

Committee(s):	Date(s):
Audit and Risk Management Committee	15th October 2013
Subject: Strategic risk SR8 - Managing the City of London Corporation's reputation	Public
Report of: Director of Public Relations	For Decision
<p>Summary</p> <p>This report sets out briefly the background to the management of Strategic Risk No 8 – the management of the City of London Corporation’s reputation. It specifies the nature of the risks, the procedures in place to tackle them and the integral part which this work plays in the implementation of the overall Communications Strategy.</p> <p>Recommendations</p> <p>The Committee is recommended to endorse contents of this report.</p>	

Main Report

Background

1. Like all organisations, the protection and enhancement of its reputation is an integral part of the work of the City of London Corporation. The lead responsibility for this rests with the Director of Public Relations and the Public Relations Office. The overall approach to this work is set out in the Communications Strategy, 2013-16, approved in March 2013. The relevant section of the Strategy is attached at appendix A. Detailed arrangements are also in place to ensure that this work is carried out in a fully integrated way with all relevant committees and departments, including appropriate regular meetings to review the current position and advise on the best way to handle particular issues, as and when they arise.

Current Position

2. The current entry on the risk register for this risk (SR 8) is attached at appendix B. Various mitigating controls are in place as follows:
 - 2.1. Work proceeds to implement the focus of the communications work in relation to the services which the organisation provides, as specified in the current Communications Strategy (in addition to the continuing work on financial services issues). Detailed reports on the progress with these activities are provided quarterly to the Policy and Resources Committee;
 - 2.2. The City Corporation’s retained public affairs consultants, Quiller Consultants Ltd, provide, inter alia, detailed external advice and guidance on the management of reputational risk, through regular discussions with senior Members and officers;

- 2.3. The Director gives the highest priority to ensuring that the staffing arrangements of the PR Office encompass all the necessary skills, knowledge, experience and approach that assists in preparing in advance for possible risks to the reputation of the organisation and handling them effectively, as and when they arise. This includes continuously placing the highest priority on the need to keep a close watch on this aspect of the organisation's work;
 - 2.4. The Director ensures regular liaison with Chairmen and Deputy Chairmen of Committees, chief officers and departmental communications representatives (including a regular meeting of the latter), whereby the reputational risks from all policy decisions and other aspects of the organisation's work can be closely monitored;
 - 2.5. Regular public relations training and guidance is provided for departmental communications representatives with responsibility for handling day-to-day communications issues in coordination with the PR Office;
 - 2.6. Each departmental risk register is reviewed carefully on a regular basis, by both the audit and risk management team and PRO staff, to make sure that all potential reputational risks are managed appropriately.
3. There are a number of substantial potential and current reputational risks which are set out in the attached entry in the risk register. Detailed plans are in place to monitor and manage each of these risks.

Conclusion

4. This report sets out briefly the current position on the management of reputational risk within the organisation, which the Committee is asked to consider and note.

Background Papers:

- City of London Communications Strategy, 2013-16

Appendices

- Appendix A: Relevant section of the Communications Strategy, 2013-16
- Appendix B: Strategic Risk 8, Negative publicity and damage to the City Corporation's reputation.

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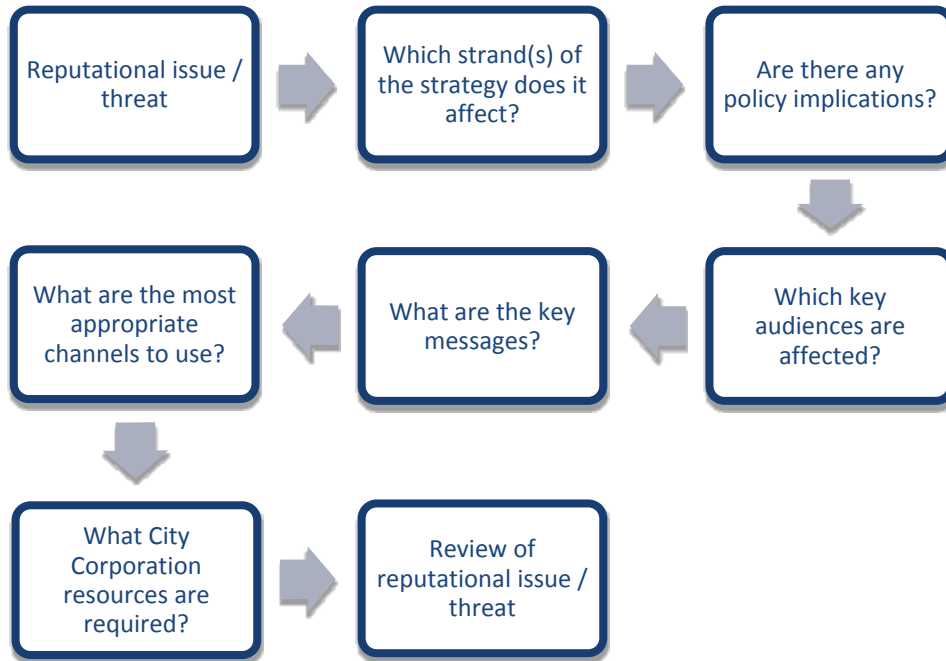
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Appendix A

Extract from *City of London Communications Strategy, 2013-16*.

Reputation and risk management

One of the key roles of the Communications Strategy is to embed across the organisation the importance of managing reputational risk. The diagram below demonstrates the way in which we plan to handle any specific threat to the organisation's reputation.



In both the run-up to and the aftermath of the elections to the Common Council in March, critics of the City Corporation are likely to raise concerns which challenge the legitimacy of the organisation. Criticisms may focus on issues relating to the electoral process, our financial transparency and our engagement with policy makers. This is the context in which all parts of the organisation need to recognise that they operate.

To increase the recognition of the services provided by the City Corporation across London, we will be giving emphasis to the work done to support London's communities, and to help look after London's heritage and green spaces.

Across the organisation, there is a continually growing awareness of the emerging role of new and social media, specifically in relation to the management of reputational risk and we have developed a strategy for this, including relevant training of an ever-wider group of City Corporation staff.

Risk Supporting Statement SR 8**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 and SA3 and Key Policy Priorities KPP1, KPP2, KPP3, KPP4 and 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.
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Issues	Controls
	<p>Communications strategy in place</p> <ul style="list-style-type: none"> - Experienced media/communications 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 - Regular PR training sessions held for departmental communications representatives - Examination of departmental risk registers to identify emerging issues - Working with public affairs consultants to improve City Corporation's ability to respond to PR challenges

Summary and Further Action Summary: Shortlist of Key Issues	Likelihood	Impact	Net Risk		A
			Likelihood	Impact	
(a) Hampstead Heath Hydrology and related issues	2	5	3	4	Control Evaluation G
(b) London Living Wage	5	3			
(c) Debate around the transparency and accountability for City's Cash	4	3			
(d) Adverse comment or publicity on the role and purpose and governance of the City Corporation	3	3			
(e) Managing the impact of street works on visitors, residents and workers	5	3			
(f) Keeping website up-to-date and effective as a communications tool	1	3			
(g) Adverse publicity from any failures of performance by City Schools	3	3			