

APPENDIX 1 - CHB Corporate and departmental risks - detailed report

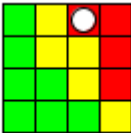
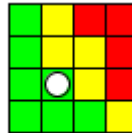

Report Author: Hayley Hajduczek

Generated on: 03 July 2017

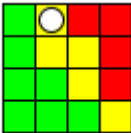
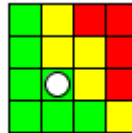



Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
CR16 Information Security 22-Sep-2014 Peter Kane	Cause: Breach of IT Systems resulting in unauthorised access to data by internal or external sources. Officer/ Member mishandling of information. Event: Cybersecurity attack - unauthorised access to COL IT systems. Loss or mishandling of personal or commercial information. Effect: Failure of all or part of the IT Infrastructure, with associated business systems failures. Harm to individuals, a breach of legislation such as the Data Protection Act 1988. Incur a monetary penalty of up to £500,000. Compliance enforcement action. Corruption of data. Reputational damage to Corporation as effective body.	 Likelihood Impact	16	10 steps assessment has highlighted specific priority areas which are managing user privilege, remote access and User education and awareness. Delivery of Privilege Access Management solution begins to roll out throughout June and July; Secure reconfiguration of remote access solutions is underway; HR training lead working with CISO on user education and awareness campaign with a view to launch in July. 21 Jun 2017	 Likelihood Impact	8	30-Apr-2018	

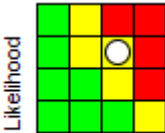
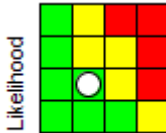

Action no, Action owner	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR16b	For all major systems establish data owner and retention policy for information therein.	Paper was approved by Summit Group in December and is now being progressed through the relevant Committee processes and project governance where relevant.	Sean Green	21-Jun-2017	30-Apr-2018
CR16h	Online training to be made available to Members following workshop in February 2016.	Induction training provided - Gary Brailsford Hart is supporting this risk.	Gary Brailsford-Hart	21-Jun-2017	30-Apr-2018
CR16i	The Development and implementation of more technical security infrastructure	Paper regarding improving technical security was approved by IT Sub-Committee in January 17. Now proceeding with the implementation of the recommendations.	Sean Green	21-Jun-2017	30-Apr-2018

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CR19 IT Service Provision 14-Jul-2015 Sean Green	Cause: The whole Police IT Estate and parts of the Corporation are in need of further investment. Event: For the Corporation, poor performance of IT Service and for the Police critical failure of the Police IT Service. Effect: Loss of communications or operational effectiveness (may also lead to low staff morale). Possible failure of critical Corporation and Policing activities. Reputational damage.	 Likelihood Impact	16	The primary focus of the team is on stabilisation, a more robust approach to managing change has been adopted, reducing the risk of service interruption. Team level approach to risk management is now aligned fully to the top level approach. IT Division is assessing how additional funds approved by Committee should be distributed to undertake more risk mitigation activity. The risk is expected to reduce to Amber by December 2017 followed by steady progress to Green in the following months. 26 Jun 2017	 Likelihood Impact	4	31-Dec-2017	

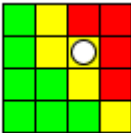
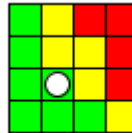

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CR19c	Investment in any retained IT infrastructure to ensure that this meets the same standards of resilience and continuity as delivered by the IaaS infrastructure.	Delivery of the new solution will take place throughout 2017. The LAN hardware is being procured. IT will award the contract for the LAN design, build and support by the end of July 2017.	Sean Green	26-Jun-2017	31-Dec-2017
CR19d	Investment in any retained IT infrastructure to ensure that this meets the same standards of resilience and continuity as delivered by the IaaS infrastructure	Remediation work has now started and will continue throughout 2017.	Sean Green	26-Jun-2017	31-Dec-2017
CR19e	This is the first phase of the revised project to fully replace ageing unsupportable networking hardware from the City and City Police's infrastructure.	Audit work now completed. Procurement phase now in progress	Sean Green	29-Jun-2017	30-Jun-2017
CR19f	The full delivery of a new network for the Corporation and city Police.	This work will follow-on from CR19e and lead to a completely new network for both organisations that is fully supportable. The full roll-out will take place throughout 2017/18.	Sean Green	26-Jun-2017	31-Mar-2018

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CHB IT 011 IT Service Outage 10-May-2017 Sean Green	Cause: Major information systems outage, e.g. network/technology infrastructure failure. Interruption to Power supply. Event: Disruption to IT service delivery. Effect: Provision of service operations compromised.	 Likelihood	8	<p>The Transformation Programme is to deliver improvements to the underpinning network and infrastructure, in addition to improvements to management processes, documentation and the way our third parties deliver services to the organisation. Actions against Transformation are covered in other IT Division risks.</p> <p>Review of the risk and its target score led to a reduction to a green target score.</p> <p>30 Jun 2017</p>	 Likelihood	4	31-Dec-2017	

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CHB IT 011a	Solution proposal being evaluated.	<p>A proposal by the incumbent telephony supplier (Daisy) has been submitted to the Network transformation (GJR exit) Project team with a view to adding in resilience and flexibility into the proposed solution, including a move to SIP lines, replacing ageing ISDN.</p> <p>An IP Telephony Options Paper was produced by IT for consideration at the Police IT Strategy Board on 7th June. The IT team will be developing the options further, including the move to SIP and potential costings and plans to improve telephony flexibility, resilience and longevity going forward, including improving the ability to record and track calls to all Police offices and stations.</p>	Sean Green	26-Jun-2017	31-Dec-2017
CHB IT 011b	Renewal of network infrastructure.	The LAN contract (hardware) has been awarded. The tender for design, build and run of the new network is in progress. Plans are being devised to migrate COL and COLP to SIP, reducing the complexity of the telephony lines and the reliance on dated technology and infrastructure.	Sean Green	26-Jun-2017	31-Dec-2017

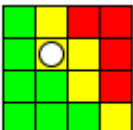
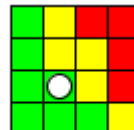

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CR23 Police Funding 21-Nov-2016 Caroline Al-Beyerty	Cause: Reduction in government funding and growing demand in Policing services leading to pressures for the City Fund -Police. Event: Reduction in government funding. The Government's stated intention is that the shortfall should be met from an increase in the precept (in the City's case, the business rate premium) Effect: City of London Police will be unable to maintain a balanced budget and current service levels as reflected in their Medium Term Financial Plan. Potential adverse reaction from business community to increased premium following so swiftly on significant rise in business rates in the City following the government's revaluation exercise.	 Likelihood	12	The Deloitte review into Police value for money and efficiency has been completed and a workshop will be held on 20 July to discuss the report. An action plan will then be agreed during the Autumn. 03 Jul 2017	 Likelihood	4	31-Mar-2018	

Action no, Action owner	Description	Latest Note	Managed By	Latest Note Date	Due Date
CR23a	Limited opportunities in 2017/18 to make in year savings against front line police officer budgets without impacting adversely on delivery of key policing plan objectives. Police staff numbers subject to further scrutiny as part of in-year savings exercise.	CoLP Finance have been asked to provide an analysis of the more favourable than anticipated outturn in 2016/17 (see CR23b) between slippage to future years (i.e. costs deferred to 2017/18) and on-going savings which will flow through to 2017/18.	Caroline Al-Beyerty	26-Jun-2017	18-May-2017
CR23b	Exhaust the Police Reserves by 31 March 2018	The actual drawdown on reserves in 2016/17 was £0.6m, an improvement of £2m compared to the forecast position. A specific Police outturn report (prepared by CoLP Finance) will go to the July Police Committee.	Caroline Al-Beyerty	26-Jun-2017	31-Mar-2018
CR23c	The Town Clerk, the Chamberlain and the Commissioner, to commission a review of the Police operating model, focusing on future demand modelling and how best to secure VFM, to identify options to address the, as yet unfunded, projected deficits of £5.6m in 2018/19 and £3.8m in 2019/20.	The Deloitte review into Police value for money and efficiency has been completed and a workshop will be held on 20 July to discuss the report. An action plan will then be agreed during the Autumn.	Caroline Al-Beyerty	03-Jul-2017	31-Jul-2017
CR23d	Consider increase in the business rates premium in future periods	Will be considered as part of the medium term financial planning for 2018/19.	Caroline Al-Beyerty	26-Jun-2017	31-Mar-2018

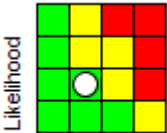
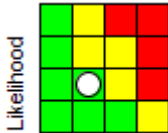

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CHB012 Value for Money (VFM) 21-Nov-2016 Caroline Al-Beyerty; Peter Kane	Cause: The City Corporation needs to be able to demonstrate it is achieving value for money in all its areas of expenditure. Event: Reduced funding available to the City Corporation emphasises the need to use funds in a way that achieves value for money. Effect: City Corporation will be unable to demonstrably achieve progress on obtaining value for money, significantly impacting on both service delivery levels and reputation.	 Likelihood Impact	12	Review completed and reported to Efficiency & Performance Sub-Committee. VFM is to be embedded in the Business Planning process with an annual self—assessment of performance on VFM by service departments. Detailed post-SBR Efficiency Plan to be drafted and implemented, including a framework that would incorporate continuous improvement savings and a rolling review programme to secure more radical changes in efficiency and effectiveness. 26 Jun 2017	 Likelihood Impact	4	31-Dec-2017	

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CHB12b	VFM to be embedded in the Business Planning process, including an annual self—assessment of performance on VFM by service departments which highlights areas requiring improvement, open to scrutiny by Service Committees and Efficiency & Performance Sub-Committee.	VFM challenge embedded in the Business Planning process with an annual self—assessment of performance on VFM by service departments. A VFM checklist of questions will go out with the other guidance on producing the new format detailed Business Plan over the summer for inclusion in draft business plans in Oct/Nov. A summary evaluation/review of the VFM data provided across the whole of the City once the Business Plans have all been submitted – likely to be in Q4 17/18.	Caroline Al-Beyerty	26-Jun-2017	31-Dec-2017
CHB12c	Detailed post-SBR Efficiency Plan to be drafted and implemented, including a framework that would incorporate continuous improvement savings and a rolling review programme to secure more radical changes in	Report on the Implementation of Efficiency and Sustainability Plan was approved at Efficiency & Performance Sub-Committee on 17th February 2017 setting out milestones to implement Efficiency Plan. Monthly milestone reports provided to each SRG and Summit Group setting out progress on Chief Officer Peer Reviews, Central Risk Review and	Caroline Al-Beyerty	03-Jul-2017	31-Dec-2017

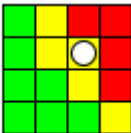
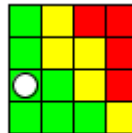

	<p>efficiency and effectiveness.</p>	<p>implementation of 2% continuous budget reductions from 2018/19.</p> <p>The high level implementation plan for the Chief Officer Peer Reviews was reported to the May Efficiency and Performance Committee.</p> <p>A Chief Officer Peer Review process is exploring how Chief Officers can improve innovation, collaboration, and agility. These sessions will help them develop their business plans to make efficiency savings or generate income to help meet the requirements of the efficiency Plan and accommodate continuous budget reductions for 3 years starting from 2018/19. The review should also assist in achieving better alignment of activities to the outcomes in the corporate business plan, including cross departmental working on the 'big issues' for the Corporation and London e.g. air quality.</p> <p>The principles of how the Chief Officer Peer Review programme is anticipated to work have been reviewed and developed as part of the preparation of the pilot reviews. This has involved consulting with Chief Officers to ensure the approach adopted provides optimum value.</p> <p>An external executive performance coach is assisting with developing the approach and will help facilitate workshops or 'action set' sessions. The first 'action set' pilot will start in June 2017 with the intention of completing the Peer Review by March 2018. However, it is likely that the approach will be refined following the pilot; and a detailed timetable and model for delivery of the Peer Review will be established at that stage.</p>			
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CHB002 Oracle ERP Business Benefits 09-Mar-2015 Peter Kane	Cause: Recommendations of the Oracle Benefits Realisation review not implemented. Inadequate governance arrangements in place to ensure effective prioritisation of development activity. Event: Failure to deliver efficiencies and future revenue savings that might be achieved/facilitated through system optimisation of the Oracle application. Effect: System functionality fails to meet user requirements, developments not prioritised to ensure that value is optimised	 Likelihood Impact	6	The implementation of Oracle reporting is nearing completion; the continued development is within business as usual activity and is resourced accordingly. The main Oracle implementation objectives have been achieved and therefore the risk will now be closed. A new risk is being drafted regarding the provision of Management Information. 03 Jul 2017	 Likelihood Impact	4	30-Jun-2017	

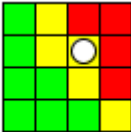
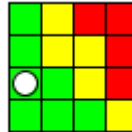

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CHB008 Resourcing 13-May-2015 Peter Kane	Cause: Possible growing gap between COL's pay and reward package compared to other organisations. Event: Difficult to recruit and retain staff across the department. Effect: Recruitment and retention of staff can take longer and causes gaps in capacity. Capability gaps impact on service delivery and ability to improve future performance.	 Likelihood Impact	4	This risk has now reached the target level with specialist posts within the department being filled. As a result this risk will be removed from the register on the understanding that it will be reinstated should the situation change in the future. 03 Jul 2017	 Likelihood Impact	4	30-Sep-2017	

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CHB 008b	Develop a succession plan identifying those posts where internal succession is desirable and viable. Putting a strategy in place to achieve this.	Succession planning tool is being used in City Procurement focusing on posts and whether existing team members have the skills and experience to transition to those posts should vacancies arise. The tool also identifies team members with the potential to reach requirements with further development. Discussions to be had with SLT regarding wider adoption.	Matt Lock	26-Jun-2017	30-Sep-2017

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CHB011 Corporate Contract Management 26-Feb-2016 Peter Kane	Cause: CoL has no corporate contract management policy or procedures. Event: Strategic corporate contracts will fail to be monitored and managed in a consistent and planned manner. Effect: Corporate contracts not delivering the commercial benefits and quality expected at contract letting, escalating prices, scope creep.	 Likelihood Impact	12	The new contract management corporate performance scorecard was approved at Summit Group and EPSC in May. The Supporting framework and toolkit is to be consulted during June to go live in July 2017. 26 Jun 2017	 Likelihood Impact	2	31-Jul-2017	

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CHB011g	The toolkit would define roles and responsibilities, performance monitoring frameworks, identify our key suppliers, develop a set of corporate KPIs and create appropriate training and induction materials for the aspects of contract management to ensure an accelerated implementation phase commencing in October 2016.	Corporate Supplier Performance Scorecard approved at Strategic Resources Group and Summit Group and at Efficiency and performance sub committee on 17th May for final approval. The supporting framework and toolkit is to be consulted during June to go live in July 2017.	Christopher Bell	26-Jun-2017	31-Jul-2017

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CHB014 Loss of ESF Funding for Central London Forward CESI Program 19-Jan-2017 Christopher Bell	Cause: City of London Corporation have not complied with ESF grant terms and conditions in relation to the procurement of the contractor for this program. Event: City Procurement and Comptrollers are in dialogue with the GLA in relation to the audit findings of this progress Effect: potential loss of ESF grant to a max of 300k which may have to come to finance committee contingency fund if GLA audit decision is upheld.	Likelihood  Impact	12	The City Procurement Compliance team has undertaken an internal review and the Commercial Director has since written to the GLA to challenge their decision. The GLA are reviewing the position and will report back with their findings. 03 Jul 2017	Likelihood  Impact	2	30-Sep-2017	

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CHB014d	Report to be prepared jointly by Comptrollers and City Procurement outlining the process that was followed in 2014, the justification for the measures taken and why the procurement does not fall foul of the ESF procurement requirements to the extent of a 100% loss of grant in line with the corrections directive they will supply us.	City Procurement has liaised with Comptrollers to produce the required report which will be submitted by September finance committee.	Christopher Bell	26-Jun-2017	30-Sep-2017
CHB014e	Report to be submitted to GLA for final verdict.	Once report is finalised and signed-off internally, it will be sent to the GLA.	Christopher Bell	26-Jun-2017	30-Sep-2017
CHB014f	Receive verdict from GLA and take any further mitigation actions to secure lost funding if needed.	Awaiting outcome from above action.	Christopher Bell	26-Jun-2017	30-Sep-2017