

<b>Committee(s):</b> Police	<b>Date(s):</b> 16 <sup>th</sup> September 2014
Police: Performance and Resource Management Sub Committee	26 <sup>th</sup> September 2014
<b>Subject:</b> City of London Police: Risk Register Update	<b>Public</b>
<b>Report of:</b> Commissioner of Police Pol 60-14	<b>For Information</b>

### **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 risks below. The full rationale for the changes is outlined in the Main Report.

- *SR 04: Underperforming as Lead Force for Economic Crime:* This risk has been reviewed by ECD re-evaluating the controls and causes to reflect the changing environment around economic crime, its *Impact* has been increased to Very High.
- *SR 05: Reduction in Staff Morale/Well-being:* This risk was reviewed by SMB in July where it was proposed the likelihood be raised to High to reflect the results of the recent staff survey.
- *SR 11: Delivery of Policing Plan Measures:* This risk has been assessed and the likelihood of it occurring has been increased to Medium.
- *SR 12: Loss of ECD external Funding Streams:* Impact was raised to Very High and Scoring increased to Amber.
- *SR 13: Department Staff Vacancies affecting ICT Business Continuity:* This risk was closed within the Force Strategic Risk Register to reflect that the Interim ICT structure is now managing this risk effectively and that any ICT staff issues will be picked up within SR 14.
- *SR 14: IT Business Continuity:* This risk remains unchanged but is now fully discussed as part of the Force Business Continuity Group considerations and a support in business continuity risk assessment is being produced to further enhance the management of this area.
- *SR 15: Delivery of IAMM (Information Assurance Maturity Model):* This risk was closed within the Force Risk Register and will be managed solely at the Directorate level.
- *SR 16: Impact of continued savings on Force capability:* This risk has been fully scored within the register and fully explored by the risk assurance group and SMB; its current assessment is Amber.
- *SR 17: Continued pressure on funding streams reducing overall Force budget:* The current assessment of this risk is Amber with the likelihood being raised to high after the August Risk Assurance Meeting.

- *SR 18: Vulnerability of Force IT network security being compromised:* This risk was raised to replace SR 15 and is reflected as Amber.
- *SR 19: Failure in Provision of Custody Services:* This is a new risk added to the register
- *SR 20: Policy approval and management process leaves the Force open to potential litigation:* This is a new risk added to the register relating to policies.

The Lead Member for risk, Deputy Doug Barrow was briefed and consulted on the updated risk profile on the 9<sup>th</sup> September 2014.

#### **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 13<sup>th</sup> August where the risk profile of the Force was reviewed and the risk register was updated to reflect the discussions of the group. The risk profile presented within this document reflects discussions from the Risk Review Group held on 14<sup>th</sup> May, SMB review of the risk register on the 16<sup>th</sup> July and the last Risk Assurance Group meeting.

#### **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 3<sup>rd</sup> May 2011. The last meeting to be held was chaired by the Commander on the 13<sup>th</sup> August 2014, where the Force risk profile for 2014/15 was reviewed for the

second 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. The position of the Force risks as at 27<sup>th</sup> August 2014 is detailed below:

#### **Current Risk Profile August 2014**

Risk Detail		Current Score <sup>1</sup>				Trend			Control Colour
Ref	Description	I	L	C	R M	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	VH	L	2	8	→	→	→	GREEN
SR 04	Underperforming as Lead Force for Economic Crime	VH	M	2	16	↑	→	↓	AMBER
SR 05	Reduction of staff morale/well-being	H	H	2	18	→	↑	→	AMBER
SR 09	Delivery of new Force Estate	H	H	1	12	→	→	→	GREEN
SR 11	Delivery of Policing Plan Priorities and Measures	M	M	2	8	→	↑	→	GREEN
SR 12	Loss of ECD external funding streams	VH	M	2	16	↑	→	→	AMBER
SR 14	IT Business Continuity	H	M	3	18	→	→	→	AMBER
SR 16	Impact of continued savings on Force Capability	H	M	3	18	→	→	→	AMBER
SR 17	Continued pressure on funding streams reducing overall Force budget	H	H	3	27	→	↑	→	AMBER

<sup>1</sup> Definitions for the Impact, Likelihood Control Score and Risk Matrix score can be found within Appendix 1 of this report.

<b>SR 18</b>	Vulnerability of Force IT network security being compromised	<b>VH</b>	<b>M</b>	<b>2</b>	<b>16</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>AMBER</b>
<b>SR 19</b>	Failure in Provision of Custody Services	<b>VH</b>	<b>M</b>	<b>3</b>	<b>24</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>AMBER</b>
<b>SR 20</b>	Policy approval and management process leaves Force open to potential litigation	<b>H</b>	<b>H</b>	<b>3</b>	<b>27</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>AMBER</b>

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

### **Current Closed Risks August 2014**

<b>SR 06</b>	Failure to contain expenditure within agreed budgets	<b>CLOSED 14/08/12</b>
<b>SR 07</b>	Increased dissatisfaction with quality & delivery of service to community.	<b>CLOSED 04/03/13</b>
<b>SR 08</b>	Adverse Impact of Jubilee, Torch Relay, Olympic & Paralympics Policing on Force capability.	<b>CLOSED 21/11/12</b>
<b>SR 10</b>	Delivery of Fraud Academy	<b>CLOSED 28/11/12</b> <b>To be managed at Directorate Level</b>
<b>SR 15</b>	Delivery of IAMM (Information Assurance Maturity Model)	<b>CLOSED 03/12/13</b> <b>To be managed at Directorate Level</b>
<b>SR 13</b>	Department Staff Vacancies affecting ICT Business Continuity	<b>CLOSED 31/07/14</b> <b>Reflecting SMB decision 16/07/14</b>

- 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.

### **New Risks**

- For the 2014/15 Risk Register a number of new risks have been raised. The new risks for 2014 and their rationale for being included within the register is as follows:
- SR 18: Vulnerability of Force IT network security being compromised:** This risk was raised to replace SR 15 as the risk assurance group felt that the risk to the

Force was its IT infrastructure being compromised and not implementing IAMM, this reflected that the IAMM is actually a control to mitigate this risk.

10. **SR 19: Failure in Provision of Custody Services:** The Force custody facilities are open to inspection at any time and the welfare and satisfaction of the prisoners is a concern of this process. The Force needs to ensure it remains committed to providing adequate facilities that meet the needs of the Force and provide national standards for prisoners held within the unit.
11. Although the force is moving to a new accommodation model the current facilities need to be maintained and overseen as part of this transition and there is a risk that if short term spend and maintenance is not undertaken to address some issues then the Force could leave itself vulnerable in the use of the custody suite and this will impact on its operational capability and handling of prisoners within the City.
12. **SR 20: Policy approval and management process leaves the Force open to potential litigation:** Currently there are a large number of out of date policies on the Force intranet and the number increase each month. Although Directorates are responsible for their policy there is no oversight of this centrally.
13. Policy oversight use to be part of the planning process reviewed within Directorate plans as part of PMG, it was requested that this was removed from the report over a year ago as Directorates gave assurances this could be managed locally. However, the situation with policy remains that the Force has published both internally and externally a large number of out of date policies and there is no central impetus to review and maintain this Governance process within Force leaving the Force potentially vulnerable should a core policy area lapse. This position has now improved with the Quality of Service and EDHR Board providing oversight of Force policy review.

### **Amendments to existing risks**

14. In addition to the new risks raised as part of the continued review of the risk register over the past six months there were amendments to the following risks within the register:
15. **SR 04: Underperforming as Lead Force for Economic Crime:** This risk has been reviewed by ECD re-evaluating the controls and causes to reflect the changing environment around economic crime, its Impact has been increased to Very High while the maturity of ECD controls has resulted in these now assessed as level 2, improving from level 3. Overall the risk is still scored as Amber but with an overall downward trend, reducing the risk matrix score from 18 to 16.
16. **SR 05: Reduction in Staff Morale/Well-being:** This risk was reviewed by SMB in July where the likelihood was proposed to be raised to High to reflect the current results of the staff survey. This risk was discussed in-depth at the August Risk Review Group where the Amber scoring was ratified.

17. **SR 11: Delivery of Policing Plan Measures:** This risk has been assessed and the likelihood of it occurring has been increased to Medium. This reflects the current financial climate and squeeze on policing services in the light that the Force continues to set challenging Policing Plan Measures.
18. **SR 12: Loss of ECD external Funding Streams:** As part of the risk review process this risk was debated in-depth at the Risk Assurance Group held on 13<sup>th</sup> August where its impact was raised to Very High and Scoring increased to Amber. This reflected the understanding that the reputation of the Force through loss of funding was the key here and this risk is linked closely to performance delivered through managing SR 04.
19. **SR 14: IT Business Continuity:** This risk remains unchanged but is now fully discussed as part of the Force Business Continuity Group considerations and a support in business continuity risk assessment is being produced to further enhance the management of this area.
20. **SR 16: Impact of continued savings on Force capability:** This risk has been fully scored within the register and fully explored by the risk assurance group and SMB; its current assessment is Amber. The Force will work over the course of the year to ensure the mitigations for this risk are developed as the Force meets the current funding challenges and monitor the impact this may have on the achievement of our Policing Plan Priorities.
21. **SR 17: Continued pressure on funding streams reducing overall Force budget:** As with the above risk, the Force is providing oversight to the challenge of managing its budget in the current financial climate and ensuring that the continued pressure on funding streams will be mitigated as part of the overall Force response to managing its long term budget. Any impact on funding reduction can then be cross referenced to capability and our current performance to pick up the impact of any reduction. The current assessment of this risk is Amber with the likelihood being raised to high after the August Risk Assurance Meeting.

## **Closed Risks**

22. The closed risks within the register have been closed with the following rationale:
23. **SR 06: Failure to contain expenditure within agreed budgets:** CLOSED 14/08/12: This risk was closed based on the discussion held during the risk review group on 08/08/12. The group determined that this risk had remained scored low since being within the register and it was considered that managing the finance of the Force was business as usual. With the implementation of City First and the fact that the Force had always remained within budget the group determined that at that time the risk would be closed.
24. **SR 07: Increased dissatisfaction with quality & delivery of service to community:** CLOSED 04/03/13: This risk was discussed during the risk assurance group on the 05/02/13. It was agreed that this risk had been low for over a year and

should be considered as business as usual and there are no indications it is about to be realised. This risk was therefore formally closed.

25. **SR 08: Adverse Impact of Jubilee, Torch Relay, Olympic & Paralympics Policing on Force capability:** CLOSED 21/11/12: This was closed during the risk assurance group meeting held on 06/11/12 reflecting that the events covered by this risk had passed and there was no further risk to the Force.
26. **SR 10: Delivery of Fraud Academy:** CLOSED 28/11/12: The Fraud Academy risk was discussed in detail at the risk assurance group meeting held on 06/11/12. The result of the discussion was that while this remained a risk area, the impact was more on a Directorate level. ECD would therefore retain ownership of this risk within their Directorate Risk Register while the Force risk would be closed.
27. **SR 15: Delivery of IAMM (Information Assurance Maturity Model):** CLOSED 03/12/13: This risk was discussed by the risk review group and closed within the Force Risk Register so that it could be managed solely at the Directorate level. It was determined that the risk facing the Force was actually around IT security and a new risk was raised through I&I to cover this aspect with the IAMM being mitigation against this occurring.
28. **SR 13: Department Staff Vacancies affecting ICT Business Continuity:** CLOSED 31/07/14: ICT have undertaken a number of short term measures to put in place contract agreements to cover vacancies while the Force implements the new IT strategy. This risk was reviewed by SMB in July and as a result closed within the Force Strategic Risk Register to reflect that the Interim ICT structure is now managing this risk effectively and that any ICT staff issues will be picked up within SR 14. This decision was further endorsed by the Risk Assurance Group meeting held on 13th August.
29. All closed risks are reviewed at each meeting of the risk review group to assess if circumstances have changed and they need to be re-opened.

### **Other significant implications**

30. 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.

### **Consultation**

31. The Lead Member for risk, Deputy Doug Barrow was briefed and consulted on the updated risk profile on the 9<sup>th</sup> September 2014.

### **Conclusion**

32. 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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