City of London Corporation Committee Report

Committee(s): Finance Committee – For information	**Dated:** 2 June 2026
Subject: Chamberlain's Departmental Risk Management Update	**Public report:** For Information
This proposal: • **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
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Summary

The Finance Committee is updated monthly on the financial corporate and departmental risks documented by the Chamberlain's department. As at June 2026, there are **two** RED-rated risks listed on the Corporate Risk Register. Significant work is underway to mitigate the realisation of these two risks and all red and amber rated risks within the gift of the Chamberlain's Department. The risk score for all corporate risks have remained unchanged since the previous update.

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 has two major financial RED Corporate Risks, which are regularly reviewed, with multiple mitigation measures in place to prevent them or future risks. Significant analysis on spend has been undertaken throughout April and May for both funds.

4. The risk score for CR35 **Unsustainable Medium-Term Finances – City Fund (current score RED 16)** remains unchanged. The score reflecting ongoing geopolitical decisions becoming a structural economic driver – i.e. impacting inflation and demand, plus the decision on Fair Funding Formula being based on deprivation of needs. Although Government has recognised the updated formula is based on residents and does not consider the national and pan-London services plus the daily commuter populations. The City Corporation has received transitional relief over the three-year period as part of a bespoke funding arrangement. However, core funding has reduced by over £60m and discussions are ongoing with central government. Until the position is clarified, there is tremendous fiscal uncertainty, and the need to deliver sustainable savings and income to maintain a balanced City Fund budget.

5. Mitigations continue through the Medium-Term Financial Plan and associated funding strategy. Work is also progressing to strengthen financial grip and delivery of savings: pressures and mitigations are being tracked more granularly within budget monitoring reports, the draft savings timetable and approach has been reset for 2026/27 with a proactive pipeline for 2027/28 through to 2029/30, and governance has been reinforced through the Chief Executive, Town Clerk's Senior Leadership Team with the support of the Officer Future Planning Forum (Chief Officer's direct reports) and a new Savings Assurance Board to monitor and enable delivery of identified savings – with a regular progress update to Resource Allocation Sub Committee.

6. **CR42 Housing Revenue Account (HRA) Finances (current score RED 16)**. The score reflects inflation, additional spend and resources required to ensure compliance requirements are met, substantial improvement works required on existing stock, and delays in new units affecting income. Mitigation includes fortnightly monitoring of capital schemes and repair costs, plus continuous review of exceptional financial support, including capitalising expenses where appropriate. Current actions involve working with MHCLG and CIPFA to address funding, implementing the revised 10-year HRA plan, and exploring long-term sustainability.

7. Full details of all Chamberlain's corporate and departmental risks can be found in appendix 1.

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 – Not applicable

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 – Not applicable

Climate implications – Not applicable

Security implications – Not applicable

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 – Chamberlain's Departmental Risk Register

Background Papers

Chamberlain's Departmental Risk Management Update Reports

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