Committee(s)	Dated:
Digital Services Sub Committee – For Information	24th January 2020
Subject: IT Division Risk Update	**Public**
Report of: The Chamberlain	**For Information**
Report author: Samantha Kay – IT Business Manager	

Summary

All IT Risks are now in the Risk Management System, with actions included, for the ongoing improvement and continuing assessment to the Management of Risk within the IT Division. The IT Division currently holds 4 risks. There is currently 1 RED risk. There are no extreme impact risks, there are 3 major impact, 1 serious impact and no Minor impact risks.

IT currently holds 2 risks on the Corporate Risk Register.

Summary of the Corporate Risks

CR 16 – Information Security

Following review with Audit & Risk committee and DSSC it was agreed that further steps were required to achieve maturity level that could bring the score to its target. As a result of the Deep dive report to A&RMC in September 2019, the risk description has been amended to reflect an emphasis on CoL preparedness.

CR 29 – Information Management

- New business intelligence dashboards continue to be developed for improved decision making by the Corporate Strategy and Performance team

- An Information Management Awareness campaign starts from 19 February to 12 March.

- Work will begin to review relevant staff roles that should have an information management competency added

- A paper covering the benefits and proposed implementation of Information Handling (Protective Marking) was agreed by Summit in their November 2019 meeting

- Capital bids submitted for information management investment to support the mitigation of this risk.

Recommendation(s)

Members are asked to:
- Note the report.

Main Report

Background

1. Risk remains a key focus for the IT Division and we are continuing to ensure that it drives the priority for project works and Change Management decisions. Regular reviews will ensure the ongoing successful management of these risks across the division

Current Position

2. The IT Division Currently holds 2 Amber risks on the Corporate Risk Register. The IT Division currently holds 4 risks, one of which is scored as Red. All risks have owners, clear actions, with target dates to enable focussed management, tracking and regular and consistent reviews.

Current status

3. Since the last report the IT Risk Register has seen the following activity:

- 1 additional risk has been added to the Departmental Risk Register
- 1 Risk have increased in score
- 1 Risk has decreased in score
- 1 Risk has been deactivated

The remainder are static and continue to be monitored alongside the relevant on-going projects.

Movement of Risks

4. **New Risk**

   - **CHB IT 030 - 2020 - Managed Service Contract–** The transition and implementation of the new IT Service Contract has delays beyond the end of the contract on the 31st August 2020.

5. **Increase in Score**
   - CHB IT 001 – Power and Resilience – Following a number of power failures out of the control of the IT Division this risk has been increased in score to RED as these failures have led to IT failures.
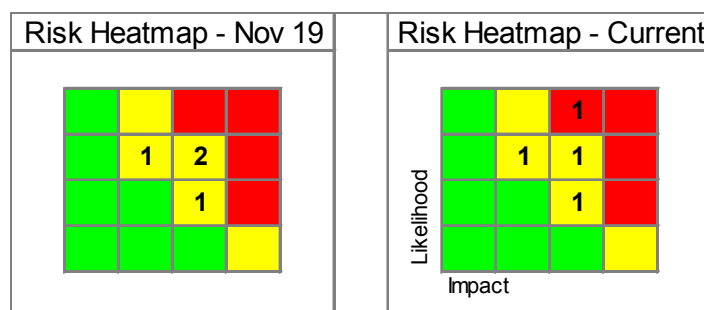
6. **Decrease in Score**
   - CHB IT 004 – Business Continuity/Disaster Recovery – Following the implementation of the resilient circuit into the Guildhall it is deemed that loss of connectivity is less likely.

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7. Deactivated Risk

- CHB IT 028 - Air Conditioning in Datacentres – Following the implementation of heat monitoring in the data centres the risk has been reduced, and the outstanding actions will be picked up in CHB IT 001.

The current headline figures for the identified risks in the Division are:

Risk Heatmap - Nov 19	Risk Heatmap - Current
(green, yellow, red, red) / (green, 1 yellow, 2 yellow, red) / (green, green, 1 yellow, red) / (green, green, green, yellow)	(green, yellow, 1 red, red) / (green, green, 1 yellow, 1 yellow, red) / (green, green, green, 1 yellow, red) / (green, green, green, yellow)

Likelihood (vertical axis) — Impact (horizontal axis)

8. Further breakdown of current Division risks:

Trend

Major Impact:

		Trend
Risks with "likely" likelihood and "major" impact:	1	↑
Risks with "possible" likelihood and "major" impact:	1	↓
Risks with "Unlikely" likelihood and "major" impact:	1	↔

Serious Impact:

		Trend
Risks with "likely" likelihood and "serious" impact:	0	↔
Risks with "possible" likelihood and "serious" impact:	1	↔
Risks with "unlikely" likelihood and "serious" impact:	0	↔

↑	Increase in No.
↓	Decrease in No.
↔	Static No.

9. Next steps

- Ensuring that IT deal with Risks in a dynamic manner.

- Ensuring all actions are up to date and allocated to the correct responsible owners.

- Ensuring all members of the IT division including suppliers are aware of how Risk is managed within the Corporation and have a mechanism to highlight areas of concern across the estate.

- IT management processes, including Change Management, Problem Management, Continuous Improvement and Incident Management will all now reference or identify risk to ensure that Division risks are identified, updated and assessed on an ongoing basis, so the Risk

register remains a live system, rather than a periodically updated record.
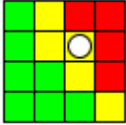
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APPENDIX A - CHB IT All DEPARTMENTAL risks

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
CHB IT 001 Resilience – Power and infrastructure. 30-Mar-2017 Sean Green	**Cause:** There is a lack of resilient or reliable Power services or Uninterruptable Power Supply (UPS) provision in multiple Comms rooms and datacentres in COL and COLP buildings. **Event:** There will be intermittent power outages of varying durations affecting these areas/buildings. **Effect:** • Essential/critical Systems or information services are unavailable for an unacceptable amount of time • Recovery of failed services takes longer than planned • Adverse user/member comments/feedback • Adverse impact on the reputation of the IT division/Chamberlain's Department		16	Following recent, regular power failures that effect the IT service the risk has increased in likelihood to 'Likely' This is now being raised with the Corporation Facilities Team at a Senior Level. Monitoring on the air-conditioning units has been added to the Tier 1 comms rooms. UPSs are being installed in the main 2 Guildhall Comms rooms; a capital bid has been submitted based on the audit to install UPS across the estate where appropriate. **11 Dec 2019**		2	30-Jun-2020	⬆ Increasing

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CHB IT 030 2020 – Managed Service Contract 11-Oct-2019 Sean Green	**Cause:** New IT Services contract being implemented to replace the current contract we have with Agilisys **Event:** The transition and implementation have delays beyond the end of the contract on the 31st August 2020 **Effect:** Additional costs/dual running costs incurred and potential reputational impact of any failures or service disruption during the Transition and Implementation	*Likelihood / Impact grid*	12	The contract award has now been approved by Court of Common Council and is now in its 10 day stand still period. Phase 2 work streams have been formed and following the award can now start working with the supplier to plan transition activities. Job descriptions for in sourced roles are being drafted. **11 Dec 2019**	*Likelihood / Impact grid*	4	31-Aug-2020	Constant

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CHB IT 004 Business Continuity / Disaster Recovery - planning and management. 30-Mar-2017 Sean Green	**Cause:** A lack of clear understanding of Business need for Services and Applications. No procedure in place for regular reviews with business. **Event:** The IT Division cannot provide assurance of availability or timely restoration of core business services in the event of a DR incident or system failure. **Effect:** The disaster recovery response of the IT Division is unlikely to meet the needs of COL and COLP leading to significant business interruption and serious operational difficulties.	Likelihood / Impact	8	The likelihood has reduced to unlikely following the installation of the resilient circuit into the Guildhall, the completion of a Disaster Recovery Test has confirmed that the circuit is in place and working as required. A rolling programme of DR tests has been developed and implemented. Risk will be continually reviewed alongside the DR test results. **10 Dec 2019**	Likelihood / Impact	4	31-Mar-2021	Decreasing

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
CHB IT 029 iTrent Contract 18-Jun-2019	**Cause:** Extension of contract passed the envisaged term of 10 years with no permissible grounds. No projects started to procure a replacement. **Event:** City of London receive a challenge around the contract for iTrent with MHR Ltd around the extension of the contract. **Effect:** Legal challenge/court proceedings from a competitor to iTrent. CoL could be forced to issues 18 months termination notice before they are ready to implement a replacement product.		6	Options appraisal is with procurement and a tender working group has been set up with all relevant parties engaged, this is being led by the Deputy Chamberlain. Capital bid for funding has been submitted **11 Dec 2019**		3	31-Mar-2020	Constant

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 (formerly CHB IT 030) 10-May-2019 Peter Kane	**Cause**: Breach of IT Systems resulting in unauthorised access to data by internal or external sources. Officer/ Member mishandling of information. **Event**: The City Corporation does not adequately prepare, maintain robust (and where appropriate improve) effective IT security systems and procedures. **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 2018. Incur a monetary penalty of up to €20M. Compliance enforcement action. Corruption of data. Reputational damage to Corporation as effective body.		12	Following review with A&R committee and DSSC it was agreed that further steps were required to achieve maturity level that could bring the score to its target. As a result of the Deep dive report to A&RMC in September 2019, the risk description has been amended to reflect an emphasis on CoL preparedness. **04 Dec 2019**		8	31-Dec-2020	Constant

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
CR29 Information Management 08-Apr-2019 John Barradell	**Cause:** Lack of officer commitment and investment of the right resources into organisational information management systems and culture. **Event:** The City Corporation's IM Strategy (2018-2023) is not fully and effectively implemented **Effect:** • Not being able to use relevant information to draw insights and intelligence and support good decision-making • Vulnerability to personal data and other information rights breaches and non-compliance with possible ICO fines or other legal action • Waste of resources storing information beyond usefulness		12	• New business intelligence dashboards continue to be developed for improved decision making by the Corporate Strategy and Performance team • An Information Management Awareness campaign starts from 19 February to 12 March. • Work will begin to review relevant staff roles that should have an information management competency added • A paper covering the benefits and proposed implementation of Protective was agreed by Summit in their December meeting • Capital bids submitted for information management investment to support the mitigation of this risk **11 Dec 2019**		6	30-Jun-2020	 Constant