

SUR Departmental risks - detailed report EXCLUDING COMPLETED ACTIONS for COMMITTEE

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Rows are sorted by Risk Score

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date/Risk Approach	Current Risk score change indicator
CR37 Maintenance and Renewal of Corporate Physical Operational Assets (excluding housing assets)	<p>Cause: Poor property condition combined with insufficient budget allocation to maintain assets in line with strategy/ commitments/expectations.</p> <p>Event: Misalignment between funding available and that required by the asset (as defined by the relevant Asset Management Strategy).</p> <p>Impact: Built estate becomes not fit for purpose / functions / occupancy. Cost of maintenance and utility costs increases, placing further pressure on City resources. In extreme circumstances there will be H&S implications, leading to potential enforcement action, legal action by tenants or asset failure in whole or part with detrimental effects leading to impact on occupiers</p>	<p>Lielihood</p> <p>Impact</p>	16	<p>The main driver of this risk is the adequacy of funding to manage and mitigate asset risks.</p> <p>This risk is corporate wide, so extending to sites where asset accountability sits with the relevant Premises Controller in occupation.</p> <p>This risk includes the Barbican and the Guildhall School of Music and Drama (GSMD). At these sites there is a requirement to ensure an appropriate experience for audiences, performers, students and staff, to sustain their business models.</p> <p>The risk was discussed in depth at the organisation’s Chief Officer Risk Management Group meeting on 14 August. It was agreed that having a single risk in relation to maintenance</p>	<p>Lielihood</p> <p>Impact</p>	8	31-Mar-2024	

04-Nov-2019 Paul Wilkinson				<p>and renewal' was correct for the organisation (as opposed to multiple related risks), and the scoring was also considered.</p> <p>Whilst funding remains the overriding mitigation, the City Surveyor is working to ensure that accountability and responsibilities for maintenance is understood across the organisation. Where gaps in expertise or capacity exist, the City Surveyor is looking to develop solutions with the Premises Controllers in line with his role as the Head of Profession.</p> <p>18 Aug 2023</p>			Reduce	Constant
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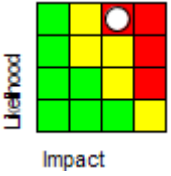
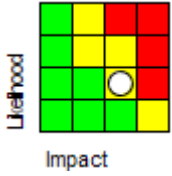

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR37a	Cyclical Works Programme (CWP)	<p>The Cyclical Works Programme (CWP) is the principal way that the backlog of asset maintenance is delivered to Corporate properties (excluding ring-fenced assets).</p> <p>A paper was presented to Operational Property and Projects Sub Committee (OPPS) in April 2023, and subsequently to Resource Allocation Sub Committee (RASC) in June. This identified a funding requirement of circa £133m. This funding would address the repair backlog over a three-year period (including currently outstanding works plus those due over this time horizon).</p> <p>Colleagues in Chamberlain's Department are exploring funding options for this quantum of works, and the City Surveyor is supporting this work by providing data/intelligence on the works required.</p>	Peter Collinson; Sonia Virdee; Paul Wilkinson	18-Aug-2023	31-Mar-2024
CR37b	Ring fenced properties and budgets (CoLP estate, New Spitalfields, Billingsgate and the three private schools	The City Surveyor's Department (CSD) is communicating with ring fenced departments to identify appropriate building maintenance requirements and spend (forward maintenance). These departmental occupiers allocate their own funds for the maintenance of the built assets. Whilst CSD recommends work to be undertaken, it is the occupying department who holds the	Paul Wilkinson; Peter Young	18-Aug-2023	31-Mar-2024

		<p>budget responsibility and thus decides with final control over maintenance activity.</p> <p>This element is being mitigated through the delivery of the recommendations arising from the recent Internal Audit. Whilst there has been progress in some areas, the actions have not been implemented comprehensively across the Corporation. A follow-up review of the Audit Recommendations has been scheduled for autumn 2023 and the department will be supporting this activity.</p> <p>CSD continues to review risks held by departments across the organisation to ensure that this overarching corporate risk correctly captures the pressures felt by our various departments.</p>			
CR37f	Annual Major Capital Bids	<p>The City Surveyor's Department is progressing several capital projects, and these are essential to keep the operational estate including the Guildhall in a good standard. Significant works have been identified from the recent Smithfield Market Condition Survey and if not funded present a live Health and Safety risk for Markets. Some departments submit their own direct bids based upon advice from the City Surveyor. If more H&S works are required, this limits the scope for further improvement projects.</p> <p>There will be no capital bids for 2023/24 – however there will be a small emergency funding pot should any immediate H&S issue arise.</p> <p>The 2024/25 bids are being developed and will be submitted in line with the 06 September deadline.</p>	Peter Young	18-Aug-2023	31-Mar-2024
CR37g	Operational Property Review	<p>The City Corporation has recently commenced an Operational Property Review (OPR) to consider the future property requirements to deliver the organisations services. This will align with the Resource Priority Refresh programme.</p> <p>The review is commencing and further details as to milestones and objectives will be available shortly.</p> <p>Rationalisation of the organisation's property estate will help alleviate pressure on maintenance budgets. However, it should be highlighted that rationalisation will only be able to make a small contribution to the overall position.</p>	Peter Young	18-Aug-2023	31-Mar-2024
CR37h	Renewal Programmes	<p>The Barbican Centre renewal project is a £50-£150m project which will repair the building to it can function long into the future, opening up under-utilised space, improving accessibility, whilst delivering against its sustainability aspirations. Public survey and workshops were completed in December 2022 with further public consultations scheduled for 2023 in advance of an initial business case being submitted to the City Corporation.</p> <p>The Guildhall School of Music and Drama (GSMD) are working closely with corporate colleagues to develop and further the Barbican Renewal Team. Further, it is working with the Department of Community and Children's Service in respect of waterproofing works, and the City Surveyor on Fire Safety. GSMD have also engaged space consultants who are</p>	Claire Spencer; Jonathan Vaughan; Peter Young	18-Aug-2023	31-Mar-2024

		<p>undertaking a wide-ranging review of the site. This is with the view that current and future needs are detailed, and future funding bids align with this requirement.</p> <p>The Guildhall Renewal programme has recently been presented to Members. However, this programme is at an early stage, so will not offer immediate mitigations to this risk.</p>			
CR37i	Integrated Facilities Management (IFM)	The new Integrated Facilities Management (IFM) contract commenced in April 2023, and this has added resilience to maintenance and repair functions. This benefit is particularly apparent at the Barbican Centre and the Guildhall School of Music and Drama.	Peter Collinson	18-Aug-2023	31-Mar-2024

		not desired, it offers far better market coverage and reflects the prevailing external conditions. This will be kept under review.			
SUR SMT 005d	Contracts	Chamberlain's procurement and the department have explored the inclusion of fluctuating provisions in our contracts. This action has resulted in attracting a greater number of contractors to bid on projects, however the inflation risk has been transferred to the organisation. The value of this approach will be continually reviewed.	Ola Obadara	18-Aug-2023	31-Mar-2024
SUR SMT 005e	Contract Engagement	We are looking to engage early with our contractors on a consultancy basis to obtain as much information as possible prior to contract.	Ola Obadara	18-Aug-2023	31-Mar-2024
SUR SMT 005f	Specification and Materials	Ensuring materials are readily available before and during the design phase and, if possible, procure in advance of the contract. Further consideration is being given to the origin of source materials to ensure supply.	Ola Obadara	18-Aug-2023	31-Mar-2024

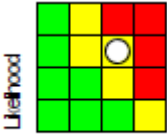
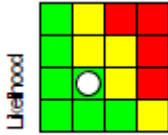
Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 006a	Commissioning stage	The department has commenced going to market at RIBA stage 3 rather than RIBA stage 4. This is designed to prevent abortive design and development. This change followed close work with the procurement team in Chamberlain's. The impact of this change will be tracked over the coming months.	Ola Obadara	18-Aug-2023	31-Mar-2024
SUR SMT 006b	Legal	The team is working closely with the legal department to ensure that procurement activity aligns with project objectives and the consultants meet quality requirements. Where performance has been poor action has been taken against consultants – these cases increase end-to-end timescales.	Ola Obadara	18-Aug-2023	31-Mar-2024
SUR SMT 006c	Procurement	Working with Procurement to increasing due diligence, particularly in regard to the quality of contractor appointed (rebalancing the quality/cost equation). This is with the view that we will get better quality applications and this risk may reduce.	Ola Obadara	18-Aug-2023	31-Mar-2024
SUR SMT 006d	Scope of works	The team is reviewing and tightening up the scope of works specification. This will counter opportunistic interpretations of the scope of works that we were seeing from some consultants.	Ola Obadara	18-Aug-2023	30-Sep-2023
SUR SMT 006e	Review of appointment documents	The City Surveyor's Department is seeking funding to undertake a review of some of the appointment documentation. This will be with the view that action could be taken where required, and any lessons can be applied to future appointment.	Ola Obadara	24-Aug-2023	31-Mar-2024

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SUR SMT 009 Recruitment and retention of property professional	<p>Cause: Uncompetitive pay and benefits structures within some professional grades; poor quality work environments; lack of professional progression over recruitment freeze and restructuring period; increased employee focus on work-life balance</p> <p>Event: Increasingly difficult to recruit suitably skilled staff at the correct level for the grade being recruited for. Increasingly difficulty to keep staff who get better reward packages from other organisation (both commercial and public sector)</p> <p>Impact: Increased vacancies, objectives unachieved or delivered late (including project delivery and income generation), reduced customer satisfaction, less real estate activity, reduced employee wellbeing, demotivation of staff. Increased costs born by the organisation through recruitment campaigns and training etc, or to the department through filling vacancies through comparatively expensive temporary contracts.</p>		16	<p>This risk has been identified within a number of divisions within the City Surveyor’s Department. The impacts vary by Group with the risk being particularly acute in Investment Property, Surveying and Project Management.</p> <p>This is aligned to pressures faced in other City departments, and CSD is engaging with corporate colleagues to ensure that the particular pressures felt within this department are understood broadly. This is reflected within the 8 themes identified and communicated by Corporate HR.</p> <p>The City’s pay and reward review has recently commenced (January 2023) and the external consultancy Korn Ferry will be assisting in this analysis.</p> <p>The department has also fed back into the Target Operating Model (TOM) report, being authored by Town Clerk’s Department. The TOM programme has been seen by many staff as challenging, and ideally lessons can be learned for future change programmes, both in CSD and outside. The City Surveyor has scheduled meetings.</p> <p>The City’s revised workplace posture (minimum 2 days in-the-office working) is being seen as a positive by staff and assists in the retention of</p>		8	31-Mar-2023	

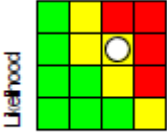
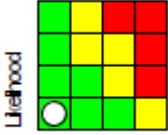
21-Jan-2022			<p>staff who may otherwise leave for greater reward packages at competitor organisations. This assessment is supported by CIPFA analysis which highlights that 50% of local authorities have moved to remote working, and 68% of employees go into the office for meetings or for 1-2 days.</p> <p>Whilst these activities are being pursued corporately, the department continues to ensure that it does everything it can do internally to mitigate this risk.</p> <p>24 Aug 2023</p>				Reduce	Constant
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 009a	Advertising	The department and the HR Business Partner has produced a recruitment best practice document, which includes ensuring that vacant posts are advertised in areas which will generate interest from suitably qualified candidates, including those currently under-represented within our workforce.	Paul Wilkinson	02-Jun-2023	31-Mar-2024
SUR SMT 009b	Best Practice	<p>Including delivery of appraisals, regular one-to-ones, team and group meetings. This aims to improve communications at all levels, ensuring that CSD is a positive work environment and that issues/blockers can be raised and addressed. In some areas career graded roles have been instituted, and deployment can be further explored.</p> <p>CSD is supporting the work of Corporate HR in moving towards all on-line appraisal documentation. This will enable greater tracking of compliance.</p>	Paul Wilkinson	02-Jun-2023	31-Mar-2024
SUR SMT 009c	Communication	Quarterly meetings from the department's Chief Officer so all staff feel engaged with the activities of the department.	Paul Wilkinson	02-Jun-2023	31-Mar-2024
SUR SMT 009d	Engagement with HR	Some of the items highlighted as the 'causes' of this risk are outside the control of CSD, and engagement with our Corporate partners will be critical to overcoming these items. This departmental risk directly supports the Corporate Risk on "Recruitment and Retention"	Paul Wilkinson	24-Aug-2023	31-Mar-2024

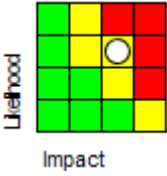
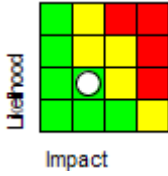
		(CR39). CR39 is subject to a "deep dive" from Audit and Risk Management Committee, and the City Surveyor's Department will review any outcomes from this consideration.			
SUR SMT 009e	Equalities, Diversity and Inclusion	The department has an active ED&I network, which regularly engages with the City Surveyor and the Senior Management Team. This is seeking to make the department a more attractive destination for under-represented groups and seek to retain and progress staff from all backgrounds. There is corporate HR representation on this departmentally-led Group.	Ola Obadara	02-Jun-2023	31-Mar-2024
SUR SMT 009f	Pay and Review Survey	The Corporation is reviewing pay & reward and the department is feeding into this activity. The department has highlighted that there are specific pressures within this department which may make the issue more acute within CSD roles. It should be noted that the earlier reward scheme (where those on top-of-grading salaries could achieve performance related pay) was withdrawn prior to the review conclusions, and this has made our local offer less competitive than our peers.	Paul Wilkinson	24-Aug-2023	31-Mar-2024

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SUR SMT 002 Insufficient budget to meet user and asset demand at Guildhall 10-Feb-2015 Peter Young	Cause: Insufficient funding available for Major Works, Cyclical Works and Reactive Maintenance to manage the repair demands on the Guildhall Complex. Event: Insufficient asset funding. Impact: The standard of the Guildhall Complex will deteriorate, resulting in; poorer working environments leading to increased dissatisfaction and lower employee productivity and potential increase in breakdowns and reactive costs as the basic infrastructure of the Complex becomes beyond economic repair.	 Likelihood Impact	12	The principal mitigation actions are related to forecasting and monitoring the allocation of financial and human resources. The wider consideration of the Guildhall complex was the subject of a report to Operational Property and Projects Sub Committee (OPPSC) in January 2023, where a sum was agreed to outline a viable scheme. 18 Aug 2023	 Likelihood Impact	4	31-Mar-2024	Constant
							Reduce	

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 002e	Fundamental Review of the North and West Wings of Guildhall	Options for the future of the North and West Wings to provide modern, fit-for-purpose accommodation for Members and Officers is now underway. The options report was presented to OPPSC in January 2023 and to Policy & Resources Subsequently. This agreed a further sum to develop a viable scheme. A follow up Gateway 2 report will be presented to Members in the autumn.	Paul Wilkinson; Peter Young	02-Jun-2023	31-Mar-2024
SUR SMT 002f	Cross departmental working with Remembrancer's Events Team.	Single point of contact for Profit and Loss for event space created within the Remembrancer's. Shadow budget now agreed. The business plans of both the Remembrance and the City Surveyor have highlighted the delivery of this activity as a priority for 2023-24. The mechanics of the Trading Account was presented to Finance Committee such that Members could have a comprehensive understanding of the agreed approach.	Remembrancer; John James; Peter Young	24-Aug-2023	31-Oct-2023
SUR SMT 002g	Maintenance Management	The department continues to work with CBRE, our Building Repairs and Maintenance Contractor, to review and improve the correct Planned Preventative Maintenance (PPM) regime.	Peter Collinson	18-Aug-2023	31-Mar-2024

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SUR SMT 010 Insurance - Investment and Corporate Estates 26-May-2022	<p>Cause: Revaluation of the City Corporation's estates (Investment and Corporate) does not happen in a timescale compliant with insurance policy requirements or the terms of leases.</p> <p>Event: The City fails to meet the provision under its insurance policies that revaluations are undertaken by a RICS surveyor at least every five years (Investment and Corporate). The City is in breach of its legal obligations as a landlord under the terms of its leases to ensure that the full re-instatement value is insured.</p> <p>Impact: The insurance policy does not respond in full (Investment and Corporate). Potential legal action from commercial occupiers in the event of an incident for which there is not appropriate cover.</p>	 Likelihood Impact	12	<p>This risk identifies the need of re-valuation of the City of London Estates – (Investment and Corporate) to ensure that the City reaches its legal obligations under its insurance policies.</p> <p>The last on-site valuations of the Investment Property Group estate and Corporate buildings (other than special sites) was undertaken in 2015. Funding has recently been identified and a budget is now in place. Instructions are being made to our contractors such that they can proceed with delivery. Once this is in train the risk score should start to reduce towards target.</p> <p>24 August 2023</p>	 Likelihood Impact	1	31-Mar-2024	Constant
							Reduce	

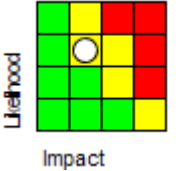
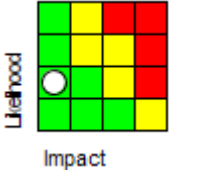
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SUR SMT 010a	Register of data	A property schedule exists and this has been updated with the survey carried out on Special Sites (by RLF).	Robert Murphy	18-Aug-2023	31-Dec - 2023
SUR SMT 010b	Funding	Where leases allow, the cost can be recovered from commercial tenants, and operational occupiers as appropriate. Funding has been agreed and a budget line identified (Jan 2023). As this is now in place instructions are due to be placed with contractors such that this activity can progress.	John James; Robert Murphy	18-Aug-2023	31-Mar-2024
SUR SMT 010c	Delivery	The delivery of this activity will be done by an external party, and the tender is scheduled to be published June/July period. The department is currently working with Procurement to ensure the optimal route to market.	Robert Murphy	18-Aug-2023	31-Mar-2024

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SUR SMT 011 Contractor Failure 13-Feb-2023 Ola Obadara	Cause: Market conditions Event: Failure of either a main contractor, or a substantial sub contractor Impact: Delayed delivery of projects, or the delivery of projects at a higher cost		12	This risk relates to the failure of a main contractor, or a main sub contractor. Particularly with the second of these element the City Corporation does not have significant influence over who is commissioned to undertake work. 18 August 2023		4		Constant
							Avoid	

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 011a	Tendering	The department has commenced work with Procurement to ensure that our commissioning takes greater account of contractor and sub-contractor failure. We may need to have a greater say in who a main contractor identifies as an appropriate sub-Contractor. Further actions to follow this initial engagement.	Ola Obadara	18-Aug-2023	31-Mar-2024
SUR SMT 011b	Review Process	The department is instituting six-monthly reviews of contractor suitability. Historically this only happened at contract commencement. This will better prepare the organisation should the contractor (or significant sub-contractor) begin to experience difficulty.	Ola Obadara	18-Aug-2023	31-Mar-2024

SUR SMT 007b	Managing supplier failure	The City is contracted with TGP energy, which is a large multi-national with risk divested across both supply and generation. TGP has a low portion of income generated from UK domestic customers (thereby minimising price capping implications). Since market spikes have subsided from the 2022/23 highs, subsequent risk of supplier failure ha also fallen.	Peter Collinson; Graeme Low	24-Aug-2023	31-Mar-2024
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 012a	Project Review & Claims Consultants	The department is reviewing projects alongside the contracts to understand our position. Further, we have engaged external Claims Consultants to ensure that the City's position is protected, and risks managed.	Ola Obadara	31-Aug-2023	31-Mar-2024

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SUR SMT 008 Special Structures 20-Oct-2021 Peter Young	Cause: Lack of central register for special structures and/or ambiguity over accountability, responsibility for budget provision Event: Incomplete, or not up-to-date register of special structures and planned maintenance regime Impact: Potential failure of special structure and/or forced closure of asset / space		6	Special structures relate to those structural elements with an asset which supports other (often public) elements, so captures basements, sub-road spaces, supporting structures etc. There is no current central register of these structures within the portfolio, and therefore no current prescribed or routine inspection regime in place to ensure that these structures remain in a suitable condition. 18 Aug 2023		2	31-Mar-2024	Constant
							Reduce	

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
SUR SMT 008a	Special Structures register	<p>Funding to undertake the technical inspections, create the inventory and survey current condition was approved as part of the Cyclical Works Programme (CWP) 22/23 Bid List. The survey programme is now in progress.</p> <p>The initial desktop survey will develop a list of structures which require more detailed assessment, and structural inspections are programmed to follow.</p> <p>The survey process is also developing survey programme for Special Structures (some assets will require more frequent assessment). This information will be captured on the Computer Aided Facilities Management (CAFM) software.</p>	Peter Collinson	18-Aug-2023	31-Mar-2024
SUR SMT 008b	Special structures – investment portfolio	Register for the investment estate exists but requires a refreshed survey to ensure on-going accuracy of information.	Robert Murphy	18-Aug-2023	31-Mar-2024
SUR SMT 008d	Special Structures – other assets	Corporate Property Director and Operations Group Director to engage with other departments	Peter	18-Aug-	31-Mar-

		to ensure that there is clarity over responsibilities and what actions need to progress to mitigate this risk comprehensively across the City of London Corporation.	Collinson; Peter Young	2023	2024
SUR SMT 008e	Special Structures – works	Should the inspection process (action SUR SMT 008a) identify assets which require additional works to bridge the gap between current and desired condition, further funding bid requests may result. Note that this action is subject to the availability of funding (CWP bid process, as outlined in action CR37a).	Peter Young	18-Aug- 2023	31-Mar- 2024