

City of London Corporation

Strategic Risk Register

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City Corporation Strategic Risk Register	Owned By	Chief Officers' Group	Version	2013 - 06
	Administered By	Sabir Ali	Date	25/06/2013

Summary Risk Register

Risk No.	Risk	Gross Risk		Risk Owner / Lead Officer	Existing Controls	Net Risk			Planned Action	Control Evaluation
		Likelihood	Impact			Likelihood	Impact	Risk Status & Direction		
SR1	City Corporation fails to work effectively with related parties to respond appropriately following a terrorist attack to restore service delivery, assist business recovery and support the community.	4	5	Town Clerk	City Police proactively managing the risk of terrorism. Disaster recovery/contingency plan in place, includes responsibilities under the Civil Contingencies Act.	1	5	A ↔	Maintain existing controls.	G
SR2	The City Corporation fails effectively to defend and promote the competitiveness of the business city which loses its position as the world leader in international financial and business services.	4	4	Town Clerk / Director of Economic Development	Economic Development Office engaged in a programme of work to support and enhance the business city, in accordance with the EDO Business Plan.	3	4	A ↔	Maintain existing controls.	G
SR3	Reducing investment income and central government grants or unexpected requirements for significant expenditure results in Corporation being unable to maintain a balanced budget and maintain healthy reserves on City's Cash & City Fund significantly impacting on service delivery levels.	4	4	Chamberlain / Town Clerk	Medium term financial planning. Efficiency Board and Efficiency and Performance Sub-Committee established to scrutinise progress in implementing 12.5% savings.	4	2	A ↔	Additional resilience to be developed from savings realised through PP2P and further saving reviews.	G
SR4	City Corporation not seen to, or unable to, significantly influence general planning policy or transport plan decision makers in London, leading to lack of capacity of system to service the City.	3	3	City Planning Officer	Lobbying and participation in consultation exercises, regular monitoring/ discussion at Summit Group and Chief Officers' Group.	2	3	A ↔	Maintain existing controls.	G

KEY	1	2	3	4	5	Control Evaluation:
Likelihood	Rare	Unlikely	Possible	Likely	Almost Certain	R: Existing controls are not satisfactory
Impact	Insignificant	Minor	Moderate	Major	Catastrophic	A: Existing controls require improvement/Mitigating controls identified but not yet implemented fully
*Direction relates to change in assessment since last review (up/down/no change)						G: Robust mitigating controls are in place with positive assurance as to their effectiveness

Summary Risk Register

Risk No.	Risk	Gross Risk		Risk Owner / Lead Officer	Existing Controls	Net Risk			Planned Action	Control Evaluation
		Likelihood	Impact			Likelihood	Impact	Risk Status & Direction		
SR5	City Corporation fails to adequately address the impact of a major flood part of the City in relation to businesses, roads, transportation, etc.	2	4	Director of the Built Environment	Partnership in pan-London consortia with other Lead Local Flood Authorities. Contingency plan in place, in accordance with Civil Contingencies Act responsibilities.	1	3	G ↔	Further work planned as part of the City's Flood Risk Strategy	A
SR6	Commissioning and delivery of large scale, high profile or prestigious projects proves to be inadequate, resulting in reputational, organisational and financial problems.	3	4	Town Clerk	Projects Sub-Committee providing scrutiny over project risk. Project Management Toolkit in place and includes reference to risk management model in accordance with City Policy.	2	3	A ↔	Development of requirements for Post Project Appraisal, learning lessons from experience, Risk management training.	G
SR7	Major failure in information systems	<i>Risk Closed 22/02/2012 managed on an operational level</i>								
SR8	Negative publicity and damage to the City Corporation's reputation.	4	4	Town Clerk / Director of Public Relations	Communications Strategy in place, experienced media/communications team, Departmental Communication Representatives meetings, PR Toolkit.	3	4	A ↔	On-going work with PR Consultants to improve City Corporation's ability to manage increasingly challenging reputational issues.	G
SR9	Major failure of health and safety procedures resulting in a fatality in an accident on City of London Corporation premises or to a member of the City of London workforce.	4	4	Health and Safety Committee / Relevant Chief Officer	Officer Health and Safety Committee in operation, monitoring key H&S issues and having oversight of the Health and Safety Top X risks.	1	4	A ↔	Members to receive Health and Safety training beginning in June. Health and Safety audits to commence in October.	A
SR10	Adverse political developments undermining the effectiveness of the City of London Corporation.	5	5	Remembrancer	Promotion of the good work of the City Corporation, City Corporation needs to remain relevant and "doing a good job" and be seen as such.	2	4	A ↔	Maintain existing controls.	G

KEY	1	2	3	4	5	Control Evaluation:
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		Likelihood	Impact			Likelihood	Impact	Risk Status & Direction		
SR11	Major flooding caused as a result of pond embankment failure at Hampstead Heath.	3	5	Director of Open Spaces / City Surveyor	On-going monitoring of water levels, emergency action plan, public consultation, project management. Major project to upgrade the pond embankments by 2015/16	3	5	R ↔	Appointment of construction contractor by Dec 2013. Planning permission to be sought in late June 2014.	A
SR12	<i>Industrial/employee action</i>	<i>Risk Closed 07/03/2012 managed on an operational level</i>								
SR13	City Corporation fails to manage effectively negative impacts arising from Public Order and Protest, leading to a loss of confidence in the organisation.	4	4	Town Clerk	Major Incident Plan and Disaster Recovery Plan.	1	4	A ↔	Monitor and review in light of lessons learned from recent issues.	G
SR14	Further reductions in the 2012 autumn statement and likely reductions in future spending rounds will reduce grant income for the City Corporation resulting in the Corporation being unable to maintain a balanced budget and maintain healthy reserves in City Fund significantly impacting on service delivery levels.	4	3	Chamberlain / Town Clerk	Manageable within current reserves Financial forecasting and planning Maintaining prudent management of City Fund finances and using current financial planning to build up reserves. Direct engagement with central government on grant formula Scrutiny of central risk efficiency proposals by the Efficiency Board and Efficiency and Performance Sub-Committee.	4	2	A ↔	Further actions will include a service based review to address the potential deficits from 2016/17.	G

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		Likelihood	Impact			Likelihood	Impact	Risk Status & Direction		
SR15	Works in high value loan exhibitions at Barbican Art Gallery are stolen or damaged.	2	5	Managing Director, Barbican Centre	Formal risk management and risk assessment process in place for every exhibition, External advice provided by National Security Advisor and Head of National Museums Security Group. Compliance with detailed conditions for security and care of work during transport and while on our premises Gallery risk management group verifies compliance with all conditions prior to period of risk. Physical and electronic security measures fully deployed.	1	3	G ↔	Maintain existing controls.	G
SR16	A breach of the Data Protection Act due to poor compliance or mishandling of personal information	5	5	Assistant Town Clerk	Central monitoring & issuing of guidance including DP awareness . Annual awareness emails and other awareness raising tools. Some monitoring of data processor contracts to ensure DPA compliance.	3	3	A	Compliance audits to be undertaken by the Town Clerk's Information Officers. E-learning training course to be kept up to date and reviewed at regular intervals.	A

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Risk Supporting Statement SR1

Risk Owner: Town Clerk

Risk	City Corporation fails to work effectively with related parties to respond appropriately following a terrorist attack to restore service delivery, assist business recovery and support the community. Links to: Strategic Aims SA1 & SA2 and Key Policy Priority KPP3	Gross Risk	R
		Likelihood	Impact
		4	5
Detail	This risk has a number of components for the City Corporation resulting from its role as an employer, Local Authority and the Police Authority for the square mile. The risk from the policing perspective (operational policing) is managed by the Commissioner of Police, the remaining elements cover a range of operational areas e.g. disaster recovery/business continuity, building management, employee and community safety. The City Corporation also has responsibility under the Civil Contingencies Act 2004 to its businesses and residential communities to support them in the aftermath of a terrorist attack.		
<u>Specific Threats/Issues</u>	<u>Mitigating Actions</u>		
Specific locations are potential targets (high profile areas/buildings in the City and City Corporation assets) Public/business confidence in the City as a safe environment and international reputational issues Employee/community welfare (visitors, residents and workers)	Iconic sites within the City have been assessed by the Security Services and plans concerning these are regularly exercised. Generic Emergency Management Plan and Disaster Recovery/Business Continuity Arrangements are in place and are regularly exercised. Guidance and support is provided to businesses and residents. Other relevant mitigations: Building safety and evacuation/invacuation plans are in place for City of London Corporation's corporate premises.		
<u>Summary</u>	Net Risk	A	
This risk relates specifically to the City Corporation's ability to address the impacts of terrorist attack through its role as the lead for coordinating the activities of its service departments and other public services to restore the business and residential infrastructure. The City of London Corporation arrangements were tested regularly in preparation for the Olympic Games and a testing and exercising schedule will ensure the City Corporation remains able to respond appropriately to a terrorist attack. The City of London Police undertakes a range of activities with other agencies (Met Police, Home Office, MI5) to disrupt terrorist activity. The Home Office Current Threat Level is at Substantial (Terrorist attack is a strong possibility) therefore it is essential that the City Corporation undertakes a level of planning and exercising to ensure that, together with its partner agencies, it is ready to respond to and lead the recovery phase of the emergency response to an incident.	Likelihood	Impact	
	1	5	
	Control Evaluation		
G			

Risk Supporting Statement: SR2

Risk Owner: Town Clerk / Director of Economic Development

Risk	The City Corporation fails effectively to defend and promote the competitiveness of the business city which loses its position as the world leader in international financial and business services. Links to: Strategic Aims SA1 & SA3 and Key Policy Priorities KPP1 & KPP3	Gross Risk	R
		Likelihood	Impact
		4	4

Detail	If the City Corporation fails to provide effective support for and promotion of the competitiveness of the business city there is a danger that the City will lose its international position leading to a reduction in business activity in the City, lower income for and industry engagement with CoL. One of EDO's main purposes is to mitigate this risk. However, it should be noted that damage to the City's competitive position could occur as a result of circumstances beyond CoL's ability to influence.
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<u>Specific Threats/Issues</u>	<u>Mitigating Actions</u>
Domestic and EU tax and regulation is crucial to City competitiveness The development of a European Banking Union and the ability to continue contracting euro-denominated business in the UK. The debate over the UK's relationship with, and membership of, the EU creates uncertainty over London's place in the Single Market and thus its attractiveness to international firms. Crisis over LIBOR and other issues which pose a major threat to the City's reputation.	Programme of work of the EDO to promote and defend City's competitiveness and explain CoL's role (ref. EDO Business Plan) and role of the industry in supporting the wider economic growth and jobs creation agenda. International Regulatory Strategy Group's role to shape the European and international regulatory landscape in a way that preserves the free flow of capital and promotes open markets and to the development of a European Banking Union does not lessen the European Single Market. Programme to coordinate and promote diverse initiatives under way to improve governance, professionalism and business culture across the financial services industry under the umbrella of the Lord Mayor's 'Trust and Values – Investing in Integrity' initiative. Robust policy, media and political response to industry developments affecting public perceptions of the City as a whole. Role of the Lord Mayor as an ambassador for the Business City. Role of the Policy and Resources Committee Chairman in promoting the City.

<u>Summary</u> The controls in place reduce the likelihood of this risk materialising from 5 to 3. At any given time there are a number of issues that could undermine the City's position as a world leader in international financial and business services. Specific issues will be refreshed at each review with appropriate mitigation.	Net Risk	A
	Likelihood	Impact
	3	4
	Control Evaluation	
G		

Risk Supporting Statement: SR3

Risk Owner: Chamberlain / Town Clerk

Risk	Reducing investment income and central government grants or unexpected requirements for significant expenditure results in Corporation being unable to maintain a balanced budget and maintain healthy reserves on City's Cash & City Fund significantly impacting on service delivery levels. Links to: Strategic Aim SA2 and Key Policy Priority KPP2	Gross Risk	R
		Likelihood	Impact
		4	4

Detail	To a large degree, this risk has already been realised, the organisation is now in the process of managing the impact of reductions in funding and negating the impact on reserves. Two significant projects are underway to build resilience against further financial pressures.
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<u>Specific Threats/Issues</u> n/a	<u>Mitigating Actions</u> Medium term financial planning. Scrutiny of efficiency proposals by the Efficiency Board and Efficiency and Performance Sub-Committee. Work with London Councils and direct engagement with Central Government. Independent assurance work undertaken by Internal Audit regarding efficiency proposals.
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<u>Summary</u> The overall strategy is now to make additional savings and efficiencies to not only balance the budget, but to generate surpluses to offer some protection should the financial position deteriorate. Last year the City put in place a savings plan to achieve 2% efficiency savings, in addition to having already secured 12.5% the previous year. The cumulative efficiency savings are progressing well against forecast. Further savings resulting from PP2P and the accommodation review will build resilience to further funding reductions.	Net Risk	A
	Likelihood	Impact
	4	2
	Control Evaluation	
G		

Risk Supporting Statement: SR4

Risk Owner: City Planning Officer

Risk	City Corporation not seen to, or unable to, significantly influence general planning policy or transport plan decision makers in London, leading to lack of capacity of system to service the City. Links to: Strategic Aim SA1 and Key Policy Priority KPP3	Gross Risk	A
		Likelihood	Impact
		3	3

Detail This risk links closely with SR2, supporting the business city and SR8 reputation risk. A key objective of the City of London's planning function is to provide a planning strategy that is sympathetic to the needs/wishes of developers, balanced with the requirements of legislation, wider planning strategy for London and the interests of existing City businesses and residents. Maintaining an environment where large companies may develop office accommodation suitable to be used as global headquarters and lobbying to improve transport infrastructure is critical to the City maintaining its status as the leading financial and business centre. A number of different issues may lead to this risk being realised, and as part of the on-going review of this risk, these specific threats will be identified and assessed.

<u>Specific Threats/Issues</u>	<u>Mitigating Actions</u>
Relaxation of national rules relating to change of use from hotels or retail to residential and relating to temporary change of use without the need for specific planning permission.	Early engagement with policy makers before formal consultation and as part of the consultation process. Member representation at London Councils. Responding to new proposals from Ministers or the Mayor seeking changes or local exemptions where needed. Publication of research evidence to make the City's case that it is strategically important and locally distinctive. Revision of City's development plan policies as needed to mitigate the local effects of national policy changes.
Listed building status - further designations could restrict the ability to redevelop key areas of the city.	Development management practices which encourage early engagement with developers and other interested parties so that proposed new buildings are of high quality and sensitive to the City context. Engagement with English Heritage regarding possible listing proposals and the general approach to the listing of post-war buildings.

Summary The effect of any one of the above issues as an isolated occurrences is likely to be moderate, although the cumulative effect of multiple instances relating to one or more of the above would be more significant. The controls in place reduce the risk but on-going as the planning and transport policy context is constantly evolving. Engagement with English Heritage is relevant regarding the possible listing of further post-war buildings.	Net Risk	A
	Likelihood	Impact
	2	3
	Control Evaluation	
G		

Risk Supporting Statement: SR5

Risk Owner: Director of the Built Environment

Risk	City Corporation fails to adequately address the impact of a major flood part of the City in relation to businesses, roads, transportation, etc. Links to: Strategic Aim SA2 and Key Policy Priority KPP3	Gross Risk	A
		Likelihood	Impact
		2	4
Detail	There are three elements to this risk; river flooding, surface water flooding and an inadequate response to flooding. While river flooding is unlikely, a significant area south of Thames Street would be affected by it, compounded by the fact that flood water would remain trapped behind the river defences. Surface water/sewer flooding is a more likely scenario, with London's drainage system lacking the capacity to accommodate prolonged intense rainfall. Responsibility for the sewer network lies with Thames Water not the City, although the City has overall responsibility for co-ordination of flood risk as a Lead Local Flood Authority. Strategic Flood Risk Assessment Review 2012 has confirmed that surface water flooding would be restricted to relatively few, small areas in the Fleet Valley and the Thames Riverside, with most of the City not directly affected.		
Specific Threats/Issues	Mitigating Actions		
River Flooding rare (1) impact major (4)	Main defence provided by Environment Agency through Thames Barrier and river wall defences, proven reliability over the past 30 years. Latest research shows that the Barrier will remain effective until at least 2035 and could be adapted to last much longer.		
Surface water flooding rare (1) impact moderate (3)	Partnership working with pan-London bodies, surrounding boroughs, Thames Water and Environment Agency to reduce the risk and resist its effects. Planning controls constrain building design and uses in higher risk areas. Further modelling work has been undertaken to define vulnerable areas and investigate mitigation, resistance and resilience measures in those areas. Impact is localised to specific parts of the City.		
Inadequate response to flooding unlikely (2) impact moderate (4)	Contingency plan in place. City Corporation has responsibilities under the Civil Contingencies Act. Further work planned as part of the City's Flood Risk Strategy.		
Summary	While it is not possible for the City alone to reduce significantly the risk of flooding, it is possible to minimise the impact of such incidents through planning policy to avoid critical or vulnerable uses in higher risk areas, to increase runoff storage capacity through sustainable drainage measures, and through robust contingency planning. The City has responsibilities under the Flood Risk Regulations 2009 and Flood and Water Management Act 2010, culminating in a flood risk management plan for areas which are at significant risk of flooding, to be in place by June 2015.	Net Risk	G
		Likelihood	Impact
		1	3
		Control Evaluation	
		A	

Risk Supporting Statement: SR6

Risk Owner: Town Clerk

Risk	Commissioning and delivery of large scale, high profile or prestigious projects proves to be inadequate, resulting in reputational, organisational and financial problems. Links to: Strategic Aims SA1, SA2 & SA3 and Key Policy Priorities KPP1, KPP2, KPP3, KPP4 & KPP5	Gross Risk	A
		Likelihood	Impact
		3	4
Detail	New project management arrangements came in to effect in October 2011 to drive a more consistent approach for capital, supplementary revenue and major revenue projects. The project management arrangements have improved the consistency of information that is being provided about each project and has led to more open communication about the progress being made in the delivery of projects. Once fully embedded the organisation (led by the Projects Sub-Committee) will be better placed to obtain assurance that project risk is being managed appropriately. These arrangements do not cover all projects, generally exceptions will relate to revenue expenditure and change programmes, risks emerging from these projects are expected to be captured within departmental risk registers.		
<u>Specific Threats/Issues</u>		<u>Mitigating Actions</u>	
To be populated with the details of high risk projects as the PM Toolkit becomes embedded and the required level of analysis is available. Further risks to be identified from Departmental Risk Registers as the requirements of the Risk Management Handbook are embedded.		Projects Sub-Committee reviews all projects at a high level on a periodic basis via programme reports which provide a status of 'red', 'amber' or 'green' with all projects rated 'red' and 'amber' reported more frequently. The Sub-Committee provides scrutiny of individual proposals and project management to ensure value for money is achieved. Designation of Project Sponsors and individual establishing individual project boards to provide scrutiny and oversight. Risk Management training is being planned for all project managers and the use of Project Vision for capturing project risk registers is being rolled out.	
<u>Summary</u>		Net Risk	A
At present, this risk relates to the arrangements in place to manage projects and project risk. As the Project Management Toolkit and Risk Management Handbook are embedded, this will evolve to capture specific high risk projects, or significant risks within projects. NB: While the Town Clerk is responsible for implementing the corporate processes, procedures and guidance relating to project management, the Chief Officer for each project is responsible for ensuring risk management is carried out for the project. Further Action: Risk management training, linking finance and risk management, consistent capture of project documentation, development of requirements for Post Project Appraisal, learning lessons from experience.		Likelihood	Impact
		2	3
		Control Evaluation	
		G	

Risk Supporting Statement: SR8

Risk Owner: Town Clerk / Director of Public Relations

Risk	Negative publicity and damage to the City Corporation's reputation. Links to: Strategic Aims SA1, SA2 & SA3 and Key Policy Priorities KPP1, KPP2, KPP3, KPP4 & KPP5	Gross Risk	R
		Likelihood	Impact
		4	4

Detail This risk may materialise as a result external factors or failure to manage risk within the operations of the organisation. There will always be an inherent risk around reputation, but the specific threats present at any one time will vary depending on the nature of key projects, internal and external developments or factors. A shortlist of the most significant issues is maintained, updated by the Director of Public Relations on a quarterly basis using information gained from on-going liaison with departments and, in future as risk management becomes embedded, through examination of departmental risk registers. In addition to the shortlist below, there is a broad risk in relation to negative publicity or adverse media comment following failure of service delivery. The likelihood and impact of this is very much dependent upon the circumstances and outcome of the failure.

<u>Specific Threats/Issues</u> n/a	<u>Mitigating Actions</u> <ul style="list-style-type: none"> - Communications strategy in place - Experienced media/communication team with the right skills to handle reputation issues - Regular liaison with Committees and departments including through Departmental Communication Representative Meetings etc., aiming to ensure the overall reputation of the organisation is kept under close review during all policy deliberations - PR Tool kit prepared for departmental communications representatives - Examination of departmental risk registers to identify emerging issues (on-going) - Working with PR Consultants to improve City Corporation's ability to respond to PR challenges
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<u>Summary</u>	Likelihood	Impact	Net Risk	A
Hampstead Heath Hydrology and related issues	2	5	Likelihood	Impact
Use of the City YMCA	3	2		
London Living Wage	5	3	3	4
Debate around the transparency and accountability for City's Cash	5	3		
Adverse comment or publicity on the role, purpose and governance of the City Corporation	3	3		
Managing the impact of street works on visitors, residents and workers	5	3	Control Evaluation	
External website project fails to meet delivery timetable and objectives as a communication tool	1	3		
Adverse publicity from any failures of performance by City Schools.	3	3	G	

Risk Supporting Statement: SR9

Risk Owner: Health and Safety Committee / Relevant Chief Officer

Risk	Major failure of health and safety procedures resulting in a fatality in an accident on City of London Corporation premises or to a member of the City of London workforce. Links to: Strategic Aims SA2 & SA3 and Key Policy Priority KPP2	Gross Risk	R
		Likelihood	Impact
		4	4

Detail	Corporate oversight of health and safety risk is maintained by Corporate Human Resources, an officer Health and Safety Committee is in operation, chaired by the Deputy Town Clerk. A health and safety risk management system is in place, with consistent reporting and review mechanisms, ensuring that the key risks identified across the organisation are escalated accordingly. The committee monitors progress to address significant issues as they arise. For the purpose of maintaining the Strategic Risk Register, a shortlist of the most significant current health and safety risks will be maintained.
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<u>Specific Threats/Issues</u> Management of Contractors.	<u>Mitigating Actions</u> Policy in place to meet legal requirement Corporate Training is in place and effective Health & Safety working groups in operation Top X being reported – further work on content improvement planned Accidents reported and investigated via a new system (Reactive system) Departmental Competencies Improved and departmental H&S committees being monitored Enhanced Corporate Health & Safety Policy
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<u>Summary</u> The Action plan is making good progress reviewing the H&S systems across the Corporation of London to ensure H&S Compliance The Enhanced Policy has now been approved (18 April) by Establishment Committee. The Town Clerk has signed the new statement and will be chairing the Corporate Safety committee and is supportive of the enhanced policy. Key to the successful implementation and delivery of a holistic safety management system based on proactive and reactive procedures is a review of Corporate Governance processes and the H&S Policy. Members will receive training in the impacts of Health & Safety and decision making starting in June with the new members inductions. Various Near Misses identified recently demonstrates that culture is changing, which is positive. This process has identified issues with contractor management which could have serious ramifications had hazards been realised however these issues were / are being identified and investigated with changes effected to systems to prevent recurrence. The audits which are due to commence in October should allow for the progression of the Control Evaluation from Amber to Green.	Net Risk	A
	Likelihood	Impact
	1	4
	Control Evaluation	
A		

Risk Supporting Statement: SR10

Risk Owner: Remembrancer

Risk	Adverse political developments undermining the effectiveness of the City of London Corporation. Links to: All Strategic Aims and Key Policy Priorities.	Gross Risk	R
		Likelihood	Impact
		5	5

Detail	Owing to its nature and geographical size, the City Corporation is particularly vulnerable to political developments concerning London government. There are two main issues at present; the continuing financial turmoil and fallout from “Occupy” is resulting in slanted scrutiny of the City Corporation and the longer term threat to the local authority functions from sharing of services and a consequent London Government review.
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<p><u>Specific Threats/Issues</u></p> <p>“Occupy” and the current turmoil in the financial system has provoked allegations of undue influence and partial accounts of the City Corporation’s representational activities. The forthcoming City elections are likely to lead to further public debate.</p> <p>A Local Government review is not currently timetabled but the increased interest in sharing services (and offices) between authorities and Boundary Commission proposals may reinstate earlier suggestions for 5 or 6 “super boroughs”, raising concerns around the viability of a separate administration for the Square Mile.</p>	<p><u>Mitigating Actions</u></p> <p>Promotion of the good work of the City Corporation, City Corporation needs to remain relevant and “doing a good job” and be seen as such. This risk has an Unlikely (2) likelihood, but potentially Major (4) impact.</p>
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<u>Summary</u> The organisation needs to ensure it is seen as important and relevant across a wide field of activities that are not geographically limited to the Square Mile. Current public affairs activities should be maintained to this end. Any functions which may be vulnerable on account of their size if kept as free standing operations need to be identified and the case for ameliorating action (e.g. partnerships, shared services) considered.	Net Risk	A
	Likelihood	Impact
	2	4
	Control Evaluation	
G		

Risk Supporting Statement: SR11

Risk Owner: Director of Open Spaces / City Surveyor

Risk	Major flooding caused as a result of pond embankment failure at Hampstead Heath.	Gross Risk	R
	Links to: Strategic Aim SA3 and Key Policy Priority KPP4	Likelihood	Impact
		3	5
Detail	<p>If there were to be failure of the pond embankments during a major storm, and no warning was given, the number of lives at risk on the Hampstead chain would be in the region of 400 and on the Highgate chain would be around 1000. This would also result in inundation and damage to local properties, roads and the railway lines towards Kings Cross. Detailed analysis has identified that dam crests are not currently able to cope with the level of overtopping expected to occur as a result of such a storm, increasing the risk of erosion and dam failure. The City of London Strategic Flood Risk Assessment 2012 with new surface water modelling identified 4 areas of risk in the City from upstream run-off (including Hampstead Heath).</p>		
<u>Specific Threats/Issues</u>		<u>Mitigating Actions</u>	
Insufficient warning given of flooding		Telemetry system installed and managed by the City Surveyor as an integral part of the on-site Emergency Action Plan for reservoir dam incidents enabling early warning where pre-determined water levels at key ponds in both the Hampstead and Highgate chains of ponds are breached. Testing of this with the emergency plan and Hampstead staff has happened and further tests are planned with Mitie. (City Surveyor/Director of Open Spaces)	
Inadequate response to dam overtopping		Emergency Action Plan for on-site response in place and Camden have an off-site plan in place Liaison with Camden Council’s emergency planners is on-going, to work through issues raised by Emergency Services and to appraise them of revisions to our work plan as it develops. (City Surveyor/Director of Open Spaces)	

<p>Sensitivities of the local community regarding the natural aspect of the Heath</p>	<p>The City has undertaken extensive consultation with local stakeholders about why this project is required. The City has established a Stakeholder Group to enable key groups to contribute to the detailed design of the scheme and has appointed a dedicated officer to manage consultation. Hampstead Heath, Highgate Wood and Queens Park Committee actively engaged with local community.</p> <p>City Surveyors are about to appoint designers to start mitigation works. First priority upon appointment will be to conduct a verification of the risks associated with the ponds. (City Surveyor)</p> <p>When the preferred design options are developed, wider public consultation may produce new issues not yet anticipated by the Project Board. (Director of Open Spaces)</p> <p>There remains a potential risk of legal challenge. This is most likely to arise in relation to the City's need to adhere to current Guidance that sets standards for dams that is opposed by certain Groups/individuals.</p>
<p>Non delivery of project to upgrade pond embankments (includes slippage from agreed timetable and budget)</p>	<p>The City Surveyor's Department has appointed a specialist consultants (Atkins) to undertake a review of the current risk of flooding based on storm predictions and based upon that assessment they will then prepare three options to mitigate this risk for consideration by the CoL , A revised programme of activities and actions have been agreed by members and supported by the independent panel engineer which will allow formal consultation with the public and stakeholders with intent of submitting a formal planning application by the end of June 2014 and subject to consents, site works to commence early 2015.</p> <p>Project approved by CoL and progressing to Gateway 5. (City Surveyor)</p>
<p>Responsibilities and implications for adjacent landowners</p>	<p>Discussion with adjacent landowners has commenced, regarding their liabilities and seeking to clarify responsibilities. A report will be presented, once negotiations have progressed. (City Surveyor)</p>

<p>Summary</p> <p>The project to upgrade the pond embankments is progressing, but until such time that this project is completed (2015/16) there remains a risk of flooding downstream. Responsibility for the delivery of this project rests with the City Surveyor and in relation to the City's reputation, day to day management of the ponds and the community welfare aspects of this risk, the Director of Open Spaces.</p>	<p>Net Risk</p>	<p>R</p>
	<p>Likelihood</p>	<p>Impact</p>
	<p>3</p>	<p>5</p>
	<p>Control Evaluation</p>	
	<p>A</p>	

Risk Supporting Statement: SR13

Risk Owner: Chamberlain / Town Clerk

Risk	City Corporation fails to manage effectively negative impacts arising from Public Order and Protest, leading to a loss of confidence in the organisation. Links to: Strategic Aims SA1 & SA2 and Key Policy Priority KPP3	Gross Risk	R
		Likelihood	Impact
		4	4

Detail	This risk has a number of components for the City Corporation resulting from the roles as an employer, a Local Authority and as the Police Authority for the square mile. The risk from the policing perspective (operational policing) is managed by the Commissioner of Police, the remaining elements cover a range of operational areas e.g. disaster recovery/business continuity, building management, employee and community safety. The City Corporation also has a responsibility under the Civil Contingencies Act 2004 to its businesses and residential communities to support them in the aftermath of violent Public Order and Protest. This risk is directly linked to SR2 (Supporting the Business City), SR3 (Financial Stability) and SR8 (Reputation Risk), assessment of SR13 may lead to reassessment of these risks.
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<u>Specific Threats/Issues</u>	<u>Mitigating Actions</u>
<p>Planned protest marches in or near the City that, although peaceful, interrupt the daily life of the City by their presence.</p> <p>Planned protest marches that become disorderly or violent whether in the City or elsewhere that adversely affect business, property or communities for which the City Corporation has a statutory or corporate responsibility.</p> <p>Static protests whether peaceful or disorderly that adversely impact on the daily life of the City or adversely affect business, property or communities for which the City Corporation has a statutory or corporate responsibility.</p> <p>Spontaneous or organised outbreaks of civil disorder that adversely impact on the daily life of the City or adversely affects business, property or communities for which the City Corporation has a statutory or corporate responsibility.</p>	<p>The City of London Police and the City Corporation, as Category 1 responders (as designated by the Civil Contingencies Act 2004) have statutory responsibilities to warn and inform and prepare for any major incident, whatever the cause.</p> <p>These responsibilities are delivered through the Major Incident Plan and Disaster Recovery/Business Continuity Plans for both organisations.</p> <p>The City Corporation has worked with the Crime Prevention Association to produce guidance for City business to mitigate the impact of protest. This guidance has been distributed across the City.</p>

<u>Summary</u> Many of the controls operated by the City Corporation are designed to reduce the impact of protest whether peaceful or violent. For peaceful protest, we send advisory messages and updates that allow City businesses and residents to plan for disruption. If the protest or public order issue becomes violent, major incident and Business Continuity plans provide the framework for incident management, support to businesses and residents and long term recovery. Recent civil unrest across the world and particularly in London highlights the risk of public order or protest affecting the City.	Net Risk	A
	Likelihood	Impact
	1	4
	Control Evaluation	
G		

Risk Supporting Statement: SR14

Risk Owner: Chamberlain / Town Clerk

Risk	Further reductions in the 2012 autumn statement and likely reductions in future spending rounds will reduce grant income for the City Corporation resulting in the Corporation being unable to maintain a balanced budget and maintain healthy reserves in City Fund significantly impacting on service delivery levels.	Gross Risk	A
	Links to: Strategic Aim SA2 and Key Policy Priority KPP2	Likelihood	Impact
		4	3
Detail	<p>This risk is already headlined in the financial planning update presented informally to Resource Allocation Sub Committee in July. To mitigate the impact a further 2% efficiency savings have been identified which if implemented will put the City Fund non Police Services into surplus by £2.8m in 2015/16.</p> <p>Since the RASC decision the Chartered Institute of Public Finance has produced a forecast indicating likely resource public services spending reductions of 7.5% in real terms over 2015/16 and 2016/17. Whilst impossible to predict the impact on the City, it would be prudent to use this as a proxy for the level of grant reductions we might anticipate. Over 2015/16 and 2016/17 such a reduction equates to £4m -£5m Police and £3m non- Police services. However we have sufficient reserves to allow us to plan for managed savings once the magnitude of any reduction is known.</p>		
Specific Threats/Issues	Mitigating Actions		
N/A	<p>Manageable within current reserves</p> <p>Service based review to address the 2016/17 forecast deficit, including a review of spend not in line with City Fund duties that may potentially be better funded from Bridge House Estates and reconsideration of the asset sales policy.</p> <p>Maintaining prudent management of City Fund finances and using current financial planning to build up reserves.</p> <p>Direct engagement with central government on grant formula</p> <p>Scrutiny of efficiency proposals by the Efficiency Board and Efficiency and Performance Sub-Committee.</p>		
Summary	<p>Whilst it is almost certain that reductions in grant income will occur, we do not know the timing or the magnitude. However City Fund is not entirely dependent in grant funding, hence the likelihood is a 4 rather than a 5. The financial strategy addresses this risk in making additional savings and efficiencies to not only balance the budget, but to generate surpluses to offer some protection. We can't remove the risk that the financial position will deteriorate, but we are already well on our way to mitigate it. Further actions will include a service based review to address the potential deficits from 2016/17. At the same time the potential for elements of spend not in line with City Fund duties that might be better funded from Bridge House estates will be considered together with the asset sales policy.</p>	Net Risk	A
		Likelihood	Impact
		4	2
		Control Evaluation	
	G		

Risk Supporting Statement: SR15

Risk Owner: Managing Director, Barbican Centre

Risk	Works in high value loan exhibitions at Barbican Art Gallery are stolen or damaged.	Gross Risk	R
		Likelihood	Impact
		2	5

Detail	The main business of Barbican Art Gallery is to programme art exhibitions. This entails us taking responsibility for high value loans from private individuals and arts institutions. Our forthcoming exhibition 'Bride and the Bachelors' (13 Feb to 9 June 2013) is more valuable than is normal. The risk has two main elements: financial and reputational. If works are lost or damaged there would be a financial liability to the owner. In terms of reputation there would be adverse negative publicity for the city, and additionally lenders might be reluctant to lend works in the future, putting the viability of Barbican Art Gallery at stake.
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<u>Specific Threats/Issues</u> Theft or damage to art works during transit, installation/de-installation or while exhibition open to public or at night time when gallery closed. Financial risk: obligation to compensate lenders in case of theft or damage Reputational risk: Negative response by owners fuelling media reaction.	<u>Mitigating Actions</u> Preventative measures. Formal risk management and risk assessment process in place for every exhibition, signed off by Chief Operating and Financial Officer. External advice provided by National Security Advisor and Head of National Museums Security Group. Compliance with detailed conditions for security and care of work during transport and while on our premises as required by Government Indemnity, commercial insurance and lenders. Gallery risk management group verifies compliance with all conditions prior to period of risk. Physical and electronic security measures fully deployed. Additional mitigation in event of incident Government Indemnity and other insurance Damage limitation communications strategy prepared in advance
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<u>Summary</u> The gross risk is high because of the value of the works in Barbican Art Gallery exhibitions. Mitigating actions will reduce the risk from red to green. Likelihood will be reduced via security measures. Financial impact is mitigated via Indemnity and insurance cover. Reputational impact is mitigated by communications strategy.	Net Risk	G
	Likelihood	Impact
	1	3
	Control Evaluation	
G		

Risk Supporting Statement: SR16

Risk Owner: Assistant Town Clerk

Risk	A breach of the Data Protection Act 1998, by any CoL department due to poor compliance or mishandling of personal information, could result in harm to individuals, a monetary penalty of up to £500,000, compliance enforcement action and significant adverse media coverage. Links to: All Strategic Aims and Key Policy Priorities.	Gross Risk	R	
		Likelihood	Impact	
		5	3	
Detail	The Information Commissioner regularly uses his powers to impose considerable fines on public authorities for breaches of the Data Protection Act. There is a need to emphasise the importance of Data Protection and improve awareness, compliance and cooperation amongst Members and staff across the organisation.			
Specific Threats/Issues	Mitigating Actions			
Lack of Member and staff awareness of, and engagement with, the DPA. Office moves/relocations increase the possibility of losing or misplacing personal information. Transferring personal information to third parties, e.g. when contracting out services. Incorrect/accidental disclosure or loss of personal information, e.g. when sending personal information using any medium. Insufficient security in place to protect personal information.	Central monitoring & issuing of guidance exists (since 2003), along with nominated senior officer responsibility. - Access to Information network established, with reps across all departments. - DP awareness written into corporate employee policies as a requirement. - Code of Conduct requirement to complete the corporate DPA e-learning course. - Rolling program of tailored DPA training presentations for all staff and Members. - Record of all presentation attendees and e-learning sign-offs kept for audit purposes. - Awareness emails sent biannually to all staff. - Other awareness raising tools used when highlighting key issues. - Some monitoring of data processor contracts to ensure DPA compliance.			
Summary All Members and officers should be aware of the DPA requirements, and ensure full compliance is maintained at all times. Personal information, in whatever format it is held, should be kept secure at all times. Appropriate policies, procedures and tools should be in place, regarding the management of personal information, including where there is a requirement to share, transfer, disclose, transport and destroy it. To further reduce the risks associated with data protection breaches, compliance audits will have to be undertaken across the organisation. The audits can be undertaken by the Town Clerk's Information Officers in conjunction with each department, looking at what personal information is held, what procedures are in place and what improvements need to be made in the handling of personal information. The e-learning training course should continue to be kept up to date and reviewed at regular intervals.	Net Risk	A		
	Likelihood	Impact		
	3	3		
	Control Evaluation			
				A

Strategic Risk Profile

		Likelihood				
		Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost Certain (5)
Impact	Catastrophic (5)	SR1		SR11		
	Major (4)	SR13	SR10	SR2 SR8		
	Moderate (3)	SR5 SR15	SR4 SR6	SR9 SR16	SR14	
	Minor (2)				SR3	
	Insignificant (1)					
Key		Red / High Risk	Amber / Medium Risk	Green / Low Risk		

Guidance Notes

The following notes have been prepared to assist users of this document.

Risk Register Headings	Description
Risk No.	Unique reference for the risk.
Risk Details	Description of the risk.
Gross Risk	Assessment of the risk before taking into account any existing mitigating controls, Likelihood and Impact having been assessed against the risk assessment framework.
Risk Owner/Lead Officer	Officer responsible for the management of specific risks and key tasks associated with the mitigation of these.
Existing Controls	Controls in place to mitigate the risk.
Net Risk	Assessment of the risk having taken into account the mitigating controls in place.
Risk Status & Direction	Overall status of Red, Amber or Green calculated in accordance with the assessment of Likelihood and Impact, having applied the risk assessment matrix.
Planned Action	Details of further action required to mitigate the risk to an acceptable level.
Control Evaluation	An assessment of the adequacy of controls in place

Ratings	Risk Status	Control Evaluation
R	High risk, requiring constant monitoring and deployment of robust control measures.	Existing controls are not satisfactory
A	Medium risk, requiring at least quarterly monitoring, further mitigation should be considered.	Existing controls require improvement/Mitigating controls identified but not yet implemented fully
G	Low risk, less frequent monitoring, consideration may be given to applying less stringent control measures for efficiency gains.	Robust mitigating controls are in place with positive assurance as to their effectiveness

Guidance Notes

Likelihood Scores	Description
1 Rare	Robust mitigating controls in place, the risk may occur only in exceptional circumstances, (e.g. not likely to occur within a 10 year period or no more than once across the current portfolio of projects).
2 Unlikely	Adequate mitigating controls in place, the risk may occur in remote circumstances (e.g. risk may occur once within a 7-10 year period or once across a range of similar projects).
3 Possible	Reasonable mitigating controls in place, but may still require improvement. External factors may result in an inability to influence likelihood of occurrence (e.g. risk event could occur at least once over a 4-6 year period or several times across the current portfolio of projects).
4 Likely	Mitigating controls are inadequate to prevent risk from occurring, the risk may have occurred in the past (e.g. risk event could occur at least once over a 2-3 year period or several times across a range of similar projects).
5 Almost Certain	Mitigating controls do not exist or are wholly ineffective to prevent risk from occurring. The risk has occurred recently or on multiple past occasions (e.g. risk event will occur at least once per year or within a project life cycle).

Impact Scores	Description
1 Insignificant	An event where the impact can be easily absorbed without management effort.
2 Minor	Impact can be readily absorbed although some management input or diversion of resources from other activities may be required. The event would not delay or adversely affect a key operation or core business activity.
3 Moderate	An event where the impact cannot be managed under normal operating conditions, requiring some additional resource or Senior Management input or creating a minor delay to an operation or core business activity.
4 Major	Major event or serious problem requiring substantial management/Chief Officer effort and resources to rectify. Would adversely affect or significantly delay an operation and/or core business activity or result in failure to capitalise on a business opportunity.
5 Catastrophic	Critical issue causing severe disruption to the City of London, requiring almost total attention of the Leadership Team/Court of Common Council and significant effort to rectify. An operation or core business activity would not be able to go ahead if this risk materialised.