

Committee: Grants Committee of the Bridge House Estates Board	Date: 6 March 2023
Subject: CBT Draft Operational Risk Register	Public
Report of: David Farnsworth, Managing Director of BHE	For Decision
Report author: Paul Dudley, Corporate Charity Risk Manager	

Summary

This report presents to the Grants Committee of the Bridge House Estates Board the complete City Bridge Trust (“CBT”) Operational Risk Register, following a review of all of Bridge House Estates’ (“BHE”) risks in 2022. The CBT Operational Risk Register (at Appendix 1) shows current and target scores together with a series of mitigating actions and action owner for the six risks identified. Of the six CBT risks, two are currently scored amber and four are currently scored green. The Grants Committee are asked to approve the Risk Register and confirm that the risks are comprehensive, scored correctly and that appropriate control measures are in place.

Recommendations

It is recommended that the Grants Committee of the Bridge House Estates Board, in the discharge of functions for the City Corporation as Trustee of Bridge House Estates and solely in the charity’s best interests:

- i) Approve the revised and complete CBT operational Risk Register; and,
- ii) Note that operational risk register will be reported to Committee twice per year in line with the BHE Risk Management Protocol 2023.

Main Report







Background

1. The BHE Board concluded a review of their Principal Risk Register in September 2022. Officers subsequently initiated a review of the operational risks within the constituent parts of the charity, including City Bridge Trust and Tower Bridge.
2. The CBT Operational Risk Register review commenced in November 2022 and reported progress to this committee on the identified eight operational risks at the December 2022 meeting.
3. The Grants Committee suggested combining two finance related risks and removing one risk which had been covered in the BHE Board Principal Risk Register, leaving a total of six operational CBT risks. The Committee also noted that further work was required on the identification of existing/new risk actions and ownerships, and that a complete operational risk register would be reported to the Committee at its meeting on 6 March 2023.
4. Officers have been engaged in identifying the appropriate mitigating actions and identifying risk/action ownerships for each of the six risks (see table 1 below). A complete operational risk register is attached as Appendix 1.

Current Position

5. The six risks identified are shown below in risk score order.

Table 1 –CBT Operational Risks in risk score order (Feb 2023)















Risk code	Risk title	Current Risk Score	Current Risk Score Indicator
BHE CBT 012	Grant Making systems	12	
BHE CBT 009	Funding Team Staff recruitment and retention	6	
BHE CBT 007	Non-compliant funding applications and payments	4	
BHE CBT 008	Ineffective budgetary control and financial reporting	4	
BHE CBT 010	Failure to deliver work in the best interests of communities most impacted on by inequality and lack of diversity.	4	
BHE CBT 011	Strategic planning (Bridging Divides)	2	



6. New risks will emerge over time, and it is therefore important for regular risk reviews to take place both by the CBT Management Team and the Grants Committee (twice per year) in line with the BHE Risk Management Protocol and the Charity Commission Guidance CC26 Charities and Risk Management Guidance.

BHE Principal Risks

7. For information, the BHE Principal Risks are shown below to provide assurance to the Grants Committee that other risks such as safeguarding, reputational damage etc are being appropriately managed across the whole charity.

Table 2 – BHE Principal risks in risk score order (Feb 2023)

Code	Title	Current Risk Score	Current score	Target Risk Score	Target score	Target Date	Risk Approach
BHE SLT 006	Structural damage to Bridges	24		24		N/A	Accept
BHE SLT 004	Insufficient Investment Returns	12		8		31-Mar-2024	Reduce
BHE SLT 007	Maintenance of the Bridges	12		8		30-Sep-2023	Reduce
BHE SLT 008	Reputation Management	12		6		31-Mar-2023	Reduce
BHE SLT 001	Failure to deliver BHE's strategy and organisational change	8		4		31-Mar-2024	Reduce
BHE SLT 002	Ineffective charity governance	8		4		31-Mar-2024	Reduce
BHE SLT 005	Safeguarding	8		8		N/A	Accept

Code	Title	Current Risk Score	Current score	Target Risk Score	Target score	Target Date	Risk Approach
BHE SLT 003	Lack of diversity of skills, knowledge, and experience within the charity	6		4		31-Mar-2024	Reduce

Conclusion

8. Following the successful completion and approval of the BHE Principal Risk Register in September 2022, officers initiated a review of the operational risks within constituent parts of the charity. The CBT Operational Risk review began in November and identified a total of 8 risks which were reported to the Grants Committee in December 2022. Following suggestions from the Committee, this list was reduced to a total of six risks.
9. Further work on the identification of existing/new risk actions and ownerships and a complete operational risk register have now been completed and the full CBT Operational risk register is now presented for approval by the Grants Committee today.

Appendices

- Appendix 1 - CBT Operational Risk Register, February 2023

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