

City of London Corporation

Corporate Risk Register

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| Corporate Risk Register | Owned By | Chief Officers' Group | Version | 2014 - 05 |
| | Administered By | Sabir Ali | Date | 13/05/2014 |

Summary Risk Register

| Risk No. | Risk | Gross Risk | | Risk Owner / Lead Officer | Existing Controls | Net Risk | | | Planned Action | Control Evaluation |
|----------|--|------------|--------|--|---|------------|--------|-------------------------|---|--------------------|
| | | Likelihood | Impact | | | Likelihood | Impact | Risk Status & Direction | | |
| CR1 | City Corporation fails to work effectively with related parties to respond appropriately following a major incident/severe business disruption to restore service delivery, assist business | 4 | 5 | Town Clerk | City Police proactively managing the risk of terrorism. Disaster recovery/contingency plan in place, includes responsibilities under the Civil Contingencies Act. | 1 | 5 | A ↔ | Maintain existing controls. | G |
| CR2 | The City Corporation fails effectively to defend and promote the competitiveness of the business city which loses its position as the world leader in international financial and business services. | 4 | 4 | Director of Economic Development | Economic Development Office engaged in a programme of work to support, defend and enhance the business city, in accordance with the EDO Business Plan. | 3 | 4 | A ↔ | Maintain existing controls. | G |
| CR8 | Negative publicity and damage to the City Corporation's reputation. | 4 | 4 | Director of Public Relations | Communications Strategy in place, experienced media/communications team, Departmental Communication Representatives meetings, PR Toolkit. | 3 | 4 | A ↔ | On-going work with PR Consultants to improve City Corporation's ability to manage increasingly challenging reputational issues. | G |
| CR9 | Major failure of health and safety procedures resulting in a fatality in an accident on City of London Corporation premises or to a member of the City of London workforce. | 4 | 4 | Health and Safety Committee / Relevant Chief Officer | Officer Health and Safety Committee in operation, monitoring key H&S issues and having oversight of the Health and Safety Top X risks. | 1 | 4 | A ↔ | The Corporate Safety Team will be carrying out their own audits on departments. | A |

| KEY | 1 | 2 | 3 | 4 | 5 | Control Evaluation: |
|--|---------------|----------|----------|--------|----------------|---|
| Likelihood | Rare | Unlikely | Possible | Likely | Almost Certain | R: Existing controls are not satisfactory |
| Impact | Insignificant | Minor | Moderate | Major | Catastrophic | A: Existing controls require improvement/Mitigating controls identified but not yet implemented fully |
| *Direction relates to change in assessment since last review (up/down/no change) | | | | | | G: Robust mitigating controls are in place with positive assurance as to their effectiveness |

Summary Risk Register

| Risk No. | Risk | Gross Risk | | Risk Owner / Lead Officer | Existing Controls | Net Risk | | | Planned Action | Control Evaluation |
|----------|---|------------|--------|---------------------------|--|------------|--------|-------------------------|---|--------------------|
| | | Likelihood | Impact | | | Likelihood | Impact | Risk Status & Direction | | |
| CR10 | Adverse political developments undermining the effectiveness of the City of London Corporation. | 5 | 5 | Remembrancer | Promotion of the good work of the City Corporation, City Corporation needs to remain relevant and “doing a good job” and be seen as such. | 2 | 4 | A ↔ | Maintain existing controls. | G |
| CR11 | Major flooding caused as a result of pond embankment failure at Hampstead Heath. | 3 | 5 | Director of Open Spaces | On-going monitoring of water levels, emergency action plan, public consultation, project management. Major project to upgrade the pond embankments by 2015/16 | 3 | 5 | R ↔ | Planning permission to be sought in late June 2014. | A |
| CR14 | Likely reductions in future spending rounds will reduce grant income for the City Corporation resulting in the Corporation being unable to maintain a balanced budget and maintain healthy reserves in City Fund significantly impacting on service delivery levels. Whilst it is almost certain that reductions in grant income will occur in 2016/17 and 2017/18, we do not know the magnitude. | 5 | 4 | Chamberlain | Maintaining prudent management of City Fund finances, Robust financial planning, Scrutiny of the achievement of savings options by the Efficiency Board and Efficiency and Performance Sub-Committee | 5 | 4 | R ↔ | Service based review to address the forecast deficits | R |

| KEY | 1 | 2 | 3 | 4 | 5 | Control Evaluation: |
|--|---------------|----------|----------|--------|----------------|---|
| Likelihood | Rare | Unlikely | Possible | Likely | Almost Certain | R: Existing controls are not satisfactory |
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Summary Risk Register

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|----------|---|------------|--------|---|--|------------|--------|-------------------------|---|--------------------|
| | | Likelihood | Impact | | | Likelihood | Impact | Risk Status & Direction | | |
| CR16 | Loss or mishandling of personal or commercial information could result in harm to individuals, a breach of legislation such as the Data Protection Act 1988 which incurs a monetary penalty of up to £500,000. Breaches can also incur compliance | 5 | 3 | Chamberlain | Central monitoring & issuing of guidance including DP awareness . Annual awareness emails and other awareness raising tools. Some monitoring of data processor contracts to ensure DPA compliance. | 3 | 3 | A ↔ | Compliance audits to be undertaken by the Town Clerk's Information Officers. E-learning training course to be kept up to date and reviewed at regular intervals. | A |
| CR17 | Failure of the City of London's statutory obligation to safeguard adults at risk and children | 3 | 5 | Director of Communities and Children Services | Corporate Safeguarding Policy established highlighting training requirements for departmental Safeguarding Champions | 1 | 5 | A | Awareness campaign, Establishing safeguarding champions | A |
| CR18 | Loss of capacity due to changes in the working environment, reducing the ability to achieve our strategic aims and objectives | 4 | 3 | Director of HR | HR Business Plan 2014/17 (succession planning, sourcing strategy, employer of choice) Regular pay survey | 3 | 3 | A | L&D Strategy to move to a culture of self-development improving capacity of the organisation | A |

| KEY | 1 | 2 | 3 | 4 | 5 | Control Evaluation: |
|--|---------------|----------|----------|--------|----------------|---|
| Likelihood | Rare | Unlikely | Possible | Likely | Almost Certain | R: Existing controls are not satisfactory |
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| *Direction relates to change in assessment since last review (up/down/no change) | | | | | | G: Robust mitigating controls are in place with positive assurance as to their effectiveness |

Risk Supporting Statement: CR1

Risk Owner: Town Clerk

| | | | |
|---------------|---|-------------------|---------------|
| Risk | City Corporation fails to work effectively with related parties to respond appropriately following a major incident/severe business disruption to restore service delivery, assist business recovery and support the community. | Gross Risk | R |
| | | Likelihood | Impact |
| | Links to: Strategic Aims SA1 & SA2 and Key Policy Priority KPP3 | 4 | 5 |
| Detail | <p>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 an emergency. This risk is directly linked to CR2 (Supporting the Business City), CR3 (Financial Stability) and CR8 (Reputation Risk), any changes on this risk's assessment may lead to reassessment of these risks.</p> | | |
| Issues | <p>Controls</p> <ul style="list-style-type: none"> * Public/business confidence in the City as a safe environment and international reputational issues * Specific locations as potential targets (high profile areas/buildings in the City and City Corporation assets) * Employee/community welfare issues (visitors, residents and workers) * Pre-planned events, whether in the City or elsewhere, that adversely affect business, property or communities for which the City Corporation has a statutory or corporate responsibility | | |
| | <ul style="list-style-type: none"> * Iconic sites within the City have been assessed by the Security Services and plans concerning these are regularly exercised (Assistant Town Clerk and relevant Chief Officers) * Generic Emergency Management Plan and Corporate and Departmental Business Continuity arrangements are in place and are regularly exercised (Assistant Town Clerk 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 emergencies (Assistant Town Clerk) * The City Corporation has held a series of thematic workshops focusing on the potential impacts of various emergencies on the Square Mile's business community and a publication to help firms be better prepared has been produced (Assistant Town Clerk) * 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 Assistant Town Clerk) * The City Corporation conducts and takes part in multiagency exercises focusing on the key risks (Assistant Town Clerk) * Systems are in place to warn and inform the community (visitors, residents and businesses) (Assistant Town Clerk and Director of Public Relations) * Procedures are regularly reviewed, incorporating lessons learned from recent incidents and near misses, enabling greater coordination of the City's response. (Assistant Town Clerk and relevant Chief Officers) <p>Other relevant controls:</p> <ul style="list-style-type: none"> * Building safety and evacuation/invacuation plans are in place for City of London Corporation's corporate premises (Assistant Town Clerk and relevant Chief Officers) | | |

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| <p>Summary</p> <p>* This risk relates specifically to the City Corporation’s ability to address the impacts of a major incident/severe business disruption 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.</p> <p>* 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 emergencies.</p> <p>* The City of London Corporation, along with the Police undertakes a range of activities with other agencies to prevent and prepare for emergencies. 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.</p> | Net Risk | A |
| | Likelihood | Impact |
| | 1 | 5 |
| | Control Evaluation | |
| | G | |

Risk Supporting Statement: CR2

Risk Owner: Director of Economic Development

| | | | |
|-------------|---|-------------------|---------------|
| Risk | The City Corporation fails effectively to defend and promote the competitiveness of the business city which loses its position as the world leader in international financial and business services. Links to: Strategic Aims SA1 & SA3 and Key Policy Priorities KPP1 & KPP3 | Gross Risk | R |
| | | Likelihood | Impact |
| | | 4 | 4 |

| | |
|---------------|---|
| Detail | If the City Corporation fails to provide effective support for and promotion of the competitiveness of the business city there is a danger that the City will lose its international position leading to a reduction in business activity in the City, lower income for and industry engagement with CoL. One of EDO's main purposes is to mitigate this risk. However, it should be noted that damage to the City's competitive position could occur as a result of circumstances beyond CoL's ability to influence. |
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| <p>Issues</p> <ul style="list-style-type: none"> * Domestic and EU tax and regulation is crucial to City competitiveness * The development of a European Banking Union and the ability to continue contracting euro-denominated business in the UK. * The debate over the UK's relationship with, and membership of, the EU creates uncertainty over London's place in the Single Market and thus its attractiveness to international firms. * Issues which pose a major threat to the City's reputation e.g. response to Forex investigations, migration/access to skilled workers. | <p>Controls</p> <ul style="list-style-type: none"> * Programme of work of the EDO to promote and defend City's competitiveness and explain CoL's role (ref. EDO Business Plan) and role of the industry in supporting the wider economic growth and jobs creation agenda. (Assistant Director, City, EU, International Affairs) * International Regulatory Strategy Group's role to shape the European and international regulatory landscape in a way that preserves the free flow of capital and promotes open markets and to the development of a European Banking Union does not lessen the European Single Market. (Director, Economic Development) * Programme to coordinate and promote diverse initiatives under way to improve governance, professionalism and business culture across the financial services industry, in response to the Parliamentary Commission on Banking Standards, under the umbrella of the Lord Mayor's 'Trust and Values – Investing in Integrity' initiative. (Director, Economic Development) * Robust policy, media and political response to industry developments affecting public perceptions of the City as a whole. (Both Assistant Directors, Economic Development) * Role of the Lord Mayor as an ambassador for the Business City. (Assistant Director, City, EU, International Affairs) * Role of the Policy and Resources Committee Chairman in promoting the City. (Assistant Director, City, EU, International Affairs) |
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| Summary At any given time there are a number of issues that could undermine the City's position as a world leader in international financial and business services. Specific issues will be refreshed at each review with appropriate mitigation. | Net Risk | A |
| | Likelihood | Impact |
| | 3 | 4 |
| | Control Evaluation | |
| G | | |

Risk Supporting Statement: CR8

Risk Owner: Director of Public Relations

| | | | |
|-------------|---|-------------------|---------------|
| Risk | Negative publicity and damage to the City Corporation's reputation. Links to: Strategic Aims SA1, SA2 & SA3 and Key Policy Priorities KPP1, KPP2, KPP3, KPP4 & KPP5 | Gross Risk | R |
| | | Likelihood | Impact |
| | | 4 | 4 |

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| Detail | <p>This risk may materialise as a result external factors or failure to manage risk within the operations of the organisation. There will always be an inherent risk around reputation, but the specific threats present at any one time will vary depending on the nature of key projects, internal and external developments or factors. A shortlist of the most significant issues is maintained, updated by the Director of Public Relations on a quarterly basis using information gained from on-going liaison with departments and, in future as risk management becomes embedded, through examination of departmental risk registers. In addition to the shortlist below, there is a broad risk in relation to negative publicity or adverse media comment following failure of service delivery. The likelihood and impact of this is very much dependent upon the circumstances and outcome of the failure.</p> |
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| Issues n/a | Controls |
| | <ul style="list-style-type: none"> * Communications strategy in place (Director of Public Relations) * Experienced media/communication team with the right skills to handle reputation issues (Director of Public Relations) * Regular liaison with Committees and departments including through Departmental (Director of Public Relations) * Communication Representative Meetings etc., aiming to ensure the overall reputation of the organisation is kept under close review during all policy deliberations (Director of Public Relations) * PR Tool kit prepared for departmental communications representatives (Director of Public Relations) * Examination of departmental risk registers to identify emerging issues (on-going) (Director of Public Relations) * Working with PR Consultants to improve City Corporation’s ability to respond to PR challenges (Director of Public Relations) |

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|--|------------|--------|---------------------------|---------------|
| Summary | Likelihood | Impact | Net Risk | A |
| * Hampstead Heath Hydrology and related issues | 2 | 5 | Likelihood | Impact |
| * London Living Wage | 3 | 3 | | |
| * Debate around the transparency and accountability for City's Cash | 4 | 3 | 3 | 4 |
| * Adverse comment or publicity on the role, purpose and governance of the City Corporation | 3 | 3 | Control Evaluation | |
| * Managing the impact of street works on visitors, residents and workers | 5 | 3 | | |
| * External website project fails to meet delivery timetable and objectives as a communication tool | 1 | 3 | | |
| * Adverse publicity from any failures of performance by City Schools. | 1 | 3 | G | |
| * Any failure on the children's safeguarding procedures | 1 | 5 | | |

Risk Supporting Statement: CR9

Risk Owner: Health and Safety Committee / Relevant Chief Officer

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|--|---|-------------------|---------------|
| Risk | Major failure of health and safety procedures resulting in a fatality in an accident on City of London Corporation premises or to a member of the City of London workforce. | Gross Risk | R |
| | | Likelihood | Impact |
| | | 4 | 4 |
| Links to: Strategic Aims SA2 & SA3 and Key Policy Priority KPP2 | | | |

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| Detail | Corporate oversight of health and safety risk is maintained by Corporate Human Resources, an officer Health and Safety Committee is in operation, chaired by the Town Clerk. A health and safety risk management system is in place, with monitoring and review mechanisms, ensuring that the key risks identified across the organisation are controlled and escalated accordingly. The committee monitors progress to address significant issues as they arise. For the purpose of maintaining the Strategic Risk Register, a shortlist of the most significant current health and safety risks will be maintained. |
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| Issues Management of Contractors. | Controls <ul style="list-style-type: none"> * Policy in place to meet legal requirement (Director of HR) * Corporate Training is in place and effective (Director of HR) * H&S Plans being developed and working groups in operation in all departments (All Chief Officers) * Top X being reported – further work on content improvement planned (All Chief Officers - coordinated by Corporate Health & Safety Manager) * Accidents & Near Misses being reported & investigated via a new system (All Chief Officers) * Departmental Competencies Improved and departmental H&S committees being monitored (Corporate Health & Safety Manager) * A new health and safety management system for buildings is being trialled within City Surveyors. The new system will help identify where health and safety risk exists within City of London property assets and assess how well it is being managed with a view to improving performance. (Health & Safety Manager Property) |
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| Summary The Action plan is nearing completion. The H&S systems across the Corporation of London to ensure H&S compliance have been reviewed and the new Policy, approved by the Establishment Committee on 18th April 2013, is now prompting procedural reviews in some departments. The Town Clerk has communicated to all chief officers the importance of the responsibilities highlighted in the policy and a further training event is planned for all managers in March/April. Member training on the impacts of Health & Safety and decision making was delivered to new members. Near Miss reporting is happening, though this could still be improved in some departments. | Net Risk | A |
| | Likelihood | Impact |
| | 1 | 4 |
| | Control Evaluation | |
| | A | |

Risk Supporting Statement: CR10

Risk Owner: Remembrancer

| | | | |
|-------------|---|-------------------|---------------|
| Risk | Adverse political developments undermining the effectiveness of the City of London Corporation. Links to: All Strategic Aims and Key Policy Priorities. | Gross Risk | R |
| | | Likelihood | Impact |
| | | 5 | 5 |

| | |
|---------------|--|
| Detail | Owing to its nature and geographical size, the City Corporation is particularly vulnerable to political developments concerning London government. There are two main issues at present: the continuing aftermath of the financial crisis with the resulting close scrutiny of the City Corporation, and the longer term threat to the Corporation's local authority functions from sharing of services and a possible London Government review. |
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| <p><u>Issues</u></p> <p>* The current problems in the financial system have provoked allegations of undue influence and partial accounts of the City Corporation's lobbying activities and deployment of City's Cash.</p> <p>* A review of London government is not currently envisaged but the increased interest in sharing services (and offices) between authorities and Boundary Commission proposals may reinstate earlier suggestions for 5 or 6 "super boroughs", raising concerns around the viability of a separate administration for the Square Mile.</p> | <p><u>Mitigating Actions</u></p> <p>* Promotion of the good work of the City Corporation. The City Corporation needs to remain relevant and "doing a good job" and be seen as such. (Remembrancer)</p> |
|--|--|

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|--|---------------------------|---------------|
| <u>Summary</u> The organisation needs to ensure it is seen as important and relevant across a wide field of activities that are not geographically limited to the Square Mile or to the future of the financial sector alone. Current public affairs activities should be maintained to this end. Any functions which may be vulnerable on account of their size if kept as free standing operations need to be identified and the case for ameliorating action (e.g. partnerships, shared services) considered. | Net Risk | A |
| | Likelihood | Impact |
| | 2 | 4 |
| | Control Evaluation | |
| G | | |

Risk Supporting Statement: CR11

Risk Owner: Director of Open Spaces

| | | | |
|--|--|-------------------|---------------|
| Risk | Major flooding caused as a result of pond or reservoir failures | Gross Risk | R |
| | Links to: Strategic Aim SA3 and Key Policy Priority KPP4 | Likelihood | Impact |
| | | 3 | 5 |
| Detail | <p>The City is responsible for a number of water bodies, some of which are classified as “Large Raised Reservoirs” under the provisions of the Reservoirs Act 1975 and Flood & Water Management Act 2010. “Large Raised Reservoirs” currently this refers to those raised bodies of water with a capacity of more than 25,000m³. It is anticipated that this will be reduced to 10,000m³ when the provisions of the 2010 Act are fully brought into force. Those reservoirs where there is a risk to life in the event of breach, the EA can define them as “high risk” – currently 3 on Hampstead and two at Epping Eagle Pond and Highams Park but not Wanstead. It is anticipated that the full enactment of the 2010 Act will result in more of the City’s raised water bodies being categorised as “high risk” – particularly those in cascade. The City of London Strategic Flood Risk Assessment 2012 with new surface water modelling identified 4 areas of risk in the City from upstream run-off (including Hampstead Heath). Epping Forest dams are already subject to a section 10 notice of improvement issued by the panel engineer and works are planned to commence on site in April 2014.</p> | | |
| Issues | Controls | | |
| * Insufficient warning given of flooding | * Telemetry system installed and managed by the City Surveyor as an integral part of the on-site Emergency Action Plan for reservoir dam incidents enabling early warning where pre-determined water levels at key ponds in both the Hampstead and Highgate chains of ponds are breached. (City Surveyor/Director of Open Spaces) | | |
| * Inadequate response to dam overtopping | * Emergency Action Plan for on-site and off site response is in place with Camden and Waltham Forest. (City Surveyor/Director of Open Spaces) | | |
| * Sensitivities of the local community regarding the natural aspect of the Heath | * The City continues to undertake extensive consultation with local stakeholders about why these public safety projects are required. (City Surveyor) * When the preferred design options are developed, wider public consultation may produce new issues, not yet anticipated by the Project Board. (Director of Open Spaces) There remains a potential risk for Judicial Review. This is most likely to arise in relation to the City’s need to adhere to current Guidance that sets standards for dams and reservoirs that is opposed by certain Groups/individuals. | | |

* Non delivery of project to upgrade pond embankments (includes slippage from agreed timetable and budget)

* The City has appointed a specialist consultants (Atkins) to undertake a review of the current risk of flooding based on storm predictions and based upon that assessment they are preparing a number of options to mitigate this risk for consideration by the CoL. The final agreed option will form the basis of a planning application planned for June 2014. with a planed start on site The appointed of contracts for Epping Forrest will take place in January 2014 to allow a start on site in April 2014. **(City Surveyor)**

* Responsibilities and implications for adjacent landowners

To be reviewed against each identified project

Summary

The projects to upgrade the pond and reservoir embankments is progressing, but until such time the projects completed (2015/16) there remains a risk if the dams are breached the water normally stored in the ponds will also be released and combine with the flood water – very quickly and in a completely uncontrolled way – with risk to life and property downstream. Day to day management of the ponds and the community welfare aspects of this risk lies with the Director of Open Spaces.

| | |
|---------------------------|---------------|
| Net Risk | R |
| Likelihood | Impact |
| 3 | 5 |
| Control Evaluation | |
| A | |

Risk Supporting Statement: CR14

Risk Owner: Chamberlain

| | | | |
|---|---|---------------------------|---------------|
| Risk | Likely reductions in future spending rounds will reduce grant income for the City Corporation resulting in the Corporation being unable to maintain a balanced budget and maintain healthy reserves in City Fund significantly impacting on service delivery levels. Whilst it is almost certain that reductions in grant income will occur in 2016/17 and 2017/18, we do not know the magnitude. | Gross Risk | R |
| | Links to: Strategic Aim SA2 and Key Policy Priority KPP2 | Likelihood | Impact |
| | | 5 | 4 |
| Detail | <p>This risk is already headlined in the medium term financial strategy approved by the Court of Common Council in March 2014. The financial strategy last year was to make further efficiencies to generate small surpluses for the next two years. These surpluses were to bolster our reserves, allowing time to plan for future government spending cuts. The 2013 Autumn Settlement announced a 15.8% reduction for 2015/16 for non-police services. Due to savings already made, the City Fund is able to accommodate this loss within a breakeven position for 2015/16.</p> <p>Further cuts are likely in future spending rounds and coupled with the financial impact of other pressures such as our share of the likely appeals losses under the new Business rates system and the progressive adoption of the London Living Wage, the 2017/18 forecast deficit is likely to be £8.9m. However we have sufficient reserves to allow us to plan for managed savings once the magnitude of any reduction is known.</p> | | |
| Issues | Controls | | |
| <ul style="list-style-type: none"> * Reduction in grant income to the City Corporation * Increasingly difficult to maintain a balanced budget * Increased pressure on reserves | <ul style="list-style-type: none"> * Service based review to address the 2016/17 and 2017/18 forecast deficit, including a review of spend not in line with City Fund duties that may potentially be better funded from Bridge House Estates. (The Town Clerk, Chamberlain and Financial Services Director) * Review of operational assets. (The Chamberlain and Financial Services Director) * Robust financial planning. (The Chamberlain and Financial Services Director) * Direct engagement with central government on grant formula (The Chamberlain and Financial Services Director) * Scrutiny of implementation of savings options by the Efficiency Board and Efficiency and Performance Sub-Committee. (The Town Clerk, Chamberlain and Financial Services Director) | | |
| Summary | The financial strategy already addresses this risk in the development of a package of proposals of £20m per annum for consideration by Resource Allocation Sub Committee. The savings programme will need to be developed for implementation over the next 18 months. Savings will begin to be reflected in budgets for 2015/16 with full impact by or before 2017/18. There is also a risk that the financial position will further deteriorate post 2018, so savings proposals above the £13m needed to balance City Fund and City's Cash will help mitigate this risk. | Net Risk | R |
| | | Likelihood | Impact |
| | | 5 | 4 |
| | | Control Evaluation | |
| | | R | |

Risk Supporting Statement: CR16

Risk Owner: Chamberlain

| | | | |
|--|--|-------------------|---------------|
| Risk | Loss or mishandling of personal or commercial information could result in harm to individuals, a breach of legislation such as the Data Protection Act 1988 which incurs a monetary penalty of up to £500,000. Breaches can also incur compliance enforcement action, corruption of data and significant reputational damage. To ensure the protection of information at the City Corporation a number of controls and risk owners must be exerted which span IT infrastructure, information policy, physical handling, online access and sharing and everyday behaviour within and outside the City Corporation | Gross Risk | R |
| | | Likelihood | Impact |
| | | 5 | 3 |
| Links to: All Strategic Aims and Key Policy Priorities. | | | |

| | |
|---------------|--|
| Detail | There is a need to emphasise the importance of information governance as a discipline and the challenges it presents in the digital age (wider than the Data Protection Act) encompassing guidance and linkages to compliance, controls, behaviours, risks etc in relation to different types of information we handle and to sustain this engagement within organisation. Suggestions of how this can be achieved is provided in the accompanying report. |
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| <p>Issues</p> <ul style="list-style-type: none"> - Lack of Member and staff awareness of, and engagement with required behaviour with regards to information handling - Office moves/relocations increase the possibility of losing or misplacing personal information. - Transferring personal information to third parties, e.g. when contracting out services. - Incorrect/accidental disclosure or loss of personal information, e.g. when sending personal information using any medium. - Insufficient security in place to protect personal information across the City Corporation: only social care information is encrypte/protectively marked. - lack of attention to risks posed by NOT sharing appropriate information - e.g. danger to life of vulnerable adults - Increasing complexity and volume of information - increasing costs | <p>Controls</p> <ul style="list-style-type: none"> * Central monitoring & issuing of guidance and communications exists for data protection compliance (DP) (since 2003), along with nominated senior officer responsibility, Access to Information Network with departmental reps (Deputy Town Clerk) * DP awareness written into corporate employee policies as a requirement (Director of HR) * DP: Employee Data Protection Policy requirement to complete the corporate DPA e-learning course (Director of HR) * DP: Rolling program of tailored DPA training presentations for all staff and Members (Information Officer) * DP: Record of all presentation attendees and e-learning sign-offs kept for audit purposes (Information Officer) * DP: Awareness emails sent biannually to all staff (Information Officer) * DP: Other awareness raising tools used when highlighting key issues (Information Officer) * DP: Some monitoring of data processor contracts to ensure DPA compliance (Chief Officers of All Departments where Data Processors Operate) * IS recently appointed a Technical Solutions Officer to scrutinise and refresh existing policy around cybersecurity and technology infrastructure risk in partnership with Agilisys the IS strategic partner to the City. (Cheif Information Officer) |
|--|---|

| | | |
|--|---------------------------|---------------|
| <p>Summary</p> <p>* All Members and officers should be aware of 'good practice' in relation to handling information - but more needs to be done to address the opportunity and risk of information as business asset in CoL via policy refresh, staff and Member engagement, training and guidance. The accompanying report makes recommendations for next steps.</p> <p>* Personal information, in whatever format it is held, should be kept secure at all times. Appropriate policies, procedures and tools should be in place, regarding the management of personal information, including share, transfer, disclose, transport and destruction of information.</p> <p>* Compliance audits undertaken by Town Clerk's Information Officers are underway across the organisation to monitor DP adherence and suggest improvements.</p> <p>* The e-learning training course should be reviewed at regular intervals. At present the module covers DP however there is scope for this module to cover wider issues in relation to information security and management</p> <p>* In addition, the IS division will work in partnership with the Town Clerk's department in ensuring that relevant policies are refreshed at regular intervals, communicated and understood and to enforce necessary technological controls.</p> <p>* The risk owner for CR16 is the Chamberlain. However, every Department has a responsibility for the personal information it processes, and therefore all Chief Officers must assume responsibility to ensure compliance with Information Governance.</p> | Net Risk | A |
| | Likelihood | Impact |
| | 3 | 3 |
| | Control Evaluation | |
| | A | |

Risk Supporting Statement: CR17

Risk Owner: Director of Community and Children Services

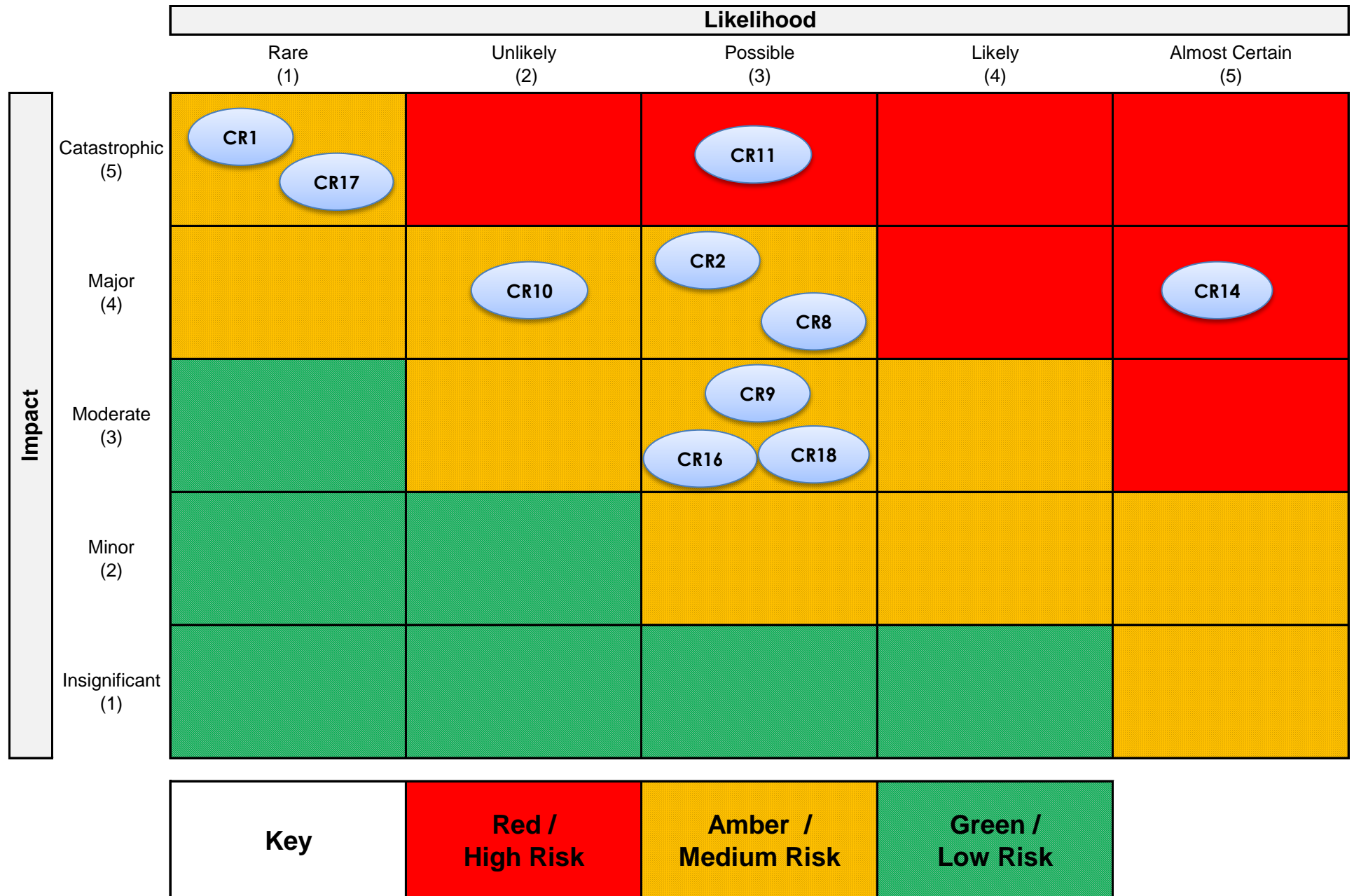
| | | | | |
|---|---|-------------------|-----------------|----------|
| Risk | Failure of the City of London's statutory obligation to safeguard adults at risk and children | Gross Risk | R | |
| | Links to: Strategic Aim SR2 and Key Policy Priority KPP2 | Likelihood | Impact | |
| | | 3 | 5 | |
| Detail | The risk could lead to harm to our service users and severely damage the City of London's reputation, including the possible investigation and lack of public confidence in the services provided. Although primarily this risk sits with the Community and Children's Services department there will be close working arrangements with departments such as Culture, Heritage and Libraries and Open Spaces who also provide services for children and adults at risk. | | | |
| Issues | Controls | | | |
| * Weaknesses have been identified embedding safeguarding across the City of London and within schools located within the City.. | <p>* Corporate Safeguarding Policy, as approved by the Chief Officers Group on 19 March 2014 and Community and Children's Services Committee on 11 April 2014, highlights training requirements for departmental Safeguarding Champions. Safeguarding Champions for the following departments will be identified by the end of May 2014 - Town Clerks, City Bridge trust, Culture heritage and Libraries, Open Spaces, Markets and Consumer Protection and Built Environment. (Service Managers for Children and Adult Services)</p> <p>* Awareness raising campaign to commence in June 2014. An impact analysis will be carried out in December 2014 to assess the success of the campaign and to identify if further actions need to be implemented. (Strategic Communications Manager)</p> <p>* Partnership arrangements in place with Health, Housing, City of London Police and Voluntary sector to monitor reports of harm. (Service Managers for Children and Adult Services)</p> <p>* Term based reviews with the Guildhall School of Music and Drama and City Schools. (Assistant Director - People Division)</p> <p>* Governor training sessions have commenced in December 2014 and are on-going. (Assistant Director - People Division)</p> | | | |
| Summary | Work is ongoing to embed safeguarding issues within the City of London and Schools located in the City. This will be supported by the Corporate Safeguarding Policy and the implementation of the associated training and communication plans. Annual reports on both Adult and Children's safeguarding have been reported to the Safeguarding sub committee in September to report on progress and to update the cross partnership training planned. | | Net Risk | A |
| | | Likelihood | Impact | |
| | | 1 | 5 | |
| | Control Evaluation | | | |
| | | | A | |

Risk Supporting Statement: CR18

Risk Owner: Director of Human Resources

| | | | |
|--|--|---------------------------|---------------|
| Risk | Loss of capacity due to changes in the working environment, reducing the ability to achieve our strategic aims and objectives Links to: All Strategic aims and key policy priorities. | Gross Risk | A |
| | | Likelihood | Impact |
| | | 4 | 3 |
| Detail | <p>The fact that we have been less affected by the economic downturn than most and have largely protected our employees through this time, actually increases the risk for the next 3 years. Other organisations are starting to slowly recover and the market value of specialist skills is beginning to increase (we see that now with IS), this is at a time we are doing service reviews and taking large amounts out of the budget this has the potential to increase turnover of our most marketable staff. We can no longer predict turnover on the basis of age so the risk of losing skills and experience and corporate knowledge without adequate time to prepare is greater than before. In addition we operate in so many different markets for jobs it is not just the value of the posts in the markets which affect our ability to attract and retain staff. Technology and ways of working is affecting all 'professions', being 'leading edge' and having the jobs most sought after in different fields is also dependant on being at the forefront of the industry. If we fall behind in that we will have to recruit from different levels in the market.</p> | | |
| Issues | Controls | | |
| <ul style="list-style-type: none"> * Removal of Default retirement age * New Pension regulations * Moving of Statutory Pension Age * Key staff leaving the organisation as job market improves * Working environment lacks application of latest technology and is unattractive to retain and attract new staff | <ul style="list-style-type: none"> * The HR Business Plan for 2014/17 includes development of succession planning and a revised sourcing strategy which is intended maintain our position in our critical markets as the employer of choice. (Head of Corporate HR and Business Services) * The Business Plan also includes a regular pay survey to better inform the market rates which in turn informs our sourcing strategy for key posts and improves our response and conversion rates. (Head of Corporate HR and Business Services) * That the revised PDF scheme addresses these issues specifically and is better aligned to developing staff for the future needs of the business and that staff are asked to indicate their medium term plans if known. (Head of Corporate HR and Business Services) | | |
| Summary | The risk remains at Amber but the likelihood has been reduced by the controls. | Net Risk | A |
| | | Likelihood | Impact |
| | | 3 | 3 |
| | | Control Evaluation | |
| | | A | |

Strategic Risk Profile



Guidance Notes

The following notes have been prepared to assist users of this document.

| Risk Register Headings | Description |
|------------------------------------|---|
| Risk No. | Unique reference for the risk. |
| Risk Details | Description of the risk. |
| Gross Risk | Assessment of the risk before taking into account any existing mitigating controls, Likelihood and Impact having been assessed against the risk assessment framework. |
| Risk Owner | Officer responsible for the overall management of specific risks |
| Control Owner | Officer responsible for coordinating the activity to control the risk |
| Existing Controls | Controls in place to mitigate the risk. |
| Net Risk | Assessment of the risk having taken into account the mitigating controls in place. |
| Risk Status & Direction | Overall status of Red, Amber or Green calculated in accordance with the assessment of Likelihood and Impact, having applied the risk assessment matrix. |
| Planned Action | Details of further action required to mitigate the risk to an acceptable level. |
| Control Evaluation | An assessment of the adequacy of controls in place |

| Ratings | Risk Status | Control Evaluation |
|---------|--|--|
| R | High risk, requiring constant monitoring and deployment of robust control measures. | Existing controls are not satisfactory |
| A | Medium risk, requiring at least quarterly monitoring, further mitigation should be considered. | Existing controls require improvement/Mitigating controls identified but not yet implemented fully |
| G | Low risk, less frequent monitoring, consideration may be given to applying less stringent control measures for efficiency gains. | Robust mitigating controls are in place with positive assurance as to their effectiveness |

Guidance Notes

| Likelihood Scores | Description |
|-------------------|---|
| 1 Rare | Robust mitigating controls in place, the risk may occur only in exceptional circumstances, (e.g. not likely to occur within a 10 year period or no more than once across the current portfolio of projects). |
| 2 Unlikely | Adequate mitigating controls in place, the risk may occur in remote circumstances (e.g. risk may occur once within a 7-10 year period or once across a range of similar projects). |
| 3 Possible | Reasonable mitigating controls in place, but may still require improvement. External factors may result in an inability to influence likelihood of occurrence (e.g. risk event could occur at least once over a 4-6 year period or several times across the current portfolio of projects). |
| 4 Likely | Mitigating controls are inadequate to prevent risk from occurring, the risk may have occurred in the past (e.g. risk event could occur at least once over a 2-3 year period or several times across a range of similar projects). |
| 5 Almost Certain | Mitigating controls do not exist or are wholly ineffective to prevent risk from occurring. The risk has occurred recently or on multiple past occasions (e.g. risk event will occur at least once per year or within a project life cycle). |

| Impact Scores | Description |
|-----------------|--|
| 1 Insignificant | An event where the impact can be easily absorbed without management effort. |
| 2 Minor | Impact can be readily absorbed although some management input or diversion of resources from other activities may be required. The event would not delay or adversely affect a key operation or core business activity. |
| 3 Moderate | An event where the impact cannot be managed under normal operating conditions, requiring some additional resource or Senior Management input or creating a minor delay to an operation or core business activity. |
| 4 Major | Major event or serious problem requiring substantial management/Chief Officer effort and resources to rectify. Would adversely affect or significantly delay an operation and/or core business activity or result in failure to capitalise on a business opportunity. |
| 5 Catastrophic | Critical issue causing severe disruption to the City of London, requiring almost total attention of the Leadership Team/Court of Common Council and significant effort to rectify. An operation or core business activity would not be able to go ahead if this risk materialised. |