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| Committee: Funding Committee of the Bridge House Estates Board | Date: 12 June 2023 |
| Subject: CBT Draft Operational Risk Register | Public |
| Report of: Sacha Rose-Smith, Chief Funding Director | For Decision |
| Report author: Paul Dudley, Corporate Charity Risk Manager | |

Summary

This report presents to the Funding Committee of the Bridge House Estates Board (the Funding Committee) the latest City Bridge Trust (CBT) Operational Risk Register. In line with the Bridge House Estates (BHE) Risk Management Protocol, the operational risk registers will be reported twice yearly to Committees. The CBT Operational Risk Register (at Appendix 1) shows current and target scores for the risks identified, together with a series of mitigating actions. Of the 6 risks, none are scored red, 2 are scored amber and 4 are currently scored green. The Funding Committee are asked to review 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 Funding 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.



Main Report

Current position

1. In line with the BHE Risk Management Protocol, the CBT Operational Risk Register will be reported to the Funding Committee twice a year to ensure the effective oversight and management of risks relating to the ancillary object of the charity.
2. The 6 risks identified in the Risk Register (provided in detail at Appendix 1) are shown below in risk score order.

Table 1 – CBT Operational Risks in risk score order (June 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 |  |

















| Risk code | Risk title | Current Risk Score | Current Risk Score Indicator |
|-------------|--|--------------------|---|
| 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 |  |

3. As shown above, two risks scored amber, and four risks scored green. Mitigating actions are in place for all risks and are being managed appropriately at this stage. No new risks have been identified since the last report to the Funding Committee, although updates have been provided for each risk at Appendix 1.

BHE Principal Risks

4. For information, the BHE Principal Risks are shown below to provide assurance to the Funding Committee that other risks such as safeguarding, reputational damage etc are being appropriately managed across the whole charity. The BHE Board will receive an updated Principal Risk Register at their meeting on 5 July 2023.

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 |
| BHE SLT 003 | Lack of diversity of skills, knowledge, and experience within the charity | 6 |  | 4 |  | 31-Mar-2024 | Reduce |

Conclusion

5. Following a review of the CBT Operational Risk Register in 2022/23, the latest version of the Risk Register is presented to the Funding Committee for review. The Committee are asked to review the Risk Register and confirm that the risks are comprehensive, scored correctly and that appropriate control measures are in place.

Appendices

- Appendix 1 - CBT Operational Risk Register, February 2023

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