

Committee(s)	Dated:
Establishment Committee	14 February 2017
Subject: Comptroller and City Solicitor's Departmental Risk Management report	Public
Report of: Michael Cogher	For Information
Report author: Nick Senior – Comptroller & City Solicitor's Department	

Summary

The purpose of this report is to provide an update on the Comptroller and City Solicitor's departmental risks as at 31 December 2016.

Recommendation(s)

The Committee is recommended to note the report.

Main Report

Background

1. The Audit and Risk Management Committee require departments to maintain a risk register using the Covalent risk management system and provide a quarterly risk management report to their respective committee.

Current Position

2. The departmental risks are summarised in Appendix 1.
3. Strategic and operational risks are reviewed by the C&CS Senior Management Team on a monthly basis.
4. The Committee are requested to note that the risk rating for Risk CCS004 Successful operation of Oracle OPN has been reduced to the target risk rating of 2 on the basis that the quarterly rent runs have been generated successfully with minimal manual intervention.

Conclusion

5. The Establishment Committee is requested to approve this report.

Appendices

- Appendix 1 – Comptroller and City Solicitor's Departmental Risk Register

Nick Senior

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CCS Strategic Risk Management Report

2016/17 Quarter 3



Code	CCS 001	Title	Recruitment and retention of experienced legal staff
Description	Cause - Private sector legal firms and other local authorities may offer more attractive remuneration packages Event - Loss of critical expertise and competence Effect - Delivery of legal advice and documentation delayed, loss of income, assets exposed to higher risks		
Category	Legal	Approach	Accept (the costs of mitigation outweigh the benefits)
Risk Level	Departmental	Risk Owner	Michael Cogher
Strategic Aim	SA2 - To provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes.	Key Policy Priority	KPP2 - Maintaining the quality of public services whilst reducing our expenditure and improving our efficiency
Department	Comptroller & City Solicitors	Committee	Establishment Committee
Current Risk Assessment, Score & Trend Comparison			
Likelihood	Possible	Target Risk Assessment & Score	
		Likelihood	Unlikely


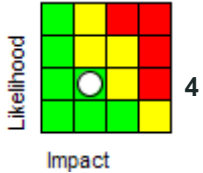
Impact	Serious
Risk Score	6
Review Date	06-Oct-2016

Impact	Serious
Risk Score	4
Target Date	31-Mar-2017

Latest Note	No change in risk rating - related actions on-going
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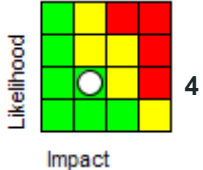
Actions related to this risk:

Ref No:	Title	Action Description	Action Owner	Due Date	Progress	Latest Note
CCS 001a	Monitor market conditions	Review workforce reports to monitor staff turnover	Michael Cogher	31 March 2017	100%	Benchmark of local authority salaries indicates that CoL salaries with the option of market supplements are competitive
CCS 001b	Review MFS	MFS will be reviewed by HR at the next corporate review.	Michael Cogher	01-Apr-2017	100%	Market Forces Supplement review now complete market supplements increased. CoL Market forces supplements considered sufficient to attract staff.
CCS 001c	Review Salary Competitiveness	Benchmark salary data against other local authorities to ensure salaries and market supplements are competitive	Nick Senior	31-Mar-2017	75%	Review on-going based on current market conditions

Code	CCS 002	Title	Loss of Information Assets
Description	Cause - Inadequate checking of content before despatch, lack of adequate supervision, failure to follow agreed procedures Event - Loss of personal data and /or COL hardware Effect - severe financial penalty, reputation damaged, breach of confidentiality		
Category	Financial	Approach	Reduce (By appropriate remedial action)
Risk Level	Departmental	Risk Owner	Michael Cogher
Strategic Aim	SA2 - To provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes.	Key Policy Priority	KPP2- Maintaining quality of our public services whilst reducing our expenditure and improving our efficiency
Department	Comptroller & City Solicitors	Committee	Establishment Committee
Current Risk Assessment, Score & Trend Comparison			
Likelihood	Possible	Target Risk Assessment & Score	
Impact	Serious	Likelihood	Unlikely
Risk Score	6	Impact	Serious
Review Date	06-Oct-2016	Risk Score	4
Latest Note	DPA audit undertaken in September confirms good levels of data security compliance.		
Target Date	31-Mar-2017		


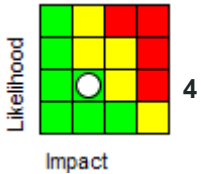
Actions related to this risk:

Ref No:	Title	Action Description	Action Owner	Due Date	Progress	Latest Note
CCS 002a	Carry out periodic DPA audits	Undertake periodic DPA audits to test compliance levels.	Michael Cogher	31-March 2017	100%	Further DPA audits undertaken with high levels of compliance.

Code	CCS 003	Title	Managing Legal Risk
Description	Cause - Lawyers not up to date with law, poor communication, lack of supervision, agreed procedures not followed, file reviews not completed Event - physical and intellectual property assets at risk, court hearings missed, high risk matters not reported, inadequate advice provided, cases not progressed in a timely fashion Effect - financial penalty client loss of confidence in the legal service, reputation.		
Category	Legal	Approach	Reduce (By appropriate remedial action)
Risk Level	Departmental	Risk Owner	Michael Cogher
Strategic Aim	SA2 -To provide modern efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes.	Key Policy Priority	KPP2- Maintaining quality of our public services whilst reducing our expenditure and improving our efficiency
Department	Comptroller & City Solicitors	Committee	Establishment Committee
Current Risk Assessment, Score & Trend Comparison			
Likelihood	Unlikely	Target Risk Assessment & Score	
Impact	Serious	Likelihood	Unlikely
Risk Score	4	Impact	Serious
Review Date	19-Aug-2016	Risk Score	4
		Target Date	31-Mar-2017
Latest Note	Legal risk management procedures assessed as robust and compliant with the Law Society LEXCEL standard following the annual audit on 13 June 2016. Compliance with these procedures tested internally. Likelihood reduced to unlikely on this basis.		


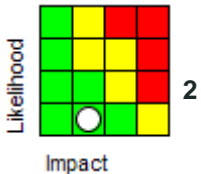
Actions related to this risk:

Ref No:	Title	Action Description	Action Owner	Due Date	Progress	Latest Note
CCS 003a	Staff undertake regular risk reviews	Each matter is risk assessed on receipt and marked as high risk where appropriate	Michael Cogher	31 March 2017	100%	Risk data reviewed
CCS 003b	SMT reviews risk data quarterly	SMT reviews quarterly legal risk and performance data to ensure legal matters are progressed in a timely fashion	Michael Cogher	31 March 2017	100%	SMT quarterly review of high risk matters on-going
CCS 003c	DMT review monthly High Risk reports	SMT reviews high risk reports and agrees future strategy	Michael Cogher	31 March 2017	100%	SMT reviewed risks on 07.12.2016
CCS 003d	Review risk management procedures	Risk management procedures review and testing to ensure effectiveness and compliance	Michael Cogher	31 March 2017	75%	Procedures checked December 2016 and found to be robust and working effectively

Code	CCS 004	Title	Successful operation of Oracle OPN
Description	Cause - Oracle OPN replaced the Manhattan commercial property management and rent system Event - Continued operational difficulties caused by OPN Effect - If the application does not function as planned there is a risk that commercial income will not be invoiced on the due dates resulting in increased arrears		
Category	Financial	Approach	Transfer (To a third party or insurer)
Risk Level	Departmental	Risk Owner	Nick Senior
Strategic Aim	SA2 -To provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes.	Key Policy Priority	KPP2- Maintaining quality of our public services whilst reducing our expenditure and improving our efficiency
Department	Comptroller & City Solicitors	Committee	Establishment Committee
Current Risk Assessment, Score & Trend Comparison			
Likelihood	Rare	Target Risk Assessment & Score	
Impact	Serious	Likelihood	Unlikely
Risk Score	2	Impact	Serious
Review Date	13-Dec-2016	Risk Score	4
		Target Date	31-Mar-2017
Latest Note	Rent runs now operating effectively with very few errors hence likelihood downgraded to Rare.		

Actions related to this risk:

Ref No:	Title	Action Description	Action Owner	Due Date	Progress	Latest Note
CCS 004a	Migrated data needs significant cleansing	Migrated data was poor in quality and impacted on accurate billing and reporting	Nick Senior	31-Mar-2016	100%	Some data was reprocessed to ensure that accurate OPN reports are published
CCS 004b	Adjust migrated accounts to ensure accurate billing	Certain billing information requires changing to ensure that accounts are billed in accordance with the legal agreements	Nick Senior	01-Oct-2015	100%	Pre-billing reports are checked to ensure accuracy of invoices.
CCS 004c	Document procedures to generate knowledge base	Very little documentation exists as user manuals. New documentation needs to be produced to act as a definitive user guide and single reference point	Nick Senior	31-Mar-2017	60%	First draft of documentation has been completed. Further information will be added as processes are developed.
CCS 004d	Assess system performance following Q3 rent billing	Continuing system performance assessment	Nick Senior	31-Dec-2016	100%	Q3 rent bills generated effectively with very few errors

Code	CCS 005	Title	Ability to access critical systems at disaster recovery site
Description	Cause - critical system (KMX) was not available during last business continuity exercise Effect - key officers unable to identify current legal work and access key legal documents.		
Category	Legal	Approach	Transfer (To a third party or insurer)
Risk Level	Departmental	Risk Owner	Business Continuity Team
Strategic Aim	SA2 -To provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes.	Key Policy Priority	KPP2- Maintaining quality of our public services whilst reducing our expenditure and improving our efficiency
Department	Comptroller & City Solicitors	Committee	Establishment Committee
Current Risk Assessment, Score & Trend Comparison			
Likelihood	Possible	Target Risk Assessment & Score	
Likelihood	Possible	Likelihood	Rare
Impact	Serious	Impact	Serious
Risk Score	6	Risk Score	2
Review Date	19-Aug-2016	Target Date	31-Mar-2017
Latest Note	2016 Business Continuity test date in November 2016 no access to ICT systems. Access to ICT systems from mobile devices of increasing significance and use to be further extended to further mitigate this risk.		

Actions related to this risk:

Ref No:	Title	Action Description	Action Owner	Due Date	Progress	Latest Note
CCS 005a	BCP - access to critical systems test	IS Division to test access to critical systems at business continuity exercises	Nick Senior	31-Oct-2016	100%	BCP test to be undertaken in November 2016 date to be advised

Code	CCS 006	Title	Access to fully functioning office environment in the event of displacement
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Description	Cause - Disaster resulting in inability to use the North Block Event - immediate inability to continue to use the North Block as offices Effect - legal work would not be progressed or completed, delays for clients and delivery of projects and other services
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Category	Legal	Approach	Transfer (To a third party or insurer)
Risk Level	Departmental	Risk Owner	Nick Senior

Strategic Aim	SA2 -To provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes.	Key Policy Priority	KPP2- Maintaining quality of our public services whilst reducing our expenditure and improving our efficiency
Department	Comptroller & City Solicitors	Committee	Establishment Committee

Current Risk Assessment, Score & Trend Comparison		Target Risk Assessment & Score	
Likelihood	Possible	Likelihood	Unlikely
Impact	Serious	Impact	Minor
Risk Score	6	Risk Score	2

Review Date	22-Aug-2016	Target Date	31-Mar-2017
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Latest Note	ICT/Office facilities and 2016 business continuity arrangements offsite tested in November 2016 office facilities available but ICT systems not work due to lack of Wifi. Access to hard copy files critical to service delivery hence the major impact rating.
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Actions related to this risk:

Ref No:	Title	Action Description	Action Owner	Due Date	Progress	Latest Note
CCS 006a	Office space if North wing vacated	The CCS requires allocated office accommodation if the North Wing were not accessible for more than two working days	Michael Cogher	31-Mar-2017	0%	The current BCP is limited to short-term accommodation. CCS has been allocated 4 workstations at the London Metropolitan Archive. Longer-term arrangements for office accommodation are unclear, clarification required via corporate business continuity planning process.