

<b>Committee(s)</b>	<b>Dated:</b>
Finance Committee – For Information	21/11/2017
<b>Subject:</b> Chamberlain’s Department Risk Management – Quarterly Report	<b>Public</b>
<b>Report of:</b> Chamberlain	<b>For Information</b>
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### Summary

This report has been produced to provide Finance Committee with an update on the management of risks faced by the Chamberlain’s department.

Risk is reviewed regularly by the departmental Senior Leadership Team as part of the ongoing management of the operations of the Chamberlain’s department.

The Chamberlain’s department currently has three corporate risks and two risks on the departmental risk register. The most significant risks are:

- **CR19 – IT Service Provision (Current Status: RED)**
- **CR16 – Information Security (Current Status: AMBER)**
- **CR23 – Police Funding Risk (Current Status: AMBER)**

The Senior Leadership Team continues to monitor closely the progress being made to mitigate these risks. Delivery of the IT Transformation Project continues with many workstreams delivered by the end of 2017. The completion of the project will ensure sustainable performance improvements across the organisation.

### Recommendation(s)

Members are asked to note the report and the actions taken in the Chamberlain's department to monitor and manage risks arising from our operations.

### Main Report

#### Background

1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department. Finance Committee has determined that it will receive the Chamberlain’s risk register on a quarterly basis with update reports on RED rated risks at the intervening Committee meetings.
2. Chamberlain’s risk management is a standing agenda item at the monthly Departmental Senior Leadership Team (SLT) meeting, over and above the suggested quarterly review. SLT receives the risk register for review, together with a briefing note highlighting any changes since the previous review. Consideration is

also given as to whether there are any emerging risks for inclusion in the risk register within Divisional updates on key issues from each of the Directors, ensuring that adequate consideration is given to operational risk.

3. Between each SLT meeting, risk and control owners are consulted regarding the risks for which they are responsible, with updates captured accordingly.

### **Identification of new /emerging risks**

New and emerging risks are identified directly by the Senior Leadership Team as part of the monthly review process.

### **Summary of Risks**

4. The Chamberlain's department currently has three corporate risks and two risks on the departmental risk register, attached as Appendix 1 to this report, assessed as 2 RED risks, 3 AMBER risks. These are:

#### **CR19 – IT Service Provision (Current Risk: Red – no change)**

The Procurement of the Local Area Network hardware is now complete. The IT team have awarded the contract based on LAN design, build and support. Remedial works continues to improve service availability before new solution is introduced across the City Corporation and City of London Police. The Wide Area Network work is slightly behind schedule however, the implementation phase has begun. The risk is expected to reduce to Amber by December 2017 followed by steady progress to Green in the following months.

#### **CR16 – Information Security (Current Risk: Red – no change)**

The team have now completed the following works to improve the security threat to information:

- Managing user privileges
- Improved remote access arrangements
- User education and awareness.

Following a penetration test by an external company the IT team have developed and implemented a fix for all identified security gaps. Work continues to decommission aged and vulnerable equipment, to be completed in December 2017.

#### **CR23 – Police Funding (Current Risk: Amber – no change)**

Monitoring of the CoLP forecast is ongoing and the Force are mitigating unmet savings targets and cost variances from underspends resulting from vacant posts. The outturn position will continue to be monitored throughout 2017/18. The forecast drawdown on reserves is currently £100k which would leave a closing balance of £3.4m.

## **CHB012 – Value for Money (Current Risk: Amber – no change)**

A Chief Officer Peer Review process continues exploring how Chief Officers can improve innovation, collaboration, and agility within working practices, expecting to reach completion by the end of the financial year. These sessions will inform medium term business plans to help achieve requirements of the Corporate Efficiency and Sustainability Plan and accommodate continuous budget reductions for 3 years starting from 2018/19.

Value for Money challenge is now embedded in the business planning process with an annual self-certification from departments forming part of the suite of supporting documents.

## **CHB FS004 – Management Information Provision (Current Risk: Amber – no change)**

This is a new risk emerging following the completion of the main Oracle implementation objectives. This risk covers a lack of relevant management information to Members, Chief Officers and budget holders leading to in delays to decision making or poor decision making. This leads to processes for financial management fail to direct resources appropriately to priorities. A project manager has been appointed to lead the development of management information in conjunction with the implementation of forecasting within Oracle. Progress is being made in defining the scope of management information required. Dashboards have been developed for inclusion in departmental Business Plans.

## **Other changes since last report**

### **CHB IT011 – IT Service Outage (Current Risk: closed)**

This risk was seen to be a duplication of CR19 for IT Service Provision, as such the risk has been removed from the register.

## **Conclusion**

5. Members are asked to note the actions taken to manage these departmental and corporate risks in relation to the operations of the Chamberlain's Department.

## **Appendices**

- Appendix 1 Chamberlain's Department Detailed Risk Register

## **Background Papers**

Monthly Reports to Finance Committee: Finance Committee Risk

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