

City of London Corporation Committee Report

Committee(s): Audit and Risk Management Committee – For Information	Dated: 12/05/2025
Subject: Risk Management Update	Public report: For Information
This report supports the successful delivery of all six Corporate Plan outcomes and our statutory obligations through identifying and managing risks in line with our business objectives.	Corporate Risk Management
Does this proposal require extra revenue and/or capital spending?	No
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:	Dionne Corradine, Chief Strategy Officer
Report author:	Thomas Wrench, Corporate Strategic Development Lead

Summary

This report provides the Committee with an update on the corporate and top red departmental risk registers since they were last reported to the Committee in February 2025. Further details can be found in the appendices listed at the end of this report.

Recommendation(s)

Members are asked to note:

- This report and the corporate and top red departmental risk registers attached.
- That since the previous update:
 - The number of corporate risks has remained at 14 with one score increased and three decreased.
 - The number of departmental red risks has decreased from 22 to 20, with two risks de-escalated.¹
- Progress on Member engagement and socialisation of the draft Risk Appetite Statement ahead of May 2025 Court of Common Council.
- That a report covering year one progress of the Risk Management Strategy 2024-2029 will be presented to the Committee at its July 2025 meeting.

¹ **Risks de-escalated:** GSMD DDP 002 Reduced Recruitment and Retention of Staff and CLS FS 004 School's Affordability.

Main Report

Background

1. The corporate and red departmental risks are reported to this Committee as a minimum on a quarterly basis to enable the Committee to exercise its role in the monitoring and oversight of risk management within the City of London Corporation (CoLC).
2. The corporate and red departmental risk registers were reviewed by the Chief Officer Risk Management Group (CORMG) on 3 April 2025 as Senior Officers responsible for overseeing CoLC risk management actions, decisions and outcomes (including consideration of developing risk areas and cross-corporation risk management themes) on behalf of the Executive Leadership Board.

Risk Activity – Process and Culture

3. Delivery of the Risk Management Strategy 2024-2029 continues, with a current focus on promoting the brilliant basics and on the promulgation of the Risk Management Policy (as reported to the Committee in February). A report on year one progress and actions for year two will be presented to the Committee at its July meeting.
4. Following its approval by this Committee in the February meeting, the draft Risk Appetite Statement was subsequently approved by the City Bridge Foundation Board and the City of London Police Authority Board (also in February). Prior to onward submission to Court of Common Council, this committee had requested further Member engagement took place, in addition to that already underway with Chief Officers and Chairs of Committee. This has now taken place (see below).
5. Our approach to risk management at City Corporation, including the Risk Management Strategy and our risk appetite statement, was shared with new Members at the two Induction Fayres (March) and briefed at the Corporate Risk Management and Health & Safety session on 8 April.
6. Following feedback from A&RMC in February, changes have been made to the format and structure of the Risk Appetite Statement to ensure greater clarity. Additionally, activity that exists across all themes (e.g., health and safety, regulatory compliance, etc.) has been referenced separately to avoid duplication. The final draft will be presented to the Court of Common Council at its meeting on 22 May, with all Members receiving a copy of the draft statement (hard and soft copies) in late April. A copy of the draft statement is at appendix 3 (non-public) for information.
7. The Committee has previously commented on issues within the risk register. The management of issues, and its distinction from risk management and business-as-usual activity, was considered by the Chief Officer Risk Management Group in January and again in April. Actions are underway to help frame a new approach to this, aimed at ensuring clarity around process and approach to managing issues vs risks.

Current Position

8. Table 1 below shows the overall number and risk ratings of all risks recorded on the Ideagen risk management system as of 23 April 2025 compared with 17 January 2025 (the figures last seen by the Committee). Ongoing Risk Management Strategy activity to ensure a dynamic approach to risk management includes the removal of legacy risks and the addition of new risks. This results in fluctuations in the number of risks that the City Corporation carries.

Risk rating (RAG)	April 2025	January 2025	Difference
Red	49	52	-3
Amber	253	243	+10
Green	91	87	+4
Total	393	382	+11

Table 1: April 2025: Overall Risk Numbers by RAG Rating on Ideagen

9. Table 2 below shows the breakdown of the red, amber and green rated risks by risk level as of 23 April 2025 compared with 17 January 2025.

Risk rating	Red		Amber		Green	
Risk level	April 2025	Jan 2025	April 2025	Jan 2025	April 2025	Jan 2025
Corporate	4	5	10	9	0	0
Departmental	20	22	92	86	26	25
Service	25	25	151	148	65	62
Total	49	52	253	243	91	87
Difference	-3		+10		+4	

Table 2: April 2025: Breakdown of RAG Risks by Risk Level (no team or PPM risks recorded as of 23 April)

10. A full risk register of all corporate risks can be found at Appendix 1. There are currently 14 corporate risks on the corporate risk register (4x Red and 10x Amber). Since the last report to the Committee one risk has been increased in score with three decreasing (see paragraphs 12 and 13).² Corporate risks are being reviewed by CORMG to ensure they accurately reflect the greatest threats and concerns to the City Corporation.
11. *CR30 Climate Action* has been renamed to *CR30 Impact of Climate Change* and has been reframed to focus on the wider impact of climate change rather than delivery of the Climate Action Strategy and associated programme. Risks associated with the Climate Action Strategy will continue to be managed at the programme level. The proposed target score has been increased from Amber 4 to Amber 12 reflecting the expectation that the impact of climate change will

² We are reviewing the reporting of our above appetite risks as part of the risk appetite refresh.

continue despite mitigation efforts. The scores set measure the City Corporation's response rather than assuming complete mitigation.

12. Risk scores increased:

- a. *CR35 Unsustainable Medium Term Finances - City Fund* increased from **Amber 12** (Impact 4 Major x Likelihood 3 Possible) to **Red 16** (Impact 4 Major x Likelihood 4 Likely) following the approval of the 2025/26 City Fund Medium Term Financial Plan.

13. Risk scores decreased:

- a. *CR38 Unsustainable Medium Term Finances – City's Estate* decreased from **Red 16** (Impact 4 Major x Likelihood 4 Likely) to **Amber 12** (Impact 4 Major x Likelihood 3 Possible) following the approval of the 2025/26 City Fund Medium Term Financial Plan.
- b. *CR40 PSTN Switch Off 2027 (formerly CHB DITS 045)* decreased from **Red 16** (Impact 4 Major x Likelihood 4 Likely) to **Amber 12** (Impact 4 Major x Likelihood 3 Possible) as a result of the BT switch off deadline being extended from 2025 to 2027.
- c. *CR29 Information Management* has decreased from **Amber 12** (Impact 4 Major x Likelihood 3 Possible) to **Amber 8** (Impact 4 Major x Likelihood 2 Unlikely) to reflect progress in managing both information and data, including the implementation of key strategies and solutions.

14. The RAG matrices below show the distribution of corporate risks as of 23 April 2025 (Table 3) and 17 January 2025 (Table 4):

	Minor	Serious	Major	Extreme
Likely			2	
Possible			8	1
Unlikely			2	1
Rare				

Table 3: April 2025 Corporate Risk Heatmap

	Minor	Serious	Major	Extreme
Likely			3	
Possible			8	1
Unlikely			1	1
Rare				

Table 4: January 2025 Corporate Risk Heatmap

15. The highest scoring corporate risk is CR16 Information Security at Red 24 (Impact 8 Extreme x Likelihood 3 Possible). Actions to mitigate this risk are ongoing, with recent activity including cyber security training, the adoption of a minimum-security baseline and bringing security services in-house, giving greater control over, and visibility of, security controls.

16. Table 5 below shows a summary of all CoLC corporate risks as of 23 April 2025:



























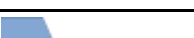















Risk reference	Title	Current Risk Score	Current risk score icon	Trend Icon	Risk flight path (last 12 assessments)	Creation Date	Risk added to CR Register (year)
CR16	Information Security (formerly CHB IT 030)	24				10-May-2019	Pre-Pentana (2014)
CR35	Unsustainable Medium-Term Finances - City Fund	16				19-Jun-2020	2022
CR36	Protective Security	16				10-Jan-2022	2022
CR37	Maintenance and Renewal of Corporate Physical Operational Assets (excluding housing assets)	16				04-Nov-2019	2022
CR01	Resilience Risk	12				20-Mar-2015	Pre-Pentana (2014)
CR02	Loss of Business Support for the City	12				22-Sep-2014	Pre-Pentana (2014)
CR09	Health, Safety and Fire Risk Management System	12				22-Sep-2014	Pre-Pentana (2014)
CR30	Impact of Climate Change	12				07-Oct-2019	2020
CR33	Major Capital Schemes	12				14-Feb-2020	2020
CR38	Unsustainable Medium-Term Finances - City's Estate	12				31-Oct-2022	2022
CR39	Recruitment and Retention	12				21-Feb-2023	2023
CR40	PSTN Switch Off 2027 (formerly CHB DITS 045)	12				26-Feb-2024	2024
CR10	Adverse Political Developments	8				22-Sep-2014	Pre-Pentana (2014)
CR29	Information Management	8				08-Apr-2019	Pre-Pentana (2014)

Table 5: April 2025: List of Current Corporate Risks by Current Risk Score

Red Departmental Risks

17. There are currently 20 departmental red risks. Since the last report to the Committee, two risks have been de-escalated to Amber. A summary of the top red departmental risks can be found at Appendix 2.

18. Changes to the register:

Risks de-escalated:

- i) GSMD DDP 002 Reduced Recruitment and Retention of Staff score decreased from Red 16 (Impact 4 Major x Likelihood 4 Likely) Amber 12 (Impact 4 Major x Likelihood 3 Possible) reflecting the progression of mitigating actions including the creation of a new training catalogue.
- ii) CLS-FS-004 School's Affordability score decreased from Red 16 (Impact 4 Major x Likelihood 4 Likely) to Amber 8 (Impact 2 Serious x Likelihood 4 Likely) reflecting increased clarity on financial position with regard to VAT.

Corporate & Strategic Implications

Strategic implications – Reporting in line with CoLC Corporate Risk Management Strategy.

Financial implications – None applicable

Resource implications – None applicable

Legal implications – None applicable

Risk implications – None applicable

Equalities implications – None applicable

Climate implications – None applicable

Security implications – None applicable

Conclusion

19. This risk update and accompanying document (see appendices) are aimed at providing assurance to the Audit and Risk Management Committee that risks within the City of London Corporation are being effectively handled.

Appendices

- Appendix 1: Corporate Risk Register – detailed report
- Appendix 2: All Red Departmental Risks – short summary report
- Appendix 3: Draft Risk Appetite Statement (non-public)

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