre and the political environment (Amber, 6)
- **ENV-PD-PD 006** S106 and CIL Controls (Green, 4)

### **Deactivated risk**

12. The following risk has been deactivated.

- **ENV-CO-TR 002** Major projects and key programmes not delivered as TfL funding not received (Amber, 8)

13. The risk will be replaced by a new funding-related risk that covers the potential impacts on delivery of the Transport Strategy if TfL and/or City funding is limited or not available.

14. This reflects the fact it is now minor accessibility and road danger reduction projects and strategic projects that are most affected by reductions in TfL funding, and the increased reliance on City funds for major capital projects and programmes, including funding from CIL and the On-Street Parking Reserve.

### **New risks**

15. The following new risks have been identified in relation to the City's car parks. The risks will be managed at Service-level and are included at Appendix 2 of this report for information:

- **ENV-CO-HW 010** Car Parks: Safety (Red, 24)
- **ENV-CO-HW 009** Car Parks: Repairs and maintenance (Red, 16)

16. 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.

### **Corporate & Strategic Implications**

17. **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.

18. **Financial implications:** None

19. **Resource implications:** None

20. **Legal implications:** None

21. **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.

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

23. **Climate implications:** None

24. **Security implications:** None

### **Conclusion**

25. 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 (Planning and Transportation Committee)

## **Contacts**

Joanne Hill, Business Planning and Compliance Officer, Environment Department

T: 020 7332 1301

E: [Joanne.Hill@cityoflondon.gov.uk](mailto:Joanne.Hill@cityoflondon.gov.uk)