

<b>Committee(s)</b>	<b>Dated:</b>
Finance Committee – For Information	23/01/2018
<b>Subject:</b> Chamberlain's Department Risk Management – Quarterly Report	<b>Public</b>
<b>Report of:</b> Chamberlain	<b>For Information</b>
<b>Report author:</b> Hayley Hajduczek, Chamberlain's Department	

### 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:

- **CR16 – Information Security** (Current Status: **RED**)
- **CR19 – IT Service Provision** (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, 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, which have resulted in the movement in the IT Service Provision risk from Red to Amber.

### 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 reviewed in detail on a quarterly basis at Departmental Senior Leadership Team (SLT) meeting. 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 quarterly reviews, risk and control owners are consulted regarding the risks for which they are responsible, with updates captured accordingly. Significant changes to existing risks are escalated to SLT when identified.

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

New and emerging risks are identified directly by the Senior Leadership Team on an on-going basis, with particular attention given as part of the quarterly 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 1 RED risk, 4 AMBER risks. These are:

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

The General Data Protection Regulation project being led by the Comptroller and City Solicitor, supported by IT Division and the City of London Police Information Management and Security team is establishing data owners and retention policies for the range of information that we hold. Update reports on progress are provided to Summit Group and IT Sub-Committee on a regular basis.

Using a recognised Cyber security maturity model there is a dashboard being reported that shows, via a Red Amber Green status, 10 areas of focus to mitigate this risk with training, processes and tools being delivered that in combination will bring the risk to Amber as planned by end April and Green by July 2018.

#### **CR19 – IT Service Provision (Current Risk: Amber – Decreasing)**

Following the recent improvements to the corporate IT network and systems the risk score has been reduced to an amber 12. The work to upgrade the Wider Area Network (WAN) has started. Remediation work of IT communications rooms are almost complete and the Local Area Network (LAN) design and build is underway. It is likely that over the coming months the risk will be further mitigated to a green rating.

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

The Commissioner and the Chamberlain have worked jointly on updating the medium financial plan. The plan shows an underlying annual deficit of around £4-5m. A balanced position for 2018/19 will be achieved by the utilisation of Police Reserves.

A Change Programme is being established to develop a revised Target Operating Model for CoLP to deliver greater effectiveness and financial stability. This will comprise a number of programme boards reporting to a Change Programme Oversight Group chaired by the Commissioner which then reports to Police Committee.

#### **CHB FS001 – Value for Money (Current Risk: Amber – no change)**

VFM challenge is now embedded in the business planning process with an annual self-assessment of performance on VFM from service departments. Feedback given from the pilot in DCCS will be used to provide guidance to support the process. The meeting to discuss this will be held in January.

The Chief Officer Peer Review process continues and is expected to complete by 31 March with outputs included in the business plans for departments, which are expected to show better alignment between activity and outcomes.

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

Good progress has been made in defining the scope of management information required and establishing delivery plans. Following a series of meetings with finance business partners across the organisation, management information requirements have been collected and are currently being assessed, prioritised and resourced before being fed into delivery workplans. Dashboards have been developed across consistent themes and in a house style and were included in Quarter 2 departmental business plan updates and further refined in Quarter 3. Financial information will be augmented by departmental specific metrics where desired.

### **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

**Hayley Hajduczek**

Chamberlain's Department

T: 020 7332 1033

E: [hayley.hajduczek@cityoflondon.gov.uk](mailto:hayley.hajduczek@cityoflondon.gov.uk)