

City of London Corporation Committee Report

Committee(s): Projects and Procurement Sub Committee	Dated: 04/02/2025
Subject: Commercial, Change & Portfolio Delivery Risk Register Update	Public report: For Information
This proposal: <ul style="list-style-type: none">• delivers Corporate Plan 2024-29 outcomes• provides statutory duties• provides business enabling functions	Enables All
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	£
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of:	Caroline Al-Beyerty, Chamberlain
Report author:	Leah Woodlock, Chamberlain's Department

Summary

This report provides an update on the risk management activities within the Commercial, Change & Portfolio Delivery (CCPD) Division of the City of London Corporation. It highlights the outcomes of a recent risk workshop, the current risk landscape, and the mitigation measures in place. The report notes that the CCPD Division has one AMBER Corporate Risk related to Major Capital Schemes and five service-level risks, all of which are regularly reviewed and managed. This report will be presented quarterly to keep the Committee informed of current and potential risks and the success of the affiliated mitigating actions.

Recommendation(s)

Members are asked to:

- Note the report.

Main Report

Background

1. The Risk Management Framework of the City of London Corporation mandates that each Chief Officer regularly reports to Committee on the key risks faced in their department. The Projects and Procurement Sub-Committee will receive quarterly updates on the Commercial, Change & Portfolio Delivery Division's Risk Register.
2. Chamberlain's Financial Risks are reported regularly to Finance Committee and Digital Information Technology Service (DITS) as a part of the Chamberlain's Department risks are reported to the Digital Services Committee for oversight.

Current Position

1. In Q4 2024, a risk workshop was held with the Commercial Leads. The session covered the corporate risk management approach, Chamberlain's risk approach, and the distinction between issues and risks. It highlighted the significance of risk management in decision-making, resource allocation, and prioritisation. The workshop detailed the process and importance of identifying, evaluating, and controlling risks, as well as the various types of risks and their scoring. It also outlined the responsibilities of officers in managing risks and provided insights into the risk review hierarchy within Chamberlain's. Additionally, the workshop included interactive sessions on identifying current and future risks, categorising and prioritising risks, and discussing mitigation strategies.
2. The workshop will be repeated for all teams in the Division in Q1 2025 to update the risk register and ensure mitigation measures are in place.
3. The Commercial, Change and Portfolio Delivery (CCPD) Division currently has **one** AMBER Corporate Risk (CR33 – Major Capital Schemes) and **five** service level risks. All of the risks are regularly reviewed and mitigating actions are in place to prevent the realisation of these risks.
4. The CCPD Division currently have the no RED Risks on the risk Register. Detail of the CCPD managed risks are included in appendix 1 of this report.

Strategic implications – Alignment with the Risk Management Framework, to prevent realisation of risks that would prevent the City of London Corporation delivering the Corporate Plan.

Financial implications – Failure to mitigate risks would increase the risk of financial losses.

Resource implications – None

Legal implications – Failure to mitigate risks would increase the risk of legal action/challenge.

Risk implications – as per the report.

Equalities implications – None.

Climate implications – None.

Security implications – None.

Conclusion

5. In conclusion, the CCPD Division remains committed to proactive risk management, ensuring that all identified risks are regularly reviewed and mitigated.

Appendices

- Appendix 1 – CCPD Risk Register

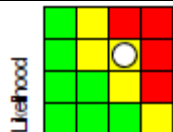
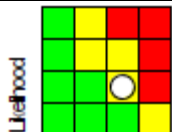

Leah Woodlock

Chamberlain's Project Manager

Chamberlain's Department

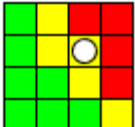
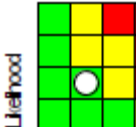

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Appendix 1 - CCPD Risk Register

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
CR33 Major Capital Schemes	<p>Cause: The City Corporation has set itself the ambition to deliver at least three landmark multi-million pound capital schemes over the next decade (currently programmed to complete 2028).</p> <p>Event: there is insufficient technical and professional capability and resource to effectively deliver the schemes.</p> <p>Effects:</p> <ul style="list-style-type: none">Schemes not delivered on timeInability of the organisation to move at the required pacePotential for increased capital costs as a result of delayed decision makingReputational impact on the Corporation vis a vis key stakeholder across London and UK Govt.Potential revenue impact of delayed delivery to services affected (e.g. Markets, Museum of London Grant, City of London Police)failure to deliver on corporate outcomes	 <p>Uplift</p> <p>Impact</p>	12	<p>The project governance review has recommended a move to a portfolio management model which will more effectively manage the prioritisation of projects aligned to strategic objectives and the allocation of resources to enable successful delivery.</p> <p>Work continues on procuring a new project management system that will enable effective portfolio financial management and investment decisions.</p> <p>Monthly monitoring of cashflow forecasting continues and is reported to relevant committees and the Chamberlain’s Assurance Board.</p> <p>The new project procedure is currently being drafted and proposals tested. The final draft is due to be approved by Q4 24/25.</p>	 <p>Uplift</p> <p>Impact</p>	8	31-Mar-2029	
14-Feb-2020				03 Dec 2024			Reduce	Constant
Caroline Al-Beyerty								

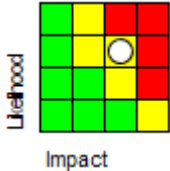
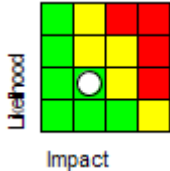

Action no, Title,	Action description	Latest Note		Action owner	Latest Note Date	Due Date
CR33h New Project Governance Approach	Implement a new project governance approach	<p>The Town Clerk's portfolio board commenced in November 2023.</p> <p>A portfolio overview report approved by Projects and Procurement sub-committee, with one-off funding approved by CoCo on 7 March, further work underway to identify permanent funding source.</p> <p>A drafted project procedure and guidance is currently being reviewed by the project governance working group.</p> <p>Work ongoing with project procedure, construction of gateways and scenarios. Significant level of change for departments which suggests a phased approach.</p>		Genine Whitehorne	03-Dec-2024	31-May-2025

		<p>. Phase 1 – Provision of PM Toolkit and enabling portfolio reporting to Portfolio Board and Members – early 2025</p> <p>. Phase 2 – Roll out of new Gateways</p> <p>Plan to be presented and approved at Portfolio Board and PPsC.</p>			
CR33j Project Management Academy	Refresh the Project Management Academy	<p>Discussions ongoing with PM Academy. PM Academy responding to CoL with their outline proposal for provision of revised training in line with new project procedure and framework/ PM Academy seeking for partners to undertake Green Book training.</p> <p>A vacancy in the Projects Skills and Capability Manager role is contributing pressures.</p>	Matthew Miles	03-Dec-2024	31-Jan-2025
CR33k New Project Management System	Procure and implement a new project management system	<p>A procurement exercise and route to market is being utilised to procure the new project management system.</p> <p>Contract signed with Cora. Statement of work (SOW) needs further work and clarification to agree scope and estimates of configuration effort. Next step is requirements workshops.</p>	Matthew Miles	03-Dec-2024	28-Feb-2025
CR33l Cashflow and Forecast Monitoring	Monitor the high-level cashflow/forecast monthly	<p>The Investment Management Monthly Meeting has been established.</p> <p>The Chamberlain's Assurance Board has also been established to review the financial dashboards and forecasts for the Major Programmes, with updates provided to the Portfolio Board.</p> <p>Cashflow forecasting has been extended to include business as usual and will be presented to Investment Committee at its December meeting. Following this quarterly update will be provided to Investment and Finance Committees.</p>	Sonia Virdee	03-Dec-2024	31-Mar-2029
CR33m Secure Third-Party Funding	Secure Third-Party Funding	A project update report has been prepared Finance Committee, City Bridge Foundation Board and Policy & Resources Committee on a regular basis. This will continue throughout the lifespan of the Major Programmes.	Sonia Virdee; Paul Wilkinson	03-Dec-2024	31-Mar-2029
CR33n Provide regular Member updates	Provide regular Member updates	A project update report has been prepared Finance Committee, City Bridge Foundation Board and Policy & Resources Committee on a regular basis. This will continue throughout the lifespan of the Major Programmes.	Sonia Virdee; Genine Whitehorne	04-Sep-2024	31-Mar-2029

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
CHB CCPD 001 Procurement ACT 2023 Readiness	<p>Cause: Ineffective implementation of the new Procurement Act, effective from 24 February 2025, across the City of London Corporations. The 2023 Act replaces the UK's complex EU-based system post-Brexit, aiming to simplify and modernise procurement, increase transparency, and improve accessibility for small businesses and new entrants.</p> <p>Effect: If the City of London Corporation</p>	 <p>Use of Impact</p>	12	The commercial service is actively addressing the risk of incorrect implementation of the Procurement Act 2023 by conducting comprehensive training sessions for the Commercial team. Additionally, a thorough review of the Procurement Code is underway to ensure alignment with the new regulations. They are also engaging with stakeholders to gather feedback and address concerns.	 <p>Use of Impact</p>	4	31-Mar-2025	

	misimplements the new Procurement Act 2023, several issues could arise: Compliance Issues, Inefficiencies in Procurement Processes, Lack of Oversight.			These efforts aim to ensure a smooth transition to the new procurement framework and mitigate potential challenges.				
31-Dec-2024	Impact: The incorrect implementation/adoption of the Procurement Act 2023 could have significant negative impacts: Financial Losses, Reputation Damage, Reduced Supplier Confidence and Missed Opportunities for Improvement.			31 Dec 2024			Avoid	Constant
Nish Dubey, James Carter								

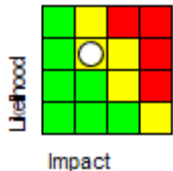
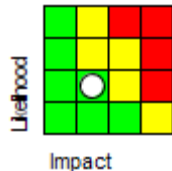

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB CCPD 001a	Conduct a comprehensive review of existing procurement processes and documentation to ensure they align with the new regulations.	This involves updating procurement codes, creating new templates, and ensuring that all documentation is clear and accessible. Also ensuring that the intranet is up to date with the applicable information.	James Carter, Sue Smith	31-Dec-2024	24-Feb-2025
CHB CCPD 001b	Ensure that all relevant staff members are thoroughly trained on the new regulations and their implications.	This includes understanding the changes to procurement procedures, documentation, and compliance requirements. Regular training sessions and workshops can help keep everyone up-to-date.	James Carter	31-Dec-2024	24-Feb-2025
CHB CCPD 001c	Maintain clear and consistent communication with all stakeholders and customers involved in the procurement process.	This includes providing regular updates on the implementation progress, addressing any concerns, and ensuring that everyone is aware of their roles and responsibilities.	James Carter, Commercial Leads	31-Dec-2024	24-Feb-2025
CHB CCPD 001d	Stakeholder Engagement: Engage with suppliers and other stakeholders.	Engage with suppliers and other stakeholders to gather feedback and address any concerns they may have about the new regulations. This can help build trust and ensure that the procurement process is transparent and fair.	Commercial Leads	31-Dec-2024	24-Feb-2025

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
CHB CCPD 002 Supplier Management	Cause: The supplier management process is currently facing several challenges. Firstly, there is poor data and self-reporting on supplier performance, which makes it difficult to accurately assess and manage supplier capabilities. There is an increased legal and compliance risks due to reliance on supplier T&C's rather than city terms, which may not adequately protect the city's interests Furthermore, departments are undertaking pre-market engagement without commercial support or guidance, which is essential for compliance purposes. There is also an omission of key performance indicator (KPI) reporting		12	As a part of the COL Commercial Transformation Programme, a Contract Management Delivery Model workstream has been established. The aim of this initiative is to enhance the accuracy, efficiency, and strategic management of contracts within the City of London Corporation. This includes a rapid refresh of the contracts register to ensure data accuracy and completeness, implementing a Contract Management Segmentation Model to classify contracts based on value and risk, and introducing a		4	31-Mar-2025	

	<p>and contract management, which are critical for monitoring and ensuring supplier performance. Lastly, having incorrect contact details further complicates communication and coordination with suppliers, leading to potential misunderstandings and delays.</p> <p>Event: is unable to effectively manage its suppliers due to several underlying issues.</p> <p>Effect: The effect of this supplier management risk is multifaceted and can have significant consequences for the Corporation. Increased legal and compliance risks arise from relying on supplier terms and conditions (T&C's) rather than city terms, which may not adequately protect the city's interests. Not adhering to the Procurement Code can lead to market manipulation, resulting in unfair competition and ineffective market engagement, causing missed opportunities or incorrect supplier selection. Additionally, there is a heightened risk of supplier failure, which can disrupt service or product delivery. Financial losses are also a concern due to poor contract management and inappropriate awarding. Furthermore, the Corporation's reputation may suffer due to perceived or actual mismanagement, leading to reputational damage and heightened risk. Overall, these effects can undermine the Corporation's ability to effectively manage its suppliers and achieve its strategic objectives.</p>			<p>contract management centre of expertise to provide advice and best practices. Additionally, the initiatives involve creating a Centre of Expertise within Commercial Services to support contract managers, delivering a refreshed contract management framework, and evaluating software options to monitor Responsible Procurement and Social Value commitments.</p> <p>[add Monica's update here]</p>				
09-Jan-2025 Nish Dubey				10 Jan 2025			Reduce	Increasing

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB CCPD 002a	Implement a Robust Supplier Performance Monitoring System	Establish a comprehensive system for collecting and analysing supplier performance data. This system should include regular self-reporting by suppliers, as well as independent audits and assessments. By having accurate and up-to-date performance data, the organization can make informed decisions and address any issues promptly.	Aga Watt	10-Jan-2025	30-Sep-2025
CHB CCPD 002b	Enhance SME Engagement	Actively involve small and medium enterprises (SMEs) in the supplier management process. This can be achieved by creating forums for SMEs to share their insights and expertise, as well as providing training and support to help them meet the Corporation's standards. Engaging SMEs will ensure that their valuable contributions are utilised, leading to better supplier management outcomes.	Commercial Leads	10-Jan-2025	30-Sep-2025
CHB CCPD 002c	Improve Contract Management	Establish a centralized system for maintaining accurate contact details and managing contracts. This system should include regular updates and checks to ensure that contact information is correct and that key performance indicators (KPIs) are being monitored. By	Aga Watt	10-Jan-2025	31-Dec-2025

		improving communication and contract management, the organization can enhance coordination with suppliers and ensure that performance is appropriately evaluated.			
CHB CCPD 002d	Standardise Procedures	Develop and enforce standardized procurement procedures that align with the procurement code. These procedures should include clear guidelines for pre-market engagement, supplier selection, contract management, and performance monitoring. Ensure that all departments follow these standardized procedures to maintain consistency and compliance.	Aga Watt	10-Jan-2025	31-May-2025

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
CHB CCPD 003 Resource Capacity of the Commercial Service	<p>Cause: A combination of internal customers are not adhering to the procurement code, causing additional efforts to ensure compliance and existing ‘clunky’ processes. Junior members of the Commercial team due to volume are undertaking procurement processes such as Full Tender Service (FTS) procurements without appropriate training or experience. Internal customers have access issues or understanding of the procurement process and the procurement code.</p> <p>Impact: Resource constraints and inefficiencies within the team can cause delays and increased workload, affecting overall productivity. Non-adherence to the procurement code by customers necessitates additional efforts to rectify compliance issues, diverting resources from other critical tasks. This results in delays in contract awards and the production of purchase orders (POs), increasing the number of retrospective POs and causing delays to works and good services.</p> <p>Effect: There is an increased risk of procurement errors and non-compliance with regulations, which can result in legal and financial repercussions. Inefficiencies and delays in the procurement process can lead to missed opportunities and suboptimal procurement outcomes. The additional efforts required to ensure compliance and rectify issues caused by non-adherence to the procurement code can strain resources and reduce the team's ability to focus on other important tasks. Delays in contract awards and the production of POs can increase the number of retrospective POs and cause delays to works</p>		6	<p>As a part of the COL Commercial Transformation programme, a Training, Development and Improvement workstream has been established. This initiative will address the skills gap identified throughout the commercial lifecycle, from strategy development to contract exit. This will be achieved through a comprehensive training and adoption programme for the commercial service and the departments and institutions it supports. The programme includes improving the quality and accessibility of intranet resources, creating a Centre of Expertise for Contract Management, providing mandatory essential training in key skills, and developing a commercial skills programme with both mandatory and elective components. These efforts aim to enhance the overall capability and effectiveness of the commercial service.</p> <p>It is important to note that the training and development is required not only to members of the commercial service but customers of the service.</p> <p>10 Jan 2025</p>		4	31-Dec-2025	
09-Jan-2025							Reduce	
Nish Dubey								

	and good services. Leading to decreased stakeholder satisfaction and potential reputational damage.							
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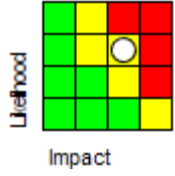
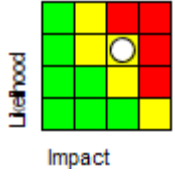
Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB CCPD 003a	Streamlined and Update Processes	Review and streamline existing procurement processes to eliminate inefficiencies and make them more user-friendly. This can involve automating certain tasks, simplifying procedures, and providing clear guidelines and templates. By making processes less 'clunky,' the team can work more efficiently and reduce the additional efforts required to ensure compliance. The Commercial Improvement plan emphasizes the importance of updating processes and documentation to reflect new regulations and improve accessibility	Sue Smith	10-Jan-2025	31-May-2025
CHB CCPD 003b	Enhanced Training and Development Programs	Implement comprehensive training programs for junior members of the Commercial team to ensure they have the necessary skills and knowledge to undertake procurement processes such as Full Tender Service (FTS) procurements. This training should cover all aspects of the procurement process, including adherence to the procurement code, to reduce errors and improve efficiency. Additionally, establish a mentorship program where experienced team members can guide and support junior staff.	Duncan Mutembani	10-Jan-2025	31-Mar-2025
CHB CCPD 003c	Improved Access to Resources and Support	Address the access issues faced by internal customers by improving the availability and usability of intranet resources. This can include updating the intranet with clear and concise information on the procurement process and the procurement code, as well as providing easy-to-navigate resources and support channels for customers to get the help they need. The Commercial Improvement plan highlights the need for better communication and resource accessibility to support compliance.	Sue Smith	10-Jan-2025	31-Mar-2025
CHB CCPD 003d	Regular Compliance Audits and Feedback Mechanisms	Conduct regular compliance audits to ensure that internal customers are adhering to the procurement code. These audits can identify non-compliance issues early and provide an opportunity to address them before they escalate. Additionally, establish a feedback loop where customers can report challenges and receive guidance. This approach aligns with the Commercial Improvement plan's focus on risk management and stakeholder engagement.	Duncan Mutembani	10-Jan-2025	31-May-2025

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
CHB CCPD 004 Procurement Governance	<p>Cause: The Governance framework is currently being reviewed following recommendations included in the Commercial review. The current governance process is confusing and poorly documented and understood which creates confusion and inconsistencies. The current thresholds for procurement activities are set low which increases the burden on officers and the governance framework.</p> <p>Event: The delivery of the Corporations essential services are interrupted due to the</p>	<div><div>Likelihood</div><div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div><div>Impact</div></div>	12	Following the recommendations of the Human Engine commercial and contract management review, there is a clear opportunity to review and streamline the procurement governance process. The Procurement and Projects Sub Committee will be presented with a paper of the proposed governance changes for approval.	<div><div>Likelihood</div><div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div><div>Impact</div></div>	4	31-Mar-2025	⬆️

	inefficient governance processes. Customers utilise exception codes or undertake non-compliant governance to expediate purchases that undermine the Procurement Act leading increased legal and financial risks, procurement errors, and delays, ultimately undermining the effectiveness of the procurement governance framework and leading to decreased stakeholder satisfaction and potential reputational damage.						
09-Jan-2025	Effect: non-compliance with procurement regulations, which can result in legal and financial repercussions. Inconsistent and inefficient procurement activities can lead to delays, errors, and suboptimal procurement outcomes. The increased workload on officers can reduce their productivity and effectiveness, leading to potential burnout and decreased morale.			10 Jan 2025		Reduce	Increasing
Nish Dubey							

Action no, Title,	Action description	Latest Note			Action owner	Latest Note Date	Due Date
CHB CCPD 004a	Review and Document Governance Processes	Develop and document clear governance processes and approval procedures.			Sue Smith	10-Jan-2025	31-May-2025
CHB CCPD 004b	Review and Adjust Procurement Thresholds	Conduct a review of the current procurement thresholds and consider raising them to reduce the burden on officers for governance. However, this should be accompanied by improved compliance measures to ensure that procurement activities remain within regulatory and ethical standards. Implementing automated compliance checks can help maintain adherence to the procurement code while allowing for higher thresholds.			Nish Dubey	10-Jan-2025	31-May-2025
CHB CCPD 004c	Enhance Training and Support for Internal Customers	Provide comprehensive training and support for internal customers to ensure they understand the procurement process and the procurement code. This can include workshops, online resources, and one-on-one support. Improving access to intranet resources and providing clear, user-friendly guidance will help internal customers adhere to the procurement code and reduce the additional efforts required to ensure compliance.			Duncan Mutembani	10-Jan-2025	31-May-2025

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
CHB CCPD 005 Portfolio Delivery Lack of Capacity	<p>Cause: The portfolio delivery team are facing a lack of capacity and resilience due to staff numbers and outdated processes.</p> <p>Event: This leads to delays, increased stress among team members, and potential burnout. The</p>		12	The team are carrying out the Project Governance review to ensure the CoL has the capability and capacity to deliver projects. They have also recruited to the majority of vacant posts within the structure, therefore creating an increased		12	30-Jun-2025	↓

	team's ability to handle the volume of approved projects is significantly impacted, causing bottlenecks and inefficiencies in project management processes.			capacity of the team and prevent the realisation of this risk.				
17-Apr-2023 Nadhim Ahmed	Effect: The City of London's (CoL) ability to effectively manage the volume of approved projects is compromised. This can result in missed deadlines, reduced quality of work, and a negative impact on the overall success of the projects. It may also affect the reputation of the CoL and its ability to deliver on commitments to stakeholders.			10 Jan 2025			Reduce	Decreasing

Action no, Title,	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB CCPD 005a	Contribute to the new project governance project	The team are working to deliver the new Project Governance approach, an update	Matt Miles	10-Jan-2025	31-May-2025
CHB CCPD 005b	Resource the Project Governance Team to build team capacity and workload management	A recruitment campaign to resource the new Portfolio Delivery team was undertaken over the Summer and Autumn. The campaign successfully recruited to 15 roles to increase the team's capacity and expertise to support project delivery across the Corporation. There are 3 roles that remain vacant that will be recruited to in Q1 2025.	Nadhim Ahmed	10-Jan-2025	31-May-2025
CHB CCPD 005c	Implement the new CORA Project Management System	To support the new project governance, the team are implementing a new project management system which will enhance reporting and real-time information for all COL projects.	Gideon Botha	10-Jan-2025	31-Mar-2025