

Committee(s): Finance Committee – For information	Dated: 7 May 2024
Subject: Chamberlain’s Departmental Risk Management Update	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	7
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain’s Department?	n/a
Report of: The Chamberlain	For Information
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Summary

This report has been produced to provide the Finance Committee with an update on the risks the Chamberlain’s department faces.

There are currently three RED risks on the Corporate Risk Register within the responsibility of the Chamberlain and two RED risks on the Chamberlain’s departmental risk register. Horizon scanning for potential risks and opportunities is undertaken regularly at management meetings.

The team continue to monitor and mitigate the Chamberlain’s Corporate and Departmental risks. In preparation for the Budgets for 2025/26 fiscal year, Deep Dives are scheduled for early May to determine the challenges and opportunities faced by departments, supported by radical thinking on a transformational programme to reduce future annual deficits. The transformation programme will also inform the presentation to Resource Allocation Sub Committee Away Day in July, providing options for Member consideration. Work continues on closing the 2023/24 accounts, which will provide clarity on the five-year projection for the Housing Revenue Account. The DITS team are working at pace to review the current reliance on the outgoing Copper network, with the findings informing the project plan.

Recommendation

Members are asked to note the report.

Main Report

Background

1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to the Committee the key risks faced in their department. The Finance Committee has determined that it will receive the Chamberlain's Risk Register at each meeting.

Current Position

Corporate Risks – RED

2. The Chamberlain's Department currently has three RED Corporate Risks, both risks are regularly reviewed and a number of mitigating measures are in place to prevent the realisation of these risks.
3. **CR38 Unsustainable Medium Term Finances – City's Estate** which has a risk score of RED 16. A long-term financial plan is being planned to prepare for the Resource Allocation Sub Committee Away Day in July. Chamberlain's led Deep Dives are scheduled for early May to review the current and future challenges and opportunities for our Corporate and Service Departments. Supported by a review of our existing capital commitments, operational property and income-generation schemes is taking place. In addition, options are being worked on by the Executive Leadership Board on radical thinking to bring down the annual operating deficit. The findings of this review will support the formulation of a longer-term financial plan.
4. **CR40 PSTN Switch Off 2025** has a risk score of RED 16. A Solutions Architect has been assigned to lead this project and will be the conduit between our communications suppliers and the City of London stakeholders. The focus is currently on working with suppliers to identify which services rely on the copper network. This review is anticipated to take six months to complete, and a programme of work will be developed.
5. Details of **CR16 Information Security** are available in Appendix 3 (non-public).

Departmental Risks – RED

6. **CHB002 Housing Revenue Account (HRA) Finances** which has a risk score of RED 16. The team are currently focusing on closing for 2023/24, once the outturn report is available for the HRA account, a new five-year financial projection will be produced. The projection is expected to be produced by the 31st of May 2024. The finance team are supporting Housing colleagues in implementing the recommendations from the Pennington review.
7. **CHB004 Casual Staff Pensions Entitlement/Enrolments** which has a risk score of RED 16. Further information and identified mitigating actions are detailed in Appendix 2 (non-public).

Conclusion

8. Members are asked to note the actions taken by Chamberlain's Department to manage all risks. Actions aim to continue monitoring and reducing the risk level and will be reported on at future Finance Committees.

Appendices

- Appendix 1 – Departmental Risk Register
- Appendix 2 – Digital Information Technology Service (DITS) Risk Register
- Appendix 3 – Non-Public Risk Register

Background Papers

Chamberlain's Departmental Risk Management Update Reports

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