

Committee(s): Finance Committee – For information	Dated: 4 June 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
Report author: Leah Woodlock, Chamberlain’s Department	

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.

At the beginning of May, teams had Departmental Deep Dives, where they saw a summary of the financial situation and talked about pressures and mitigations, links to the transformation programme and income generation opportunities. The deep dive discussion and findings will inform the position presented at the Resource Allocation Sub Committee (RASC) Away Day in July.

The Digital Information Technology Service (DITS) team continued work on the PSTN Switch Off programme, in mid-April 75% of connections were migrated to a new MPF (metallic path facilities). The new MPF connection supports native voice services, and works with existing analogue handsets/wiring.

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, all risks are regularly reviewed and several 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. Departmental Deep Dives have been conducted since the last update, the Financial Service Director begins each session by outlining the current financial position and the forecast for each fund over the medium term (5 years). Chief Officers were asked to prepare with the support of their financial business partner before the meeting, a breakdown of their revenue and capital pressures and opportunities over the next 6 years.
4. The discussion reviewed the impact of budget pressure, the impact of inflation, salary assumptions, savings realisations, income generation opportunities/mitigations and capital programme commitments for each department. The outcomes of these discussions will be presented to RASC Away Day.
5. Additionally, this risk was the subject of a deep dive at the May Risk Management Forum, which provided the opportunity to reiterate the importance of finance diligence from raising purchase orders to budget management accountability.
6. **CR40 PSTN Switch Off 2025** has a risk score of RED 16. The DITS Project Management Office are on track to complete the comprehensive review of live connections and detail their criticality. A findings report will be compiled and shared with relevant stakeholders across the Corporation in June 2024. Further details on the project delivery are detailed in Appendix 1.
7. Details of **CR16 Information Security** are available in Appendix 2 (non-public).

Departmental Risks – RED

8. **CHB002 Housing Revenue Account (HRA) Finances** which has a risk score of RED 16. The draft outturn report is anticipated to be available at the end of May which will provide further clarity on the 5-year financial projection.

9. **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

10. 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 – Non-Public Risk Register

Background Papers

Chamberlain's Departmental Risk Management Update Reports

Leah Woodlock

Chamberlain's Project Manager

Chamberlain's Department

E: Leah.Woodlock@cityoflondon.gov.uk