

Committee(s)	Dated:
Finance Committee – For Information	13/11/2018
Subject: Chamberlain’s Department Risk Management – Quarterly Report	Public
Report of: Chamberlain	For Information
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Summary

This report has been produced to provide Finance Committee with an update on the management of risks faced by the Chamberlain’s department.

Risk is reviewed regularly by the departmental Senior Leadership Team as part of the ongoing management of the operations of the Chamberlain’s department.

The Chamberlain’s department currently has two corporate risks and four departmental risks on its risk register. The most significant risks are:

- **CR16 – Information Security** (Current Status: **RED**)
- **CR23 – Police Funding** (Current Status: **RED**)

The Senior Leadership Team continues to monitor closely the progress being made to mitigate these risks. The Information Security risk is likely to remain at red status until January when key security projects will be completed.

Recommendation(s)

Members are asked to note the report and the actions taken in the Chamberlain's department to monitor and manage risks arising from our operations.

Main Report

Background

1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department. Finance Committee has determined that it will receive the Chamberlain’s risk register on a quarterly basis with update reports on RED rated risks at the intervening Committee meetings.
2. Chamberlain’s risk management is reviewed on a monthly basis at Departmental Senior Leadership Team (SLT) meeting. SLT receives the risk register for review, together with a briefing note highlighting any changes since the previous review. Consideration is also given as to whether there are any emerging risks for inclusion in the risk register within Divisional updates on key issues from each of the Directors, ensuring that adequate consideration is given to operational risk.

3. Risk and control owners are regularly consulted regarding the risks for which they are responsible, with updates captured accordingly. Significant changes to existing risks are escalated to SLT when identified.

Summary of Risks

4. The Chamberlain's department currently has two corporate risks and four departmental risks on its risk register, attached as Appendix 1 to this report, assessed as 2 RED risk, 3 AMBER, 1 GREEN risks. These are:

CR16 – Information Security (Current Risk: Red – no change)

5. A number of key security projects will be finalised in January when the risk score will be reassessed, with an expectation that it will move to an amber rating.

CHB IT 022 Transformation Benefits Realisation (Current Risk: Amber – no change)

6. A change and engagement strategy is underway. Now that new technology has been deployed to 2600 users, effort is focused on developing and implementing a benefits realisation plan. Two User Adoption Workshops were held on 27th September covering both Change Management and the Technical Solutions. The third party are now in the process of documenting the outcomes and will provide detailed recommendations to exploit further opportunities for innovation, working in partnership with Agilisys. The Collaborate Campaign, launched in October, is raising awareness of the Microsoft collaboration products including Skype, SharePoint and Microsoft Teams. Initial feedback on the campaign is positive and it is expected that this will result in increased adoption in the coming months.

CHB IT 025 Management of IT Managed Service Contracts (Current Risk: Amber – increasing)

7. This is a newly arising risk, currently, Managed Services contracts are not fully embedded into BAU Processes. Contractual deliverables are not consistently being met or reported against and contract management processes require enhancing. This may result in projects and support not being delivered or managed according to the agreed contract, which in turn undermines the ability to secure value for money.
8. This is being remedied by continuous monitoring of services and issues dealt with as per the standard Service Improvement Processes, which is reviewed on an ongoing basis. The team are currently reviewing contracts to identify gaps or opportunities for improvements.

CR23 – Police Funding (Current Risk: Red – no change)

9. Although CoLP are forecasting achieving savings of £1.2m in 2018/19, the current medium-term financial plan shows an ongoing gap of £4-5m per annum. This has not yet been resolved and the risk has become an issue. The Transform Programme is expected to reduce the financial gap, but few further savings have been identified to date, leaving a potential significant shortfall in the 2019/20 budget.

10. The focus for CoLP and CoLC is both on identifying the steps needed to close the future funding gap and on strengthening the financial management capability and oversight.

CHB FS001 – Value for Money (Current Risk: Amber – no change)

11. Chief Officers continue to present their Economy, Efficiency & Effectiveness (EEE) Health Checks reports to address the 2% budget reductions to Summit Group and Efficiency and Performance Sub Committee to demonstrate how they are delivering value for money.

CHB FS004 – Management Information Provision (Current Risk: Green – reducing)

12. Revised management information is now being used by Heads of Finance with service department management teams and this is reflected in more tailored management information being reported to Committees. The project is now closed; all further improvements will be made business as usual.

Conclusion

13. Members are asked to note the actions taken to manage these departmental and corporate risks in relation to the operations of the Chamberlain's Department.

Appendices

- Appendix 1 Chamberlain's Department Detailed Risk Register

Background Papers

Monthly Reports to Finance Committee: Finance Committee Risk

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