Committees:	Dates:
Audit and Risk Management Committee	17 September 2013
Subject: Strategic Risk 1: Failure to respond to a terrorist attack and Strategic Risk 13: Failure to manage effectively the negative impacts arising from public order incidents and protests	**Public**
Report of: Town Clerk	**For Information**

Summary

These strategic risks have been reviewed and amended to reflect the issues for which the City of London Corporation has both primary responsibility and control. This review has focused on the preparedness of the City of London Corporation and its delivery departments to respond to a terrorist attack and to manage effectively the negative impacts arising from public order incidents and protests. This review has also examined the effectiveness of our engagement with key partner agencies involved in responding to incidents of this nature, as well as our work with the Square Mile business and residential communities. The risk is owned and managed by the Town Clerk.

The outcome of the rigorous regime of planning and exercising is that the City is able to demonstrate that effective steps have been taken to mitigate the gross risk and in turn reduce its likelihood from 'likely' to 'rare' (after the controls have been applied).

In the specific case of the public disorder risk, our work helping City businesses and residents to be better prepared for the potential effects of this type of incident has meant that the impact has also been reduced.

The knock on effect of this reduction is that the net risk for SR1 remains as 'Amber' and for SR13 is now 'Green'.

Recommendations

- The Committee is asked to note this report

Main Report

Introduction

1. This report has been prepared in accordance with the request of the Audit and Risk Management Committee that two Strategic Risks be selected for review at each Committee on a rotational basis. The report provides an account of Strategic Risk 1 (Failure to respond to a terrorist attack) and Strategic Risk 13 (failure to manage effectively the negative impacts arising from public order incidents and protests) and the mitigating controls in place.

2. Both risks have a number of components for the City of London Corporation resulting from its roles as an employer, a Local Authority and as the Police Authority for the square mile. The risks from a policing perspective (operational policing) are managed by the Commissioner of Police. The remaining elements cover a range of operational areas e.g. disaster recovery/business continuity, building management, employee and community safety. Under the Civil Contingencies Act 2004, the City of London Corporation also has a responsibility to support its businesses and residential communities in the aftermath of a major incident.

Context - Strategic Risk 1 (Failure to respond to a terrorist attack)

3. The threat of an attack from international terrorism on the mainland of the United Kingdom has been assessed by the Security Services as 'Substantial' i.e. a terrorist attack is a strong possibility; whilst the threat from Northern Ireland-related terrorism in Great Britain has been assessed as 'Moderate' - this means that a terrorist attack is possible but not likely.

4. In the context of the City of London, the City Police has the lead responsibility for disrupting and preventing a terrorist attack as well as leading the initial response should an attack occur. They are supported in this task by the Metropolitan Police Service, the Security Services and other partners, including the City Corporation.

Context - Strategic Risk 13 (failure to manage effectively the negative impacts arising from public order incidents and protests)

5. The risk of public disorder has been identified in the City of London Community Risk Register, the Greater London Community Risk Register and the National Risk Register of Civil Emergencies. These documents focus on the potential impact of public disorder on communities, setting the scene for Strategic Risk 13.

6. Following the August 2011 disorders, the Home Secretary asked HM Chief Inspector of Constabulary to review how forces could increase preparedness and promote a more effective use of intelligence, tactics and resources. The police have made progress in implementing the Chief Inspector's recommendations and are now better prepared, equipped and trained to deal with disorder.

7. Strategic Risk 13 relates to the ability of the City of London Corporation to work effectively with partner agencies to manage the negative impacts arising from public order incidents, including the adverse effects of protest on the wider community.

Statutory Requirements

8. The Civil Contingencies Act 2004 places the City of London Corporation under a statutory duty to ensure that it is prepared to respond to an emergency, including public order incidents. Under this Act, the City of London Corporation has a number of specific duties:

    i.   assess the risk of emergencies occurring and use this to inform contingency planning
    ii.   put in place emergency plans
    iii. put in place business continuity management arrangements
    iv.   put in place arrangements to make information available to the public about civil protection matters and maintain arrangements to warn, inform and advise the public in the event of an emergency
    v.   provide advice and assistance to businesses and voluntary organisations about business continuity management (local authorities only)

9. Two further duties are prescribed in the Regulations to all emergency responding organisations:

    i.   share information with other local responders to enhance co-ordination
    ii.   co-operate with other local responders to enhance co-ordination and efficiency

10. These statutory requirements provide the context for the controls the City of London Corporation has in place in order to mitigate against these risks.

Current Position

Common consequences and mitigating actions / risk controls

11. For both a terrorist attack or serious public disorder, the issues for the City Corporation to manage would include:

    i.   Dealing with damage to specific areas and buildings, for example Guildhall
    ii.   Employee and community welfare
    iii.   Public and business confidence
    iv.   Coordination of the services of the City of London Corporation and other public services

12. For responding to these specific issues the City Corporation has a range of mitigating controls, these include;

    i.   Business continuity and disaster recovery plans that have recently been reviewed updated and tested. These plans will ensure that should the City Corporation lose access to its key buildings or its information / communications systems, these core services can be recovered with the minimum disruption to service delivery.

    ii.   The City Corporation has plans in place to support employees following an incident including the availability of a Freephone advice line. We also have arrangements to care for the residential community should they become displaced by and incident through the establishment of rest Centres. Support is also available for the business community, for example, through the establishment of a Business Information Centre at which briefings will be provided by service departments and the emergency services.

    iii.   Through the City of London Resilience Forum, the City engages in regular liaison with all other emergency response organisations serving the Square Mile, as well as representatives from the business community. At these meetings service departments from the City Corporation, the emergency services and the utilities meet with business representatives to discuss their concerns and requirements. These discussions result in such things as amendments to existing plans and the development of major incident exercises. The work of the City of London Resilience forum has also generated a geographically specific risk profile for the Square Mile and a working group aimed at exploring how businesses need to prepare to respond to the key risks (including terrorist attacks of various natures).

    iv.   The City Corporation has a comprehensive Major Incident plan that is regularly reviewed and exercised. These exercises include the 'blue light services', the voluntary sector, the military, the utilities, City Corporation service departments and the business community. This plan fits into the wider Pan-London arrangements and the interaction between both levels is also subject to regular exercises.

13. In addition to a regular programme of simulations and tests, the major events of 2012 (including the Olympic and Paralympic Games) provided a number of opportunities for testing the effectiveness of our plans and

coordination arrangements. Through the live operations of the City of London Olympic and Paralympic Coordination Centre and the Event Control Room for the Lord Mayor Show, the City Corporation has been able to derive significant confidence that its plans are effective and are consistent with Pan London and national major incident plans.

14. Through the City of London Resilience Forum, the City engages in regular liaison with all other emergency response organisations serving the Square Mile, as well as representatives from the business community. At these meetings, service departments from the City of London Corporation, the emergency services and the utilities meet with business representatives to discuss their concerns and requirements. These discussions result in such things as amendments to existing plans and the development of major incident exercises. The work of the City of London Resilience forum has also generated a geographically-specific risk profile for the Square Mile (known as the City of London Risk Community Risk Register) and recently conducted a series of thematic workshops exploring how businesses need to prepare to respond to the key risks (including terrorism and public disorder). These workshops have led to the production of a comprehensive guidance document, which is currently being reviewed by City businesses. This document contains a detailed description of the potential impacts on businesses associated with each set of risks identified in the City Risk Register. The document also contains a compilation of simple measures that businesses of all sizes can implement to help them be better prepared to deal with the impacts identified.

Strategic Risk 1 (Failure to Respond to a Terrorist Attack)

15. The Centre for the Protection for National Infrastructure and the Security Services continually develop guidance on how to deal with the type of terrorist attacks that have happened around the world. Following on from this guidance, iconic sites within the City have been assessed by the Security Services and plans concerning these are regularly reviewed using simulations of real incidents and role plays.

16. The City of London Corporation's Contingency Planning Unit also led in the design of a recent pan-London exercise exploring how London's local authorities would respond to a scenario involving several simultaneous terrorist attacks. This scenario has been used subsequently to validate a host of pan-London arrangements and a series of exercises focusing on London's response to terrorism are due to take place between September and November 2013.

17. The City of London Corporation is also working closely with other business districts in London (such as Canary Wharf and the London Bridge Quarter) to help them become better prepared to respond to potential terrorist attacks.

Strategic Risk 13 (Failure to manage effectively the negative impacts arising from Public Order and Protest)

18. As a result of lessons learned from the disorder experienced in London in 2011, we have strengthened the support network for residents of our housing estates both inside and outside the Square Mile – including reassurance measures via staff on site. Support is also available for the business community, for example, through the establishment of a Business Information Centre at which briefings will be provided by service departments and the emergency services.

v. The City of London Corporation will also be running a strategic level multi-agency training event on public disorder in September 2013. The course design has been driven by input from the College of Policing and has been supported by Central Government.

The Assessment of Risk

19. HM Government regularly monitors the most significant emergencies that the United Kingdom and its citizens could face over the next 5 years through the National Risk Assessment (NRA). This is a confidential assessment, conducted every year, which draws on expertise from a wide range of departments and agencies of government. The National Risk Register is the public version of the assessment.

20. To assist with national and local planning, the government provides a confidential list of the common consequences coming out of the NRA that cover the maximum scale, duration and impact that could reasonably be expected to occur as a result of emergencies. These consequences are referred to in the National Resilience Planning Assumptions.

21. The National Resilience Planning Assumptions provide details on the potential impact of terrorism and public disorder on businesses and on residential communities. Based on this information, the gross (unmitigated) impact of the risks covered in this has been assessed as Red (High risk, requiring constant monitoring and deployment of robust control measures). The assessment was based on the likelihood without any control measures (likely) and the impact (major).

Conclusion & Assessment of the existing controls

22. As explained in the preceding paragraphs, the City of London has comprehensive plans that cover emergency response, business continuity and disaster recovery. These plans meet the requirements established by Central Government through the Cabinet Office and have been benchmarked against those of all London local authorities.

23. The existing mitigating controls and a robust regime of testing, training and exercising demonstrate that effective steps have been taken to mitigate the gross risk and, in turn, reduce its likelihood from 'likely' to 'rare' (after the controls have been applied).

24. For *Strategic Risk 1 (Failure to Respond to a Terrorist Attack),* the latest iteration of this risk has been updated to reflect more accurately those issues for which the City Corporation has primary responsibility and control. This, therefore, excludes the prevention of a terrorist attack because this quite properly falls with the remit of the Commissioner of Police and the security services. Although the assessment of the impact of the risk remains as 'catastrophic', the lowering of the likelihood of the gross risk results in the City of London being able to maintain the overall grading of the net risk as 'Amber' with a 'Green' control evaluation (as **Robust** mitigating controls are in place and the risk may occur only in **exceptional** circumstances).

25. For *Strategic Risk 13 (Failure to manage effectively the negative impacts arising from public disorder and protest),* the impact of the various initiatives aimed at enhancing the resilience of the Square Mile's business community have resulted in the impact also being reduced from 'major' to 'moderate'. The lowering of both the likelihood and the impact of the gross risk results in the City of London being able to reduce the overall grading of the net risk as 'Green' with a 'Green' control evaluation (as **Robust** mitigating controls in place and the risk may occur only in **exceptional** circumstances).

Appendices

Appendix 1: Risk Register Extract for both strategic risks covered in this report

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Risk Supporting Statement SR1   **Risk Owner: Town Clerk**

Risk	City Corporation fails to work effectively with related parties to respond appropriately following a terrorist attack to restore service delivery, assist business recovery and support the community. **Links to:**　　　　**Strategic Aims SA1 & SA2 and Key Policy Priority KPP3**	**Gross Risk**	**R**
		Likelihood	**Impact**
		4	5

Detail	This risk has a number of components for the City Corporation resulting from its role as an employer, Local Authority and the Police Authority for the square mile. The risk from the policing perspective (operational policing) is managed by the Commissioner of Police, the remaining elements cover a range of operational areas e.g. disaster recovery/business continuity, building management, employee and community safety. The City Corporation also has responsibility under the Civil Contingencies Act 2004 to its businesses and residential communities to support them in the aftermath of a terrorist attack.

Specific Threats/Issues	**Controls**
Specific locations are potential targets (high profile areas/buildings in the City and City Corporation assets) Public/business confidence in the City as a safe environment and international reputational issues Community welfare implications of an attack (impacts on visitors, residents and workers)	Iconic sites within the City have been assessed by the Security Services and plans concerning these are regularly exercised **(Head of Resilience and Community Safety and relevant Chief Officers)** Generic Emergency Management Plan and Corporate and Departmental Business Continuity arrangements are in place and are regularly exercised **(Head of Resilience and Community Safety and all Chief Officers)** Disaster Recovery and backups are in place and are regularly tested **(Chief Technical Officer and relevant Chief Officers)** Guidance and support is provided to businesses and residents on how they can better prepare for the potential impacts of terrorism **(Head of Resilience and Community Safety)** The City Corporation leads on the multiagency forum for the Square Mile and plays an active role in the Central London sub-Regional Resilience Forum and other pan-London bodies **(Town Clerk and Head of Resilience and Community Safety)** The City Corporation conducts and takes part in multiagency exercises focusing on the key threats.**(Head of Resilience and Community Safety)** **Other relevant mitigations:** The City Corporation has also held a thematic workshop focusing on the potential impacts of a terrorist attack on the Square Mile's business community**(Head of Resilience and Community Safety)** Building safety and evacuation/invacuation plans are in place for City of London Corporation's corporate premises **(Head of Resilience and Community Safety, City Surveyor and relevant Chief Officers)**

Summary		**Net Risk**	**A**
This risk relates specifically to the City Corporation's ability to address the impacts of terrorist attack through its role as the lead for coordinating the activities of its service departments and other public services to restore the business and residential infrastructure. The City of London Corporation arrangements are tested regularly and a programme of local and pan-London tests and exercises ensures the City Corporation remains able to respond appropriately to a terrorist attack. The City of London Corporation, along with the Police undertakes a range of activities with other agencies (Met Police, Home Office, MI5) to prevent and prepare for terrorist activity. The Current Threat Level for the United Kingdom is at Substantial (meaning a terrorist attack is a strong possibility) therefore it is essential that the City Corporation maintains a high a level of preparedness to ensure that, together with its partner agencies, it is ready to respond to and lead the recovery phase of the emergency response to an incident.		**Likelihood**	**Impact**
		1	5
		Control Evaluation	
		G	

Risk Supporting Statement: SR13

Risk Owner: Town Clerk

Risk	City Corporation fails to manage effectively negative impacts arising from Public Order and Protest, leading to a loss of confidence in the organisation. **Links to: Strategic Aims SA1 & SA2 and Key Policy Priority KPP3**	Gross Risk	R
		Likelihood	Impact
		4	4

Detail	This risk has a number of components for the City Corporation resulting from the roles as an employer, a Local Authority and as the Police Authority for the square mile. The risk from the policing perspective (operational policing) is managed by the Commissioner of Police, the remaining elements cover a range of operational areas e.g. disaster recovery/business continuity, building management, employee and community safety. The City Corporation also has a responsibility under the Civil Contingencies Act 2004 to its businesses and residential communities to support them in the aftermath of violent Public Order and Protest. This risk is directly linked to SR2 (Supporting the Business City), SR3 (Financial Stability) and SR8 (Reputation Risk), assessment of SR13 may lead to reassessment of these risks.

Specific Threats/Issues

Planned protest marches in or near the City that, although peaceful, interrupt the daily life of the City by their presence.

Planned protest marches that become disorderly or violent whether in the City or elsewhere that adversely affect business, property or communities for which the City Corporation has a statutory or corporate responsibility.

Static protests whether peaceful or disorderly that adversely impact on the daily life of the City or adversely affect business, property or communities for which the City Corporation has a statutory or corporate responsibility.

Spontaneous or organised outbreaks of civil disorder that adversely impact on the daily life of the City or adversely affects business, property or communities for which the City Corporation has a statutory or corporate responsibility.

Mitigating Actions

Systems are in place to warn and inform the community (visitors, residents and businesses) **(Head of Resilience and Director of Public Relations)**

Generic Emergency Management Plan and Corporate and Departmental Business Continuity arrangements are in place and are regularly exercised **(Head of Resilience and Community Safety and all Chief Officers)**

Procedures have been reviewed incorporating lessons learned during the past year (2012), enabling greater coordination of the City's response.**(Head of Resilience and Community Safety and relevant Chief Officers)**

The City Corporation has also held a thematic workshop focusing on the potential impacts of civil disorder on the Square Mile business community and will be conducting a strategic level seminar on this topic in September 2013. Results of both events will be made available to City firms and will also inform our engagement with City residents.**(Head of Resilience and Community Safety and relevant Chief Officers)**

Guidance and support is provided to businesses and residents on how they can better prepare for the potential impacts of emergencies **(Head of Resilience and Community Safety)**

The City Corporation leads on the multiagency forum for the Square Mile and plays an active role in the Central London sub-Regional Resilience Forum and other pan-London bodies **(Town Clerk and Head of Resilience and Community Safety)**

The City Corporation conducts and takes part in multiagency exercises focusing on the key threats.**(Head of Resilience and Community Safety)**

Other relevant mitigations:

Building safety and evacuation/invacuation plans are in place for City of London Corporation's corporate premises **(Head of Resilience and Community Safety, City Surveyor and relevant Chief Officers)**

Summary		Net Risk	G
Many of the controls operated by the City Corporation are designed to reduce the impact of protest whether peaceful or violent. For peaceful protest, we send advisory messages and updates that allow City businesses and residents to plan for disruption. If the protest or public order issue becomes violent, major incident and business continuity plans provide the framework for incident management, support to businesses and residents and long term recovery. Recent civil unrest across the world and particularly in London highlights the risk of public order or protest affecting the City.		**Likelihood**	**Impact**
		1	3
		Control Evaluation	
		G	