

Appendix 1 – Departmental Risk Register

# CHB Corporate and departmental risks - detailed report EXCLUDING COMPLETED ACTIONS

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Generated on: 12 March 2024



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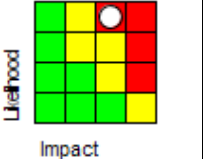
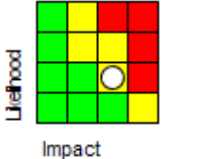

Rows are sorted by Risk Score

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/Risk Approach	Current Risk score change indicator
<b>CR35 Unsustainable Medium Term Finances - City Fund</b>	<p><b>Causes:</b> Persistent high inflation, as reported and forecast by the Office for Budget Responsibility. Aging estate crystallising high levels of expenditure over short time period, putting pressure on Reserves. Reduction in rental income from the property investment portfolio to support Major Projects programmes. Anticipated reductions in public sector funding (local government and Police), escalating demands (both revenue and capital), and an ambitious program for major project delivery pose a threat to sustaining the Square Mile's vibrancy and growth. The Police Transform program fails to achieve anticipated budget mitigations outlined in the MTFP.</p> <p><b>Event:</b> The failure to manage financial pressures within the fiscal year and achieve sustainable savings as planned,</p>		<b>12</b>	<p>Inflation rates to be monitored quarterly and an inflation contingency to be maintained in 2024/25 through carried forward from 2023/24 underspends.</p> <p>Pressures on adult social care, children services, security and policing addressed through increase in taxes and business rates premium.</p> <p>Other on-going pressures totalling £3.2m, plus net 3% inflation uplift approved in 2024/25 budgets.</p> <p>The medium-term financial plan includes cyclical works programme to</p>		<b>8</b>	31-Mar-2026	


<p>19-Jun-2020 Caroline Al-Beyerty</p>	<p>or to boost income generation to address the Corporation's projected medium-term financial deficit. <b>Effect:</b> Inability to establish a balanced budget, which is a statutory requirement for the City Fund. The City of London Corporation's reputation could suffer due to failure to meet financial objectives or the necessity to curtail services provided to businesses and the community. Challenges in executing the capital program and major projects within affordable limits.</p>			<p>cover bow-wave of outstanding works and provision for works going forward, totalling £62.7m.</p> <p>Funding strategy identifies where best to bring third party capital into surplus operational property opportunities, reducing demand on own Reserves.</p> <p>Quarterly monitoring of capital programme against budgets.</p> <p>Developing income generation opportunities.</p> <p>Renewed approach to transformation under pinned by a clear communication plan to Members.</p> <p><b>19 Mar 2024</b></p>			<p>Reduce</p>	<p>Constant</p>
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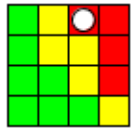
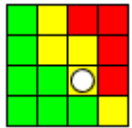
Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR35a	<p>Monitoring the impact of inflationary pressures (including pressures on energy costs) and construction inflation impacts on capex programme</p> <ul style="list-style-type: none"> <li>• Use of inflation contingency</li> </ul>	<ul style="list-style-type: none"> <li>• Regular monitoring the office of budget responsibility's inflation forecasts.</li> <li>• Identify areas that are forecasting to exceed budget envelope due to inflation increases.</li> </ul>	Sonia Virdee	19-Mar-2024	31-Mar-2026
CR35c	Remain within the financial envelopes approved for major projects.	Monthly update on major projects forecasts and issues arising.	Sonia Virdee	19-Mar-2024	31-Mar-2029
CR35f	<p>Delivering the current savings programme and securing permanent year-on-year savings (including Police Authority)</p> <ul style="list-style-type: none"> <li>• Develop income generation opportunities</li> </ul>	<p>Court of Common Council approved reprofiling of remaining fundamental review savings, to allow sufficient time to embed these through income generation opportunities.</p> <p>Ensure income generation schemes are sustainable and on-going opportunities are explored, these include but not limited to:</p> <ul style="list-style-type: none"> <li>• HARC – Heathrow Animal Reception Centre</li> <li>• Events across the Corporation</li> <li>• Advertising</li> <li>• Filming inside the square mile</li> <li>• Retail opportunities</li> </ul>	Alistair Cook; Sonia Virdee; Genine Whitehorse	19-Mar-2024	31-Mar-2026

		<ul style="list-style-type: none"> <li>Fees and Charges.</li> </ul> <p>Remaining £0.4m unidentified savings from the 12% savings programme is being worked on and expected to be delivered during 2024/25.</p>			
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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/Risk Approach	Current Risk score change indicator
<b>CR38</b> <b>Unsustainable Medium Term Finances - City's Estate</b>	<p><b>Causes:</b> The embedded increased impact of inflation, following the peak of 10.7% in Autumn 2022 (as reported by the Office for Budget Responsibility). Aging estate crystallising high levels of expenditure over short time period, putting pressure on Reserves. Reduction in rental income from the property investment portfolio following post pandemic changes in workplace attendance reducing demand for grade B office accommodation.</p> <p><b>Event:</b> Inability to manage financial pressures within the fiscal year, resulting in an inability to achieve anticipated savings and generate expected income, may necessitate additional reliance on Reserves. Additionally, challenges in controlling construction inflation or the inability to readjust capital projects within budget parameters pose further risks.</p> <p><b>Effects:</b> The City of London Corporation’s reputation could suffer from failure to achieve financial goals or from reduced services to businesses and the community. Experience challenges in delivering the capital program and major projects within budgetary limits. Inability of expenditure to align with the corporate plan, leading to inefficient resource utilisation and reduced corporate performance.</p>		16	<p>Inflation rates to be monitored quarterly and an inflation contingency to be maintained in 2024/25 through carried forward from 2023/24 underspends.</p> <p>On-going pressures totalling £3.8m, plus net 3% inflation uplift approved in 2024/25 budgets.</p> <p>Earning more income from property investment portfolio – diversification of asset portfolio.</p> <p>The five-year financial plan includes cyclical works programme to cover bow-wave of outstanding works and provision for works going forward totalling £71m.</p> <p>Funding strategy identifies where best to bring third party capital into surplus operational property opportunities, reducing demand on own Reserves.</p> <p>Quarterly monitoring of capital programme against budgets.</p> <p>Developing income generation opportunities.</p> <p>Renewed approach to transformation under pinned by a clear communication plan to Members.</p>		8	31-Mar-2025	
							Reduce	
31-Oct-2022 Caroline Al-Beyerty				19 Mar 2024				

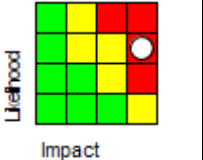
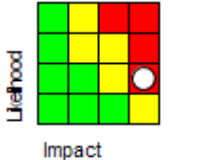

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR38a	Monitoring the impact of revenue inflationary pressures (including pressures on energy costs, cost of London living wage) and construction inflation impacts on capex programme <ul style="list-style-type: none"> <li>Monitor the use of inflation contingency</li> </ul>	<ul style="list-style-type: none"> <li>Regular monitoring the office of budget responsibility's inflation forecasts.</li> <li>Identify areas that are forecasting to exceed budget envelope due to inflation increases, and review action.</li> </ul>	Sonia Virdee	19-Mar-2024	31-Mar-2025
CR38e	Monitoring key income streams <ul style="list-style-type: none"> <li>i.e. rental income from the property investment portfolio.</li> </ul>	<p>This is being monitored monthly, with action being taken to within the portfolio to maximise income generation opportunities.</p> <p>Ensure income generation schemes are sustainable and on-going opportunities are explored, these include but not limited to:</p> <ul style="list-style-type: none"> <li>Lord Mayor Show and events across the Corporation</li> <li>Advertising</li> <li>Filming inside and outside the square mile</li> <li>Retail opportunities</li> <li>Fees and Charges</li> </ul>	Sonia Virdee; Genine Whitehorne	19-Mar-2024	31-Mar-2025
CR38f	Delivering the current savings programme and securing permanent year-on-year savings.	Quarterly revenue monitoring undertaken to ensure departments have appropriate plans in place to meet in-year pressures. High risk departments are undertaking monthly revenue monitoring.	Sonia Virdee	19-Mar-2024	31-Mar-2024
CR38g	Remain within the financial envelopes approved for major projects.	Monthly updates on major projects forecasts and issues arising.	Sonia Virdee	19-Mar-2024	31-Mar-2029
CR38h	Bringing third party capital to surplus operational property opportunities.	Identified initial opportunities which have been supported by Resource Allocation Sub Committee.  Proposals for each opportunity to be worked up and submitted for member consideration to relevant Committees.	Sonia Virdee; Paul Wilkinson	19-Mar-2024	30-Jun-2024
CR38i	Undertake the Charities Review (Natural Environment)	The ability for charities to fundraise and generate more income to support ambitions for activities and operational property requirements.	Emily Brennan; Sonia Virdee	19-Mar-2024	31-Dec-2024

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<b>CR40 PSTN Switch Off 2025 (formerly</b>	<b>Cause:</b> BT will retire their PSTN (Copper) Network at the end of 2025. Rendering all current connections redundant.		<b>16</b>	To mitigate the risk, a review of the connections, locations and services		<b>8</b>	01-Jun-2026	

<p><b>CHB DITS 045)</b></p> <p>26-Feb-2024 Zakki Ghauri</p>	<p><b>Event:</b> All current PSTN (Copper) connections will become unusable by the end of 2025. Forcing an upgrade to digital fibre or mobile services.</p> <p><b>Effect:</b> All of our PSTN connections will cease at the end of 2025. This is in the range of 8,500 connections, which are linked to Lift/BMS/Fire Alarms and Door entry systems. Should these systems fail to be upgraded by the end of 2025, this could lead to essential services being inactive, without anyone being aware. This work will have significant financial impact to complete and failure to complete will have significant reputational impact.</p>	 <p>Likelihood</p> <p>Impact</p>		<p>supplied will be required to fully identify the total number of connections supplying critical services. A Solutions Architect has been assigned to this. We are in regular communication with our various vendors and key stakeholders throughout the business to identify the services provided by these connections. We currently estimate this work to take 6 months.</p> <p>A programme of work will be developed throughout this review and will detail mitigations for those connections onto digital fibre or mobile enabled services ahead of the 2025 sunset date.</p> <p><b>26 Feb 2024</b></p>	 <p>Likelihood</p> <p>Impact</p>			<p>Constant</p>
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB DITS 045a	Investigations into the 8,500 connections identified as part of PSTN sunset in December 2025.	Our ongoing investigation, initiated and scheduled to conclude in June 2024, aims to identify the scope and dependency of the 8,500 connections on the PSTN infrastructure. The purpose is to gain insights into the services that are live, understand their criticality, and assess the potential impact of the sunset on each connection.	Chris Rawding	09-Feb-2024	01-Jun-2024
CHB DITS 045c	Undertake a Service Assessment	Upon completion of the investigation, a comprehensive assessment of live services will be conducted. This will include identifying alternative communication services, and understanding the upgrade paths/timings available for each connection.	Chris Rawding	01-Feb-2024	01-Jun-2024
CHB DITS 045d	Identify potential business owners	Engaging with FM (CoL/CoLP), H&S, ED&I and Security Operations. initially to highlight the PSTN risk across all departments and find potential business owners as services and impacts are highlighted	Chris Rawding	09-Feb-2024	01-Jun-2024
CHB DITS 045e	Business owner notification	By June 2024, a detailed report outlining the findings of the investigation will be compiled. This report will then be distributed to FM (CoL/CoLP), H&S, ED&I and Security Operations. The notification will include information about the potential risks associated with the PSTN sunset, details on the current services in use, and recommended upgrade paths.	Chris Rawding	09-Feb-2024	01-Jun-2024
CHB DITS 045f	Remediation Plan	The Facilities Management (CoL/CoLP), H&S, ED&I and Security Operations will be responsible for developing and implementing a remediation plan for their respective services. This plan will outline the necessary steps to migrate or upgrade the affected connections to alternative and sustainable communication solutions.	Richard Gentry; Luca Pagliaroli; Dorian Price;	26-Feb-2024	06-Sep-2024

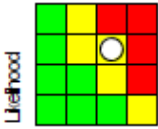
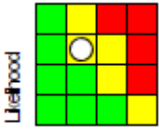
			Chris Rawding; Paul Roberts; Trevor Ulla		
CBH DITS 045g	Review Plan	DITS PMO will review the remediation plans with FM (CoL/CoLP), H&S, ED&I and Security Operations. Making sure they are fit for purpose and capture all the relevant details.	Sam Collins	09-Feb-2024	01-Oct-2024
CBH DITS 045h	Order New Lines and Hardware	DITS PMO will place the orders for the new connections along with any hardware requirements identified within the remediation plans.	Sam Collins	09-Feb-2024	01-Dec-2024
CBH DITS 045i	New Services	DITS PMO will assist in the co-ordination of the implementation of new services, along with any installation of new hardware required	Sam Collins	09-Feb-2024	01-Oct-2025
CBH DITS 045j	Testing	DITS PMO will co-ordinate the post implementation testing for all new services and or hardware.	Sam Collins	09-Feb-2024	15-Nov-2025
CBH DITS 045l	CRMF Risk Management Forum Review	We will present this risk at the CRMF Risk Management Forum for review. The next CRMF is on 19 March. This will provide a 'deep-dive' into the PSTN risk, the cross-cutting nature of this and how the risk and actions have been drawn together. Making sure we have used best practice and all mitigations have been captured.	Chris Rawding	09-Feb-2024	31-Mar-2024
CHB DITS 045k	Continuous Monitoring	DITS will provide continuous monitoring of progress, tracking the remediation efforts to help identify and address any issues promptly. This includes regular communication with business owners, providing support, and making adjustments to the plan as necessary.	Sam Collins	01-Feb-2024	31-Dec-2025

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<b>CR16 Information Security (formerly CHB IT 030)</b>	<p><b>Cause:</b> Breach of City of London Corporation IT Systems resulting in unauthorised access to data by internal or external sources.</p> <p><b>Event:</b> The City Corporation does not adequately prepare, maintain robust (and where appropriate improve) effective IT security systems and procedures.</p> <p><b>Effect:</b> a) Failure of all or part of the IT Infrastructure with associated business systems failures. b) Harm to individuals. c) A breach of legislation such as the Data Protection Act 2018 and UK-GDPR. d) Incurrence of a monetary penalty. e) Corruption of data. f) Reputational damage to City of London Corporation as an effective body.</p>		<b>24</b>	<p>The project to implement a raft of new security improvements is complete.</p> <p>A decision was made to define a minimum-security baseline for all parts of the corporation. The Director of DITS will work with IMS to put this together.</p> <p>The security service provided by Agilisys has now been brought in-house, giving greater control and visibility over Security controls.</p> <p>We are committed to increasing our Secure Score month on month, and this is now being reported to Digital Services Committee as well as Information Management Board.</p>		<b>16</b>	31-Mar-2024	


10-May-2019 Caroline Al-Beyerty			31 Jan 2024			Reduce	Constant
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR16q	Monitoring user activity on the network for any suspicious or unauthorized behaviour	<p>Currently, our network activity monitoring is operational but lacks a sophisticated behavioural analytics component to detect anomalous behaviour accurately. Integrating a behavioural analytics solution is crucial for enhancing our detection capabilities, significantly reducing the risk of ransomware attacks. This solution will leverage machine learning and AI algorithms to analyse patterns of user behaviour, identifying deviations that could indicate a security threat. Implementing this will not only improve our preventative measures against ransomware attacks but also strengthen our overall cybersecurity posture.</p> <p><b>Steps for Implementation:</b> Market Research   Vendor Selection   Pilot Testing   Training and Awareness   Full Deployment   Continuous Improvement</p> <p>This approach ensures that the action is not only about monitoring but actively improving our capability to detect and respond to cybersecurity threats, particularly ransomware, through advanced behavioural analytics.</p>	Gary Brailsford-Hart	19-Feb-2024	31-Dec-2024
CR16r	Monitoring access control systems and processes to ensure that only authorized users have access to sensitive information	Controls are in place to manage the access control to the estate; improvements have been made in the application of multifactor authentication. However, the escalation and acceptance of privileged accounts remains within the IT department and is not subject to independent scrutiny	Gary Brailsford-Hart	19-Feb-2024	31-Mar-2024
CR16s	Developing and implementing a plan to respond to any security incidents that occur.	<p>We have drafted an organisational Cyber Incident Plan as well as developing operating cyber testing exercises. However, there is a need to produce further playbooks and develop more testing and exercising events.</p> <p>Testing remains outstanding and is a priority for the next quarter.</p>	Gary Brailsford-Hart	19-Feb-2024	30-Jun-2024
CR16u	Providing regular training to staff and employees on cyber security best practices to prevent security breaches.	<p>Over the last 12 months we have deployed cyber security awareness from the information security team through the use of internal communications and training via the MetaCompliance platform.</p> <p>With the expiry of the MetaCompliance platform, the next 12 months will see communications and awareness messages continue from the security team but structured training will now be dependent on the NCSC "Top Tips for Staff" module. This may present a risk in our ability to provide specific training in response to cyber threats and trends.</p> <p>This is an area under review.</p>	Gary Brailsford-Hart	19-Feb-2024	31-Dec-2024
CR16v	Security Baseline assessment – COL/COLP/Institutions	Initial assessment complete, work is ongoing to identify trends and a developments plans and updates to the CAF will continue.	Gary Brailsford-Hart	19-Feb-2024	31-Dec-2024

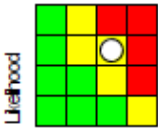
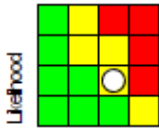
		Feedback from the institutions is positive and the NCSC CAF is accepted as a baseline standard. The appetite for review has been agreed as annual owing to resource constraints and the likely timeframes for improvements to be made.  Further engagement has taken place and a detailed paper on the subject has been submitted to Committee for consideration.			
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CR29 Information Management  08-Apr-2019 Caroline Al-Beyerty	<p><b>Cause:</b> Lack of officer commitment and investment of the right resources into organisational information management systems and culture.</p> <p><b>Event:</b>The City Corporation’s IM Strategy (2018-2023) is not fully and effectively implemented</p> <p><b>Effect:</b> a) Not being able to use relevant information to draw insights and intelligence and support good decision-making. b) Vulnerability to personal data and other information rights breaches and non-compliance with possible significant ICO fines or other legal action. c) Waste of resources storing information beyond usefulness.</p>	 <p>Life/hood</p> <p>Impact</p>	12	DITS have completed the Data Maturity Assessment facilitated by Microsoft / Hitachi Solutions. This has served to establish priority areas of focus and will be used to inform a refresh of the current IT Strategy. Transformation Funding has been secured to progress with the short term recommendations of the assessment with initial actions due for completion by end of March 2024.  <b>31 Jan 2024</b>	 <p>Life/hood</p> <p>Impact</p>	6	31-Mar-2024	Constant
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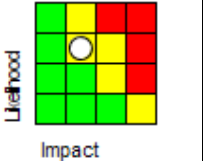
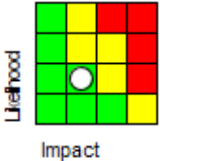
Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR29j	Draft Data Strategy	This will be a core component of the future DDaT Strategy. A number of workshops have now taken place with good engagement across COL. Last few strategy sessions are now being completed	Sam Collins	31-Jan-2024	31-Mar-2024
CR29l	Remediate Data Maturity Assessment	A temporary PowerBI Architect and Data Governance Officer have been recruited and are implementing the recommendations from the Data Maturity Assessment completed last year. The recruitment of the Head of Data role as a 12 month secondment has also been progressed.	Sam Collins	31-Jan-2024	31-Mar-2024

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CR33 Major Capital Schemes	<b>Cause:</b> The City Corporation has set itself the ambition to deliver at least three landmark multi-million pound capital		12	The project governance review has recommended a move to a portfolio management model which will more		8	31-Mar-2029	

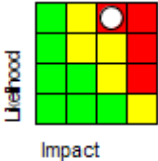
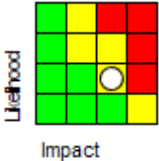



<p>14-Feb-2020 Caroline Al-Beyerty</p>	<p>schemes over the next decade (currently programmed to complete 2028). <b>Event:</b> there is insufficient technical and professional capability and resource to effectively deliver the schemes. <b>Effects:</b></p> <ul style="list-style-type: none"> <li>• Schemes not delivered on time</li> <li>• Inability of the organisation to move at the required pace</li> <li>• Potential for increased capital costs as a result of delayed decision making</li> <li>• Reputational impact on the Corporation vis a vis key stakeholder across London and UK Govt.</li> <li>• Potential revenue impact of delayed delivery to services affected (e.g. Markets, Museum of London Grant, City of London Police)</li> <li>• failure to deliver on corporate outcomes</li> </ul>	 <p>Likelihood</p> <p>Impact</p>		<p>effectively manage the prioritisation of projects aligned to strategic objectives and the allocation of resources to enable successful delivery.</p> <p>A high-level implementation plan was agreed by P&amp;R in July 2023 and a detailed delivery plan is now in development. This new model will provide greater visibility of any risks and provide assurance regarding organisational capability and capacity.</p> <p><b>20 Feb 2024</b></p>	 <p>Likelihood</p> <p>Impact</p>		<p>Reduce</p>	<p>Constant</p>
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CR33h	Implement a new project governance approach	<p>The Town Clerk's portfolio board commenced in November 2023.</p> <p>A portfolio overview report has been prepared for the February 2024 Projects and Procurement sub-committee.</p>	Genine Whitehorse	20-Feb-2024	30-Sep-2024
CR33i	Undertake Tier 1 programme health checks.	The health check review will be undertaken by the Programme Governance team between February 2024 and April 2024.	Matthew Miles	20-Feb-2024	30-Apr-2024
CR33j	Refresh the Project Management Academy	Discussions being held with previous provider	Sarah Baker	20-Feb-2024	30-Apr-2024
CR33k	Procure and implement a new project management system	Plans are being developed to procure and implement a fit-for-purpose project management system, which has the functionality of a portfolio view.	Matthew Miles	20-Feb-2024	30-Apr-2024
CR33l	Monitor the high-level cashflow/forecast monthly	The Investment Management Monthly Meeting has been established. Membership includes the CIO, Corporate Treasury, and Financial Services and is led by the Chamberlain.	Sonia Virdee /	20-Feb-2024	31-Mar-2029
CR33m	Secure Third-Party Funding	Report being bought back by officers in the spring.	Sonia Virdee/ Paul Wilkinson	20-Feb-2024	30-Jun-2024
CR33n	Provide regular Member updates	A project update report has been prepared Finance Committee, City Bridge Foundation Board and Policy & Resources Committee.	Genine Whitehorse / Sonia Virdee	20-Feb-2024	31-Mar-2029

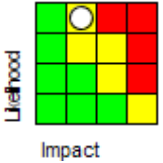
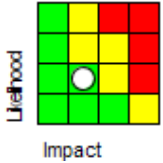

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<b>CHB 001</b> <b>Chamberlain's department transformation and knowledge transfer</b>  12-Nov-2021 Caroline Al-Beyerty	<p><b>Cause:</b> The TOM changes are insufficient or implementation of radical change fails. The impact of the flexible retirement scheme has been taken up by many long term colleagues leaving the corporation in March 2022. The TOM is also creating anxiety which in turn could cause colleagues to find roles elsewhere.</p> <p><b>Event:</b> Culture change is insufficient. Corporate memory is lost. The Chamberlain's Department is not fit for the future.</p> <p><b>Effect:</b> Chamberlain's Department fails to deliver its objectives.</p>		6	<p>A key risk remains but is reducing within Financial Services.</p> <p>The remaining key vacant posts in Financial Services Division are advertised throughout January.</p> <p>The Learning and Engagement Board has been relaunched to support and develop staff. A skills matrix assessment has been commissioned for Finance Staff to commence in Q1, 2024.</p> <p><b>11 Jan 2024</b></p>		4	31-Mar-2024	Constant
							Reduce	

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB001b	Colleagues are provided with the training they need to fulfil their role.	<p>The departmental Learning &amp; Engagement Board was re-launched on 21 June with a renewed vision, terms of reference and refined learning objectives.</p> <p>An all-staff learning survey was circulated in to request feedback on individual needs which has informed the learning priorities for 23/24.</p> <p>A skills matrix review is planned to independently analyse strengths and areas for improvement for Chamberlain's staff. This will be undertaken by CIPFA in the coming weeks.</p> <p>Key workstreams for the board have been identified and are currently being progressed.</p> <p>A programme of learning events has been developed and the first took place in December which was well received.</p> <p>Separate to the above Financial Services Division are carrying out training sessions to support the staffs continued professional development, these sessions are mandated to support staff with their upskilling.</p>	Phil Black	02-Feb-2024	31-Mar-2025

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/Risk Approach	Current Risk score change indicator
<b>CHB 002 Housing Revenue Account Financials</b>                      16-Oct-2023 Mark Jarvis; Sonia Virdee	<b>Cause:</b> The embedded increased impact of inflation, following peak of 10.7% in Autumn 2022. Potential issue around non-recoverability of elements of service charge costs due to inadequate s20 consultation process <b>Event:</b> Inability to contain financial pressures on the Housing Revenue Account, especially around repairs and maintenance costs, management costs and depreciation charges . Additionally, challenges in controlling construction inflation or the inability to readjust capital projects within budget parameters pose further risk. <b>Effect:</b> The City Corporation’s reputation is damaged due to failure to deliver housing services.	 Likelihood Impact	<b>16</b>	The latest financial position on the overall HRA, including the reviews noted above will form part of the balanced HRA Estimates report was agreed in January. An updated five year financial projection will be drawn up after the year end Closing position is agreed. Latest projections show the revenue funding position remains precarious and vulnerable to revenue overspends or significantly rising capital costs (leading to higher loan repayments and interest charges). Counsel opinion on the S20 service charge recoverability issue is being reviewed.  On 7 March Court of Common Council approved rent increases of 7.7%.	 Likelihood Impact	<b>8</b>	31-May-2025	
							Reduce	Constant

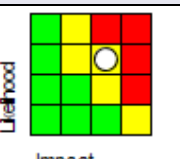
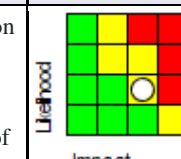
Action no	Action description	Latest Note			Action owner	Latest Note Date	Due Date
CHB002a	Close monitoring of capital schemes is required during 2023/24, update to be provided in regular reporting of capital forecasts next due in early November. Continue to monitor the risk around non-recovery of leaseholder contributions to capital projects following the Great Arthur cladding case decision.	Close monitoring of capital schemes is required during 2024/25, update to be provided in regular reporting of capital forecasts due in the revised HRA 5 Year Plan after Closing. . Continue to monitor the risk around non-recovery of leaseholder contributions to capital projects following the Great Arthur cladding case decision.			Mark Jarvis	18-Mar-2024	31-May-2024
CHB002b	Impact of inflation - capital schemes forecast to exceed budget as well as much increased repairs and maintenance and energy costs.	The Savills report identified high repairs and maintenance costs, management costs and depreciation charges. The level of the internal recharge to the HRA is being reviewed as part of a City wide recalibration however this will not impact the current years estimates.			Mark Jarvis	18-Mar-2024	31-May-2024

		<p>The current repairs and maintenance contract has had to be extended by one year but is being re-procured for the following period. The recommendations for change coming out of the Pennington review are being implemented by Housing.</p> <p>The calculation of the depreciation charge has been reviewed with external valuers and significantly reduced accordingly – this will offset some of inflationary revenue pressures. The latest 2023/24 position and 2024/25 draft Estimates show a finely balanced position.</p>			
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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/Risk Approach	Current Risk score change indicator
<b>CHB003</b> <b>Inconsistent application of the internal control environment</b>  28-Feb-2024 Caroline Al-Beyerty	<p><b>Cause:</b>            Inconsistent application of internal controls across the City of London Corporation, including but not limited to:</p> <ul style="list-style-type: none"> <li>Failure of staff management to adhere to financial and procurement regulations, leading to:               <ul style="list-style-type: none"> <li>Poor Purchase Order Compliance</li> <li>Inefficient budget management</li> </ul> </li> <li>Delays in setting up Project Codes due to governance</li> <li>Ineffective contract and supplier management</li> <li>Lack of management oversight of purchasing activities</li> <li>Misinterpretation and inconsistent understanding of financial and procurement regulations</li> <li>Inconsistent guidance from subject matter experts</li> <li>Complex procedures driving officers towards using workarounds</li> </ul> <p><b>Event:</b></p> <ul style="list-style-type: none"> <li>Increase in transactional errors</li> <li>Decrease in payment performance</li> <li>Impact on cashflow management and accuracy of forecasting</li> <li>Heightened demand for customised approvals and urgent decisions</li> <li>Diminished strategic challenge capacity</li> <li>Disrupted delivery of Business as Usual (BAU) operations</li> </ul> <p><b>Effect:</b></p> <ul style="list-style-type: none"> <li>Failure to achieve value for money</li> </ul>		8	<p>Materialising in various ways, indications are emerging of the inconsistent implementation of internal controls throughout the Corporation.</p> <p>A number of mitigations have been identified to improve compliance and overall benefits of controls.</p> <p>A significant emphasis is placed on user training and understanding to ensure effective adherence to internal spending and purchasing controls.</p> <p>This risk takes precedence as additional occurrences will adversely affect the ability to achieve a balanced medium-term financial plan.</p>		4	31-Dec-2024	  Constant
				18 Mar 2024			Reduce	Constant

	<ul style="list-style-type: none"> <li>Negative internal and external audit opinions</li> <li>Detrimental effects on supplier partnerships and commercial appeal to the market</li> </ul>						
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB003a	Implementing mandatory system training and periodic refresher courses for all users.	<p>New starter onboarded will include system training before login is authorised.</p> <p>Non-compliant users, are to repeat the training course.</p> <p>Training to be captured as a part of performance development.</p>	Daniel Peattie	28-Feb-2024	31-Dec-2024
CHB003b	Design and maintain a comprehensive Chamberlain's Integrated Financial Performance Dashboard, seamlessly linking procurement and financial data.	<p>Continue to report to ELB and senior management teams on the payment and PO compliance by teams/departments.</p> <p>Reviewing reports and adding trends to the dashboard.</p> <p>Developing a combined Finance payment performance and procurement compliance dashboard. Identifying 'non-compliant' areas.</p> <p>These reports will encourage accountability at the right level.</p>	Leah Woodlock	28-Feb-2024	30-Jun-2024
CHB003c	Review gateway process and project budget code creation.	<p>Underway as part of project governance review.</p> <p>Considering the separation of capital accounting arrangements from project procured.</p>	Genine Whitehorse	28-Feb-2024	30-Sep-2024
CHB003d	Review of financial regulations and are explicit around requirements	Ensuring that our processes are sufficiently streamlined reducing the need for workarounds	Sonia Virdee	28-Feb-2024	31-May-2024
CHB003e	Review of procurement regulations and are explicit around requirements	Ensuring that our processes are sufficiently streamlined reducing the need for workarounds/waivers.	Genine Whitehorse	28-Feb-2024	31-May-2024
CHB003f	Increase the number of internal audits conducted of processes, regulations and compliance	There is a need for additional resource to conduct and deliver the additional scrutiny on processes and compliance.	Matt Lock	28-Feb-2024	31-Dec-2024
CHB003g	Developing a suite of user-friendly bite-sized training materials.	<p>Using AI technology to create bite-size guidance videos for BAU tasks, e.g. raising purchase orders, receipting orders etc.</p> <p>Reducing the reliance on bespoke training and increasing training availability.</p>	Leah Woodlock	28-Feb-2024	30-Sep-2024
CHB003h	Escalation and enforcement of non-compliance activities	<p>Performance issues to be reported and dealt with by line manager, Financial Services Director and Commercial Director.</p> <p>Further non-compliance to be escalated to the Chamberlain.</p>	Sonia Virdee; Genine Whitehorse	28-Feb-2024	31-May-2024

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CHB DITS 040 Resilience and complexity COL/COLP	<b>Cause:</b> A lack of end-to-end resilience of critical services remain, or technology areas remain complex. <b>Event:</b> There is a major failure in critical parts of the IT infrastructure, which is difficult to avoid, remediate or recover from. <b>Effect:</b> Significant incident could lead to an impact to productivity of the business with loss of access to Critical systems. Could lead to financial and reputational impact		12	Our Solution Architect in conjunction with the TDA have developed a Roadmap HLD  This has been peer reviewed by all of the DITS technology heads as SMEs and the TDA.  The secondary resilient internet connection has been installed and configured for active/active use.  We have a list of current "Top Critical Apps" for presentation to SLT before End Nov 23.  Following this, we will produce runbooks for these apps  The creation of runbooks is underway and being driven by the security function, which feeds into the creation of our cyber response planning.  <b>31 Jan 2024</b>		8	31-Mar-2024	■
							Reduce	
26-Feb-2024 Chris Rawding								

Action no	Action description	Latest Note			Action owner	Latest Note Date	Due Date
CHB DITS 040b	<i>Plan DR Testing</i>	Following final configuration, the secondary Guildhall internet connection has been failover tested and is confirmed running Active/active. This is Scenario 3 in the BCDR Plan, in which we now have 7 scenarios agreed.			Graham Venn	31-Jan-2024	29-Feb-2024
		Runbooks and scheduling for remaining DR Test Scenarios in progress.					

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/Risk Approach	Current Risk score change indicator
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<b>CHB DITS 044</b> <b>Business Intelligence (PowerBI) - Technical Support</b>  07-Mar-2023 Sam Collins	<p><b>Cause:</b> There is a lack of capability and capacity within DITS technical support for the Corporate Business Intelligence Tool (Microsoft PowerBI). This was raised as a concern but was not addressed through the TOM in 2022.</p> <p><b>Event:</b> There is an increasing reliance upon PowerBI for Corporate Reporting across COL and COLP and already it is being used for tracking Climate Action (COL), Key Corporate Information (COL) and NICHE (COLP).</p> <p><b>Effect:</b> DITS are unable to resolve technical support issues and ensure that COL / COLP are adhering to best practice in terms of the use of PowerBI Gateways, automation of reporting, cleansing, and sharing of datasets. PowerBI would become a 'Digital Veneer' masking a significant amount of poor practice in terms of disparate datasets and manual practices</p>	<p>Likelihood</p> <p>Impact</p>	<b>6</b>	Following the outcome of the Data Maturity Assessment with Hitachi alternative roles for a Head of Data and Data Engineer have been redrafted and approved at the Job Evaluation Board. The Head of Data role will be out to recruitment again in January 2024.  <b>31 Jan 2024</b>	<p>Likelihood</p> <p>Impact</p>	<b>2</b>	31-Aug-2024	 Constant

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB DITS 044d	Recruit to vacant Head of Data and Data Engineers roles	Initial recruitment to Head of Data role was unsuccessful and an additional MFS has now been approved. The role was re-advertised as a 12 month secondment in January 2024 and the interview is planned for 24/01	Sam Collins	31-Jan-2024	31-Mar-2024