

<b>Committee(s):</b> Finance Committee – For information	<b>Date(s):</b> 23/07/2019
<b>Subject:</b> Chamberlain’s Department Risk Management – Quarterly Report	<b>Public</b>
<b>Report of:</b> Chamberlain	<b>For Information</b>
<b>Report author:</b> Matt Lock, Chamberlain’s Department	

### 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 nine departmental risks on its risk register. The most significant risk is:

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

There are a number of Amber rated risks that relate to Police IT provision.

The Senior Leadership Team continues to monitor closely the progress being made to mitigate these risks.

### 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. 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 nine departmental risks on its risk register, attached as Appendix 1 to this report, assessed as 1 RED risk, 10 AMBER, risks. These are:

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

5. Updated Medium Term Financial Plan assumptions have been modelled (including approved growth of 67 roles) and agreed between Police Authority officers and the Force. The informal RASC meeting in July will consider the medium-term deficits arising from this work along with the options to close the gaps. The impact of the Spending Review on police finances will not be known before December 2019.

### **CR16 – Information Security (Current Risk: Amber – no change)**

6. Following review with Audit and Risk Management Committee and Digital Services Sub-Committee it was agreed that further steps were required to achieve a maturity level that would reduce the level of risk to the agreed target level, this risk will now be monitored at each meeting of the Digital Services Sub-Committee.

### **CHB CoLP IT 002 Network Vulnerability (Current Risk: Amber – increasing)**

7. The last elements of the Police IT network refresh are nearing completion and work is now starting on the redesign of the secure network. Power issues are undermining the stability of the Wood Street network this is being addressed in a wider project around data centres and UPS supplies (ref CHB IT 001). While the overall level of risk remains Amber, likelihood has increased slightly as a result of the position at Wood Street.

### **CHB CoLP IT 008 Tetra Radio Estate (Current Risk: Amber – no change)**

8. Discussions are in progress with potential suppliers of replacement radio devices, an appropriate route to market has been identified for the procurement of replacement devices.

### **CHB CP001 Brexit risk to City Corporation procurement and supply chains (Current Risk: Amber – no change)**

9. There is no change to this risk or mitigating actions and this is expected to be the case until further information is available regarding the Brexit process.

### **CHB IT 001 Resilience - Power and infrastructure (Current Risk: Amber – escalated from service level risk to departmental level)**

10. Recent failure of some Uninterruptable Power Supply (UPS) devices has resulted in this risk escalating from the IT service level risk register to the Chamberlain's departmental risk register. A site audit is underway to test equipment.

**CHB IT 004 Business Continuity / Disaster Recovery - planning and management (Current Risk: Amber – no change)**

11. A disaster recovery test of network and power resilience was carried out successfully on 26 June. An initial Lessons learned report has been produced and provided to Members of Digital Services Sub-committee, with a full technical report, including a Remediation Action Plan, to follow.

**CHB IT 028 Air Conditioning Failure in Datacentres (Current Risk: Amber – no change)**

12. Steps have been taken to improve the effectiveness of the existing air conditioning and this is monitored daily, this risk will not be mitigated until the cooling system is replaced.

**CHB CoLP IT 003 Disaster Recovery (Current Risk: Amber – no change)**

13. A schedule of critical services has now been produced and approved by the IT strategy board and agreement has been reached with Agilisys on 24/7 cover for the relevant systems. A disaster recovery plan based on the new infrastructure is in development.

**CHB FS005 Brexit impact on City Corporation income streams (Current Risk: Amber – no change)**

14. There is no change to this risk or mitigating actions and this is expected to be the case until further information is available regarding the Brexit process.

**CHB IT 029 iTrent Contract (Current Risk: Amber – no change)**

15. A project has been initiated to specify and procure the next generation HR and Payroll application. While this will take many months to deliver, the risk of legal challenge will reduce when procurement activity commences.

**Conclusion**

16. 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

**Matt Lock**

Chamberlain's Department

T: 020 7332 1276

E: [matt.lock@cityoflondon.gov.uk](mailto:matt.lock@cityoflondon.gov.uk)