Committee: Police: Performance and Resource Management Sub Committee	Date: 15th November 2013
Subject: City of London Police: Risk Register Update	**Public**
Report of: Commissioner of Police POL 52/13	**For Information**

Summary

The Force Strategic Risk Register has been reviewed as part of the quarterly assurance process maintained within the Force with notable amendments to the register as follows:

- *SR 04: Underperforming as Lead Force for Economic Crime:* The financial aspects of this risk have been removed to formulate a specific risk within the risk register (SR 12)

- *SR 06: Failure to contain expenditure within agreed budgets:* This risk is formally closed within the register as it is considered business as usual but will remain monitored to take into account changed in the financial climate the Force may face in the long term future.

- *SR 07: Increased dissatisfaction with quality & delivery of service to community:* This risk was closed to reflect the business as usual aspect of this area and the continued assurance of the control levels having been Green for over a year within the document. However a decision was taken at SMB in September to re-open this risk for continued monitoring.

- *SR 08: Adverse Impact of Jubilee, Torch Relay, Olympic & Paralympics Policing on Force capability:* This risk is closed due to the successful implementation of the events it covered.

- *SR 09: Delivery of new Force Estate:* This risk remains un-assessed awaiting the implementation of the new Estate Programme.

- *SR 12: Loss of ECD external funding streams:* Added as a result around discussion concerning SR 04 to cover the bespoke financial risk the Force may hold around the provision

of Economic Crime services and capability.

- *SR 13*: *Department Staff Vacancies affecting ICT Business Continuity:* This is a new risk that picks up the current shortage of staff within ICT. Initially vacancies were created as the Force scoped moving to the ECIS consortium, now that this approach is not being taken a long term solution of ICT staff numbers and structure is being scoped but there remains some areas where staff numbers do not support the maintenance of services efficiently.

- *SR 14: IT Business Continuity*: This risk is monitoring the business continuity arrangements for Force critical systems that support the delivery of our policing plan priorities. This will allow the Force to identify areas of potential weakness so that management decisions can be made about the provision of IT resources based on the criticality of systems and the likelihood of an event making a system unavailable.

- *SR 15: Delivery of IAMM (Information Assurance Maturity Model)*: This risk looks at the Force's ability to comply with the information Assurance Maturity Model. The group discussed this risk in detail and currently the full impact of non-compliance is being requested from Intelligence & Information to inform the overall risk position.

- *SR 16: Impact of CSR savings on Force Capability*: This risk was added as part of the review of the risk register at SMB. Despite delivering City first there remain long term financial challenges for the Force. This risk will pick up the impact of these challenges and the possible effect of capability once the full extent of the next round of CSR savings becomes clear.

RECOMMENDATION

It is recommended that Members note the content of this report.

Main Report

BACKGROUND

1. The Force Strategic Risk Register remains monitored on a quarterly basis by the Force Risk Assurance Group currently chaired by the Assistant Commissioner. The last meeting of this group took place on the 6th August where the risk profile of the Force was reviewed and the risk register was updated to reflect the discussions of the group.

CURRENT POSITION

2. In accordance with the City of London Corporation's responsibilities as a police authority, it is appropriate that your Committee is made aware of critical risks, which may impact on service delivery or performance, together with any plans to eliminate or mitigate critical risks, and the changing risk profile of the Force.

3. The Force has initiated a risk assurance process to provide oversight to the risk register cascade and to provide a forum for the Assistant Commissioner to actively question all risk registers within the Force and allow Directors to collectively assess their risks and control measures. This aims to provide a top-down and bottom-up approach to the management of risk within Force and has evolved to take into account the structural changes within the Force brought about as a result of City First Implementation.

4. The assurance meetings have taken place on a quarterly basis since the 3rd May 2011. The last meeting to be held was chaired by the Commander on the 6th August 2013, where the Force risk profile for 2013/14 was reviewed for the first time in relation to the current set of performance measures and control assessments associated with each risk.

5. The Strategic Risk Register continues to be supported by a cascade of Directorate risk registers that are maintained and reviewed by Directors in support of the delivery of their portfolio business plans. Significant risks from Directors areas that they define as unmanageable by them alone are also discussed at the Risk Review Group to add information, where appropriate, to the Force risk profile.

6. Subsequently the Force Risk Profile was also reviewed at the Force SMB on 21st August where a new risk SR 16 was added to the register. The full risk register was then presented to the Police Committee Lead for Risk, Deputy Doug Barrow, for his oversight on the 5th September.

7. The position of the Force risks as at 24th September 2013 is detailed below:

Risk Detail		Current				Trend			Control Colour
Ref	**Description**	**I**	**L**	**C**	**RM**	**I**	**L**	**C**	
SR 01	Inadequate response to terrorism within the City	M	L	1	2	→	→	→	**GREEN**
SR 02	Reduction in public confidence in the Force as a result of terrorist attack against City	M	L	2	4	→	→	→	**GREEN**
SR 03	Inadequate management of a high profile event	M	L	2	4	→	→	→	**GREEN**
SR 04	Underperforming as Lead Force for Economic Crime	H	M	3	18	→	→	→	**AMBER**
SR 05	Reduction of staff morale/well-being	H	H	2	18	→	→	→	**AMBER**
SR 06	Failure to contain expenditure within agreed budgets	NA	NA	NA	NA	NA	NA	NA	**CLOSED**
SR 07	Increased dissatisfaction with quality & delivery of service to community.	M	L	2	4	→	→	→	**GREEN**
SR 08	Adverse Impact of Jubilee, Torch Relay, Olympic & Paralympics Policing on Force capability.	NA	NA	NA	NA	NA	NA	NA	**CLOSED**
SR 09	Delivery of new Force Estate	-	-	-	-	NA	NA	NA	**WHITE**
SR 10	Delivery of Fraud Academy	NA	NA	NA	NA	NA	NA	NA	**CLOSED**
SR 11	Delivery of Policing Plan Priorities and Measures	M	L	3	9	→	→	→	**GREEN**
SR 12	Loss of ECD external funding streams	H	M	2	12	NA	NA	NA	**GREEN**
SR 13	Department Staff Vacancies affecting ICT Business Continuity	H	H	3	27	→	→	→	**AMBER**
SR 14	IT Business Continuity	H	M	3	18	→	→	→	**AMBER**
SR 15	Delivery of IAMM (Information Assurance Maturity Model)	M	M	4	16	→	→	→	**AMBER**
SR 16	Impact of CSR savings on Force Capability	-	-	-	-	NA	NA	NA	**WHITE**

Key: I: Impact. L: Likelihood. C: Control. RM: Risk Matrix Score (Full criteria contained within Appendix A)

8. The position of each risk was discussed by the risk review group and a summary of the new developments in the risk profile is presented below for information.

9. ***SR 04: Underperforming as Lead Force for Economic Crime***: This risk was discussed at length to ensure the group was content with how it was represented within the register. It was noted that within this risk there were financial implications for the Force should funding streams for Economic Crime activities be withdrawn by partners. As a result of these discussions it was agreed to create a new entry within the risk register as reflected in SR 12 in the previous table.

10. The Force holds a strategic risk around underperforming as National Lead Force for Fraud (NLF) for two primary reasons. Firstly - and linked to the strategic risk around finance, the performance of NLF assets is critical to maintaining a significant proportion of the Force's annual revenue (all NLF funding streams are tied to challenging performance criteria). Secondly, the establishment of the National Crime Agency, with its defined Economic Crime Command, has driven high level discussions within the Home Office and law enforcement community around the positioning of NLF – even its mere existence. These conversations are not confined to the Force, Similar concerns have been voiced in relation to the MPS retaining primacy over counter-terrorist policing. The risk is rated as amber, not because NLF performance is below par, but in recognition that any fall in performance might jeopardise our NLF status'

11. ***SR 06: Failure to contain expenditure within agreed budgets***: This was previously closed by the risk review group in August 2012 as it was agreed managing the budget was business as usual within the Force. However it remains discussed at each meeting so any changes in the wider financial position can be assessed and if necessary the risk can be reopened to address them. At the meeting in February the group confirmed that this risk should in the short term remain closed as the Force had managed its financial position through delivery of the City first Programme.

12. ***SR 07: Increased dissatisfaction with quality & delivery of service to community***: The Risk Review Group considered the position of this risk noting the score had remained low and unchanged for over a year within the register. A decision was taken to therefore close the risk reflecting that this was also business as usual with the Force and the indicators within the Policing Plan around satisfaction would provide a steer to the Force should community satisfaction become an issue and need addressing. However, at the Strategic Management Board meeting in September a decision was taken to re-open this risk for monitoring reflecting the importance the Commissioner places on ensuring satisfaction with the services delivered by the Force to the community.

13. ***SR 08: Adverse Impact of Jubilee, Torch Relay, Olympic & Paralympics Policing on Force capability***: This risk was closed in November 2012 reflecting the end of this activity and accepting the good job the Force did in managing these commitments over the course of last year.

14. ***SR 09***: ***Delivery of new Force Estate***: The group considered scoring this risk for the first time but also acknowledged that the programme had yet to formally begin. This risk remains on the register to note reflecting the importance of this issue and will be formally scored once the programme has begun and relevant information is available to inform the risk position more adequately.

15. ***SR 12: Loss of ECD external funding streams***: This is a new risks added as a result of discussions around SR 04 taking out the separate financial issue around the Force's economic crime capability and function.

16. ***SR 13***: ***Department Staff Vacancies affecting ICT Business Continuity***: This risk was raised from within the Corporate Services Directorate for the attention of the Risk Review Group where it was discussed at length and the impact ICT business Continuity would have on the existing Force Risks and delivery of our Policing Plan Priorities. Initially vacancies were created as the Force scoped moving to the ECIS consortium, now that this approach is not being taken a long term solution of ICT staff numbers and structure is being scoped but there remains some areas where staff numbers do not support the maintenance of services.

17. Out of 29 staff positions 8 are filled with permanent staff, 8 are filled with temporary staff, 6 are filled by fixed term contracts and one vacant position is covered with a supplier arrangement. There are currently 6 vacant positions within the department.

18. The main area of concern is within the networks team which has four of these vacancies. The maintenance of the Force airwave equipment is the biggest risk with both these positions now vacant. A supplier arrangement is being put into place to mitigate this and provide continuity for the Force.

19. The department will continue to provide cover for vacant positions using fixed term contracts and agency staff until a strategic decision is made about the long term future of ICT provision within the Force that will allow the recruitment of full time staff.

20. ***SR 14***: ***IT Business Continuity:*** IT business continuity was raised to highlight areas where Force systems could potentially impact on the ability of the Force to deliver its Policing Priorities. Linked to potential ICT staff shortages this risk looks at the Business Continuity Arrangement for the

Critical systems and is currently tracking the development and implementation of Force business continuity for these as part of the risk monitoring, this is also linked to the oversight provided within the Corporate Services Business Plan where ICT business continuity is reported monthly.

21. ICT business continuity continues to progress as the Force tests the resilience of its critical systems. The long term solution to the provision of ICT services will assist the Force in maintaining its systems as a picture becomes clearer as to the investment pattern required to update the infrastructure and move to the new estate within the Estates Programme. Investment in business continuity can be increased as part of the estates programme and ICT will be engaged to ensure decisions are made and a risk appetite for each system is defined to assist investment decisions.

22. To address both SR 13 & SR 14 the Force has employed an IT consultant to scope the long term options for the provision of ICT services so that certainty can be provided to ICT staff and procurement decisions can be made to upgrade our infrastructure.

23. The resultant consultant report will allow the Force to provide certainty for ICT provision:

   - The Force will need to make a strategic decision on the long term delivery of ICT services.

   - A plan will then be devised to migrate to the model for these new services.

   - A new ICT strategy can be developed to deliver this plan

   - Certainty can be provided to ICT staff and a plan to move from Agency and temporary staff can be developed to provide long term staffing cover for the provision of ICT services.

24. *SR 15*: *Delivery of IAMM (Information Assurance Maturity Model):* This risk looks at the Force's ability to comply with the Information Assurance Maturity Model. The possible impacts of not achieving compliance are:

   - Loss of Public confidence

   - Reduced Services

   - Loss of services

- Reputation - Credibility with partners

- Reputation and Finance –imposition of a fine for non compliance

25. **SR 16: Impact of CSR savings on Force Capability:** This risk was added as part of the review of the risk register at SMB. Despite delivering City first there remain long term financial challenges for the Force. This risk will pick up the impact of these challenges and the possible effect of capability once the full extent of the next round of CSR savings becomes clear.

OTHER SIGNIFICANT IMPLICATIONS

26. Robust implementation of risk management ensures the Force can address the barriers and opportunities it faces so that it continues to comply with all of its obligations, statutory and non-statutory.

CONCLUSION

27. The risk profile of the Force is continually reviewed and updated quarterly by the Force Risk Assurance Group. The Police Committee are kept informed of the Force Risk Profile twice a year to ensure they are briefed of new and emerging risks and any significant change in existing risk scores as part of the Force's assessment of its own risk profile.

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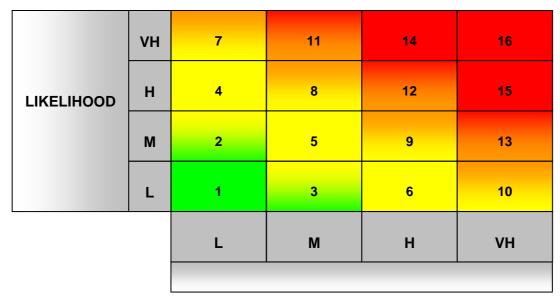Appendix A: Force Risk Scoring Criteria

FORCE RISK SCORING CRITERIA

IMPACT ASSESSMENT TABLE

Risk Area	Impact Level			
	Low	**Medium**	**High**	**Very High**
Financial	Can be managed within service budget. **Or** – Results in a financial loss of £10K or less to the Force.	Can be managed within overall budget. **Or** – Results in a financial loss of £50K or less to the Force.	Will need major budgetary re-allocations and / or savings. **Or** – Results in a financial loss of between £50K - £250K to the Force. **Or** – Up to 10% of budget. (Which ever is smaller)	Will need to borrow - a major financial threat. **Or** – Results in a financial loss of over £250K to the Force. **Or** – Up to 25% of budget. (Which ever is smaller)
Health & Safety	Incident resulting in minor cuts and bruises.	Incident resulting in broken limbs.	Incident resulting in hospitalisation.	Incident causing widespread injuries and/or deaths.
Reputation	Cursory mention in local press and/or government / audit reports.	Definite adverse mention in press and/or government / audit reports.	Front page on the Standard, possibly national press.	National and possibly international interest or questions asked in parliament.
Planning/Service Delivery	Minimal impact on service delivery. **Or** – Minor impact on Divisional plan achievement.	Significant impact on service delivery. **Or** – Disruption on Divisional plan achievement. **Or** – Minor impact on Force plan achievement	Major impact on service delivery. **Or** – Failure of a Divisional plan. **Or** – Disruption of the Force plan.	Catastrophic impact on service delivery. **Or** – Failure of the Force plan.
Project	Has the potential to materially affect a stage of the project. **Or** – Has a minor short-term impact on the delivery of a project stage.	Has the potential to cause weakness to the ability to complete a project stage within identified resources. **Or** – Has a moderate term or medium term impact on the ability of the project to be completed.	Has the potential to cause the failure of one of the project stages. **Or** – Has a large short-term or longer-term impact on the delivery of the project. **Or** – Impacts upon the delivery of associated projects.	Has the potential to cause the failure of the project. **Or** – Could cause other Force projects to fail.
Business Continuity	Has the potential to materially affect a Divisional output. **Or** – Minor impact on Force outputs. **Or** – Minor Impact on the ability of the Force to undertake its statutory duties.	Has the potential to disrupt a Divisional output. **Or** – Has the potential to materially affect a Force output. **Or** – Materially affects the ability of the Force to undertake its statutory duties.	Has the potential to cause a Divisional Output to fail. **Or** – Has the potential to disrupt a Force output. **Or** – Disrupts the ability for the Force to undertake its statutory duties.	Has the potential to cause the outputs of the Force to fail. **Or** – Serious disruption/impairment to Force capability/outputs. **Or** – Could cause the Force to fail to undertake its statutory duties.
Security	Could cause distress to individuals. **Or** – Loss of Force earning potential.	Has the potential to affect diplomatic relations. **Or** – Loss of earning potential to the City of London. **Or** – Prejudice individual security.	Has the potential to threaten life directly. **Or** – Facilitates the commission of serious crime. **Or** – Disrupt significant operations. **Or** – Significant loss of earnings to City of London.	Has the potential to affect the internal stability of the UK. **Or** – Cause widespread loss of life. **Or** – Raise international tension. **Or** – Threaten National finances.

LIKELIHOOD ASSESSMENT TABLE

Likelihood Probability			
Low	**Medium**	**High**	**Very High**
Negligible risk A probability of less than 30% of the risk occurring. Or This risk is a remote risk and it is envisaged that this may occur within a timescale of 4 years or more	Possible risk A probability of between 30-70% of occurring. Or This is a risk that could occur in less than 4 years but in more than 2.	Probable risk A probability of between 70-85% of being realised. Or This risk is likely to occur in a timescale of no more than 2 years.	Certain risk A probability of 85% or more of occurring. Or It is likely that the risk will be realised within a twelve month period

RISK MATRIX TABLE

Key: L= Low, M=Medium, H= High, VH= Very High

Control Assurance within the Risk Register

The Strategic Risk Register is contains the Corporate risks identified for the Force. Each risk has a suite of identified controls that have been scored individually following the criteria below:

Control levels

4) **None**: Although controls are being worked on there are none in place to mitigate the risk at this time.

3) **In Place**: Control measures have been introduced for the risk but there is no assurance as to their effectiveness, they remain untested.

2) **In Place & Tested**: Control measures have been introduced for the risk and they have undergone assurance testing. Additional measures or improvements have been identified but not implemented.

1) **Comprehensive & Tested**: Control measures have been introduced for the risk and they have undergone assurance testing, where appropriate improvements and additional controls have been implemented. There are currently no additional measures identified to mitigate the risk more effectively.

This score is reflected within the document next to each control assessed.

Force Risk Multiplier Numbers

Impact		Likelihood		Control	
Low	1	Low	1	Comprehensive & Tested	1
Medium	2	Medium	2	In Place & Tested	2
High	3	High	3	In Place	3
Very High	4	Very High	4	None	4