

City of London Corporation Committee Report

Committee(s): Finance Committee – For information	Dated: 17 February 2026
Subject: Chamberlain’s Departmental Risk Management Update	Public report: For Information
This proposal: <ul style="list-style-type: none">• delivers Corporate Plan 2024-29 outcomes• provides statutory duties	Providing Excellent Services
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	£0
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain’s Department?	n/a
Report of:	Caroline Al-Beyerty, Chamberlain
Report author:	Leah Woodlock, Chamberlain’s Department

Summary

This report informs the Finance Committee about Financial Corporate and Departmental risks in the Chamberlain’s department. There are currently two RED risks on the Corporate Risk Register under Chamberlain’s responsibility. In January, the risk rating of all corporate risks remains consistent, there are two RED corporate financial risks (CR35 Unsustainable Medium-Term Finances – City Fund and CR42 Housing Revenue Account (HRA) Finances).

The Chamberlain’s Senior Leadership Team and divisional management teams regularly update the risk register to monitor risks and opportunities.

Recommendation

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 the Committee the key risks faced in their department. The Finance Committee has determined that it will receive the Chamberlain’s Risk Register at each meeting.

2. The Digital Information Technology Service (DITS) as a part of the Chamberlain's Department risks are reported to the Digital Services Committee for oversight. The Commercial, Change and Portfolio Delivery (CCPD) as a part of the Chamberlain's Department risks are reported to the Projects and Procurement Sub-Committee for oversight.

Current Position

3. The Chamberlain's department currently has two financial RED Corporate Risks; all risks are regularly reviewed, and several mitigation measures have been implemented to prevent these risks or future risks from materialising.
4. The risk score for CR35 **Unsustainable Medium-Term Finances – City Fund (current score RED 16)** remains consistent at RED 16, following the release of the Government's provisional funding settlement for 2026/27 onwards and will be updated upon receiving the final settlement.
5. The Government's Fair Funding settlement for 2026/27 presents potential considerable consequences for the City Corporation, caused by adjustments in funding formulas. The intersection of a reduced assessed need, the absence of a multi-year settlement, potential funding cliff-edges, and the lack of recognition for UK/London-wide responsibilities requires a bespoke funding arrangement and discussions are ongoing with government to clarify the funding position. Greater clarity is expected once the settlement offer is officially released on 9 February.
6. **CR42 Housing Revenue Account (HRA) Finances (current score RED 16).** The HRA is making major changes to improve its finances and operations. These steps include updating its capital financing strategy to support sustainable borrowing and rebuild reserves over the next three years. External consultants are reviewing the HRA's delivery approach to boost efficiency and flexibility. New procedures now closely monitor housing unit delivery, and budget management has been strengthened with features like real-time expense tracking, early warnings, and escalation protocols.
7. Full details of all Chamberlain's corporate and departmental risks can be found in appendix 1. As per the requirement of the City of London Corporation's Risk Management Policy, the corporate risk appetite assessments are included in appendix 2.

Strategic implications –

Financial implications – As outlined in the individual risks in appendix 1, the identified mitigations with support the avoidance of the realisation of risks and therefore negative financial implications.

Resource implications - Nonapplicable

Legal implications – failure to mitigate the Chamberlain's Department's risks (particularly those relating to City Fund), would impose legal and statutory implications for the City of London Corporation.

Risk implications – As noted in the report and appendix 1.

Equalities implications – Nonapplicable

Climate implications – Nonapplicable

Security implications – Nonapplicable

Conclusion

8. Members are asked to note the actions taken by Chamberlain's Department to manage all risks. Actions aim to continue monitoring and reducing the risk level, which will be reported on at future finance committees.

Appendices

- Appendix 1 – Departmental Risk Register
- Appendix 2 – Risk Appetite Assessments (non-public)

Background Papers

Chamberlain's Departmental Risk Management Update Reports

Leah Woodlock

Chamberlain's Project Manager

Chamberlain's Department

E: Leah.Woodlock@cityoflondon.gov.uk