



## Audit and Risk Management Committee

**Date:** TUESDAY, 16 JANUARY 2018  
**Time:** 2.00 pm  
**Venue:** COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

**Members:** Alderman Ian Luder (Chairman)  
Alderman Nick Anstee (Deputy Chairman)  
Randall Anderson  
Alexander Barr  
Chris Boden  
The Rt. Hon. the Lord Mayor, Alderman Charles Bowman  
Henry Colthurst  
Hilary Daniels (External Member)  
Alderman Peter Estlin  
Deputy Jamie Ingham Clark (Ex-Officio Member)  
Kenneth Ludlam (External Member)  
Caroline Mawhood (External Member)  
Paul Martinelli  
Jeremy Mayhew (Ex-Officio Member)  
Hugh Morris (Ex-Officio Member)  
  
1 x vacancy

**Enquiries:** Julie Mayer  
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**PLEASE NOTE:** A working lunch will be provided at 12.45 pm,  
in the Committee Room - before the Risk Challenge Session at 1pm  
**NB:** Part of this meeting could be the subject of audio or video recording

**John Barradell**  
Town Clerk and Chief Executive

# **AGENDA**

## **Part 1 - Public Agenda**

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES OF THE PREVIOUS MEETING**  
To agree the public minutes of the meeting held on 28 November 2017.  
  
**For Decision**  
(Pages 1 - 8)
4. **OUTSTANDING ACTIONS OF THE COMMITTEE**  
Report of the Town Clerk.  
  
**For Information**  
(Pages 9 - 12)
5. **COMMITTEE WORK PROGRAMME**  
Report of the Town Clerk.  
  
**For Information**  
(Pages 13 - 14)
6. **DATA PROTECTION BILL 2017**  
Report of the Remembrancer.  
*This report provides an overview of the political debate and supplementary details on the Bill, further to the report of the Comptroller and City Solicitor at your last meeting.*  
  
**For Information**  
(Pages 15 - 20)
7. **POSITION OF DEPUTY CHAIRMAN OF THE AUDIT AND RISK MANAGEMENT COMMITTEE: STANDING ORDER 29 (3)**  
Report of the Town Clerk.  
  
**For Decision**  
(Pages 21 - 22)
8. **SUCCESSION PLANNING FOR EXTERNAL MEMBERS: TO APPOINT A NOMINATIONS SUB COMMITTEE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE**  
Report of the Town Clerk.  
  
**For Decision**  
(Pages 23 - 26)

9. **RISK MANAGEMENT UPDATE**

Report of the Chamberlain.

**For Decision**  
(Pages 27 - 74)

10. **DEEP DIVE RISK REVIEWS**

- a) **Loss of Business Support for the City - CR02**  
Report of the Director of Economic Development.

**For Information**  
(Pages 75 - 84)

- b) **Police Funding- CR23**  
Report of the Chamberlain.

**For Information**  
(Pages 85 - 94)

11. **INTERNAL AUDIT RECOMMENDATIONS FOLLOW UP**

Report of the Head of Internal Audit and Risk Management.

**For Information**  
(Pages 95 - 102)

12. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

13. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

14. **EXCLUSION OF THE PUBLIC**

**RESOLVED:** That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

**For Decision**

**Part 2 - Non-Public Agenda**

15. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

16. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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## AUDIT AND RISK MANAGEMENT COMMITTEE

**Tuesday, 28 November 2017**

Minutes of the meeting of the Audit and Risk Management Committee held at Guildhall, EC2 on Tuesday, 28 November 2017 at 2.00 pm

### **Present**

#### **Members:**

Randall Anderson  
Alexander Barr  
Chris Boden  
Henry Colthurst  
Hilary Daniels (External Member)  
Deputy Jamie Ingham Clark (Ex-Officio Member)  
Alderman Ian Luder (Chairman)  
Paul Martinelli  
Caroline Mawhood (External Member)  
Jeremy Mayhew (Ex-Officio Member)  
Hugh Morris (Ex-Officio Member)

#### **Officers:**

Michael Cogher	-	Comptroller and City Solicitor
Neil Davies	-	Town Clerk's Department
Peter Kane	-	Chamberlain
Paul Dudley	-	Chamberlain's Department
Sean Green	-	Chamberlain's Department
Chris Keesing	-	Chamberlain's Department
Leigh Lloyd-Thomas	-	External Auditor, BDO
Julie Mayer	-	Town Clerk's Department
Pat Stothard	-	Head of Internal Audit and Risk Management
Alan Bubbear	-	City of London School for Girls

### **1. APOLOGIES**

Apologies were received from Alderman Nick Anstee (Deputy Chairman), the Rt. Hon. The Lord Mayor, Alderman Charles Bowman, Alderman Peter Estlin, and Mr Kenneth Ludlam.

### **2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

- Alderman Luder declared a general pecuniary interest in respect of agenda item 4, which included an update on Fire Safety, by his status as a leaseholder of a City of London Property.

- Mr Randall Anderson declared a general pecuniary interest in respect of agenda item 4, which included an update on Fire Safety, by his status as a tenant of a City of London Property.

### 3. **MINUTES OF THE PREVIOUS MEETING**

The public minutes and non-public summary of the meeting held on 10<sup>th</sup> October 2017 were approved, subject to the following amendments:

- Mr Anderson had declared a general pecuniary interest by virtue of being a tenant of a City of London property (not a leaseholder).
- An External Member felt that a query raised about safeguarding training had not been answered fully and asked for an action point to be added, providing Members with details of both Member and Governor training, including where central records were held, whether the training was compulsory or non-compulsory and which Members/Governors had attended.

### 4. **OUTSTANDING ACTIONS OF THE COMMITTEE**

Members noted the Committee's outstanding actions list and those points which would be discharged on today's agenda and could therefore be removed.

In respect of Fire Safety, Members had received an update following the receipt of Counsel's opinion and asked for a further report, covering how the risk was being managed, in 6 months. The Chairman of the Housing Management and Almshouses Committee, also a Member of this Committee, advised that the Community and Children's Services Committee were due to receive a full update in March 2018 and therefore it would be timely for the Audit and Risk Management Committee to receive a risk update report at their meeting in May 2018.

### 5. **COMMITTEE WORK PROGRAMME**

Members received the Committee's work programme.

### 6. **INTERNAL AUDIT UPDATE**

Members received a report of the Head of Internal Audit and Risk Management, which provided an update on internal audit activity since the last meeting of the Committee.

Members noted that, since the publication of the agenda, and following the receipt of additional information, 'City Police Programme Management' had reduced to amber. Members noted the Police's proposal in respect of the City of London Corporation's Gateway Process would be raised with the Town Clerk. In receiving this report, Members stressed they were not recommending that the Gateway process be by-passed but recognised the desire to expedite projects when essential. Members would receive a deep dive risk review report on police funding at their next meeting.

In respect of statutory obligations relating to seized goods, which included cash, the External Member offered to raise this at the forthcoming Police Performance and Resource Management Sub Committee.

The Head of Internal Audit and Risk Management confirmed that all recommendations from 2016-17 had expected completion dates of March 2018 and this work would not impact on delivery of the audit programme in 2017-18. Members noted that the Committee's cross-departmental focus on implementation was improving both delivery and the quality of responses.

In respect of a query about the Guildhall School of Music and Drama's (GSMD) Strategic Review, Members noted that this had been postponed as it was being developed after the new Principal took up her post. The Head of Audit and Risk Management confirmed that the review was due to be completed soon and would then be audited.

RESOLVED, that – the report be noted.

**7. UPDATE ON IMPLEMENTATION OF AUDIT RECOMMENDATIONS BY THE CITY OF LONDON SCHOOL FOR GIRLS**

Members received a report of the Headmistress, City of London School for Girls, in respect of progress in implementing its audit recommendations. The Bursar opened his presentation by apologising for the delayed response.

Members were pleased to note that, of 6 recommendations; 2 had been closed; satisfactory progress had been made on 2; 1 had been stalled due to staff shortages and 1 remained partially complete, due to a combination of issues including multi-departmental responsibility and a high turnover of staff. The remaining recommendations would be completed shortly.

Members were pleased to note the progress set out in the report and asked for the Town Clerk to maintain a centrally held record of governor training records, to be readily accessible every time a new member joined a Board.

Members agreed to defer the School's Risk Challenge session to the March 2018 meeting of the Audit and Risk Management Committee, as this would provide a more realistic timescale to implement the remaining recommendations.

Finally, Members noted that the discovery of a body in the grounds of the school, the previous day, had not been linked to anyone involved with the School. The Bursar advised that the School's Crisis Plan had been implemented, very successfully, and the school had been closed. No pupils had attended, and only a couple of members of staff, and the School had reopened this morning. Members noted that the Senior Leadership Team had held a debriefing and there were a couple of lessons learnt in respect of IT systems and the provision of telephone numbers. The Chairman and Members thanked the School for their professional and timely response to this incident.

RESOLVED, that – the report be noted.

8. **EXTERNAL QUALITY ASSESSMENT UPDATE**

Members received a report of the Head of Internal Audit and Risk Management, which outlined progress against identified actions following the findings of the external and independent review of the City of London Corporation's Internal Audit, Risk Management and anti-fraud function undertaken by Mazars LLP.

In response to a question about the transfer of a resource from the Anti-fraud team to the Department of Community and Children's Services, Members noted that this post would be funded by the Housing Revenue Account (HRA) but the Anti-Fraud Manager would still have oversight of this officer's work. The Head of Internal Audit and Risk Management advised that this was one of many initiatives aimed at directing audit resources towards anti-fraud activity and the next Internal Audit Update report would provide a further update.

RESOLVED, that – the report be noted.

9. **ANTI FRAUD INVESTIGATIONS**

Members received a report of the Chamberlain in respect of anti-fraud and investigation activity since the last meeting of the Committee in February 2017.

During the discussion, the following points were noted:

- Enhancements in Right to Buy investigations, which might highlight other potentially fraudulent activity.
- Members asked if future reports could differentiate between the verification activity we undertake for Right to Buy and App Check, against the more detailed fraud investigation cases.
- A new dedicated Tenancy Fraud Officer, based in the Community and Children's Services Department, would enable greater participation in London-wide initiatives such as the London Fraud Hub (data sharing). There would be no reduction in time allocated to this post and the officer would report to the Anti-Fraud Manager.
- There was no statutory requirement in respect of the amount of fraud focus required; this was left to the discretion of each local authority.

RESOLVED, that:

1. The anti-fraud and investigations activity as set out in the report be noted.
2. The changes to the Anti-Fraud and Corruption Strategy and the changes to the Social Housing Tenancy Fraud – Anti-Fraud and Prosecution Policy be approved.



10. **OUTTURN OF THE RISK APPETITE SURVEY 2017**

Members received a report of the Chamberlain which informed Members of the key findings of the recent on-line Senior Manager and Risk Appetite Survey.

During the discussion on this item, the following points were raised/noted:

- There had been a very good response rate (77.4%), one of Zurich's highest, and a strong similarity between the views of Members and Officers.
- Determining risk appetite for specific risks will allow members to question reasons why a risk may be above or below appetite and whether to agree if a risk should remain above appetite even after mitigation.
- More clarity on those risks which could not be mitigated further would be helpful; i.e. if a risk had reached its appetite it might need less frequent monitoring.
- If a risk was accepted, could the benefits be clearer.
- A high appetite for innovation would also need a shift from any possible 'blame culture' and the ability to cancel failed projects without penalty.

In concluding, Members noted that the report had been to the Summit Group, who had asked for similar additional information. Subsequently, there would be further work with Chief Officers as to whether they could do more to mitigate some of their risks and take them below appetite.

RESOLVED, that – the report be noted.

11. **DEEP DIVE RISK REVIEW: IT SERVICE PROVISION - CR19**

Members received a report of the Chamberlain in respect of IT Service provision and were pleased to note the significant turnaround in the City of London Corporation's IT provision and the progress of the transformation programme.

The Chamberlain commended the support of Members in terms of the considerable investment in the IT Transformation Programme, the IT Leadership Team and the work of the IT Sub Committee, chaired by Deputy Jamie Ingham Clark. The Chamberlain was confident that this risk would go to amber early next year.

The IT Director also reported a better understanding, from both IT and FM providers, in respect of electrical safety and regular 6 monthly checks had been scheduled. The Chairman had been particularly concerned at the pictures in the appendix to this report and was pleased to note the remedial action and hoped there would be no recurrence. In concluding, Members welcomed this report and the focus it demonstrated on improved service delivery.

RESOLVED, that – the report be noted.

**12. COMMITTEE'S TERMS OF REFERENCE**

Members received a report of the Town Clerk, which set out the Committee's Terms of Reference for their annual review.

Further to the discussion under agenda item 13, Members agreed that the Committee's Terms of Reference should include an annual report to the Court of Common Council.

RESOLVED, that –

1. The Committee's Terms of Reference be approved, with an additional item including and Annual Report to the Court of Common Council on the work of the Committee. (*See next item on the agenda*)
2. The Committee continues to meet 6 times a year

**13. SURVEY OF COMMITTEE EFFECTIVENESS**

Members received a report of the Town Clerk, which presented proposals from the last survey of the Audit and Risk Management Committee Members.

Members agreed that, going forward, they would receive some extensive survey every 3 years, with light touch reviews in the interim 2 years. Members suggested that the surveys could incorporate a facilitated workshop and favoured 1-4 scoring, with the opportunity to add comments. Members agreed to receive the first extensive survey in 2018.

In respect of adding an Annual Report to the Court on the Committee's effectiveness, referred to above in 'Terms of Reference', Members noted that this was best practice but asked officers to be mindful of it being too formulaic. Members suggested that the report be concise and give assurance. The Town Clerk advised that this report would complement the Annual Governance Statement (AGS) and some sections of the AGS might be better placed in an annual report on the Committee's effectiveness.

RESOLVED, that:

1. The Committee Effectiveness Survey continue a 3-yearly basis, with the next Survey in 2018 and the intermittent years (2019 and 2020) having a more 'light touch' review.
2. That the Court of Common Council receive an Annual Report on the work of the Committee.

14. **GENERAL DATA PROTECTION REGULATIONS 2018**

Members received a report of the Comptroller and City Solicitor in respect of the requirements of the General Data Protection Regulation (GDPR) and the work required to secure compliance by 25<sup>th</sup> May 2018, including the appointment of a Data Protection Officer. The GDPR strengthened privacy and other rights and increased penalties for breaches.

Members noted that the report had been approved by the Policy and Resources and Establishment Committees; the Comptroller and City Solicitor had been appointed as the Data Protection Officer (DPO) and the project plan for compliance had been audited by Mazars, showing that the City Corporation was in a good place and noting that further detail would emerge in guidance from the Information Commissioner.

The Comptroller and City Solicitor advised that he would be running 2 training sessions for Members in January 2018 and it was likely that compulsory on-line sessions would be introduced for staff and possibly Members. Furthermore, it was likely that use of non-City of London Corporation email addresses would cease.

RESOLVED, that – the report be noted.

15. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

16. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There were no items.

17. **EXCLUSION OF THE PUBLIC**

18. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

The non-public minutes of the meeting held on 10<sup>th</sup> October were approved.

19. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

20. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were no items.

**The meeting ended at 3.55 pm**

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Chairman

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## AUDIT AND RISK MANAGEMENT COMMITTEE - Outstanding Actions- December 2017 update

Date Added	ITEM	Action	Officer responsible and target date
23.5.2017	<b>INTERNAL AUDIT (GENERAL)</b>	<ol style="list-style-type: none"> <li>1. Action plan to distinguish <u>low, medium and high</u> priority risks and be more outward focussed.</li> <li>2. Chief Officers be invited to attend the Audit and Risk Management Committee where they had not provided an adequate explanation of delayed implementation.</li> <li>3. Members suggested that audit report recommendations be linked to Chief Officers' objectives at their annual appraisals.</li> </ol>	<p><i>Head of Internal Audit and Risk Management</i></p> <p>1,2 &amp; 3 - On-going</p>
23.5.2017	<b>INTERNAL AUDIT CHARTER</b>	Members asked for cyber awareness to be more visible in all Internal Audit Reviews and suggested that this be more explicit in the Charter.	<p><i>Head of Internal Audit and Risk Management</i></p> <p>This will be actioned for all audits going forward. A section will be added to the Charter for the next review by the ARMC.</p>
23.5.2017	<b>HEAD OF INTERNAL AUDIT OPINION AND ANNUAL REPORT 2016/17</b>	<p>Members requested:</p> <ol style="list-style-type: none"> <li>1. The numbers of greens, ambers and reds would give greater assurance than just stating the number of reds.</li> <li>2. Future opinion reports should include the quality of internal audit and coverage.</li> </ol>	<p><i>Head of Internal Audit and Risk Management</i></p> <p>To be included in the next HoIA Opinion in May 2018</p>

## AUDIT AND RISK MANAGEMENT COMMITTEE - Outstanding Actions- December 2017 update

23.5.2017	<b>INTERNAL AUDIT PLAN 2017/18</b>	<p>Members requested:</p> <ol style="list-style-type: none"> <li>1. Could there be a review of significant areas every 3 years and an indication of the type of work which would be covered over the course of the year.</li> <li>2. Whether future reviews could include an analysis of efficiency and include resources and training.</li> </ol>	<p><i>Head of Internal Audit and Risk Management</i></p> <ol style="list-style-type: none"> <li>1. This will be actioned for the next Audit Plan.</li> <li>2. This will be considered as part of the forthcoming planning process.</li> </ol>
10.10.2017	<b>FIRE SAFETY</b>	The relevant Service Committees are due to receive a full update on this matter at their February Meetings.	<p><i>Director of Community and Children's Services</i></p> <p>A further update to the Audit and Risk Management Committee in March 2018.</p>
10.10.2017	<b>ROAD SAFETY</b>	Members asked for a report on the risk management aspects of Crossrail before it opens.	<p><i>Director of the Built Environment</i></p> <p>Further update when available.</p>
10.10.2017	<b>APPOINTMENT OF EXTERNAL MEMBERS</b>	<ol style="list-style-type: none"> <li>1. Caroline Mawhood's appointment as an External Member be approved, subject to the confirmation of the Court in December 2017.</li> <li>2. Committee to receive a report, at its next meeting, in respect of future appointments of External Members.</li> </ol>	<p><i>Town Clerk</i></p> <ol style="list-style-type: none"> <li>1. Report to the Court of Common Council 7 December 2017 - approved</li> <li>2. January 2018.</li> </ol>

## AUDIT AND RISK MANAGEMENT COMMITTEE - Outstanding Actions- December 2017 update

28.11.17	<b>SAFEGUARDING TRAINING</b>	An External Member asked for details of both Member and Governor training, including where central records were held, whether the training was compulsory or non-compulsory and which Members/Governors had attended.	<i>Director of Community and Children's Services</i>  Please see appendix to this outstanding action list
29.11.17	<b>STATUTORY OBLIGATIONS IN RESPECT OF SEIZED GOODS</b>	An External Member offered to raise this at the forthcoming Police Performance and Resource Management Sub Committee.	<i>Update at January Meeting</i>

## AUDIT AND RISK MANAGEMENT COMMITTEE - Outstanding Actions- December 2017 update

Full details of all Safeguarding Training are held and updated both centrally, within the Education Unit and the Town Clerk's Department. Each School maintains a training log in readiness for inspections. All Members who sit on the School Boards are required to undertake compulsory training in safeguarding, which is offered by the Education Unit at least annually, and to be DBS checked. The Education Policy Manager holds the safeguarding training logs, for inspection and she will be providing training again in late January/early February 2018

The Local Safeguarding Children Board delivers a range of training for different levels of knowledge and expertise regarding safeguarding children – this is part of a rolling programme. The training programme can be viewed at the link below.

<http://www.chscb.org.uk/training-calendar/>

The Adults Safeguarding Board also commissions and delivers Safeguarding Adults training. This does not have a rolling programme but will deliver bespoke courses. These are circulated to staff as required.

Other programmes will be run as part of awareness raising campaigns that will take place. For example, training on financial abuse of older people, child sexual exploitation and dealing with allegations against professionals by children, are just some of the examples of the courses delivered/commissioned by City of London

In 2018, the Safeguarding Champions Group will be launched for a number of departments across the Corporation. This group will be tasked with overseeing the development and take up of a training programme that will seek to accommodate the needs of the specific groups of staff working in different areas. A report will be presented to the Chief Officers Group in early 2018 setting out these plans. The role of the Champions Group, when launched, will be to provide this oversight, working with Corporate HR.

Ultimately, CoL staff who engage in training need to record this centrally on 'City People', and this will continue to be promoted as part of the ongoing development work.



### Audit & Risk Management Committee - Work Programme

<b>Meeting dates:</b>	<b>28/11/17</b>	<b>16/1/18</b>	<b>6/3/18</b>	<b>29/5/18</b>	<b>17/7/18</b>
<b>Financial Statements/External Audit</b>					
				Draft City Fund and Pension Fund Financial Statements	City Fund and Pension Fund Financial Statements  Bridge House Estates Financial Statements
<b>Internal Audit</b>					
	Internal Audit Update		Internal Audit Update	Head of Internal Audit Annual Opinion (Internal Audit Update)	Internal Audit Update
	External Quality Assessment update	Internal Audit Recommendation Follow-up		Internal Audit Recommendation Follow-up	Internal Audit Recommendation Follow-up
	Internal Audit Recommendation Follow-up		Internal Audit Plan for 2018/19		
			Internal Audit Charter/Strategy		
<b>Governance</b>					
			Annual Governance Statement Methodology	Annual Governance Statement 2017/18	

<b>Meeting dates:</b>	<b>28/11/17</b>	<b>16/1/18</b>	<b>6/3/18</b>	<b>29/5/18</b>	<b>17/7/18</b>
	Actions arising from Committee Effectiveness Survey				
<b>Risk Management</b>					
	Risk Appetite	Risk Update	Risk Update	Risk Update	Risk Update
	Deep Dive: IT Provision	Deep Dive: Police Funding	Deep Dive TBC	Deep Dive TBC	Deep Dive TBC
<b>Anti-fraud and Corruption</b>					
	Anti-Fraud Investigations Update			Anti-Fraud Investigations Update	
<b>External Inspections</b>					
<b>Risk Challenge Sessions</b>					
	City Surveyor	TBC	TBC	TBC	TBC

<b>Committee(s):</b>	<b>Date(s):</b>
Audit and Risk Management Policy and Resources Police IT Sub	16 January 2018 18 January 2018 25 January 2018 9 February 2018
<b>Subject:</b> The Data Protection Bill 2017	<b>Public</b>
<b>Report of:</b> Remembrancer <b>Report Author:</b> Philip Saunders	<b>For Information</b>
<p style="text-align: center;"><b>Summary</b></p> <ul style="list-style-type: none"> <li>• The Bill is influenced by two factors - a 2017 Conservative manifesto promise to update data protection laws and European Union legislation, the General Data Protection Regulation (GDPR).</li> <li>• The Bill, which for the most part replicates the provisions of the Data Protection Act 1998, will replace the existing statutory provisions on personal data processing for all data controllers, and make new provision regarding the use of personal data by the police and other enforcement bodies for law enforcement purposes.</li> <li>• The City Corporation is within the scope of the Bill in relation to personal data processing.</li> </ul> <p style="text-align: center;"><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>• To note this Report and the steps being taken to ensure compliance with the provisions in the Bill.</li> </ul>	

## Main Report

### Background

1. The Bill paves the way for the adoption by the UK of the European Union's General Data Protection Regulation (GDPR) and the Law Enforcement Directive. The provisions of the Regulation will apply to the UK from 25 May 2018 and the measures giving effect to the Directive must be in force by 6 May 2018. Therefore, while the main focus of the Bill is on the implementation of the GDPR, the inclusion of the Directive means the Government will plan for the Bill to be in force by 6 May 2018.
2. For the most part, the Bill sets out rules to govern the way bodies handle personal data. These new rules will implement the GDPR and replace the Data Protection Act 1998. A Report on the implementation of the measures was presented by the Comptroller and City Solicitor at your last Committee.

3. This report provides an overview of the political debate and supplementary details on the Bill.

## **Political Background**

4. The Bill was introduced in the House of Lords by Digital Minister Lord Ashton of Hyde who explained that the measures had three objectives, first to improve trust through increased transparency over how data is used; second, to “support future trading relationships” and the “free flow of data across international boundaries”; and, third, to make provision about law enforcement. Ashton said the Bill was intended to give individuals “greater control over and easier access to their data” which would include an individual’s right to require social media platforms to delete information held about them. This new right would not, he emphasised, prejudice archival, journalistic or similar activities.
5. Ashton pointed to the new right of data portability which will allow individuals to “transfer data from one place to another”. This right would produce consumer benefit and competition, he said, because “when a consumer wants to move to a new energy supplier, they should be able to take their usage history with them rather than guess and pay over the odds. When we do the weekly supermarket shop online, we should be able to move our shopping list electronically”. On law enforcement, Ashton said the Bill would ensure a single domestic and transnational regime for the processing of personal data for law enforcement purpose.
6. Labour’s spokesman Lord Stevenson applauded the Government’s intention behind the Bill but criticised the measures as being insufficiently detailed. He cautioned that 43% of EU tech companies were based in the UK and 75% of the UK’s data transfers were with EU member states but that satisfying the European Commission that the UK’s post-Brexit legislative framework provided an “adequate level of protection” was open to debate - “the current surveillance practices of the UK intelligence services may jeopardise a positive adequacy decision, as the UK’s data protection rules do not offer an equivalent standard of protection to that available in the rest of the EU”. Stevenson highlighted the importance to the professional services sector of the ability to transfer data across the EU. He queried whether the Bill created a workable arrangement for the longer-term – “once we leave the EU, policies will be developed within the EU 27 without our input”. For the Lib Dems, Lord McNally welcomed the Bill and explained that his party would push to ensure individuals have the maximum control over their data. On law enforcement he told peers he had attended a conference sponsored by the City Corporation, the Atlantic Council and Thomson Reuters entitled “Big Data: A Twenty-First Century Arms Race”. He said significant threats had been outlined but was “encouraged that there seemed to be an appetite in the private sector to co-operate with the police and government to ensure that big data can be effectively tamed to ensure better compliance, improve monitoring and reporting and prevent illicit financial flows”.

## Data Protection

7. In broad terms the Bill will strengthen individuals' rights to control the way organisations handle their personal data ('data processing' in the jargon of the legislation). The Bill has a broader scope than the Data Protection Act 1998. For example, under the Data Protection Act 1998 collection of personal data should not be "excessive" in relation to the purpose for which it is gathered. The Bill restricts the use of personal data so that it is limited to what is necessary for the purposes for which it is collected. Currently personal data should be accurate and, where necessary, kept up to date. The Bill strengthens this provision so that every reasonable step should be taken to keep personal data up to date and that inaccurate data should be erased or rectified as swiftly as possible.
8. The Bill introduces some wholly new concepts. The processing of data will be the responsibility of a data controller. Typically, organisations, including the City Corporation, will be data controllers although the definition of controller in the GDPR and in the Bill requires a case-by-case analysis to determine the identity of the controller.
9. Data controllers will be required to appoint a data protection officer who will be responsible for an organisation's adherence to the Bill's principles. A person in each organisation – called a data protection officer - will be required to take technical and structural steps to ensure compliance with the Bill's principles. The City's data protection officer will be the Comptroller and City Solicitor.
10. Further new concepts include reinforcing individuals' rights to obtain and move their data for their own purposes – including a right to have the data provided to them in a commonly used format that is machine readable. The data must be provided for free. Individuals will be entitled to object to the use of their data in relation to profiling by institutions, and in relation to scientific and historical research purposes. Individuals will have a new right to have personal data erased in 5 circumstances, namely where
  - i. the purpose for which the data was gathered is redundant
  - ii. the individual withdraws consent
  - iii. the individual objects to the processing of his data and the data processor has no 'overriding' interest
  - iv. data was unlawfully obtained
  - v. in relation to children
11. The Bill recognises that archives may need to process sensitive personal data, and the Bill contains a specific condition to allow for this. The Bill also provides archives with specific exemptions from certain rights of data

subjects, such as rights to access and rectify data, where this would prevent them fulfilling their purposes.

12. In December 2017 or January 2018 European regulatory authorities will publish more details on the interpretation of the GDPR which will affect the interpretation of the Bill. A further Report will be provided on any important developments.

## **Law Enforcement**

13. Security matters are not within the scope of the GDPR and national security is outside the ambit of direct EU jurisdiction. The EU has, however, produced a directive (the Law Enforcement Directive) which relates to the framework for sharing data between law enforcement agencies. While the Directive relates only to cross border sharing, the Bill incorporates the Directive and extends the EU rules so that they will also apply to the way UK law enforcement agencies process individual data (even where it does not cross-national boundaries). Under the Bill, agencies include those responsible for the prevention, investigation, detection and prosecution of criminal offences – the police, prosecutors, HMRC and similar bodies fall within this definition.
14. The Bill modernises many of the offences currently contained in the 1998 Data Protection Act, as well as creating two new offences. First, as recommended by Dame Fiona Caldicott, the National Data Guardian for Health and Care, the Bill creates a new offence of the unlawful re-identification of de-identified personal data. This might apply, for example, to data sets used by researchers, as well as by those developing new methods of machine learning, these are often pseudonymised to protect individual privacy. The Bill is intended to prohibit actions by those who seek to gain through re-identification.
15. Second, the Bill creates a new offence of altering or destroying personal data to prevent individuals accessing them. Such an offence is already in place in relation to public authorities, but now it will apply to data controllers more generally.

## **Consultation**

16. The Comptroller and City Solicitor has been consulted in the preparation of this Report. The Comptroller and City Solicitor's and Remembrancer's departments are working together on this matter.

## **Corporate & Strategic Implications**

17. In its current form, the Bill requires the City Corporation to nominate an officer as the data protection officer. The Comptroller and City Solicitor will assume this role.
18. The City's processes for gathering and handling personal data, must - if the Bill comes into force in its current form - ensure that the purposes to which the information may be put are indicated on relevant forms and documents and obtain the consent of those receiving such communications. While there are a number of methods to obtain consent, a single approach involving obtaining specific, active, agreement to receiving communications of various types (events, seminars, breakfasts, and so on) will be followed. Officers will develop suitable wording for inclusion where required.
19. As the measures relate to the handling of personal data and given that charities and not for profit organisations are within the scope of the Bill, all functions of the City Corporation which process personal data where the City Corporation is the controller, fall within the scope of the Bill. Examples of those required to ensure that data is processed in accordance with the Bill are adult and children's services, schools, City Bridge Trust and Open Spaces.
20. The Remembrancer's Office, EDO and other parts of the Corporation that issue external invitations will be reviewing their procedures to ensure compliance with the measures. The Comptroller and City Solicitor's Department has provided awareness raising presentations to key staff and is providing guidance and support across the Corporation.

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<b>Committee:</b> Audit and Risk Management	<b>Date:</b> 16 January 2018
<b>Subject:</b> Position of Deputy Chairman of the Audit and Risk Management Committee – Standing Order 29 (3)	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>
<b>Report Author:</b> Julie Mayer	

## Summary

Standing Orders of the Court of Common Council state that the Deputy Chairman of the Audit and Risk Management Committee shall not be Chairman of any other Committee. Given that this might discourage some Members from putting themselves forward, Members are asked whether they would like to consider recommending, to the Policy and Resources Committee and Court of Common Council, that this restriction be lifted.

### **RECOMMENDATION – That:**

1. Members are asked to consider whether Standing Order 29 (3), which excludes the Deputy Chairman of the Audit and Risk Management Committee from being Chairman of any other Grand Committee, be amended to remove this restriction.
2. If Members are minded to agree (1) above, that this be recommended to the Policy and Resources Committee and Court of Common Council for formal approval.

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<b>Committee:</b> Audit and Risk Management	<b>Date:</b> 16 January 2018
<b>Subject:</b> Succession Planning for External Members: to appoint a Nominations Sub Committee of the Audit and Risk Management Committee	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>
<b>Report Author:</b> Julie Mayer	

## Summary

At its meeting on 16 January 2014, the Court of Common Council agreed to vary the procedure for the appointment of External Members to the Audit and Risk Management Committee, in order to allow them to be appointed for a further term, with a maximum of two terms being served as the norm. Since then, the Court has agreed to renew the terms of two External Members for a third term, expiring in 2020 and 2021 respectively. The Committee's other External Member is currently serving a second term which will expire in 2019.

Members are reminded that the UK Corporate Governance Code (Guidance on Audit Committees) states that appointments can be extended, by no more than two additional three-year periods, so long as Members continue to be independent. It is not unusual practice, in other local authorities, for External Members of both Audit and Standards Committees to serve three terms.

However, to keep a fresh perspective and to prepare for future appointments, Members are asked to consider the good practice of other City of London Corporation Boards and Committees, which appoint External Members, by establishing a Nominations Sub Committee and maintaining a portfolio of potential future External Members.

### **RECOMMENDATION – That:**

1. A Nominations Sub Committee, of the Audit and Risk Management Committee, be established and the number and composition of its membership be agreed.
2. The Draft Terms of Reference at Appendix 1 be considered and approved.
3. Members of the Sub Committee be appointed at the first meeting of the Audit and Risk Management Committee, following the Annual Court of Common Council in April 2018.
4. The first meeting of the Sub Committee be convened for June 2018, at which Members will be asked to recommend, to the Grand Committee, the frequency of future meetings.

## **Background**

Members of Sub Committees are generally appointed by Grand Committees at their first meeting following the Annual Court; i.e. 29<sup>th</sup> May 2018 for the Audit and Risk Management Committee. As the terms of our External Members expire in 2019, for a Member serving a second term, and 2020 and 2021 respectively, for two Members serving their third terms, it is timely for Members of the Audit and Risk Management Committee to consider appointing a Nominations Sub Committee.

The Barbican Centre Board has run a successful Nominations Sub Committee some years and Members are asked to consider the draft Terms of Reference (at Appendix 1 to this report) based on this model.

Membership of the Sub Committee could comprise of 5 or 6 Members, including the Chairman and Deputy Chairman of the Grand Committee and one External Member, to give an independent perspective.

Nominations Sub Committees generally meet 2 or 3 times a year but could be arranged as and when required. At the initial meeting of the Sub Committee, Members would be asked to recommend the timing and frequency of meetings to the Grand Committee.

The Barbican Centre Board's Nominations Sub Committee also undertakes regular skills audits. Members of the Audit and Risk Management Nominations Sub Committee might like to consider either adopting this practice or analysing feedback from the Committee Effectiveness Survey.

## **Implications**

There are likely to be costs incurred in advertising, depending on which options Members favour.

## **Conclusion**

In order to keep a fresh perspective and to prepare for future appointments, Members are asked to consider the good practice of other City of London Corporation Boards and Committees, which appoint External Members, by introducing a Nominations Sub Committee and maintaining a portfolio of potential future External Members.

### **Contact:**

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## **Appendix 1 – Draft Terms of Reference for the Nominations Sub Committee**

Suggested Terms of Reference for the Nominations Sub Committee

1. To make recommendations to the Audit and Risk Management Committee on the appointment of all External Members to the Committee.
2. To undertake Skills Audits of the Committee periodically (or analyse information from the Committee Effectiveness Survey) to inform the appointment of External Members to the Committee.
3. To consider the most appropriate way to recruit External Members to the Committee, including the placing of advertisements or the use of personal contacts.
4. The Sub Committee will have advisory powers only and make recommendations to the Board.

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<b>Committee(s)</b>	<b>Dated:</b> 16 January 2018
Audit and Risk Management Committee	
<b>Subject:</b> Risk Management Update	<b>Public</b>
<b>Report of:</b> Dr Peter Kane, Chamberlain	<b>For Decision</b>
<b>Report author:</b> Paul Dudley, Chamberlain's department	

## Summary

This report provides the Committee with an update on the corporate and top red departmental risk registers following the review by the Chief Officer Risk Management Group (CORMG) on 23 November 2017 and Summit Group held on 29 November 2017. CORMG also reviewed both risk registers on 15 December 2017 and made a recommendation to the Summit Group to include a new corporate risk on to the corporate risk register. This has now been approved.

There are currently 12 corporate risks (12 in July 2017) included on the corporate risk register. These comprise of five red and seven amber risks. There have been two changes on the corporate risk register since October 2017. The **CR02 Loss of support for the Business City** risk has been re-rated from an amber 8 to an red 16 and **CR19 IT Service provision** risk re-rated from red (16) to an amber (12).

The Comptroller and City Solicitor indicated, when he presented his General Data Protection Risk (GDPR) progress report to the Committee meeting on 28 November 2017, that he was preparing a GDPR risk for consideration as a new corporate risk. A new corporate risk on the GDPR project (CR25) has now been approved by the Summit Group and is presented to the Committee for confirmation of its inclusion on to the corporate risk register.

The total number of top departmental red risks is 11 (11 in October 2017). Two top red departmental risks have been removed from this register since the last report in October 2017. These risks are the Barbican Basquiat exhibition risk, **BBC H&S 012**) and **CLF 012 - Master Plan**. Two new risks have been added to this register and these are **DCCS ED 001 – Failure to deliver City of London Academy Expansion Programme** and **CLF 008 – Breach of Regulations**.

A total of 317 risks (321 as at October 2017) have been identified by departments providing a wide range of risks that may affect service delivery. Departments have used the Corporation's Risk Management Strategy to ensure a consistent approach to the way risks are described and scored.

## Recommendations

The Committee is asked to:

1. Confirm the addition of **CR25** GDPR project risk on to the corporate risk register.
2. Note the other changes to both the corporate and top red departmental risk registers outlined in the report.

## **Main Report**

### **1.0 Background**

- 1.1 The corporate and top red departmental risk registers were reviewed by Chief Officer Risk Management Group (CORMG) on 23 November 2017 and Summit Group held on 29 November 2017. CORMG also reviewed both risk registers on 15 December 2017 and made a recommendation to the Summit Group to include a new corporate risk on to the corporate risk register (see para 2.2 below).
- 1.2 In accordance with the established risk framework, each risk has been reviewed and where appropriate updated by the responsible risk owner and departmental management teams.
- 1.3 A total of 317 wide ranging risks have been identified by departments comprising of 29 red, 174 amber and 114 green risks. This compares with total of the 321 risks in November 2017 which included 32 red, 175 amber and 114 green risks.
- 1.4 Of the 317 total risks, there are 12 corporate, and 11 top red departmental level risks. There are another 68 amber and 40 green risks recorded at departmental level. The remaining 186 are recorded as either service or team level risks.
- 1.5 Departments have used the City Corporation's Risk Management Strategy to ensure that there is a consistent approach to the way risks are described and scored. Attached as appendix 1 is the corporate risk matrix which illustrates the likelihood and impact ratings as well as the definitions for red, amber and green risks.

### **2.0 Corporate risk register**

- 2.1 There are currently 12 corporate risks (12 in July 2017) included on the corporate risk register. These comprise of five red and seven amber risks. There have been two changes on the corporate risk register since the October 2017.
  - **CR02 Loss of support for the Business City** (re-rated from an amber 8 to red 16). This recognises the probability that a post-Brexit trade deal between the UK and EU27 is unlikely to replicate the level of access firms have within the Single Market.
  - **CR19 IT Service provision** (re rated from red 16 to an amber 12). The re-rating is based upon the good progress being made to implement the mitigating actions.



A copy of the corporate risk register is attached as appendix 2.

### New Corporate Risk

- 2.2 The Comptroller and City Solicitor indicated, when he presented his General Data Protection Regulations (GDPR) progress report to the Committee meeting on 28 November 2017, that he was preparing a GDPR risk for consideration as a new corporate risk. A new corporate risk on the GDPR project (CR25) has now been approved by the Summit Group and is presented to the Committee for confirmation on its inclusion on to the corporate risk register.

The risk is described as follows:

**Cause:** *Insufficient resources, inadequate corporate/departmental systems and procedures are established and tested which meet the additional requirements of GDPR legislation.*

**Event:** *CoL is unable to comply with GDPR requirements - poor, non-secure and non-compliant processing of personal data by the 25 May 2018 when GDPR is live.*

**Effect:** *CoL exposed to adverse publicity, reputational damage, financial penalties imposed by the Information Commissioners Office. Increased volume of Subject Access Requests.*

A copy of the full risk and actions is attached as appendix 3.

Table 1 below – List of current corporate risks as at 15 December 2017 (Risk score order)

Risk no	Risk title	Risk rating	Current Risk score	Risk score change
CR24	Operational Security	Red	24	↔
CR16	Information Security	Red	16	↔
CR21	Air Quality	Red	16	↔
CR22	Barbican fire safety risk	Red	16	↔
CR02	Loss of Business Support for the City	Red	16	↑
CR19	IT Service Provision	Amber	12	↓
CR09	Health and Safety Risk	Amber	12	↔
CR01	Resilience Risk	Amber	12	↔
CR20	Road Safety	Amber	12	↔
CR23	Police Funding	Amber	12	↔
CR10	Adverse Political Developments	Amber	8	↔
CR17	Safeguarding	Amber	8	↔

### 3.0 Top departmental red risks

- 3.1 There are currently 11 top departmental red risks (11 in October 2017). The following changes have been made to the top red departmental risk register since October 2017. (See appendix 4):

Risks removed:

1. **BBC H&S 012** – Basquiat Exhibition. This risk has now been re-rated to an amber risk following the successful opening of this exhibition at the Barbican Centre.
2. **CLF 012 Masterplan 2016** - Masterplan 2016 and Main House projects are progressing through the City's Committee and Gateway processes. Risk is slightly reduced.

Risk added:

3. **CLF 08 Breach of Regulation** – This risk has recently been added to the register following a report of a possible problem with a Home Office Tier 4 visa (for a student) and subsequent checks that other students have the correct documentation. This may result in a Home office inspection and possible sanctions being applied to the school. (Risk score 24).
4. **DCCS ED 001 - Failure to deliver City of London Academy Expansion Programme.** Members are requested to note that this risk was increased in score (amber 12 to a red 24 in October 2017). This increase is due to the planning application for COLPAI to Islington committee report being delayed. The report did not go to the December 2017 planning committee, putting the school at risk of not being completed on time for September 2019. In addition, an Early Warning Notice has been issued for the Galleywall capital build programme due to concerns about the contractor providing information in a timely manner, and projected possible delays for completion of the build by September 2018.

In terms of COLPAI, it is proposed the planning application will be heard in January 2018, while in the interim the City is exploring what activities can be brought forward while seeking planning approval to keep the build completion date to September 2019.

In terms of Galleywall, an early warning notice has been issued, options on a way forward have been explored and presently DCCS is continuing to work with the contractor, and strengthening the project management input to get back on track. The contractor has provided a revised programme showing the build will be delivered on time but DCCS is being cautious to see how the contractor performs over the next two months to see if this revised programme will be realised. If so, again the level of risk will be reduced.

#### **4.0 Conclusion**

- 4.1 The corporate and top red departmental risk registers were reviewed by CORMG on 23 November 2017 and Summit Group held on 29 November 2017. CORMG also reviewed both risk registers on 15 December 2017. The CORMG provides additional assurance to the Summit Group, COG and the Audit and Risk Management Committee that corporate and top red

departmental risks are appropriate and being actively managed.

**Appendices:**

**APPENDIX 1** – Corporate Risk Matrix

**APPENDIX 2** – Corporate risk register (detailed)

**APPENDIX 3** - CR 25 General Data Protection Regulations project risk

**APPENDIX 4** – Top Red departmental risks (detailed).

**Contact:** *Paul.Dudley | Paul.Dudley@cityoflondon.gov.uk | 02073321297*

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## City of London Corporation Risk Matrix (Black and white version)

Note: A risk score is calculated by assessing the risk in terms of likelihood and impact. By using the likelihood and impact criteria below (top left (A) and bottom right (B) respectively) it is possible to calculate a risk score. For example a risk assessed as Unlikely (2) and with an impact of Serious (2) can be plotted on the risk scoring grid, top right (C) to give an overall risk score of a green (4). Using the risk score definitions bottom right (D) below, a green risk is one that just requires actions to maintain that rating.

### Appendix 1

#### (C) Risk scoring grid

	Rare (1)	Unlikely (2)	Possible (3)	Likely (4)
Criteria	Less than 10%	10 – 40%	40 – 75%	More than 75%
Probability	Has happened rarely/never before	Unlikely to occur	Fairly likely to occur	More likely to occur than not
Time period	Unlikely to occur in a 10 year period	Likely to occur within a 10 year period	Likely to occur once within a one year period	Likely to occur once within three months
Numerical	Less than one chance in a hundred thousand (<10-5)	Less than one chance in ten thousand (<10-4)	Less than one chance in a thousand (<10-3)	Less than one chance in a hundred (<10-2)

Likelihood		Impact			
	X	Minor (1)	Serious (2)	Major (4)	Extreme (8)
	Likely (4)	4 Green	8 Amber	16 Red	32 Red
	Possible (3)	3 Green	6 Amber	12 Amber	24 Red
	Unlikely (2)	2 Green	4 Green	8 Amber	16 Red
	Rare (1)	1 Green	2 Green	4 Green	8 Amber

#### (B) Impact criteria

Impact title	Definitions
Minor (1)	<b>Service delivery/performance:</b> Minor impact on service, typically up to one day. <b>Financial:</b> financial loss up to 5% of budget. <b>Reputation:</b> Isolated service user/stakeholder complaints contained within business unit/division. <b>Legal/statutory:</b> Litigation claim or find less than £5000. <b>Safety/health:</b> Minor incident including injury to one or more individuals. <b>Objectives:</b> Failure to achieve team plan objectives.
Serious (2)	<b>Service delivery/performance:</b> Service disruption 2 to 5 days. <b>Financial:</b> Financial loss up to 10% of budget. <b>Reputation:</b> Adverse local media coverage/multiple service user/stakeholder complaints. <b>Legal/statutory:</b> Litigation claimable fine between £5000 and £50,000. <b>Safety/health:</b> Significant injury or illness causing short-term disability to one or more persons. <b>Objectives:</b> Failure to achieve one or more service plan objectives.
Major (4)	<b>Service delivery/performance:</b> Service disruption > 1 - 4 weeks. <b>Financial:</b> Financial loss up to 20% of budget. <b>Reputation:</b> Adverse national media coverage 1 to 3 days. <b>Legal/statutory:</b> Litigation claimable fine between £50,000 and £500,000. <b>Safety/health:</b> Major injury or illness/disease causing long-term disability to one or more people <b>objectives:</b> Failure to achieve a strategic plan objective.
Extreme (8)	<b>Service delivery/performance:</b> Service disruption > 4 weeks. <b>Financial:</b> Financial loss up to 35% of budget. <b>Reputation:</b> National publicity more than three days. Possible resignation leading member or chief officer. <b>Legal/statutory:</b> Multiple civil or criminal suits. Litigation claim or find in excess of £500,000. <b>Safety/health:</b> Fatality or life-threatening illness/disease (e.g. mesothelioma) to one or more persons. <b>Objectives:</b> Failure to achieve a major corporate objective.

#### (D) Risk score definitions

RED	Urgent action required to reduce rating
AMBER	Action required to maintain or reduce rating
GREEN	Action required to maintain rating

This is an extract from the City of London Corporate Risk Management Strategy, published in May 2014.



Contact the Corporate Risk Advisor for further information. Ext 1297

October 2015

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**Report Author:** Paul Dudley  
**Generated on:** 21 December 2017

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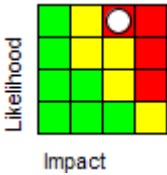
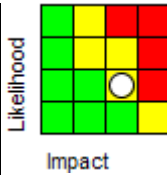
Risk no., title, creation date, Owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
CR 24 Operational Security          07-Jun-2017 Peter Lisley	<p><b>Cause:</b> Inadequate, poorly maintained or time expired security infrastructure; lack of security culture within the organisation; poor training or organisation of staff; insufficient staff.</p> <p><b>Event:</b> Security of an operational property is breached.</p> <p><b>Effect:</b> Unauthorised access to building by criminals/protestors/terrorists; disruption of business/ high profile events; reputational damage; injury or potential loss of life amongst staff or members of the general public</p>	 <div>Likelihood</div> <div>Impact</div>	24	<p>A number of Boards have been created to ensure good governance of processes and funding. The Town Clerk chairs the overarching Security Board to ensure that security issues are dealt with in a timely fashion. A Security Strategy is now in place and an Action Plan is being implemented. Security teams across the operational estate are now fully resourced.</p> <p>17 Nov 2017</p>	 <div>Likelihood</div> <div>Impact</div>	16	30-Apr-2019	↔

## Appendix 2

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
TC TCO 06D	Deliver a programme of security infrastructure enhancements	<p>Governance: Security Board chaired by Town Clerk, now has directors of departments in attendance, who are charged with gripping the security matters, including City Surveyor, Comp controller, Remembrancer, DBE, Chamberlain, in addition, Media and Comms, Security and Counter Terrorism advisor and assistant TC. Police Commander operations and Special Branch. (TC)</p> <p>Agreed Security Strategy in place</p> <p>Agreed action plan in place being worked through to deliver</p> <p>-HVM (completion date September 2018)</p> <p>-ASF (completion date June 2018)</p> <p>-CCTV (completion date April 2019)</p> <p>Progress being monitored by Security Board</p>	Paul Wilkinson	20-Dec-2017	30-Apr-2019

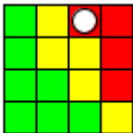



## Appendix 2

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	Current Risk score change indicator
<b>CR02 Loss of Business Support for the City</b>  22-Sep-2014 John Barradell	<b>Cause</b> - The City Corporation's actions to promote and support the competitiveness of the business City do not succeed. <b>Event</b> - The City's position as the world leader in international financial services is adversely affected <b>Effect</b> - The City loses its ability to attract and retain high value global business activity, both as a physical location and in mediating financial and trade flows; the City Corporation's business remit is damaged and its perceived relevance is diminished. Reputational damage to the City as a place to do business and to Corporation ability to govern effectively		16	The risk status has recently been increased and is now red. This recognises the probability that a post-Brexit trade deal between the UK and EU27 is unlikely to replicate the level of access firms have within the Single Market.  <b>21 Dec 2017</b>		8	30-Apr-2018	↑

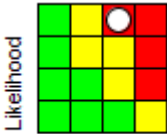
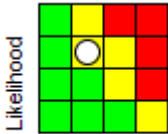
Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR02C	City Corporation providing opportunities for informing the debate on the terms of Brexit, and representing the views of the financial and professional services sector	In September the IRSG launched a report setting out its favoured outcome for the Brexit trade negotiations - a deep Free Trade Agreement covering financial services. EDO is working to promote its conclusions with UK and EU decision-makers. IRSG is also working on projects on the UK's role in global regulation and the required domestic regulatory framework post-Brexit.	Damian Nussbaum	07-Nov-2017	30-Dec-2017
CR02E	Recruit and embed a new global exports and investment team in the new structure of Economic Development	New GE&I team provide relationship management services with financial and professional firms aimed at retaining and attracting FDI, and assisting UK based firms to export. They work with colleagues at Mansion House to deliver the international exports and investment programme led by the Lord Mayor, and also lead in the delivery of our Regional Strategy.	Giles French	07-Nov-2017	31-Dec-2017

## Appendix 2

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	Current Risk score change indicator
<b>CR16</b> <b>Information Security</b>  23 Sep-2014 Peter Kane	<b>Cause:</b> Breach of IT Systems resulting in unauthorised access to data by internal or external sources. Officer/ Member mishandling of information. <b>Event:</b> Cybersecurity attack - unauthorised access to COL IT systems. Loss or mishandling of personal or commercial information. <b>Effect:</b> Failure of all or part of the IT Infrastructure, with associated business systems failures. Harm to individuals, a breach of legislation such as the Data Protection Act 1988. Incur a monetary penalty of up to £500,000. Compliance enforcement action. Corruption of data. Reputational damage to Corporation as effective body.	 Likelihood Impact	16	Work is continuing to complete the implementation of the action plan. Patching of equipment and decommissioning aged and vulnerable equipment has been completed.  Following key tasks have now been completed: <ul style="list-style-type: none"> <li>• Patching regime reviewed;</li> <li>• Vulnerability assessment completed;</li> <li>• Incident management exercise;</li> <li>• Additional security awareness material purchased.</li> </ul> 13 Dec 2017	 Likelihood Impact	8	30-Apr-2018	↔

## Appendix 2

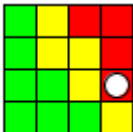
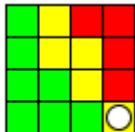
Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR16b	For all major systems establish data owner and retention policy for information therein.	This is now being picked up with the GDPR ready project being led from the Comptroller team and IT team in the Corporation and the Information Management and Security team in the Police. Update reports on progress provided to Summit and IT Sub-Committee on a regular basis.	Sean Green	13-Dec-2017	30-Apr-2018
CR16h	Online training to be made available to Members following workshop in February 2016.	Induction training provided - Gary Brailsford Hart is supporting this risk to execute mitigating actions from plan in place. Training for Officers and Members in 2018 now being developed.	Gary Brailsford-Hart	13-Dec-2017	30-Apr-2018
CR16i	The Development and implementation of more technical security infrastructure	Using a recognised Cyber security maturity model there is a dashboard being reported that shows via a RAG status 10 areas of focus to mitigate this risk with training, processes and tools being delivered that in combination will bring the risk to Amber as planned and Green by July 2018.	Sean Green	13-Dec-2017	30-Apr-2018

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	Current Risk score change indicator
<b>CR21 Air Quality</b>  07-Oct-2015 Jon Avern	<b>Cause:</b> Small particulate pollution has chronic health impacts from long term exposure at very low concentrations and is in evidence within the City and central London. There is also a health impact associated with long term and short term exposure to nitrogen dioxide. <b>Event:</b> Under certain atmospheric conditions there is a higher probability of poor air quality within the City and it is more likely that residents, workers and visitors would suffer the acute consequences. <b>Effect:</b> The consequences both acute and chronic may include: An increase in hospital referrals placed upon both emergency services and the NHS for those already suffering from respiratory or cardiovascular conditions (it may also place a strain on City social services).	 Likelihood Impact	16	No change from previous assessment. Air quality still a problem across the City. A range of measures are being implemented to reduce pollution but they take time to have an effect  <b>06 Dec 2017</b>	 Likelihood Impact	6	31-Dec-2020	↔

## Appendix 2

	<p>An increase in deaths, particularly of those already suffering from respiratory or cardiovascular conditions (both residents and workers).</p> <p>Economic costs such as acting as a deterrent of businesses coming to London or staying and financial penalties for non-compliance with air quality limits.</p> <p>Persistent poor air quality may affect the longer term health of the City population.</p> <p>Persistent poor air quality may attract adverse media coverage making the City seem a less attractive place to live and work.</p>						
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Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR21e Page 40	Develop and implement a plan for reducing the impact of diesel vehicles on air pollution in the Square Mile. This is to complement the work being undertaken by the Mayor of London to reduce air pollution in the central zone through the implementation of the Ultra Low Emission Zone.	<p>An initial feasibility study has been undertaken to look at options for reducing levels of pollution in Beech Street through vehicle management</p> <p>Vehicles have been restricted passing through Bank Interchange, the air quality impact is being assessed</p> <p>Several measures have been implemented in the City Low Emission Neighbourhood including: greening at a number of locations including Moor Lane, installation of 90 secure cycle parking spaces, audit of construction sites, detailed air quality monitoring, business engagement and workshops, business air quality grant scheme, freight surveys, clean air footprints and the provision of zero emission equipment for open spaces dept.</p>	Jon Avern	13-Nov-2017	31-Dec-2018

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	Current Risk score change indicator
CR22 Barbican Centre Fire Risk	<p><b>Cause:</b> Fire engineering solutions, fire precautions and procedures not fully scoped, effective and/or fully understood at the Barbican.</p> <p><b>Event:</b> Emergency incident or fire occurs and management procedures or protective mechanisms do not function or works as designed</p> <p><b>Impact:</b> Effective/partial Art gallery evacuation compromised            Damage to artworks            Effective concert hall evacuation delayed or implemented unnecessarily for CO incident            Ineffective cooperation and coordination of health and safety arrangements with contractors            Fire and smoke damage not limited            Risk of injury or death to performers, audience, staff, contractors, technical and fire responder teams            Adverse effect on the Centre's reputation            Financial loss            Enforcement action incurring a fine</p>	<p>Likelihood</p>  <p>Impact</p>	16	<p>We have requested and CASC has approved £3.5M additional funding to be provided to the Barbican for fire related works. A project plan for the fire related workstreams is being scoped, and this may involve mobile workshops' and a rolling programme of works on site. Rather like the Forth Bridge, the works programme will progress through the building so as to ensure that we cause no or as little as possible disruption and interruption. We have reviewed the scoring of this risk, as with all of the work that has been completed to date (including training, paperwork, project work and the confirmation of the £3.5 M) it would have been desirable to reduce the scoring. However, it was agreed with Paul Dudley that we would remain at the same rating so as to show the corporate commitment in working with the Barbican. Rather than reduce the scoring, it was agreed that the best solution would be to extend the deadline to December 2018 instead, bearing in mind how long the projects will take to deliver. Members are reassured that during this period, this remains a top priority, and that a large amount of work has already been undertaken and the next twelve months will see significant works (enhancing or refurbishing various fire related elements associated with the building). Members are thanked</p>	<p>Likelihood</p>  <p>Impact</p>	8	29-Dec-2018	↔

## Appendix 2

10-Nov-2016 Jonathon Poyner				for their continued support and assistance. <b>13 Dec 2017</b>				
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Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR22a	To provide robust evacuation procedure for CO incident in concert hall. Review evacuation procedures for areas not covered by public evacuation procedures for contractors/artists that take into account recently gained fire knowledge to ensure the safety of staff with fire responsibilities and the safe evacuation of occupants .Engineering to document gas procedure.	The procedures have been completed and are currently under review by the fire safety management team. This has been delayed slightly due to the evacuation not going to plan due to the alarm panel function for the evacuation not functioning correctly, this is being addressed but has involved minor changes to our procedures.	Jonathon Poyner	04-Dec-2017	31-Jan-2018
CR22c	Ensure that Fire systems are maintained and tested in accordance with the Corporate Building Health & Safety compliance standards.	The FRAs have been fully completed and issued by FPA, it was agreed to provide the maintenance section at the end collectively for all FRAs issued, due to the slight set back with the FRAs this output has also been slightly delayed. A review has now been performed reviewing the draft document and this will be issued in January 2018. This will then allow the site review to determine if other actions need to be implemented to assure the risk is mitigated.	Jonathon Poyner	04-Dec-2017	31-Jan-2018
CR22d	Produce a competency Fire Matrix which will identify and inform the levels of training, knowledge and experience required appropriate to the management of a building of the complexity of the Barbican. Review this against in house resource.	This action has been delayed until January 2018 due to the knock on effect from the FRA delays by FPA. The final in house FRA review is scheduled for 4th Dec 2017 so we will be able to gather information that will impact on this action and align it appropriately. Most of the action has been significantly progressed pending the final review and any changes that may come from the action group review.	Jonathon Poyner	04-Dec-2017	31-Jan-2018
CR22i	Fire Management Plans should be produced based on Fire Risk Assessments, prioritised according to risk and recommendations.	FPA are still in consultation with the Barbican and progressing all the deliverables to meet the requirement of the fire management plans. The site updated drawing is almost complete in auto-cad with layers for the fire safety requirements, to allow us to edit and make changes as required. The compartmentation by zones will also be highlighted. The output has slipped due to the scale and size of the task. Regular meetings are being held on site to ensure the corporate guidance is being met.	Jonathon Poyner	04-Dec-2017	31-Jan-2018
Cr22j	Implement CO Incident Report recommendations not already addressed by Actions a - i above.	The deliverables from this incident report have been mostly completed. A gas safety process has been written and is currently under internal review with team members including Engineering, as soon as this has been accepted it will be rolled out via a communication and	Jonathon Poyner	04-Dec-2017	31-Jan-2018

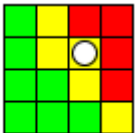


## Appendix 2

		toolbox talks, version controlled and tracked to ensure it is functional. We have raised a work order for the fire alarm panel to be re configured to allow the all-out button to become fully functional, this is delaying some of the works due to the programme that need to be written by our contractor. Based on the contractor timescale to re write the existing programme and install the action has been delayed. Once complete another full evacuation will be programmed to ensure functionality.			
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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	Current Risk score change indicator
<b>CR01 Resilience Risk</b>  <div>Page 43</div> 09-Mar-2015 John Barradell	<b>Cause</b> - Lack of appropriate planning, leadership and coordination <b>Event</b> - Emergency situation related to terrorism or other serious event/major incident is not managed effectively <b>Effect</b> - Major disruption to City business, failure to support the community, assist in business recovery. Reputational damage to the City as a place to do business.	<div> <div>Likelihood</div> </div> <div> <div>Impact</div> </div>	12	IT are still undergoing work to re-locate servers from GJR to another location. Network upgrade work and upgrading bandwidth is progressing across the corporation. Once this has been complete we will be able to carry our resilience tests  <b>07 Nov 2017</b>	<div> <div>Likelihood</div> </div> <div> <div>Impact</div> </div>	12	31-Dec-2018	↔

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR01D	Working with the IS division, remove potential single points of failure from business continuity processes.	IT are still undergoing work to re-locate servers from GJR to another location. Network upgrade work and upgrading bandwidth is progressing across the corporation. Once this has been complete we will be able to carry our resilience tests	Gary Locker	01-Nov-2017	30-Apr-2018

## Appendix 2

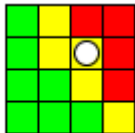

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<b>CR09 Health and Safety Risk</b>  22-Sep-2014 Chrissie Morgan	<b>Cause</b> - Safety is treated as a low priority by the organisation, lack of training of staff and managers, management complacency, poor supervision and management <b>Event</b> - Statutory regulations and internal procedures relating to Health and Safety breached and/or not complied with. <b>Effect</b> - Possible enforcement action/ fine/prosecution by HSE, Employees/visitors/contractors may be harmed/injured, Possible civil insurance claim, Costs to the Corporation, Adverse publicity /damage to reputation, Rectification costs	 Likelihood	12  Impact	The new Health, Safety and Wellbeing Strategy 2018-23 was agreed at Corp HS & Wellbeing committee  <b>13 Nov 2017</b>	 Likelihood	8  Impact	31-Dec-2018	

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Action no	Description	Latest Note			Managed By	Latest Note Date	Due Date
CR09F	Deliver a series of health and safety audits and compliance checks to provide corporate assurance that the organisation is being managed safely	The new Health, Safety and Wellbeing Strategy 2018-23 was agreed at Corp HS & Wellbeing committee.			Justin Tyas	01-Nov-2017	31-Dec-2018



## Appendix 2

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	Current Risk score change indicator
<b>CR19 IT Service Provision</b>  14-Jul-2015 Sean Green	<b>Cause:</b> The whole Police IT Estate and parts of the Corporation are in need of further investment. <b>Event:</b> For the Corporation, poor performance of IT Service and for the Police critical failure of the Police IT Service. <b>Effect:</b> Loss of communications or operational effectiveness (may also lead to low staff morale). Possible failure of critical Corporation and Policing activities. Reputational damage.	 Likelihood	12	Following the recent improvements to the corporate IT network and systems the Chamberlain agreed to reduce the risk score to an amber 12. It is likely that over the coming months the risk will be further mitigated to agree rating.  <b>15 Dec 2017</b>	 Likelihood	6	29-Jun-2018	↔

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR19c	Investment in any retained IT infrastructure to ensure that this meets the same standards of resilience and continuity as delivered by the IaaS infrastructure.	Delivery of the new solution will take place throughout 2017 and into early 2018. The LAN hardware has been procured. The remediation of IT communications rooms will be completed by the end of December 2018. IT have awarded the contract for the LAN design, build and support and the solution design is underway. The WAN implementation is now underway with BT.	Sean Green	12-Dec-2017	31-Mar-2018
CR19d	Investment in any retained IT infrastructure to ensure that this meets the same standards of resilience and continuity as delivered by the IaaS infrastructure	Remediation will be completed by end of December 2017.	Sean Green	12-Dec-2017	31-Dec-2017
CR19e	This is the first phase of the revised project to fully replace ageing unsupportable networking hardware from the City and City Police's infrastructure.	Implementation is in progress and will be completed by April/May 2018.	Sean Green	12-Dec-2017	31-Mar-2018
CR19f	The full delivery of a new network for the Corporation and city Police.	The WAN work has started. Remediation of IT communications rooms are almost complete. LAN hardware has been procured. LAN design and build is underway.	Sean Green	12-Dec-2017	31-Mar-2018

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	Current Risk score change indicator
CR20 Road Safety	<p><b>Cause:</b> Limited space on the City's medieval road network to cope with the increased use of the highway by vehicles and pedestrians / cyclists within the City of London. Interventions &amp; legal processes take time to deliver</p> <p><b>Event:</b> The number of casualties occurring in the City rises instead of reducing.</p> <p><b>Effect:</b> The City's reputation and credibility is adversely impacted with businesses and/or the public considering that the Corporation is not taking sufficient action to protect vulnerable road users; adverse coverage on national and local media</p>	<p>Likelihood</p> <p>Impact</p>	12	<p>The risk is unchanged.</p> <p>Monitoring of the Experimental Scheme continues to take place, with the consultation survey now live until the end of November 2017 and an interim report on the first 6 months of the scheme scheduled for December 2017.</p> <p>Informal consultation on the new draft Road Danger Reduction &amp; Active Travel Strategy with key stakeholders and partners has been completed. The strategy will go to Streets &amp; Walkways Sub-Committee and Planning &amp; Transportation Committee before Christmas.</p> <p>Work continue on the Pilot Behaviour Change campaign which is on target for launch on 20th November.</p> <p>The next major Active City Network event will be a "Have Your Say" on the future of the Square Mile which will be held at the Museum of London on November 22nd.</p> <p>The quarterly newsletter is now being sent to over 2000 contacts across the City.</p> <p>Implementation of the City Mark scheme continues and we are on track to visit every major development site in the City by 31st March 2018.</p>	<p>Likelihood</p> <p>Impact</p>	6	31-Oct-2018	↔

## Appendix 2

23-Oct-2015 Carolyn Dwyer				03 Nov 2017				
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Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR20b	Permanent Bank Junction redesign	Monitoring of the Experimental Scheme continues with an interim report on the first 6 months of the scheme scheduled for December 2017. A decision on whether or not to make the scheme permanent will be needed prior to November 2018. Between 22 May and 30 September, there has been 2 slights and 1 serious injury recorded at Bank. This represents an overall 57% reduction in reported collisions at Bank Junction during the scheme's operational hours in comparison to the previous 5 year average of the same time period. We are anecdotally aware of a further two collisions at Bank in October, but do not yet have full details for the month.	Steve Presland	10-Nov-2017	22-Nov-2018
CR20f	In accordance with the agreed workplan the Road Danger Reduction & Active Travel Strategy is being prepared. Indicative milestones (1) draft to Planning & Transportation Committee in early 2018; (2) Public Consultation in early; & (3) revised strategy to be presented to Planning & Transportation committee with recommendation for adoption Summer 2018.	Informal consultation on the new draft Road Danger Reduction & Active Travel Strategy with key stakeholders and partners has been completed. The strategy will go to Streets & Walkways Sub-Committee and Planning & Transportation Committee before Christmas.  This strategy follows recognition that despite the current plan delivering a reduced casualty rate for vulnerable road users within the City (e.g. casualties plateauing against a significant rise in cyclist numbers) a more radical strategy is essential if we are to deliver the absolute number of casualty reductions set out in the City's agreed target.	Steve Presland	03-Nov-2017	31-Jul-2018
CR20g	Behaviour Change Campaign to address 'inattention'. The process will be (1) use focus groups to identify options; (2) conduct attitudinal survey of road users; (3) prepare campaign delivery plan; (4) deliver campaign; (5) evaluate and report to Q4 2018/19.	(1) Focus group consultation completed September 2017. (2) Attitudinal survey of road users completed with over 1000 responses; currently reviewing responses and will issue a report in mid-November. (3) Campaign delivery plan completed. (4) Campaign delivery on target for launch on 20th November.	Steve Presland	03-Nov-2017	31-Mar-2018
CR20i	Working with the City's 'Active City Network' involving some 100+ City businesses we will deliver two major events a year, provide monthly road shows at businesses and provide employers, residents and visitors with a platform for two way communications regarding strategies to deliver road safety improvements.  Progress will be reported to Members in March 2018.	The next major Active City Network event will be a "Have Your Say" on the future of the Square Mile which will be held at the Museum of London on November 22nd.  The quarterly newsletter is now being sent to over 2000 contacts across the City.  The 2 major events planned for next year will be high profile events aimed at both businesses, their workers and the public in general. They will seek to raise awareness of road danger, the need for them to take some responsibility for their own well being, and increase their	Steve Presland	03-Nov-2017	31-Mar-2018

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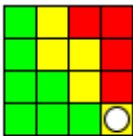
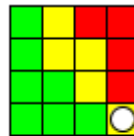
		knowledge of the active travel infrastructure improvements being put in place e.g. Quietways, Bank, Aldgate etc.			
CR20j	By 31st March 2018 all active construction sites in the City of London will have been visited to audit their level of compliance with the national CLOCS (Construction Logistics and Community Safety) scheme.  The objective is to provide appropriate support to enable 75% of sites to be CLOCS compliant by summer 2018 including safer vehicles and trained drivers/ banksmen.	During the first year of the City Mark scheme half of sites were visited of which half supplied evidence they were already CLOCS compliant. Current work, to be completed by the end of 2017/18, is (a) revisit the sites who could not demonstrate that they were CLOCS compliant to encourage them to become CLOCS compliant and to support them in doing so; and (b) visit the remaining half of the sites.	Steve Presland	03-Nov-2017	31-Aug-2018

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	Current Risk score change indicator
<div> <div>Page 48</div> <div> <div>23 Police funding</div> <div>21-Nov-2016</div> <div>Caroline Al-Beyerty; Ian Dyson</div> </div> </div>	<b>Cause:</b> Reduction in government funding and growing demand in Policing services leading to pressures for the City Fund -Police. <b>Event:</b> Reduction in government funding.Budget deficit forecast for next 5 years requiring action to balance the budget The Government's stated intention is that the shortfall should be met from an increase in the precept (in the City's case, the business rate premium). <b>Effect:</b> Potential impact on security and safety in the City as need to make savings, prioritise activity, review funding City of London Police will be unable to maintain a balanced budget and current service levels as reflected in their Medium Term Financial Plan from City and Business Rate Premium.	<div> <div>Likelihood</div> <div>Impact</div> </div>	12	Deloitte Review on Future Demand and VfM identified significant savings opportunities. Plans are now being developed to deliver increased effectiveness and savings which will feed into 2018/19 budget and Medium Term Financial Plan and mitigate service impact.  <b>13 Dec 2017</b>	<div> <div>Likelihood</div> <div>Impact</div> </div>	4	31-Mar-2018	↔

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Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR23a	Limited opportunities in 2017/18 to make in year savings against front line police officer budgets without impacting adversely on delivery of key policing plan objectives. Police staff numbers subject to further scrutiny as part of in-year savings exercise.	Chief Officer Cash Limited Budgets include a savings target of £1.2m against the non-pay budget of £29.3m. The force has managed to secure savings of £0.33m against Repair and Maintenance, Travelling Expenses, Tasking and Core Directorate Overtime Budgets; however, this currently falls short of the savings target by £0.87m.	Michelle King	30-Oct-2017	31-Mar-2018
CR23b	Exhaust the Police Reserves by 31 March 2018	The actual drawdown on reserves in 2016/17 was £0.6m, an improvement of £2m compared to the forecast position. Current anticipated year-end draw down in 2017/18 is £1.6m; leaving Reserve balance of £1886k.	Philip Gregory; Michelle King	13-Dec-2017	31-Mar-2018
CR23d	Consider increase in the business rates premium in future periods	Will be considered as part of the medium term financial planning for 2018/19.	Caroline Al-Beyerty	13-Dec-2017	31-Mar-2018
CR23e	Efficiency and Performance Sub Committee commissioned a review of shared services.	The scope of the review is currently being agreed.	Caroline Al-Beyerty; Alistair Sutherland	13-Dec-2017	31-Dec-2017

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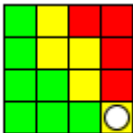

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<b>CR10 Adverse Political Developments</b>	<p><b>Cause:</b> Financial services issues that make the City Corporation vulnerable to political criticism; local government devolution proposals that call into question the justification for the separate administration of the Square Mile; overarching political hostility.</p> <p><b>Event:</b> Functions of City Corporation and boundaries of the City adversely affected.</p> <p><b>Impact:</b> Damage to the City's reputation as a place to do business. The City of London Corporation could be compromised if the City's position as a world leading business and professional services centre were undermined.</p>	<p>Likelihood</p>  <p>Impact</p>	8	There has been close engagement with those responsible for formulating proposals to enable the devolution of responsibilities while safeguarding the City. Constant attention is given to the form of legislation affecting the City. Making known the work of the City Corporation among opinion formers, particularly in Parliament and central Government, is necessary to that the City Corporation is seen to remain relevant and "doing a good job" for London and the nation and this is seen	<p>Likelihood</p>  <p>Impact</p>	8	31-Dec-2018	↔

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22-Sep-2014 Paul Double				to be an objective assessment. The Office also provides advice on the City Corporation's approach to important political developments in particular, the process to leave the EU and the general parliamentary mood.  <b>13 Nov 2017</b>				
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Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR10a	Monitoring of Government legislation and proposed regulatory changes.	Relevant Bills in the Government's legislative programme will be identified and City Corporation departments alerted to issues of potential significance as the measures are introduced in the new Session. Action taken through negotiation with departmental officials or amendments tabled in Parliament as required. The legislative consequences of Britain leaving the EU as they may affect the Corporation and the City more generally as an international financial centre are a particular focus.	Paul Double	13-Nov-2017	31-Dec-2018
CR10b	Provision of information to Parliament and Government on issues of importance to the City.	Briefing has been provided for parliamentary debates including on Brexit, air quality, immigration, housing, planning, the creative industry, trade and investment, apprenticeships, economic crime, Fintech and broadband.	Paul Double	13-Nov-2017	31-Dec-2018
CR10c	Engagement with key opinion informers in Parliament and elsewhere. Programme of work to monitor and respond to issues affecting the reputation of the City Corporation.	Liaison with the City's MP and other MPs, Peers and Select Committee of both Houses on matters of importance to the City, including increased engagement on Brexit-related issues. Working with other organisations, including the Financial Markets Law Committee, to analyse the legal framework following exit from the EU. Continuing engagement on devolution in London and liaison with London Councils and Central London Forward on the application of devolution to the London boroughs and the City, either directly from Central Government or the Mayor.	Paul Double	13-Nov-2017	31-Dec-2018

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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	Current Risk score change indicator
<b>CR17 Safeguarding</b>  -Sep-2014 Andrew Carter	<b>Cause:</b> Not providing appropriate training to staff, not providing effective management and supervision, poor case management <b>Event:</b> Failure to deliver actions under the City of London' safeguarding policy. Social workers and other staff not taking appropriate action if notified of a safeguarding issue <b>Effect:</b> Physical or mental harm suffered by a child or adult at risk, damage to the City of London's reputation, possible legal action, investigation by CQC and or Ofsted	 Likelihood	8	The Corporate Safeguarding Audit has now been completed and is with DCCS to finalise the Management Plan. This will be completed by mid Jan18. All relevant Departments will then be required to name a Safeguarding Champion who will represent their Department at the new Champions Group. This will be in place by end of Feb 2018 with new ToR confirmed by end of March 2018. A new corporate training programme will then be developed during 2018/19 . Oversight of take up and impact will sit with HR and DCCS.  <b>12 Dec 2017</b>	 Likelihood	8	31-Mar-2018	↔

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR17k	The role of Safeguarding Champions to be reviewed and to consider if Domestic Violence can be added to the role	The Corporate Safeguarding Audit has now been completed and is with DCCS to finalise the Management Plan. This will be completed by mid Jan18. All relevant Departments will then be required to name a Safeguarding Champion who will represent their Department at the new Champions Group. This will be in place by end of Feb 2018 with new ToR confirmed by end of March 2018. A new corporate training programme will then be developed during 2018/19 . Oversight of take up and impact will sit with HR and DCCS.	Chris Pelham	12-Dec-2017	30-Nov-2017
CR17l	Online basic Adult Safeguarding training will be mandatory for DCCS staff	The Seminar on Financial Scams was delivered on 4.12.18. It was attended by over 70 delegates from range of agencies and local authority areas. An evaluation on the seminar will be completed and shared with the City and Hackney Safeguarding Adult Board(CHSAB).	Chris Pelham	12-Dec-2017	31-Mar-2017

## Appendix 2

		This will be completed by February when the CHSAB City Sub Committee will be meeting again			
CR17m	The Adult Social Care Team will be working with the City of London Police to raise the profile of financial abuse and scams	The review of Independent Schools Safeguarding arrangements is completed. GSMD improvement plan in place. 2 monitoring meetings have taken place during the Autumn Term. Of the 26 actions set out in the improvement plan 18 are green and 8 are amber and on track for completion within the timescales set out in the plan. The Monitoring group will meet termly until completion of the plan by end of academic year 2017/18.	Chris Pelham	12-Dec-2017	31-Dec-2017
CR17o	A review is being conducted into the safeguarding arrangements within the independent schools within the City of London. It is anticipated that the report will be available at the start of December. If the report makes recommendations these will be implemented within agreed timescales.	The review was completed end of 2016. All schools reported back on findings to their Governing Bodies. An additional deep dive review was undertaken with the GSMD satellite provision across the country. This was completed q4 2016/17 and a detailed Action Plan was put in place to address issues identified in the review. The findings and the action plan were presented to the GSMD Governing Body. An improvement group chaired by the GSMD Principal, supported by members of the CCS Safeguarding leadership team are also on the group overseeing the implementation of the plan. Monitoring meetings will take place on a termly basis through the 2017/18 academic year. GSMD will look to commission an independent review of the new arrangements during the academic year.	Andrew Carter	14-Nov-2017	31-Dec-2017



# CR25 GDPR project

Report Author: Paul Dudley  
Generated on: 18 December 2017



## Appendix 3

Rows are sorted by Risk Score

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	Current Risk score change indicator
<b>CR25 General Data Protection Regulation Project (previously CCS 006)</b> 01-Dec-2017 Michael Cogher	Cause: Insufficient resources, inadequate corporate/departmental systems and procedures are established and tested which meet the additional requirements of GDPR legislation.  Event: CoL is unable to comply with GDPR requirements - poor, non-secure and non-compliant processing of personal data by the 25 May 2018 when GDPR is live.  Effect: CoL exposed to adverse publicity, reputational damage, financial penalties imposed by the Information Commissioners Office. Increased volume of Subject Access Requests.	<div> <div>Likelihood</div> <div>Impact</div> </div> <div>12</div>	Awaiting confirmation as a corporate risk.  18 Dec 2017	<div> <div>Likelihood</div> <div>Impact</div> </div> <div>4</div>	18-May-2018	↔

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR25a	1. Ensure compliance with CoL governance and committee reporting requirements. 2. Project Team to report to Information Management Board. 3. Data Protection Officer to report to Summit Group and relevant Committees.	GDPR Reports: <ul style="list-style-type: none"> <li>• Summit Group 27.07.2017</li> <li>• Policy Resources Committee 21.09.2017</li> <li>• Establishment Committee 15.09.2017</li> <li>• Audit &amp; Risk Committee 10.10.2017</li> <li>• IT Steering Group 20.11.2017</li> <li>• IT sub-committee 24.11.2017</li> </ul>	Michael Cogher	04-Dec-2017	18-May-2018
CR25d	To implement a GDPR governance framework which supports the overall delivery of the GDPR project.	1. Michael Cogher appointed as CoL (not CoLP) Data Protection Officer and Project Director 2.CCS Business Manager to provide project support and cohesion to the GDPR project Team.  2. GDPR Project Team to meeting monthly and on an as required basis to review project progress, identify issues, blockages, risks.	Michael Cogher	04-Dec-2017	18-May-2018
CR25e	Reports to relevant senior management meetings and committees: <ul style="list-style-type: none"> <li>• Summit Group</li> <li>• Audit &amp; Risk Committee</li> <li>• Policy &amp; Resources Committee</li> <li>• Establishment Committee</li> <li>• IT sub-committee</li> <li>• Information Management Board</li> </ul>	<ul style="list-style-type: none"> <li>• Summit Group 27.07.17</li> <li>• Establishment Committee 15.09.17</li> <li>• P&amp;R Committee 21.09.17</li> <li>• Audit &amp; Risk Committee 10.10.2017</li> <li>• IT Steering Group 20.11.17</li> <li>• IT Sub-committee 24.11.17</li> </ul>	Michael Cogher	01-Dec-2017	18-May-2018
CR25f	Delivery of the GDPR work programme.	<ul style="list-style-type: none"> <li>• Project plan audited and approved by Mazars October 2017</li> <li>• GDPR training sessions developed and delivered to Access to Information Network Representatives (AIN) from all departments.</li> <li>• Record of Processing Activities audit developed and distributed to AIM Reps - response deadline 15.01.2018</li> <li>• GDPR relevant ICT policies drafted and circulated.30.11.2017.</li> </ul>	Nick Senior	04-Dec-2017	18-May-2018



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# Top Red departmental risks - detailed report EXCLUDING COMPLETED ACTIONS

Report Author: Paul Dudley  
Generated on: 18 December 2017

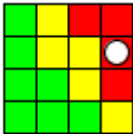
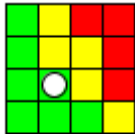


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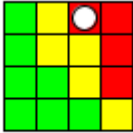
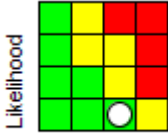
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Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
CLF-08 Breach of Regulations  26-Mar-2015 Roland Martin	<b>Cause(s):</b> Staff unaware of compliance legislation due to lack of training/awareness raising leading to a breach of statutory regulations and/or guidelines <b>Event:</b> Failure to adhere to employment legislation; failure to comply with examination regulations set out by JCQ and failed inspection. Failure of ISI inspection. <b>Effect: Reputation damage.</b> Legal action, possible disqualification of Freeman's as an examination centre.	 Likelihood Impact	24	Home Office audit at City of London offices on 28th November. All requested information provided. Awaiting further information if visit to Freeman's is required.  11 Dec 2017	 Likelihood Impact	1	04-Jul-2018	↔

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CLF-08C	Investigate potential breaches immediately and take appropriate action.	A recent problem with a T4 visa has exposed some weaknesses in our process and the Headmaster has asked for a full audit. The Boarding Schools' Association has been asked to come and do a compliance check at the school on 4th December and will be engaging staff with further training.	Jason Harrison-Miles	14-Nov-2017	04-Jul-2018
CLF-08D	Apply for specific Freeman's licence (not shared with Corporate HR).				31-May-2018

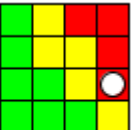

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<b>DCCS ED 001</b> <b>Failure to deliver City of London Academy Expansion programme</b>  31-May-2016 Gerald Mehrstens	<b>Cause</b> Expansion programme not delivered <b>Event</b> Building projects not completed and /or Academies not approved for opening by the Department for Education <b>Effect</b> Need to secure temporary accommodation / alternative school place provision leading to increased pressure on school budgets and reputational damage. Academies opening deferred for a further year resulting in failure to deliver school places and reputational damage.	Likelihood  Impact	24	has increased in score (amber 12 to a red 24 in October 2017). This increase is due to the planning application for COLPAI to Islington committee report being delayed. The report did not go to the December 2017 planning committee, putting the school at risk of not being completed on time for September 2019. In addition, an Early Warning Notice has been issued for the Galleywall capital build programme due to concerns about the contractor providing information in a timely manner, and projected possible delays for completion of the build by September 2018.  <b>12 Dec 2017</b>	Likelihood  Impact	4	01-Sep-2019	↔

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
DCCS ED 001a	A Programme Board has been established to oversee the work of project boards and take high level decisions	The Programme Boards are continuing to meet quarterly.	Gerald Mehrstens	20-Oct-2017	01-Sep-2019
DCCS ED 001b	Project boards for the two schools in pre-opening phase and for four applications to sponsor schools have been established and meet monthly	<p>Good progress has been made with COLA Highgate Hill and COLA Shoreditch Park opening with a funding agreement. Newham Collegiate and Highbury Grove funding agreement is expected to be in place by the end of the Autumn Term while complications with lease arrangements are resolved.</p> <p>COLPA Islington opened in a temporary site on schedule but delays in getting to planning committee for the permanent builds puts at risk the permanent site being completed on time. Actions are being taken to mitigate the delay in planning approval being granted</p>	Gerald Mehrstens	20-Oct-2017	30-Sep-2019
DCCS ED 001c	COLPAI capital build engagement with Islington Planner officers and participation in Design Review Panels to ensure planning application will be approved.	In terms of COLPAI, it is proposed the planning application will be heard in January 2018, while in the interim the City is exploring what activities can be brought forward while seeking planning approval to keep the build completion date to September 2019.	Gerald Mehrstens	12-Dec-2017	01-Sep-2019
DCCS ED 001d	Galleywall capital build input greater project management capacity to ensure delivery by contractor while at the same time explore procurement of an alternative contractor for the rest of the build.	In terms of Galleywall, an early warning notice has been issued, options on a way forward have been explored and presently DCCS is continuing to work with the contractor, and strengthening the project management input to get back on track. The contractor has provided a revised programme showing the build will be delivered on time but DCCS is being cautious to see how the contractor performs over the next two months to see if this revised programme will be realised. If so, again the level of risk will be reduced.	Gerald Mehrstens	12-Dec-2017	01-Sep-2018

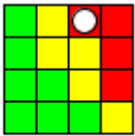
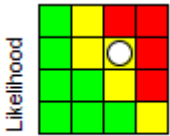
Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<b>BBC Arts 011 Concert Hall – Stage Riser System – Spiral Lift Failures Jan 17</b> 17-Feb-2017 Louise Jeffreys; Jonathon Poyner	<b>Cause:</b> The riser system suffered a total of four failures, the first on 20th January. One Spiralift was replaced successfully by Stage Technologies but that repair was followed by three further breakdowns. We have been warned by Stage Technologies that the riser system is nearing the end of its life. As part of the Stage Riser control system consultancy in 2016, we had been advised that we had many years of usage left in the system. <b>Event:</b> Concert Hall risers are not fully operational and there is risk of further failure (28 lifts in total). <b>Impact:</b> It took 4 minutes previously to reset the stage, it's now taking 40. Risk to performances not being able to go ahead. Risk of injury or death, reputational risk. Additional labour cost, (estimated£24k annually), to facilitate LSO get-ins due to reduced functionality of stage riser system.	 Likelihood Impact	16	Design works are to be undertaken and an order is to be placed with the contractor. In the meantime, we have purchased additional spares so as to ensure the continued use of the equipment whilst we undertake the project scoping and delivery. <b>13 Dec 2017</b>	 Likelihood Impact	4	31-Mar-2018	↔

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
BBC Arts )11d	Quotes for fee proposals to produce a spec and oversee the works from two companies to add to quotes for carrying out the works have been requested. Once full costs are outlined including all fees and management of the work, a decision will then be made on when and how to fund the project.	Project included in draft CWP bid for 2018-19 and subject to the approval of CASC & RASC a budget will be available from April 2018.	Louise Jeffreys; Jonathon Poyner	19-Oct-2017	30-Mar-2018
BBC Arts 011c	Three stage risers have failed, with more expected to fail in the near future. It is anticipated that the system will need replacing entirely.	Head of Finance has undertaken to liaise with Chamberlain re early access to budget for production of specification and seeking of tenders.	Louise Jeffreys; Jonathon Poyner	19-Oct-2017	31-Mar-2018



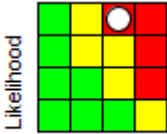
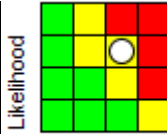
Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score	Risk Update and date of update	Target Risk Rating & Score	Target Date	Current Risk score change indicator
BBC H&S 002 <b>Failure to deal with Emergency /Major Incident or Risk of Terrorism</b>  17-Feb-2015 Jonathon Royner	<b>Cause:</b> Failure to deal with a major incident, emergency or risk or impact of a terrorist attack Recent wave of terrorist related attacks and general raising of alert state ,increase in hostile reconnaissance in the UK and Europe. <b>Event:</b> Potential loss of life or serious injury to staff, customers, clients, visitors and contract workers; damage to major services within the building as well as the building itself;,delays to emergency services due to lack of information; potential reputational risk to organisation due to lack of delivery of information to staff, family members and management team in order to manage public/press statements; failure to deal with situation due to lack of plans/incomplete plans/inadequate staff training <b>Impact:</b> Injury/damage compounded by Centre failures leading to insurance claims/liability claims/liability and/or prosecution; public confidence in ability to manage major incident would be compromised.	<div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold;">Likelihood</div>  <div style="margin-left: 10px;"><b>16</b></div> </div> <div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold;">Impact</div>  </div>	We continue to work with the relevant authorities including police teams, anti-terrorist teams and firearms units and have delivered further sessions of business continuity planning with management at different levels plus continued the daily toolbox talks for staff vigilance and 'Run, Hide,Tell', etc. We continue to work with AECOM for the delivery of the security capital projects and it is anticipated that HVM (Hostile Vehicle Mitigation) will commence in January 2018, with all of the works being completed towards the end of 2018, finishing with CCTV.  <b>13 Dec 2017</b>	8	30-Sep-2018	↔

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
BBC H&S 002a	In order to mitigate the risks, evacuation plans and protocols are held for all venues, and plans are revised and reissued for specific performances where appropriate. All relevant staff are briefed, when required, on procedures and training is provided. Further mitigation measures to reduce the risk rating could include the introduction of planned "practice" large-scale evacuations for staff and customers and creation of a "Foyers Evacuation Team".	<p>A full evacuation of the Centre took place on 24th October including the foyer (CoL colleagues were in attendance).</p> <p>We have also conducted zoned evacuations of 6 areas in the Barbican since then and continue to conduct toolbox talks etc.</p>	Jonathon Poyner	13-Dec-2017	01-Apr-2018
BBC H&S 002b	Major Incident and Business Continuity plan for the Centre reviewed at least once a year and at other times in cases of significant changes. Departmental plans, the responsibility of individual Heads of Department, should be updated at the same frequency as a minimum. Front line staff trained at least once a year using table top exercises and briefing sessions. Partial evacuation takes place throughout the year with frequent fire alarm activations (on average 20 - 24 per annum).	Training and tool box talks continue.	Jonathon Poyner	13-Dec-2017	30-Sep-2018

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	Current Risk score change indicator
<b>MCP-SM 001 HGV Unloading Operations</b> 24-Feb-2015 Mark Sherlock	<b>Cause:</b> A lack of suitable and sufficient training and adequate management controls in relation to Heavy Goods Vehicle banksman activities undertaken by staff employed by Smithfield Market tenants. <b>Event:</b> Serious or life changing injury to members of the public, market staff and other service users caused by uncontrolled or unguided reversing vehicles. <b>Effect:</b> Realisation of this risk could result in a prosecution, fine and reputational damage for the City.	 Likelihood Impact	16	No change  06 Dec 2017	 Likelihood Impact	12	31-Jan-2018	↔

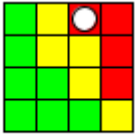
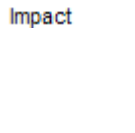
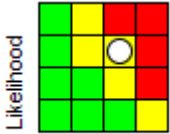
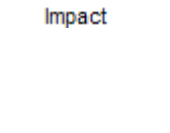
Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
MCP-SM 001f Page 63	Work with the Market Tenants' Association to review sender delivery practices.	<p>Tenant banks-man training is complete, and a jointly signed letter from the Superintendent and Chairman of the SMTA has been issued to all freight transport companies which deliver to the Market, confirming the improved operational safety standards required and the consequential lock-off of the delivery bays if these standards are not met. This letter included a site plan, delivery process, and site rules. Detailed monitoring continues by the onsite Constabulary.</p> <p>Continuing risk management work streams are;</p> <p>Stakeholder actions/review meetings set with the SMTA until all recommendations of the FTA report are fully demonstrable, evidence based, and implemented.</p> <p>Ensure that all training records of individuals are retained and updated by the SMTA, on behalf of the tenants, for review with the Superintendent's office for ongoing controls.</p> <p>The City will implement immediate closure of vehicle lock-ons where unsafe &amp; unmanaged activities are identified and after consultation with the SMTA an effective date agreed.</p> <p>In the short to medium-term the Superintendent will evaluate the opportunity to remove certain human inputs/errors in the control process, and to replace them with software managed and sequenced inter-lock interfaces, before the lock-on process is safely complete. This has been progressed with site visits being made by industry experts.</p> <p>Good progress is being made through structured working with the SMTA. Improvements have been made with both training and additional safety measures introduced by the Market, such as Tensa barriers, additional signage, road markings and hatchings, traffic lights, speed controls, additional bollards, and road surface improvement including road markings and signage.</p>	Mark Sherlock	15-Nov-2017	31-Jan-2018

		It is anticipated that by continuing with this approach, the current Red risk will be able to be reduced to Amber.			
MCP-SM 001h	Monitor market traffic routes.	The Superintendent has written to 6 traders about the need to improve operational management of the loading/parking bays. 1 tenant has been written to again with the impending sanction of a 146 Notice being levied if poor practices continue. Immediate improvements have been witnessed. A further tenant has installed CCTV in order to record /review/ implement better management practices on the north-east corner of the EMarket. The Constabulary are to inform the Superintendent as soon as any poor practices return.	Mark Sherlock	28-Nov-2017	31-Jan-2018
MCP-SM 001i	Work with the Market Tenants' Association to review unloading practices.	October audit identified 16 transport companies that used a driver banksman and 1 (Fairfield) which made 2 deliveries without any banksman. The Superintendent has agreed a second joint letter with the SMTA which will be sent to all FTCs with a reminder of a pending delivery rejection implementation should site rules not be followed in future. This will be issued to FTCs by 1st December 2017.	Mark Sherlock	28-Nov-2017	31-Jan-2018
MCP-SM 001j	Review and implement the local forklift truck management scheme.	The revised Policy has been circulated and a joint COL/SMTA meeting due to be held on 30th November to formalise an agreement before the end of 2017. Previous dates have been postponed due to the unavailability of SMTA members.	Mark Sherlock	15-Nov-2017	31-Dec-2017

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	Current Risk score change indicator
<b>OSD 005 Pests and Diseases summary risk</b>  30-Aug-2017 Lin Buttery	<b>This risk summaries the pest and disease risks across the Open Spaces Department.</b> <b>Causes:</b> Inadequate biosecurity; purchase or transfer of infected trees, plants, soil and/or animals; ‘natural’ spread of pests and diseases from neighbouring areas. <b>Event:</b> Sites become infected by animal, plant or tree diseases e.g. Oak Processionary Moth (OPM ), foot and mouth, Massaria, Ash Die Back, <i>Salmonella</i> (DT 191a), Leaf Miner Moth <b>Impact:</b> Service capability disrupted, public access to sites restricted, animal culls, tree decline, reputational damage, increased cost of monitoring and control of invasive species, risk to human health from OPM or other invasives, loss of key native species, threat to existing conservation status of sites particularly those with woodland habitats. This risk is felt to be of departmental concern due to the potential biodiversity, financial and human health impacts associated with this risk. The actions for this risk are the open actions from each of the divisional risk registers.	 Likelihood Impact	16	The increasing risk score reflects the very high level of concern around the continued spread of pests, particularly Oak Processionary Moth (which can be damaging to human health). The department continues to engage proactively with the Forestry Commission to monitor and control OPM, but it is continuing to spread.  Epping Forest has also been affected by Ramorum this year.  We are not anticipating a reduction in this risk unless we accept these diseases as endemic.  <b>13 Nov 2017</b>	 Likelihood Impact	12	31-Mar-2018	↔

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
OSD CC 011 a	Regular monitoring of trees Engagement of specialists where required	The proactive approach taken to monitor trees resulted in OPM being recognised and reported to the Forestry Commission. Expert advice on the management of OPM has been sought and is acted upon.  Regular inspections and the use of pheromone traps will continue.	Gary Burks	08-Aug-2017	31-Mar-2018
OSD EF 007 a	Implement actions arising from Massaria survey. Survey to be undertaken twice yearly	ongoing	Geoff Sinclair	18-Apr-2017	08-Apr-2018
OSD EF 007 c	Yearly inspection of 600 of the ancient oaks across the centre of the forest. Annual activity.	ongoing inspection	Jeremy Dagley	18-Apr-2017	31-Dec-2017

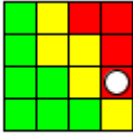
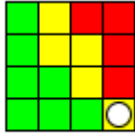
OSD EF 007 d	Yearly inspection of all Rhododendron and Larch. Tender of Larch removal. To be done yearly	SOD found at Wanstead park in Rhododendrons	Jeremy Dagley	18-Apr-2017	15-Apr-2018
OSD EF 007 e	Need to develop a biosecurity policy and then implement.	discussed biosecurity issues with colleagues and Royal Parks at 4th October 2017 workshop on tree diseases. Given large open nature of Forest need to consider where and to whom biosecurity applies. Full blood-testing of any new cattle carried out before entry on to Gt Gregories site and this protocol is part of Gt Gregories site plan - see under OSD EF 002g. Biosecurity plan to developed in consultation with colleagues from NLOS and City Commons	Jeremy Dagley	18-Oct-2017	31-Mar-2018
OSD NLOS 004 a	Sourcing of plants / trees through approved suppliers. Review six monthly	As previously, Staff continue to use approved suppliers for the procurement of trees and plants.  Evidence of tree disease in Division  Early warning notices to be displayed , e.g. OPM.	Richard Gentry	27-Sep-2017	31-Mar-2018
OSD NLOS 004 b	Trained arboricultural contractors carrying out spraying of Oak in previously infected areas	As previously, Spraying has been carried out.  Notices were displayed raising awareness.  Staff to be advised & updated about OPM and what they should be observing when on patrol.	Richard Gentry	27-Sep-2017	31-Mar-2018
OSD P&G 004	Ensure staff training is kept updated to enable timely identification of pest and knowledge of correct treatment/prevention.	Provision of staff training ongoing, information is shared within the department	Lucy Murphy; Jake Tibbets	27-Sep-2017	01-Jul-2017
OSD P&G 004	Annual tree inspections undertaken through qualified personnel through framework contract	New tree contract now in place	Lucy Murphy; Jake Tibbets	27-Sep-2017	31-Mar-2018
OSD P&G 004 c	Alerts issued to staff enabling additional checks to be undertaken as part of everyday working practice	Email alert used regarding presence of OPM found on 28/3/17 at Epping	Martin Rodman	04-Apr-2017	31-Mar-2018
OSD P&G 004 d	Maintain relationships with industry bodies and neighbouring local authorities to ensure free flow of information.	Officers continue to keep up to date with industry best practice and to share information within the department	Lucy Murphy; Jake Tibbets	27-Sep-2017	31-Mar-2018

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	Current Risk score change indicator
<b>OSD 006</b> <b>Impact of development summary risk</b>  30-Aug-2017 Colin Buttery  Page 67	<b>This risk summaries the risks associated with housing and/or transport development across the Open Spaces Department.</b> <b>Cause:</b> Pressure on housing and infrastructure in London and South East; failure to monitor planning applications and challenge them appropriately; challenge unsuccessful; lack of resources to employ specialist support or carry out necessary monitoring/research, lack of partnership working with Planning Authorities <b>Event:</b> Major development near an open space <b>Impact:</b> Increase in visitor numbers, permanent environmental damage to plants, landscape and wildlife, air and light pollution, ground compaction and resulting associated effects on tree and plant health. Wear and tear to sports pitches. Lack of budget to facilitate repairs, potential for encroachment. This risk is felt to be of departmental concern due to the high level of work required across the open space divisions to defend against the impact of development and the serious nature of the impact. The actions for this risk are the open actions from each of the divisional risk registers.	 Likelihood  Impact	16	This risk continues to be rated red due the work required across the open spaces sites to protect the sites from the impact of developments. Each of the Superintendents and their teams continues to monitor planning applications with the local area and to respond to applications of concern.  <b>13 Nov 2017</b>	 Likelihood  Impact	12	31-Mar-2018	↔

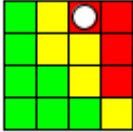
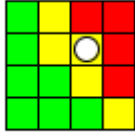

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
OSD EF 010 a	Epping Forest DC local plan - Attend meetings and respond to consultation on the local plan so that can influence the content of the plan and the Memorandum of Understanding between EFDC and Natural England LB Redbridge core strategy and other LA actions plans - respond to any further consultation.	MoU complete, signed. Mitigation strategy in place.	Jeremy Dagley	30-Aug-2017	31-Dec-2017
OSD EF 010 b	Agree a joint approach with Natural England and responses to development pressure on SAC	Joint approach meeting complete. Letter of concern sent in July.	Jeremy Dagley	30-Aug-2017	19-Dec-2017

OSd EF 010 c	Negotiate renewal with Essex County Council and extend to cover London Borough's	Still on Essex radar with traffic modelling works undertaken. Agree a forest transport strategy to agree mitigation strategy.	Jeremy Dagley	30-Aug-2017	10-Mar-2019
OSD EF 010 d	Meet with LBE and influence outcome of their NGAP project	delayed by London borough of Enfield	Jeremy Dagley	18-Apr-2017	07-Apr-2019
OSD NLOS 011 a	Maintain a close partnership with Planning Authorities. Supt and Officers in contact with the London Borough of Camden, Barnet and Haringey in regard to planning issues which may impact the open spaces.	As previously, this is on-going and the Division will make representation when appropriate.	Richard Gentry	27-Sep-2017	31-Mar-2018
OSD NLOS 011 b	Respond to consultation on the local plans to help influence the content of the documents.	As previously, response to planning issues given as and when required.	Richard Gentry	27-Sep-2017	31-Mar-2018
OSD NLOS 011 c	A Consultant is monitoring planning activity and will assist the Superintendent with specialist support in regard to resisting planning applications that impact on the Open Spaces.	The Division continues to monitor local planning issues	Richard Gentry	27-Sep-2017	27-Jul-2018
OSD P&G 007 a	Attendance at meetings and respond to consultation on the local plans to help influence the content of the document.	LBN planning portal updates received, flagging latest consultations. Close working relationship with Planning colleagues in City.	Lucy Murphy; Martin Rodman; Jake Tibbets	27-Sep-2017	31-Mar-2018
OSD TC 002 a	Inclusion in core strategy planning documents - where applicable Close partnership working with local planning authorities Active monitoring of planning applications with responses as appropriate All ongoing and/or as and when	Monitoring of activity and submission of responses as appropriate continues	Hadyn Robson	27-Sep-2017	31-Mar-2018
OSD TC 002 b	Active monitoring of pollution where possible Active monitoring of environmental impacts - where possible Undertake research - where appropriate and where resources allow Ongoing	As previously, action is ongoing.  Continuing monitoring of dust and reviewing regular reports from contractors  Reviewing results of hydrology monitoring from quarry operator and chasing when required Currently undertaking 5 yearly review of visitor numbers Received interim report on repeat survey of visitor footfall	Hadyn Robson	27-Sep-2017	31-Mar-2018

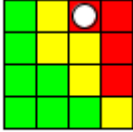
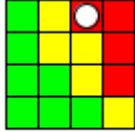



Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<b>OSD 007</b> <b>Maintaining the City's water bodies summary risk</b>  <div>Page 69</div> 30-Aug-2017	<b>This risk summaries the property maintenance risks across the Open Spaces Department.</b> The City is responsible for a number of water bodies, some of which are classified as "Large Raised Reservoirs" under the provisions of the Reservoirs Act 1975 and the Flood & Water Management Act 2010. Failure to adequately manage and maintain the City's reservoirs and dams could result in leaks, dam collapse or breach. For some of the City's large raised reservoirs there is the potential for loss of life, damage to property and infrastructure in the event of dam collapse or breach, and the associated reputational damage. This risk is felt to be of departmental concern due to potential for serious consequences, the possibility of legislative change and the possibility that significant capital projects could be required. The actions for this risk are the open actions from each of the divisional risk registers.	<div>Likelihood</div>  <div>Impact</div>	16	This risk is currently rated red in reflection of the City Engineer's advice to reflect the worst-case scenario.  Open Spaces and City Engineers will be holding a workshop to consider the risks associated with each of the water bodies. This will give consideration to a range of factors including those water bodies which are in cascade, so could be impacted by provisions in the Flood & Water Management Act 2010 coming into force.  The City Engineers and the Panel Engineer continue to monitor and manage the City's water bodies in accordance with best practice and relevant legislation  <b>13 Nov 2017</b>	<div>Likelihood</div>  <div>Impact</div>	8	31-Mar-2018	↔

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
OSD EF 004 a	Statutory inspection visits by engineer - 6 monthly in May and October	Panel Engineer visited. Next inspection October..	Martin Newnham; Geoff Sinclair	30-Aug-2017	23-Nov-2017
OSD EF 004 b	Complete works on the Eagle ponds and obtain approval for distribution of responsibilities. Survey the outward toe of the dam pending decision on shared responsibility with London Borough of Redbridge	Piling wall present giving LBR responsibility as statutory undertaker. Conservation statement to be used to determine all statutory undertakers.	Geoff Sinclair	30-Aug-2017	01-Apr-2018
OSD EF 004 c	Weekly inspection of reservoirs / dam. Review the use of penstock gates	all mandatory checks are done and blue books filled in as per engineer panel requests	Martin Newnham	18-Apr-2017	08-Apr-2018
OSD EF 004 e	Undertake scoping evaluations for Baldwins Pond and Birch Hall Park Pond	Statement of concern from the panel engineer. Awaiting November committee gateway 4. Subject to EA response.	Geoff Sinclair	30-Aug-2017	03-Sep-2017
OSD TC 006 a	Condition assessments carried out and options provided for approval Options costed Gateway 4 report drafted - Sept 16	Project remains an aspiration in the business plan	Hadyn Robson	27-Sep-2017	31-Dec-2018
OSD TC 006 b	Inspections / monitoring of outflow condition Ongoing	All water bodies are monitored by DBE and the Panel Engineer in accordance with best practice and legislation	Hadyn Robson	27-Sep-2017	31-Dec-2018

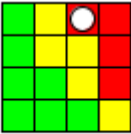
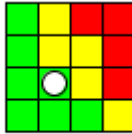
Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
<b>SUR SMT 006</b> <b>City Bridges:</b> <b>Bridge House</b> <b>Estates -</b> <b>Wanton</b> <b>Damage /</b> <b>Terrorism</b>  19-Jun-2017 Paul Wilkinson	<b>Cause:</b> Wanton Damage / Terrorism <b>Event:</b> Collapse or become unusable <b>Impact:</b> Reputational damage, disruption to traffic, additional costs to repair / replace	 Likelihood  Impact	<b>16</b>	CSD department requires information from DBE regarding - Inspections - Maintenance reports - Arrears of concern  City Surveyor to talk to Head of DBE to gain assurance Bridges are being maintained.  <b>14 Dec 2017</b>	 Likelihood  Impact	<b>12</b>	31-Mar-2018	

Action no	Description	Latest Note			Managed By	Latest Note Date	Due Date
SUR CB 006a	Security	There is Police presence but the bridges are located outside the security cordon. Tower Bridge has cameras and security requirements for visitors Temporary mitigation by the Metropolitan Police but not full Hostile Vehicle Mitigation - Ongoing.			Paul Monaghan	14-Dec-2017	31-Mar-2018

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	Current Risk score change indicator
<b>SUR SMT 007</b> <b>City Bridges:</b> <b>Bridge House Estates -</b> <b>Tunnelling for the Thames Tideway Tunnel</b>  19-Jun-2017 Paul Wilkinson	<b>Cause:</b> Tunnelling for the Thames Tideway Tunnel effects bridge structures <b>Event:</b> Bridge/s become inoperable or have reduced operability <b>Impact:</b> Closure, reputational damage, disruption to traffic, additional costs to repair / replace	 Likelihood	<b>16</b>	CSD department requires information from DBE regarding - Inspections - Maintenance reports - Arrears of concern  City Surveyor to talk to Head of DBE to gain assurance Bridges are being maintained.  <b>14 Dec 2017</b>	 Likelihood	<b>16</b>	31-Mar-2018	

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Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
SUR CB 007a	Asset protection Agreements	DBE to negotiate asset protection Agreements in conjunction with Comptroller and City Solicitor.	Paul Monaghan	14-Dec-2017	31-Mar-2018
SUR CB 007b	DBE to ensure that TFL are aware of potential impacts of bridge closures	DBE to ensure that TFL are aware of potential impacts of bridge closures and suggest that TFL have appropriate contingency plans in place. This will be raised at the next liaison meeting with Thames Tideway staff to progress. This will help mitigate any potential traffic and reputation impacts on the City Corporation.	Paul Monaghan	14-Dec-2017	31-Mar-2018

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	Current Risk score change indicator
<b>TC TCO 05 Customer Relationship Management System</b>  20-Nov-2015 John Barradell	Cause: Outdated software that is no longer supported stops working or will no longer work with our network environment Event: Failure of the CRM system Effect: Loss of critical data, Contact Centre, C.O.D team unable to effectively carry out their duties.	 Likelihood Impact	16	The strategic approach to replace the Corporate CRM system was approved by the Summit Group in May 2017. Approval was given to the funding of the project via the Corporate Gateway process in July 2017.  <b>11 Sep 2017</b>	 Likelihood Impact	4	31-Mar-2018	↔

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<b>Committee(s)</b>	<b>Dated:</b>
Audit and Risk Management	16 January 2018
<b>Subject:</b> CR02: Loss of Business Support for the City	<b>Public</b>
<b>Report of:</b> Director of Economic Development	<b>For Information</b>
<b>Report author:</b> Giles French	

## Summary

The following report provides Members with an update and new information on the activities of the Economic Development Office which mitigate Corporate Risk 02: Loss of Business Support for the City.

**Recommendation:** Members are asked to note the report.

## Main Report

### Background

1. It is a major corporate risk that the City of London's position as the world's leading international financial centre is adversely affected, and that London loses its ability to attract and retain high value global business activity. This would have a major economic impact on the UK, diminish the attractiveness of London and the UK as a place to do business, and damage the reputation and relevance of the City Corporation as a supporter and promoter of UK based financial and professional services firms.
2. London's place as the world's leading international financial centre is one that is continually challenged by other financial centres around the world, but the business uncertainty created by the result of the referendum on the UK's membership of the European Union has increased the risk of the potential loss of business support for the City.
3. This report provides Members with an update of recent activity undertaken by the Economic Development Office to mitigate this risk.

## **Current Risk Status**

4. The risk status has recently been increased and is now red. This recognises the probability that a post-Brexit trade deal between the UK and EU27 is unlikely to replicate the level of access firms have within the Single Market. The CR02 risk register is attached as appendix 1.

## **Implementation of the *Supporting the City* Review**

5. Following the *Supporting the City* review conducted by Sir Simon Fraser and subsequent approval by the Policy & Resources Committee of the new structure and resourcing of the Economic Development Office (EDO), the proposals have been fully implemented. The teams supporting and promoting UK-based financial and professional services firms are: Policy & Innovation; Regulatory Affairs; and Global Exports and Investment. In addition, an expanded Asia team is supporting the work of the Special Adviser for Asia, and the City Office in Brussels is supporting the work on EU engagement led by the Special Representative to the EU.
6. In 2017, EDO worked with Accenture to develop its departmental strategy and business plan, to ensure the new teams' work was focused on ensuring London and the UK remain the world's leading financial and professional services centre. This business plan was approved by the Policy & Resources Committee in June 2017, and can be seen [here](#). A version of the business plan was also produced for business and policy stakeholders and is available to see [here](#).
7. The implementation of the business plan is the key risk mitigation for CR02.

## **Current Activity**

8. The Policy & Innovation team works to ensure that London is home to a more innovative ecosystem for financial and professional services than its competitors. Its three current main areas of focus are Green Finance, FinTech and Cyber security. The team works with business and policymakers to make interventions that support and encourage the development of new products and services in the sector, keeping London at the forefront of innovation.
9. Policy & Innovation have achieved several significant outcomes this year including. Through the Green Finance Initiative (GFI), chaired by Sir Roger Gifford and supported by EDO, London is becoming established as the global leader in the development of Green Finance. The GFI has become the UK partner with the People's Bank of China to develop cooperation between the two countries and help to establish global standards for investors. The GFI leads on the Green Finance content of the annual UK-China Economic and Financial Dialogue led by HM Treasury which took place on 16 December – it has several key outcomes for more cooperation between UK and China on green finance, a clear statement of global leadership on the issue.



10. Working in partnership with KPMG, the team published a report *The Value of FinTech*, which provides government and regulators with a roadmap for ensuring the future success of the sector in the UK. The report is informing our submission to the Government's Industrial Strategy, making the case for a sector deal for FinTech. Prior to *The Value of FinTech* report, the team worked with Innovate Finance's Network Action Group to make a submission to the Government's patient capital review. The submission made recommendations on how to improve the scaling up of FinTech firms in the UK. Finally Innovate Finance, with our support, have made representations to the Migration Advisory Committee, to make the case of more visas for FinTech professionals.
11. In partnership with the City of London Police, the team is developing a cyber security strategy, to maximise the impact of City Corporation's resources focused in this area. The strategy will aim to make London one of the most cyber secure business environments in the world, and to encourage the development of businesses engaged on cyber security issues.
12. The Regulatory Affairs team works to sustain and enhance the UK's competitive regulatory and economic environment and enable access to global markets. This team has led our policy response to the challenges of Brexit. Our work is focused on representing the views and needs of the financial and professional services sector to the UK government and regulatory authorities, the EU institutions and the EU Member States; helping to inform the negotiations; and finding solutions to serve the economic interests of the UK and the EU27.
13. Our work is done in partnership with the industry, via the major trade associations such as TheCityUK, UK Finance, Association of British Insurers, Innovate Finance and Investment Association, through our joint venture with TheCityUK the International Regulatory Strategy Group (IRSG) and bilaterally with relevant firms. The Policy Chairman is a member of TheCityUK's Brexit Steering Committee, Deputy Chairman of the IRSG and a member of the European Financial Services Chairmen's Advisory Committee chaired by Baroness Vadera of Santander.
14. Work is currently in progress to strengthen the team in the City Office in Brussels, including the appointment of a new senior Managing Director. This is to ensure the City Corporation is playing a full part in representing in the industry's priorities in the Brexit negotiations, as well as being equipped to engage with the EU institutions after the UK has left the EU.
15. The three priority areas for our work at present are to secure a transitional period to provide sufficient time for the industry to adapt to the future trading relationships between the UK and EU27, and address issues relating to contracts and data; to promote an ambitious and comprehensive Free Trade Agreement including services; and to ensure that the future immigration regime enables the industry to attract talented people from across the world. Much of this policy work has been produced through the International Regulatory Strategy Group (IRSG), a practitioner led body that works to inform the policy making process.

16. All this work contributes to a comprehensive programme of engagement with UK policy makers, regulators, EU institutions and EU Member States, making the case for a comprehensive and mutually beneficial future trading relationship between the UK and EU27.
17. The team has also been working on non-EU international markets. This has included the development of a more coherent programme of engagement with the US regulatory authorities, and support for the Policy Chairman in her role as a member of TheCityUK's US Market Advisory Group (MAG). In addition, the City Corporation is a member of TheCityUK's MAGs for China, India and Switzerland. All this work is focused on increasing bilateral market access and trade. Separately, the team is leading the City Corporation's role as the partner of choice for the delivery of the Commonwealth Business Forum in April 2018, which will provide an opportunity to showcase London and the UK to a global audience.
18. The team is also supporting the work of the IRSG on regulatory coherence, which is developing a strategy for strengthening the UK's engagement with international regulatory bodies such as the Financial Stability Board, G20, Basel Committee and IOSCO. This work will continue into 2018 and inform our ongoing engagement which will become more important as the UK moves to be a Third Country to the EU.
19. Work has been undertaken to have with the Financial Reporting Council and the Law Society to promote UK standards and governance internationally. This would encourage mutual recognition of qualifications and increase market access. It also supports the work being led by the Lord Mayor on the *Business of Trust*, which seeks to promote high standards within the industry.
20. The Global Exports and Investment team promotes London and the UK to investors, and works with UK based financial and professional services firms to encourage exports. They are the lead team for engagement with key businesses, as we move to a model of relationship management and they pick up information and intelligence on Brexit related issues for investors and take a joined up approach with UK Government. This model of engagement informs our work on targeting priority markets around the world, and working with investors to retain and expand their investment in the UK.
21. The team has signed a Memorandum of Understanding (MoU) with the Mayor of London's promotional agency London & Partners, and has a similar agreement with the Department of International Trade to work together more closely to encourage investment in the UK.
22. Working with colleagues in Mansion House, the team has revamped the Mayoral Visits Advisory Committee (MVAC) process. Through a much stronger process of engagement with both government and the business community, we have identified twenty priority markets for financial and professional services that will provide the framework for our non-EU international engagement for the next three years. For each market, the team is producing a tailored engagement plan to inform our priorities and identify opportunities for business growth. Also,

through our ongoing relationship management with businesses and the British diplomatic missions in these priority markets, our engagement is year-round, rather than confined to the visit programme itself. This has led to a more systematic programme of investment conferences hosted in London post-Mayoral visits.

23. Another recent highlight has been the signing of a Memorandum of Understanding with the Tokyo Metropolitan Government, to promote cooperation between London and Tokyo as international financial centres; share good practice; and encourage investment flows.
24. Finally, the team has been responsible for the implementation of a regional strategy, where we are working in partnership with other major financial and professional services centres around the UK, to help promote exports by regionally based firms, and retain and attract investment across the country.
25. The Asia Team leads on market specific initiatives in China, India and Singapore, that are complimentary to the strategic objectives of the Global Exports and Investment team. Current priorities for China are the evolution of London as the leading Western hub for offshore Renminbi trading; London's role in financing and providing professional services for the Belt and Road Initiative; and Green Finance. The focus for India is FinTech and developing the insurance and reinsurance markets. Finally, for Singapore, there is the potential for collaboration on cyber security and asset management.

## **Conclusion**

26. Members are asked to note the actions taken and the activities underway to mitigate Corporate Risk 02: Loss of Business Support for the City.

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## Appendix 1



### CR02 Loss of Business Support for the City

Report Author: Paul Dudley

Generated on: 21 December 2017

Rows are sorted by Risk Score

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	Current Risk score change indicator
CR02 Loss of Business Support for the City 22-Sep-2014 John Barradell	<b>Cause</b> - The City Corporation's actions to promote and support the competitiveness of the business City do not succeed. <b>Event</b> - The City's position as the world leader in international financial services is adversely affected <b>Effect</b> - The City loses its ability to attract and retain high value global business activity, both as a physical location and in mediating financial and trade flows; the City Corporation's business remit is damaged and its perceived relevance is diminished. Reputational damage to the City as a place to do business and to Corporation ability to govern effectively	 Likelihood Impact	16	The risk status has recently been increased and is now red. This recognises the probability that a post-Brexit trade deal between the UK and EU27 is unlikely to replicate the level of access firms have within the Single Market.  <b>21 Dec 2017</b>	 Likelihood Impact	8	30-Apr-2018	↑

Action no	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR02C	City Corporation providing opportunities for informing the	In September the IRSG launched a report setting out its favoured outcome for the Brexit trade	Damian	07-Nov-	30-Dec-

	debate on the terms of Brexit, and representing the views of the financial and professional services sector	negotiations - a deep Free Trade Agreement covering financial services. EDO is working to promote its conclusions with UK and EU decision-makers. IRSG is also working on projects on the UK's role in global regulation and the required domestic regulatory framework post-Brexit.	Nussbaum	2017	2017
CR02E	Recruit and embed a new global exports and investment team in the new structure of Economic Development	New GE&I team provide relationship management services with financial and professional firms aimed at retaining and attracting FDI, and assisting UK based firms to export. They work with colleagues at Mansion House to deliver the international exports and investment programme led by the Lord Mayor, and also lead in the delivery of our Regional Strategy.	Giles French	07-Nov-2017	31-Dec-2017



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<b>Committee(s)</b>	<b>Dated:</b>
Audit and Risk Management	16 January 2018
<b>Subject:</b> Deep Dive: CR 23 Police Funding Risk	<b>Public</b>
<b>Report of:</b> Chamberlain	<b>For Information</b>
<b>Report author:</b> Caroline Al-Beyerty, Deputy Chamberlain	

## Summary

The funding of the City of London Police has become unsustainable as a result of a number of factors. Central to this issue emerging has been a consistent reduction in Central Government grant funding over a number of years. This has resulted in a real terms funding reduction of 61% between 2010/11 and 2017/18.

Additional funding has been provided by the City Corporation during this period including authorising the full drawdown of Police Reserves and underwriting capital project expenditure. Demand on the Police force has also increased which has resulted in a forecast underlying funding gap of £4-5m p.a. over the medium term. The force has already adopted a number of initiatives to address the budget deficit and is forecasting achieving a balanced position in 2017/18; and a balanced position in 2018/19, after drawing on £3.5m of reserves. The Chamberlain and Commissioner of Police therefore consider that the force is on track to deliver a balanced budget for 2018/19 by March 2018.

A review was commissioned by the Chamberlain and Commissioner of Police to assess future demand and how value for money could be delivered in future. This review was conducted by Deloitte drawing on their experience of conducting similar exercises with other Police forces. The results have been reported to Police Committee and are summarised in this report.

This deep dive report articulates the work in progress and clearly identifies where future effort will be directed to manage this risk to an acceptable level. A single solution is unlikely to be sufficiently significant to mitigate the deficit and a combination of measures will need to be considered, to include: scrutiny and delivery of the efficiencies recommended by Deloitte; management and delivery of the 2% savings target agreed with the Corporation; rationalisation of the workforce following Rank Ratio review and development of the new service delivery model and continued support from the Corporation for capital investment priorities, and contribution to core budget.

## Recommendation(s)

Members are asked to:

- Note the report.

## **Main Report**

### **Background**

1. The City of London Police (CoLP) force is responsible for law enforcement within the City of London, including the Middle and Inner Temples. The police authority is the Common Council of the City, and unlike other territorial forces in England and Wales there is not a police and crime commissioner replacing that police authority by way of the Police Reform and Social Responsibility Act 2011, but like a police and crime commissioner, the Common Council is elected, thus achieving the same aim of democratic accountability.
2. CoLP is funded through a combination of Government Grants from the Home Office, through Partnership income and through funding from the City Corporation from a proportion of Business Rates Premium income. Government Grant funding has reduced significantly over the past few years, a real terms cut amounting to 61% of core grant funding between 201/11 and 2017/18.
3. COLP is facing increasing cost pressures. The employee pay budgets are forecast to increase over the medium term since ambitions for police staff efficiencies were not achieved and wage inflation is likely to be around 2% in the short term. The Force committed to a plan of reducing Police Staff establishment in January 2016, from a baseline of 450 to 410 full time equivalent posts. This was not achieved for a number of reasons, some of which were delays in IT dependent process change, which meant that the Force remained at approximately 450. The Force is also reviewing the number of fixed term posts supporting short term projects which has remained high, for example, the programme team delivering the new Action Fraud system which has overrun.
4. Support from the City Corporation has increased as the financial position has worsened, increasing the funding from the Business Rates Premium. Further funding has also been provided to underwrite CoLP IT improvements, the CoLP Pension Fund and a cashflow loan to maintain the Action/Know Fraud service.
5. The creation of CR23, Appendix 1, demonstrates the City Corporations commitment to the identification and management of this risk area. The risk areas are actively monitored and risk managed on a monthly and quarterly basis through the corporate budget monitoring procedure and on a year-to-year basis through the medium term financial plan. Endorsement and support for the management and delivery of CR23 risk management plan has been obtained directly from chief officers as well as strategically via papers to Police and Finance Committees.
6. A review was commissioned by the Chamberlain and Commissioner of Police to assess future demand and how value for money could be delivered in future. This review was conducted by Deloitte drawing on their experience of conducting

similar exercises with other Police forces and the results have been reported to Audit and Risk Management Committee and are shown in summary in Appendix 2.

## **Current Position**

7. A Change Programme is being established to develop a revised Target Operating Model for CoLP to deliver greater effectiveness and financial stability. This will comprise a number of programme boards reporting to a Change Programme Oversight Group chaired by the Commissioner which then reports to Police Committee.
8. The Commissioner and the Chamberlain have worked jointly on updating the medium financial plan which will be reported to Police Committee in January 2018. The plan shows an underlying annual deficit of around £4-5m. A balanced position for 2018/19 will be achieved by the utilisation of Police Reserves.
9. The COLP has already adopted a number of **efficiency strategies and mitigations**, which are summarised below:
  - Overview and scrutiny of all budget lines and the renegotiation of contracts in 2017/18 which has produced an expected year end balanced position.
  - Identification of posts that can be released within the current model: 11 police officer posts have been placed in to a holding pot pending potential reallocation to meet current identified threat and risk.
  - Implementing the findings of the Deloitte review work commences with the Transformation Programme in January 2018, in advance of this the force has identified £0.4m cashable savings which have been reinvested this year to build the programme team. The future year on year saving has been factored into the MTFP.
  - An indicative savings prediction from the Deloitte review of £1m and other major programmes such as NICHE have been factored into the MTFF from 2018/19 and subsequent years, however further savings of greater magnitude are expected to be identified as the Transformation team commence work and progress will be reported during 2018.
10. The above efficiencies must be achieved within an environment of changing and **increasing threat and risk**. The Strategic Threat and Risk Assessment (STRA) is a formal process for identifying new requirements and since policing requirements constantly change, new requirements must be funded from reallocation or reprioritising existing resources or from growth, if additional funding is available.
11. The Deloitte work will also assist in realigning the Force to meet the changing demand.



## **Proposals**

12. The force board to monitor the financial performance of each Directorate of CoLP during 2017/18; and take corrective action to ensure delivery of efficiencies and report to members on regular basis.
13. Utilise Police Reserves to support a balanced budget position in 2018/19.
14. Continue to provide financial assistance from the City Corporation to CoLP through financially underwriting CoLP IT improvements, the CoLP Pension Fund and a by providing a cashflow loan to maintain the Action/Know Fraud service.
15. Consider the scope of sharing services between the City Corporation and CoLP, e.g. HR, Finance. A review has been commissioned by Efficiency and Performance Sub-committee and the scope of this review is under active consideration. The review will be led by the Town Clerk.
16. Consider increasing the Business Rates Premium in future years to provide additional funding from local taxpayers to directly contribute to the ongoing operation of CoLP.
17. Continue to implement the recommendations from the Deloitte review through the Change Programme being established by the Commissioner of Police.

## **Corporate & Strategic Implications**

18. Police Forces across the country are suffering reducing Government grants and are rationalising services and/or finding new ways of working to deliver their aims and objectives.
19. The City of London Police must also establish a financially stable medium-term plan. This will incorporate the work begun by the Deloitte review and further work commissioned by the Efficiency and Performance Sub-committee.
20. Failure to demonstrate appropriate controls in this risk area will expose the City Corporation to unacceptable levels of risk and could hinder a number of strategic objectives particularly in relation to the security of the City. There are also a number of statutory that CoLP are required by the Home Office to deliver, particularly acting as National Lead Force for fraud and cyber-crime.

## **Conclusion**

21. There is an extensive programme of work required to mitigate the risks identified within CR23 in a sustainable manner. This deep dive report articulates the work in progress and clearly identifies where future effort will be directed to manage this risk to an acceptable level.

22. A single solution is unlikely to be sufficiently significant to mitigate the deficit and a combination of measures will need to be considered, to include: scrutiny and delivery of the efficiencies recommended by Deloitte; management and delivery of the 2% savings target agreed with the Corporation; rationalisation of the workforce following implementation of the Rank Ratio review and development of the new service delivery model; and continued support from the Corporation for capital investment priorities, and contribution to core budget.
23. The Chamberlain and Commissioner consider that we are on track to achieve a balanced budget for 2018/19 by March 2018.

## **Appendices**




- Appendix 1 – CR23 Police Funding
- Appendix 2 – Deloitte summary of findings

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# CHB Corporate and departmental risks - detailed report APPENDIX 1

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	Current Risk score change indicator
<b>CR23 Police Funding</b>  21-Nov-2016 Caroline Al-Beyerty; Ian Dyson	<b>Cause:</b> Reduction in government funding and growing demand in Policing services leading to pressures for the City Fund -Police. <b>Event:</b> Reduction in government funding. Budget deficit forecast for next 5 years requiring action to balance the budget. The Government's stated intention is that the shortfall should be met from an increase in the precept (in the City's case, the business rate premium). <b>Effect:</b> Potential impact on security and safety in the City as need to make savings, prioritise activity and review funding. City of London Police will be unable to maintain a balanced budget and current service levels as reflected in their Medium Term Financial Plan.	 Likelihood Impact	12	Deloitte Review on Future Demand and VfM identified significant savings opportunities. Plans are now being developed to deliver increased effectiveness and savings which will feed into 2018/19 budget and Medium Term Financial Plan and mitigate service impact.  <b>29 Dec 2017</b>	 Likelihood Impact	4	31-Mar-2018	

Action no, Action owner	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR23a	Limited opportunities in 2017/18 to make in year savings against front line police officer budgets without impacting adversely on delivery of key policing plan objectives. Police staff numbers subject to further scrutiny as part of in-year savings exercise.	Chief Officer Cash Limited Budgets include a savings target of £1.2m against the non-pay budget of £29.3m. The force has managed to secure savings of £0.7m against Repair and Maintenance, Travelling Expenses, Tasking and Core Directorate Overtime Budgets; however, this currently falls short of the savings target by £0.5m. Further details will be reported to Police Committee in the quarter 3 budget monitoring report.	Michelle King	29-Dec-2017	31-Mar-2018
CR23b	Exhaust the Police Reserves by 31 March 2018	The actual drawdown on reserves in 2016/17 was £0.6m, an improvement of £2m compared to the forecast position. Current anticipated year-end position is breakeven, utilising £1.5m of the POCA balances. No draw-down is forecast on the Police General Reserve, leaving a balance of £350k.	Philip Gregory; Michelle King	29-Dec-2017	31-Mar-2018
CR23d	Consider increase in the business rates premium in future periods	Will be considered as part of the medium term financial planning for 2018/19.	Caroline Al-Beyerty	29-Dec-2017	31-Mar-2018
CR23e	Efficiency and Performance Sub Committee commissioned a review of shared services.	The scope of the review is currently being agreed and will be led by the Town Clerk. The timetable has slipped from the original anticipated deadline of 31 December 2017.	Caroline Al-Beyerty; Alistair Sutherland	29-Dec-2017	31-Dec-2017
CR23f	Implement the recommendations from the Deloitte review through the Change Programme being established by the Commissioner of Police	A Change Programme is being established to develop a revised Target Operating Model for CoLP to deliver greater effectiveness and financial stability. This will comprise a number of programme boards reporting to a Change Programme Oversight Group chaired by the Commissioner which then reports to Police Committee.	Alistair Sutherland	29-Dec-2017	TBD





### Summary of findings from Deloitte report

1. In broad terms, the report found many positive elements to the force, for example:
  - The Strategic Threat and Risk Assessment is an excellent platform to prioritise future service requirement;
  - The workforce has a broadly positive outlook and morale is good; and
  - The force can demonstrate how it accommodates National requirements into local projects and programmes.
2. The report also draws attention to some areas they see as challenges for the force, for example:
  - The continuing budget pressures at a time of changing demand;
  - The current operating model has some inefficient silos and duplication of activity; and
  - A cultural shift in approach to change and programme management is needed – the centre project and programme capability is thin.
3. As well as the recommendations, the report offered indicative financial options and benefits that could be realised depending upon the change that the force chooses to make following the review. These ranged from up to £15m p.a. savings through to additional investment required of £1.1m p.a. These will be examined as part of the work programme the force is initiating following the review.

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<b>Committee:</b>	<b>Date:</b>
Audit & Risk Management Committee	16th January 2018
<b>Subject:</b> Internal Audit Recommendations Follow-up	<b>Public</b>
<b>Report of:</b> Pat Stothard - Head of Audit & Risk Management	<b>For Information</b>

## Summary

Internal Audit are operating the revised follow-up process for monitoring implementation of high priority recommendations, as reported to the last meeting of this Committee. Updates are now sought more frequently, only evidenced recommendations are accepted as implemented and the expectation of implementation by agreed target dates is being reinforced.

This report provides an update on the outcome of a recent follow-up exercise focused on red and amber priority recommendations due for implementation by November 2017. There is one live red priority recommendation which was outside the scope of this formal follow-up exercise; Internal Audit have been advised that this is partially implemented and a revised target date has been agreed of the end of May 2018 for full implementation.

Audit testing has confirmed that 90% of high priority recommendations were fully implemented at the time of follow up and 10% were partially implemented. **Appendix 1** summarises the outcomes by department.

Where high priority recommendations were outstanding in full or in part at the time of audit follow-up, further updates have been sought from management to confirm timescales for resolution. Analysis of amber priority recommendations not fully implemented is shown at **Appendix 2**, Internal Audit will continue to liaise with recommendation owners to confirm timescales for implementation where these are not currently known and to obtain evidence of full implementation in accordance with these.

Members are asked to:

- Note the recommendations follow-up report.

## Main Report

### Monitoring of High Priority Recommendations

1. The high priority (red and amber) recommendation monitoring process is operating as follows:

- Updates on implementation are sought quarterly;
  - Recommendations are assessed as “implemented” only where suitable evidence has been provided to Internal Audit, rather than advised by management / recommendation owners;
  - Where evidence is not provided, recommendations are assessed as either partially or not implemented and a revised target is agreed, recognising this Committee’s view that there should be only one extension to implementation deadlines.
2. Management continue to be reminded that any implementation actions which are extended beyond the revised target date may be subject to challenge by this Committee and senior management / recommendation owners asked to attend to explain the issues in progressing agreed actions to timescale.

### **Formal Audit Follow-ups**

3. The corporate follow-up exercise has recently been completed in respect of all live red and amber priority recommendations due for implementation by November 2017. Status updates were sought from recommendation owners and evidence was requested of progress in implementation.
4. A summary of follow-up outcomes by department is shown at **Appendix 1** and demonstrates that implementation was confirmed for 90% of high priority recommendations and the remaining 10% were found to be partially implemented.
5. High priority recommendations not implemented or only partially implemented are summarised at **Appendix 2** and a comparison of revised target dates to original agreed dates is shown where available. Recommendation owners have been reminded of revised follow-up arrangements and the need to provide evidence of full implementation in order for recommendations to be closed down. Internal Audit has also reiterated that revised timescales should be set only in exceptional circumstances.
6. There were no red priority recommendations due for implementation by November 2017 and therefore none within the scope of the follow-up exercise. There is one live red priority recommendation which was not due by the follow-up date although Internal Audit have obtained a status update for this Committee in accordance with established arrangements. This Chamberlain’s IT recommendation arose as part of the audit of Wi-Fi arrangements and while substantially implemented, the outstanding element is linked to replacement of the Corporate Wi-Fi solution, to be delivered as part of the Network Transformation Programme. It is understood that progress in implementation has been impacted by the supplier for the original tender pulling out of the contract at the last minute, resulting in the need for re-tendering. Internal Audit have been advised that control improvements have been fully implemented in respect of guest and visitor Wi-Fi (Open Mediated Wi-Fi) and a revised target date for end of May 2018 has been agreed for full implementation in respect of Corporate Wi-Fi.

## **Live High Priority Recommendations**

7. As at mid-December 2017 there are 27 live high priority (26 amber, 1 red) recommendations which are not yet due for implementation. A revised target date of the end of May 2018 has been agreed in respect of the only live red priority recommendation, which is currently partially implemented. Internal Audit continue to liaise with recommendation owners to obtain evidence of implementation in accordance with the formal follow-up process and the outcome of these exercises will continue to be reported to this Committee on a quarterly basis.

## **Conclusion**

8. The recent corporate follow-up exercise has confirmed that there are no overdue red priority recommendations as at mid-December 2017 and there is only one live red priority recommendation. Follow-up testing determined that 90% of recommendations had been implemented in full and 10% had been partially implemented. Internal Audit work is ongoing to confirm revised target dates for full implementation where these have not been supplied by recommendation owners, reiterating that these should be extended only in exceptional circumstances.

## **Appendices**

- **Appendix 1 – Summary of formal follow up outcomes**
- **Appendix 2 – Analysis of follow-up recommendations not implemented**

### **Pat Stothard**

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## Corporate Follow-Up Exercise Outcomes – Recommendations due by 30/11/17

## High Priority (Red &amp; Amber) Recommendations

Department	Implementation Evidenced	Partially Implemented	Not Implemented	Total	Comments
Chamberlain's	12	0	0	12	
City of London School for Girls	2	0	0	2	
City Surveyor	0	1*	0	1	
Community & Children's Services	1	0	0	1	
City of London Police	3	0	0	3	
Guildhall School of Music & Drama	3	1* 1	0	5	Revised target date for full implementation to be agreed.
Markets & Consumer Protection	3	0	0	3	
Open Spaces	1	0	0	1	
Town Clerk's (HR)	1	0	0	1	
<b>TOTAL</b>	<b>26</b>	<b>3</b>	<b>0</b>	<b>29</b>	
<b>Percentage of total recommendations</b>	<b>90%</b>	<b>10%</b>	<b>N/A</b>		

‘\*\*’ Revised target dates have been agreed with recommendation owners

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### High Priority Recommendations Partially Implemented / Not Implemented

*Amber priority recommendations outstanding at time of December 2017 follow-up exercise (recommendations due for implementation by 30<sup>th</sup> November 2017)*

Department & Audit Area ( <i>'Not implemented'</i> listed first)	Original Target Date	Revised Target Date	Implementation Status		Management Comment
			Not	Partial	
<b>City Surveyor</b> Directly Managed Property Lease Issue - Void Property Reports	31/10/17	30/09/18	0	1	Whilst waiting for the void report to be rolled out (with Oracle Development team Q2 2018) IPG are undertaking further data validation and there will be a work around in place by New Year. Notwithstanding the lack of any void report, IPG have instigated Quarterly inspections between teams.
<b>Guildhall School of Music &amp; Drama</b> Strategic Information Technology Services – Daily Backups  Satellite Sites Collaboration Agreements	31/08/15  31/10/17	TBC  31/07/18	0	2	A revised target date has yet to be agreed for full implementation of daily back-ups, proposed to address the risk arising from close proximity of the live and Disaster Recovery sites. Development of full formal collaboration agreements (MoUs) with partnership satellite sites are on hold pending delivery of the wider Under 18s Strategy.
<b>TOTAL</b>			<b>0</b>	<b>3</b>	

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