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| Committee(s) | Dated: |
| Finance Committee | 7 December 2021 |
| Subject: Chamberlain's & Chief Operating Officer's Department Risk Management – Quarterly Report | Public |
| Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly? | 7 |
| Does this proposal require extra revenue and/or capital spending? | No |
| If so, how much? | n/a |
| What is the source of Funding? | n/a |
| Has this Funding Source been agreed with the Chamberlain's Department? | n/a |
| Report of: Chamberlain and the Chief Operating Officer | For Information |
| Report authors: Hayley Hajduczek, Business Support Manager, Chamberlains Samantha Kay, IT Business Manager, Chief Operating Officer | |

Summary

This report is the quarterly update Finance Committee on the risks and their management by the Chamberlain's and Chief Operating Officer's departments. The Senior Leadership Teams regularly review the risks as a part of the management of the respective departments. The Chamberlain's department currently has two corporate risks and no departmental risk on its risk register. There is one departmental risk that is under development by Chamberlain's Senior Leadership team which will be shared with this committee at the next meeting. This risk is around knowledge transfer and continuity as many long-standing members of the team prepare to leave due to Flexible Retirement. The Chief Operating Officer's Department currently has two corporate risks and two departmental risks on its risk register that report to this committee.

The Chamberlain's and Chief Operating Officer's Senior Leadership Teams continue to closely monitor the progress being made to mitigate all risks.

Recommendation(s)

Members are asked to note the report.

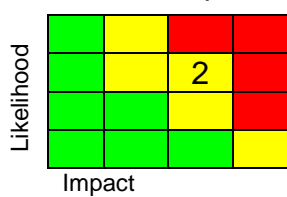
Main Report

Background

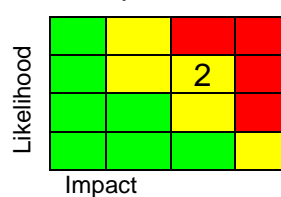
1. The Risk Management Framework of the City of London Corporation requires each Chief Officer to report regularly to Committee the key risks faced in their department. Finance Committee has determined that it will receive the Chamberlain's risk register on a quarterly basis with update reports on RED rated risks at the intervening Committee meetings. As we transition into the target operating model the Chief Operating Officer has taken over the management of the IT division from the Chamberlain so this report has been written jointly by both departments.
2. Chamberlain's risk management is reviewed on a monthly basis at Departmental Senior Leadership Team (SLT) meeting. 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. The IT division also monitor their risks in this manner at the monthly Management Team meeting.
3. Risk and control owners are regularly consulted regarding the risks for which they are responsible, with updates captured accordingly. Significant changes to existing risks are escalated to respective SLTs when identified.
4. Since the last Quarterly Risk Register update in May 2021, the Chamberlain's department no longer manages the corporate risk CR16 Information Security (formerly CHB IT 030) or other IT related departmental risks these are now managed by the Chief Operating Officer. The Chamberlain's department continue to maintain CR23 Police Funding and CR35 Unsustainable Medium-Term Finances.
5. The Audit & Risk Management Committee and this Finance Committee agreed in March and April 2021, that the CR35 Unsustainable Medium-Term Finances risk could be reduced from a Red score to an Amber score. The agreement is based on the understanding that it could be re-escalated again in the event of a material change in the external environment or delays in internal mitigations. This is being monitored against a set of automatic triggers as outlined in the report below.

Summary of Risks

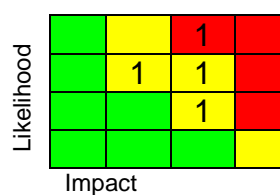
6. The heatmap for all Chamberlain's corporate and departmental risks is as below:
Current heatmap



Previous quarter heatmap



Current heatmap



8. The Chamberlain's department currently has two corporate risks and no departmental risk on its risk register, attached as Appendix 1 to this report, assessed as 2 AMBER risks. The CR23 Police Finance amber corporate risks will be reviewed in November 2021 with the intention to amalgamated into the CR35 risk for completeness.

9. The Chief Operating Officer's Department currently has two corporate risks and two departmental risks on its risk register that report to this committee. The following risks are currently on the risk register:

CR35 Unsustainable Medium-Term Finances (Current Risk: Amber – no change)

10. This risk continues to be closely monitored over four main areas against agreed triggers highlighted below. In addition, £30m reserves are held back to assist mitigate any risks:

Business Rates

Triggers:

- Change to business rate reset a further deferral will result in a positive impact.
- Shift from commercial to residential.
- Reduction in Rateable Value.
- Changes to methodology in business rate calculations.
- Alternative funding sources e.g. sales tax.

Spending review

Trigger:

- Any changes to funding arrangements below the baseline.

Rental Income

Trigger:

- Increase in loss of income over £5m p.a.

Achievement of savings flightpath (including Fundamental Review and 12%)

Triggers:

- Delays/Reduction to 12% savings.
- Delays/Reduction to fundamental review savings.

None of these triggers have been met allowing the risk to remain at an amber rating. But with a global pandemic and uncertain economic position, pressures

and risks for the City Corporation's finances will continue into the 2021/22 fiscal year and beyond. Furthermore, Member bilateral meetings and deep dives to Efficiency and Performance Sub Committee taking place during the Autumn will provide an opportunity to capture any risks relating to achievement of flightpath savings across the MTFP.

CR23 Police Funding (Current Risk: Amber – No change)

11. The joint City of London Police and Police Authority review of the opportunities within the CoLP budget to mitigate significant new pressures has now taken place.
12. Significant Police MTFP deficits have been compounded by further pressures in respect of Action Fraud extension and re-procurement and for the known or expected reduction in grants for Counter-Terrorism, TFL and Bank of England.
13. Indicative mitigations for 22/23 have been put in place, assuming reinstatement of £2.3m Business Rate Premium (BRP) funding, presented to Police Authority Board (PAB) and Budget Bilateral in October 2021. To be developed further for PAB and 2nd budget bilateral in December 2021, alongside assessment of service choices and their impact on policing.
14. The Spending Review outcomes for Police provide for completion of the 20k officer uplift programme and £10pa increased precept flexibility (noting that Corporation is unable to precept, and so generates local funding for CoLP via the BRP). The funding allocation to CoLP for 22/23 is likely to be announced in December.

CR 16 – Information Security (Current Risk: RED – Increase)

15. The Information Security Risk has increase to a Red risk due to the increase in likelihood and impact of a security incident.
16. We are seeing regular malware being delivered by email every week which is not being captured by the current security products. IT had agreement from Members to invest in the Microsoft Licences to upgrade the Corporation to Microsoft E5 which provide a much enhanced security package as well as other attributes.
17. Other mitigations include promoting security training and on-going and regular security communications to all staff and Members.
18. The Results of the IT Health Check have been received and a Remediation Action Plan (RAP) has been developed. Remediation activities have commenced.
19. Work on a simulated cyber attack is being planned with the IT Security Team for completion by the end of the calendar year.
20. Further IT Security training offered to staff and Members and regular communication on security issues on the intranet and via email.

CR 29 – Information Management (Current Risk: Amber – No change)

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

22. An updated An Information Management Asset register has been populated for the organisation.
23. Plans are being developed for moving unstructured data from Shared Drives to SharePoint.
24. There is no dedicated resources to support Information Management and data analysis in the organisation. Unless resourcing is reviewed under the new TOM this situation will not change

CHB IT 004 Business Continuity (Current Risk: Amber – No change)

25. All services have now been migrated into Azure.
26. Agilisys Business Continuity /Disaster Recovery plan has now been provided and is being reviewed internally and will form the basis of the COL and CoLP IT BCDR Plan, which is in its final stages of development before being circulated for approval.
27. A project is underway to replace and install new UPSs to the comms rooms/data centres which will provide greater resilience during intermittent power outages.

CHB IT 031 IT Revenue Budget (Current Risk: Red – Previously Amber)

28. A plan has been developed and a governance process is in place enabling tracking and corrective action to be taken. A review of the plan is required to be actioned every 2 weeks. The latest work is reviewing all the contracts and services to ensure they are in line with Corporation needs and negotiating with suppliers to secure better value for money. Server and storage costs are also being reviewed to optimise the environments ensuring we are maximising the benefits of the flexible pricing options in the Azure environment.
29. IT has made some progress on meeting the saving from the Fundamental Review and from the 12% saving target however savings made have been offset by significant in year new pressures on the IT budget. In addition due to timing of the TOM, IT has been unable to fully make any savings in required in this Financial year. Contract negotiations are on going with key suppliers where but may no conclude until the end of the Financial year . Further savings achieved through the TOM will have an impact on the provision of the IT service.
30. At Month 7, it is estimated that the IT Department will not be within budget at year end. Whilst continuing review of different spend items is being undertaken it is not expected that these will be sufficient, with an estimated overspend of at least £400k.

Appendices

- Appendix 1 Chamberlain's Department Detailed Risk Register

Background Papers

Monthly Reports to Finance Committee: Finance Committee Risk

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Report Author: Hayley Hajduczek
Generated on: 26 November 2021

21-Nov-2016

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|--------------------------------|--|--|--|--|--|--|--------|----------|
| Caroline Al-Beyerty; Ian Dyson | | | | | | | Accept | Constant |
|--------------------------------|--|--|--|--|--|--|--------|----------|

| Action no | Action description | Latest Note | Action owner | Latest Note Date | Due Date |
|-----------|--|---|---------------|------------------|-------------|
| CR23g | Implement sustainable medium-term financial settlement for CoLP: - Revenue position, Capital financing | Loan based capital financing model implemented for 20/21. Balanced budget set for 21/22. Significant medium-term pressures modelled, including Action Fraud extension and re-procurement and known or expected loss of grants for Counter-Terrorism, Bank of England and TfL. Indicative mitigations for 22/23 presented to October 2021 Police Authority Board (PAB) and Budget Bilateral, alongside assumed reinstatement of £2.3m Business Rate Premium funding in 22/23. Further work on mitigations, choices and operational impacts to be developed for December PAB and 2nd Budget Bilateral. Spending Review outcomes for Police communicated, with allocation to CoLP for 22/23 likely to be communicated in December. | Alistair Cook | 26-Nov-2021 | 31-Jan-2022 |

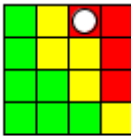
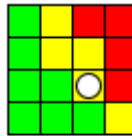

| Risk no, title, creation date, owner | Risk Description (Cause, Event, Impact) | Current Risk Rating & Score | | Risk Update and date of update | Target Risk Rating & Score | | Target Date/Risk Approach | Current Risk score change indicator |
|--|--|---------------------------------|----|---|---------------------------------|----|---------------------------|-------------------------------------|
| CR35 Unsustainable Medium Term Finances | <p>Causes: Anticipated decline in public sector funding (local government and Police), increasing demands (revenue and capital) and an ambitious programme of major project delivery threaten our ability to continue to deliver a vibrant and thriving Square Mile Normal course of business unable to function due to COVID 19 restrictions BREXIT compounding market uncertainty and exacerbating the economic downturn. Major contraction in key income streams and increase in bad debts. In particular that lower occupancy levels in city properties reduce investment property income over the medium term. Police Transform programme fails to realise the budget mitigations anticipated Reduction in the value of investments- property and securities- reduces available capital for major project financing.</p> <p>Event: Inability to contain financial pressures within year (2020/21) and compensatory savings and/or income generation to meet the Corporation's forecast medium term financial deficit will not be realised.</p> <p>Effects: Additional savings over and above those identified through the Fundamental Review to meet this challenge are required and/or closure in some areas reserves are utilised and/or services stopped. The City Corporation's reputation is damaged due to failure to meet financial objectives or the need to reduce services / service levels to business and community. Being unable to set a balanced budget which is a statutory requirement for City Fund. Spend is not aligned to Corporate Plan outcomes resulting in suboptimal use of resources and/or poor performance. Capital projects stalled due to COVID restrictions.</p> | <p>Likelihood</p> <p>Impact</p> | 12 | <ul style="list-style-type: none"> The risk score is being maintained at amber 12. The proposed triggers agreed by May finance committee have been added to the actions listed below. None of these have been triggered in November 21, close monitoring will continue. A briefing paper, including recommendations on the MTFP was presented at the RASC away day, on 13th July, further questions were presented to RASC away day on 30th September. Monthly monitoring is being undertaken by the finance units to monitor the delivery of TOM and FR savings through 21/22 and across the MTFP. Overall savings update and Deep Dive Reports are scheduled to be presented to E&P Sub Committee. In addition, an establishment tracker against TOM savings, the impact of flexible retirement policies and translation of vacancies into post permanent savings; alongside costs of the scheme is presented and scrutinised by the Establishment Committee. Furthermore, a paper on rental income was presented to this Committee in October and updates to this paper will be provided on a quarterly basis. | <p>Likelihood</p> <p>Impact</p> | 12 | 31-Mar-2022 | |
| 19-Jun-2020 | | | | 26 Nov 2021 | | | | |

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|---------------------|--|--|--|--|--|--|--------|----------|
| Caroline Al-Beyerty | Stakeholders experiencing reduced services and service closures. | | | | | | Accept | Constant |
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| Action no | Action description | Latest Note | Action owner | Latest Note Date | Due Date |
|-----------|--|--|----------------------------|------------------|-------------|
| CR 35a | A reduction in key income streams and increase in bad debt | This is being monitored monthly, with action being taken to reduce spend where possible. Budget forecast for 21/22 includes reduced income, with recovery profiled across the medium term. In addition, Chief Officers are working with tenants on a payment plan to mitigate potential issues when the moratorium is lifted in March 2022. | Sonia Virdee | 26-Nov-2021 | 31-Mar-2022 |
| CR 35b | To reduce strain on cash flow. | <ul style="list-style-type: none"> The Corporation remains very liquid and the outlook for near term cash flows is robust. Cash flowing modelling over the medium term is being carried out during this quarter for City's Cash and City Fund in line with the MTFP preparations. | James Graham; Sonia Virdee | 26-Nov-2021 | 31-Mar-2022 |
| CR 35c | <p>Increased expenditure related to COVID measures- maximise recovery from government</p> <p><i>Triggers:</i></p> <ul style="list-style-type: none"> <i>Any changes to funding arrangements below the baseline</i> | <ul style="list-style-type: none"> Maximising recovery from government- spend is being coded and monitored. Total claim of £11.9m for 20/21 lost fees & charges income on City Fund. This scheme has been extended to cover Q1 of 21/22 and a claim has been made for £3.2m. Furloughing workers where appropriate has been done recovering £6.6m across all funds. No further adjustments are expected on claims made. | Neilesh Kakad Sonia Virdee | 26-Nov-2021 | 31-Mar-2022 |
| CR 35d | <p>Inability of occupiers to pay rates as their income falls and business models are damaged.</p> <p>A reduction in demand for office space in the square mile, leading to lower occupation and business rate income.</p> <p>The Corporation is currently benefitting from growth in business rates retained income of c£40m.</p> <p>Non-payment of rates across London leading to difficulties in meeting cash flow payments as host of the pool.</p> <p><i>Triggers</i></p> <ul style="list-style-type: none"> <i>Change to business rate reset (further deferral will result in a positive impact).</i> <i>Shift from commercial to residential (hot off the press).</i> <i>Reduction in Rateable Value (the risk is minimal).</i> <i>Changes to methodology in business rate calculations.</i> <i>Alternative funding sources e.g. sales tax.</i> | <ul style="list-style-type: none"> Monthly monitoring in place. The impact of COVID-19 has been to lower the collection rate for business rates. Collection had improved to within 3% of pre covid levels. However, with the end of the enhanced retail relief in June, the collection rate has dipped. The 21/22 collection rate is now 4.5% down on the pre-covid collection rate. It is expected that this will improve before year end. The Govt is also allowing authorities to spread the impact of 20/21 business rate deficits over 3 years and introduced a tax compensation scheme, for which CoL will received £8.3m. Residual collection fund deficit will need to be factored into the MTFP. There has been an increase in the amount of empty property resulting in more relief being claimed. Business Rate appeals linked to COVID have been ruled out due to Govt legislation, but we are seeing an increase in appeals on other grounds. Impacts will continue to be monitored. | Phil Black | 26-Nov-2021 | 31-Mar-2022 |

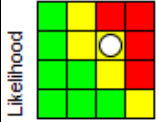
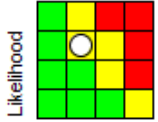
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| CR 35e | <p>Impact on investments: securities/property</p> <p><i>Triggers:</i></p> <ul style="list-style-type: none"> • Increase in loss of income over £5m p.a. | <ul style="list-style-type: none"> • The values of the three main financial investment portfolios have continued to grow over the course of Q3, albeit at a slower pace. Asset allocation and investment performance is reviewed by the Financial Investment Board at each meeting. • COL's Pension Fund contributions are fixed until 2023, providing some protection, whilst the diversified asset allocation strategies and use of active management across all three funds should continue to deliver some stability if general market moves become extreme again. • The total value of the investment property portfolios equates to £4.1bn (a decrease of circa 4% from last year, largely attributable to the Corona virus pandemic). • The House Fund, Bridge House Estates, City's Estate and City Fund all outperformed the MSCI benchmark return and universe return over a 3, 5, 7, 10 and 27 year period. • The total annual rental income from the investment property portfolio for 2021/22 is estimated to increase to £122.187m (June 2021 quarter estimate) from £121.787m (March 2021 quarter estimate). Over the 4 year forecast period the total rents are expected to increase to some £136.257m. • The investment property portfolio vacancy rate as at 1st June 2021 represents 3.45% which is lower than the City and West End vacancy rate of 7.3% (as reported by JLL). There was a slight increase of 19,774 sq.ft. in vacant space from 1st December 2020 to 1st June 2021. • The total arrears for the investment property portfolio as at June 2021 quarter day -1 stand at 13.52% or £24.635m (against a target of 1%). The Government Moratorium against taking enforcement action for non payment of rent etc has been extended through to March 2022, making recovery difficult. The latest arrears as at June quarter day plus 70 days show a slight fall at 13.35% or £23.83m (against estimated annual billing of £178.4m). | Nicholas Gill; James Graham | 26-Nov-2021 | 31-Mar-2022 |
| CR 35f | Impact on the MTFP | <ul style="list-style-type: none"> • Lower investment income modelled into MTFP, plus one year retention of business rate growth anticipated in 22/23. • Sums to mitigate risk are being held in Reserves- £30m on City Fund and £20m on BHE. Already drawing down on City's Cash Financial Investments by £530.6m across the planning horizon to 2024/25 (which is sustainable given modelling of balance sheet recovery). Further modelling sees an increase up to £709m between 2021/22 to 2025/26. • Update on MTFP was presented to the RASC Away Day on 13th July and 30th September. | Caroline Al-Beyerty; Sonia Virdee | 26-Nov-2021 | 31-Mar-2022 |
| CR 35h | <p>To implement the Fundamental Review project plan-TOM</p> <p><i>Triggers:</i></p> <ul style="list-style-type: none"> • Delays/Reduction to 12% savings. • Delays/Reduction to fundamental review savings. | <ul style="list-style-type: none"> • An exercise is being undertaken and will continue throughout 21/22 to monitor the achievement of TOM & FR savings across the corporation. • Deep-dive reports on departments savings will be reported to E&P committee, deep dives will align with the TOM waves. • Monthly TOM tracker reported and scrutinised by Establishment Committee commenced in September 21. • Bilateral meetings held with Service Committee Chair/men and Chair/men of Policy & Resource and Finance Committee and their deputies to ensure savings are being achieved across the board. So far 10 out of the 17 planned bilateral meetings have taken place, of which 5 departments have had their proposals either fully or partially agreed by Committee/Members under the TOM process. | Chrissie Morgan; Sonia Virdee | 26-Nov-2021 | 31-Mar-2022 |

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| | | <ul style="list-style-type: none"> • Additional pressures have been identified through the TOM process, Chamberlain's is working with departments to understand how these additional cost pressures are met within the overall envelope. | | | |
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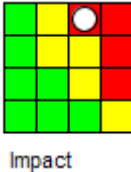
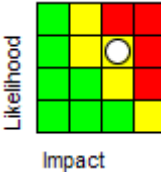

| Risk no, title, creation date, owner | Risk Description (Cause, Event, Impact) | Current Risk Rating & Score | | Risk Update and date of update | Target Risk Rating & Score | | Target Date/Risk Approach | Current Risk score change indicator |
|--|---|--|-----------|--|---|----------|---------------------------|---|
| CR16 Information Security (formerly CHB IT 030) | 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. |  Likelihood Impact | 16 | <p>· We are seeing regular malware being delivered by email every week which is not being captured by the current security products. We have had agreement to upgrade our MS licences from E3 to E5 which will help mitigate this.</p> |  Likelihood Impact | 8 | 31-Mar-2022 |  |
| | | | | <p>· The Results of the IT Health Check have been received and a Remediation Action Plan (RAP) has been developed. Remediation activities have commenced.</p> <p>· Work on a simulated cyber attack is being planned with the IT Security Team for completion by the end of the calendar year.</p> | | | 18 Oct 2021 | |
| 10-May-2019 Emma Moore | | | | | | | | |

| Action no | Action description | Latest Note | Action owner | Latest Note Date | Due Date |
|-----------|--|---|----------------------|------------------|-------------|
| CR16k | Final stages of completing information security projects which will mean that we can assure Members that the City of London Corporation has implemented all the national government recommended security practices and technology achieving a maturity level of 4. | With the agreement of the E5 business case by Members the improvements to our security stance can now begin with resources procured to support implementation | Gary Brailsford-Hart | 18-Oct-2021 | 31-Dec-2021 |
| CR16l | Gain assurance on understanding and mitigating our security vulnerabilities | The Results of the IT Health Check have been received and a Remediation Action Plan (RAP) has been developed. Remediation activities have commenced. | Matt Gosden | 18-Oct-2021 | 30-Nov-2021 |

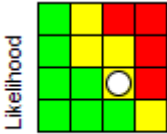
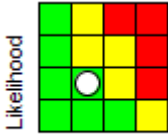

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| | | Some vulnerabilities have critical dependencies and are complex to deliver. Therefore the completion of these has been moved to the end of November. | | | |
| CR16m | Work on a simulated cyber attack is being planned with the IT Security Team | <p>The COLP IMS Team are developing and will implement two activities toward the end of the calendar year:</p> <p>A Red Flag activity – A scenario-based exercise which simulates a Ransomware attack and tests our response to a similar incident.</p> <p>A White Hat activity – this is where we employ an Ethical Hacker to try to gain access to COL systems using typical hacking tools and techniques.</p> | Matt Gosden | 18-Oct-2021 | 31-Dec-2021 |

| 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/Risk Approach | Flight path |
|---|--|---|----|--|---|---|---------------------------|-------------|
| 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: <ul style="list-style-type: none"> • 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 |  Likelihood Impact | 12 | New business intelligence dashboards continue to be developed for improved decision making by the Corporate Strategy and Performance team • An updated An Information Management Asset register has been populated for the organisation. Plan being developed for moving unstructured data from Shared Drives to Sharepoint is being developed There is no dedicated resources to support Information Management and data analysis in the organisation. Unless resourcing is reviewed under the new TOM this situation will not change 22 Nov 2021 |  Likelihood Impact | 6 | 31-Dec-2021 | |
| | | | | | | | Reduce | |

| Action no, Title, | Action description | Latest Note | | | Action owner | Latest Note Date | Due Date |
|----------------------------------|---|--|--|--|--------------|------------------|-------------|
| CR29a IM awareness | Ensure that CoL has the necessary awareness, tools and, skills to manage information effectively | Information Management Campaign successfully deployed. Work on the role of IM in the new TOM has begun with the TOM consultants. | | | Sean Green | 18-Oct-2021 | 31-Dec-2021 |
| CR29f IM Strategy implementation | Ensure officers can implement the data retention policy and data discovery requirements from GDPR | Gateway paper being prepared for the Data Discovery tool. | | | Sean Green | 18-Oct-2021 | 31-Dec-2021 |

| 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/Risk Approach | Current Risk score change indicator |
|--------------------------------------|---|--|----|---|---|----|---------------------------|---|
| CHB IT 031 IT Revenue Budget | <p>Cause: The IT Service is subject to a budget reduction of £1.2m in 21/22 or 12% having had this agreed in early March 2021.</p> <p>Event: The planned action programme does not deliver the required level of savings within the timeframe set by the City Corporation/Finance Committees</p> <p>Effect:. The IT budget will be overspent in 2021/22 The services provided by IT to the organisation will need to be descoped to save costs and this may have a downstream impact for the organisation to deliver successful outcomes in front line services.</p> |  | 16 | <p>IT has made good progress on meeting the saving from the Fundamental Review and around £400k from the 12% saving target, there is still an unachieved target of circa £1m to be found. Due to timing of the TOM, IT has been unable to make any savings in this area. Contract negeotiations are on going with key suppliers where appropriate. Further savings could have an impact on the provision of the IT service.</p> <p>A governance process is in place enabling tracking and corrective action to be taken. A review of the plan is required to be actioned every 2 weeks.</p> |  | 12 | 31-Mar-2022 |  |
| 10-May-2021 Sean Green | | | | 18 Oct 2021 | | | | Constant |

| Action no | Action description | Latest Note | Action owner | Latest Note Date | Due Date |
|-------------|---|---|---------------|------------------|-------------|
| CHB IT 031a | Complete review to quantify savings | £400k of savings have been identified, with £800k full year impact for the next FY if the savings are achieved . There are a number of savings that are awaiting negotiation and review both internally and with suppliers. Given the cost pressures on the IT budget in particular with Compute and Storage the savings have been consumed in the financial year and the net in year saving is only £100k. There is some areas of one off savings that we are now exploring with Finance colleagues. | Kevin Mulcahy | 18-Oct-2021 | 31-Mar-2022 |
| CHB IT 031b | Prepare and execute the IT savings plan for 21/22 with agreement from relevant stakeholders in the organisation | A dedicated Project Manager and Capacity Manager has been employed to develop and drive forward the IT savings for the Corporation. This is profiled and is being discussed at monthly meetings with the Chamberlain. | Kevin Mulcahy | 18-Oct-2021 | 31-Dec-2021 |

| 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/Risk Approach | Current Risk score change indicator |
|--|--|--|----------|---|---|----------|---------------------------|---|
| CHB IT 004 Business Continuity 30-Mar-2017 Sean Green | Cause: A lack of robust infrastructure and restore procedures are not in place on aging infrastructure. Secondly, 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: 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. There will be intermittent power outages of varying durations affecting these areas/buildings. Effect: The disaster recovery response of the IT Division is unlikely to meet the needs of COL leading to significant business interruption and serious operational difficulties. <ul style="list-style-type: none"> • 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 |  Likelihood Impact | 8 | All services have now been migrated into Azure. Agilisys BC/DR plan has now been provided and is being reviewed internally and will form the basis of the COL IT BCDR Plan. The GW5 has been sent for approval, the project is poised to start immediately. 18 Oct 2021 |  Likelihood Impact | 4 | 31-Oct-2021 |  Constant |
| | | | | | | | | |

| Action no | Action description | Latest Note | Action owner | Latest Note Date | Due Date |
|-------------|------------------------------|--|---------------|------------------|-------------|
| CHB IT 004k | RPO and RTO of Critical Apps | Find out the RPO/RTOs for all critical applications in Azure and match to Critical Apps and Services | Matt Gosden | 28-Sep-2021 | 30-Nov-2021 |
| CHB IT 004m | Repurpose GJR Comms Room | Review audit results, obtain quote from Red60, identify budget. | Kevin Mulcahy | 28-Sep-2021 | 19-Nov-2021 |
| CHB IT 004n | Produce IT-wide BC/DR Plan | The team are to develop an IT-wide BCDR Plan, including at least three critical services. This will be based on the Agilisys-specific plan which was delivered March 2021. | Matt Gosden | 28-Sep-2021 | 30-Nov-2021 |
| CHB IT 004O | UPS Project Delivery | Work is under way from by the supplier, and the hardware has been delivered, completion is expected by the end of October | Matt Gosden | 18-Oct-2021 | 31-Oct-2021 |

