

City of London Corporation Committee Report

Committee: Investment Committee – For decision	Dated: 01 December 2025
Subject: Risk Register Update for Investment Committee	Public report: For decision
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes 	Providing Excellent Services, Leading Sustainable Environment, Flourishing Public Spaces, Dynamic Economic Growth
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:	The City Surveyor / The Chamberlain (CS 298/25)
Report author:	Sarah Port and Jenny Wong – Chamberlain's Department John Galvin, Faith Bowman – City Surveyor's Department

Summary

This report is produced quarterly to provide Members of Investment Committee (IC) with an update on the management of risks relevant to this Committee.

This report includes an update on three risk registers:

- Overarching Risk Register – This captures risks relating to the overall investment portfolio e.g. allocation between asset classes; risks common to both portfolios e.g. governance risk; and arrangements over liquidity which sit above the portfolios. This register is included as Appendix A.
- City Surveyor's Departmental Risk Register – The City Surveyor's Department (CSD) maintains a comprehensive risk register of matters pertaining to the department's operation and objectives. Where these risks are relevant to this Committee, these have been included in Appendix B.
- Corporate Treasury Risk Register – captures risks relating to the treasury function and the City's Estate financial investments (Appendix C).

Since the risk registers were last reviewed at the October meeting the following changes have been made in relation to the CSD Risk Register:

Two risks have been removed from the departmental risk register and will now be monitored at the GROUP level.

- SUR SMT 009 Recruitment and Retention of Property Professionals 8 (Amber)

- SUR SMT 016 Investment Property Group staffing and Capacity 4 (Green)

Recommendation(s)

Members are asked to:

- Consider the overarching risks and mitigations relating to the overall investment portfolio overseen by the Investment Committee (Appendix A).
- Note the actions taken across the organisation to effectively monitor and manage risks in the City Surveyor's operations (Appendix B) and review the existing risks and actions on the IC Financial Investments risk register (Appendix C) and confirm that appropriate control measures are in place.

Main Report

Background

1. The City Surveyor's Department (CSD) and the Chamberlain's Corporate Treasury Team report to the Investment Committee (IC) those risks relevant to your Committee under your Terms of Reference. Further, an overarching register has been in development capturing high-level risks to the investment portfolio.
2. Following discussions at the May 2024 IC, it was agreed that a single report would be presented to Members on a periodic basis. CSD must report its risks on a quarterly basis in line with the Corporation's Risk Management Strategy, 2024 - 2029 (RMS), and therefore the other registers must be presented in line with this frequency. Previously risks relating to Corporate Treasury were only reported to Committee on a six-monthly basis.
3. Risks to the overall investment portfolio such as allocation between asset classes, risks common to both portfolios, governance risks, and arrangements over liquidity which sit above the portfolios, are captured within the Overarching Risk Register.

Review of Risks

4. The method of assessing risk reflects the City of London's standard approach as defined in the RMS. The risk matrix, which explains how risks are assessed and scored is attached at Appendix D. These scores are summarised into three broad groups, each with increasing risk, and categorised "green", "amber" and "red".
5. Appendix B relates to risks owned by CSD, capturing items which could impact the performance of the investment property portfolio. Appendix C relates to risks owned by Corporate Treasury, helping identify and manage the strategic risks facing the City's non-property investments.
6. Each risk presented in the Risk Register is accompanied by one or more "action(s)" which reflect how the risk is managed and mitigated. A "due date" for required completion is set against each action. Due to the nature of the risk overseen by the Committee in many cases it is impossible to entirely eliminate a risk, and therefore corresponding actions will always remain live. These ongoing actions are necessary to




maintain the current risk score. Where this is the case the Risk Register includes an annual update, which will be reviewed each year.

Current Position

Overarching Portfolio Risk register (Appendix A)

8. The Overarching Risk Register for the investment portfolio has been developed further and mitigating actions included for:
 - Investment performance strategy,
 - External economic factors,
 - Overarching risk in relation to sustainability and impact – which is broken down in a more nuanced way in each of the property and financial investment risk registers,
 - Cash flow management risk – formerly sitting in the financial investment risk register,
 - Governance risk – formerly sitting in the financial investment portfolio.
9. The Overarching Risk Register contains five risks which are summarised in Table 1 below and are ranked by their current risk score.
10. Officers have reviewed the Risk Register to establish whether the risk environment has changed, and risks have been reviewed and updated where necessary. Updates to the Risk Register are underlined throughout. Table 1 below provides a summary of the risks.

Table 1: Summary table of risks for overall investment portfolio relevant to Investment Committee

Risk code	Risk title	Current Risk Score	Current Risk Score Indicator	Trend Icon
IC 02	External Economic Risk	12		
IC 01	Investment Performance Strategy Risk	6		
IC 05	Sustainability and Impact	6		
IC 04	Cashflow Management	4		
IC 03	Governance	4		

CSD Risk Register (Appendix B)

11. The key points to note for this period are captured below:

- a. SUR SMT 006
Construction Consultancy Management
Current Risk Score 16 (Red)

The quality and expertise of external consultants on recent projects have led to gaps in design and cost increases.

To address this issue the department continues to work collaboratively with the Procurement team, the legal department, and the Construction Category Board. The Property Projects Team is also conducting a peer review of documents to ensure the accuracy and completeness of the information provided by consultants.

The current risk score will remain unchanged.

12. Four risks have decreased in risk score and have been de-escalated from the departmental risk register. These risks will be monitored at the group level.

a. SUR SMT 009

Recruitment and Retention of Property Professionals

Increased interest in advertised roles, and fewer staff departures, indicated to the department's Senior Management Team that this risk had receded, and the likelihood therefore reduced to target.

The risk will be kept under review and will be re-escalated should market conditions change.

b. SUR SMT 011

Contractor Failure

The high inflation environment seen over the last few years resulted in elevated levels of contractor failures. The risk has diminished in recent periods, and we are no longer seeing the same instability in the market. Therefore, the risk likelihood has reduced, and the risk de-escalated from the departmental register.

c. SUR SMT 012

Adjudications and Disputes







The department has managed this risk since 2023 as projects developed through the COVID-19 period experienced issues, often requiring adjudications. The value and volume of such projects have now diminished as the City has worked through this set of projects. Consequently, the risk scoring has reduced to target.

d. SUR SMT 016

Investment Property Group (IPG) Staffing and Capacity

Recent successful recruitment in the IPG unit has reduced this risk. It will be monitored at a Group level in future periods.

Table 2: Summary of CSD risks relevant to this Committee











Risk code	Risk title	Current Risk Score	Current Risk Score Indicator	Trend Icon
SUR SMT 006	Construction Consultancy Management	16		
SUR SMT 003	Investment Strategy Risk	12		
SUR SMT 005	Construction and Service Contracts Price Inflation	12		

Chamberlain (Corporate Treasury) Financial Investments (Appendix C)

13. The financial Investments Risk Register contains five risks which are summarised in Table 3 below and are ranked by their current risk score.

14. Officers have reviewed the Risk Register to establish whether the risk environment has changed, and both risks have been reviewed and updated where necessary. Updates to the Risk Register are underlined throughout. Table 3 provides a summary of the risks.

Table 3: Summary table of risks for Corporate Treasury relevant to investment Committee

Risk code	Risk title	Current Risk Score	Current Risk Score Indicator	Trend Icon
CHB IC 01	Insufficient assets - City's Estate	12		
CHB IC 02	Targeted returns - City's Estate	6		
CHB IC 03	Service provider failure	4		
CHB IC 07	Failure to discharge responsible investment duties	4		
CHB IC 04	Counterparty failure - Treasury Management	2		

Corporate & Strategic Implications**Strategic implications**

15. Organisationally strategic risks are managed on the City Corporation's Corporate Risk Register. The Overarching Risk Register will seek to capture overall uncertainty to the investment portfolio, which may have strategic implications.

Financial implications

16. Should a risk manifest, there may be financial impacts. The assessment of risk includes consideration of potential financial implications, and this is reflected within the risk scoring.

Resource implications

17. The progression of mitigating activities often requires the provision of adequate resources. Where relevant this has been highlighted within the risk actions.

Legal implications

18. Legal and contract implications are highlighted where relevant within the relevant Risk Register.

Risk implications

19. Key risks are included in this report.

Equalities implications

20. Where relevant this is highlighted within the Risk Registers.

Climate implications

21. Sustainability and Impact is the focus of one of the key risks on the Overarching Risk Register.

Security implications

22. None

Conclusion

23. Members are asked to note the recent updates to the risk registers and the measures implemented by both the Chamberlain's Department and the City Surveyor's Department to reduce the probability and/or consequences of identified risks.

There were two risks relevant to this committee managed by the CSD which had their risk scoring reduced compared to prior periods.

Appendices

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| • Appendix A | Overarching Risk Register (for City Fund and City's Estate) |
| • Appendix B | The City Surveyor's Departmental Risk Register relevant to Investment Committee |
| • Appendix C | The Corporate Treasury Risk Register relevant to Investment Committee |
| • Appendix D | City of London Risk Matrix |

Background Papers

- The City Surveyor Risk Register Update for Investment Committee – 21 July and the Chamberlain 2025 (CS.152/25)
- The City Surveyor Risk Register Update for Investment Committee – 06 and the Chamberlain October 2025 (CS.228/25)

Jenny Wong

Senior Accountant - Financial Investments

Chamberlain's Department

E: jenny.wong@cityoflondon.gov.uk

John Galvin

Departmental Performance & Services

City Surveyor's Department

E: john.galvin@cityoflondon.gov.uk