City of London Corporation Committee Report

Committee(s): Finance Committee – For information	**Dated:** 15 July 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 regularly on the corporate and departmental risks documented by the Chamberlain's department. There continues to be **two** RED-rated financial risks listed on the Corporate Risk Register. Mitigation efforts are ongoing to prevent the realisation of these risks. 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 financial RED Corporate Risks, which are regularly reviewed, with multiple mitigation measures in place to prevent them or future risks. The detailed updates on the risks and the mitigating actions are included in appendix 1 of this report.

4. The risk score for CR35 **Unsustainable Medium-Term Finances – City Fund (current score RED 16)** remains unchanged. Over the past month, further analysis of income and expenditure has progressed ahead of the Policy & Resources Away Day in July. Members will receive the recommended budget-setting principles for the next three years, alongside an overview of the savings programme, proposals to reduce the forecast deficit, and income generation opportunities in the autumn.

5. For both City Fund and City's Estate ongoing geo-political uncertainty continues to present a material financial risk, particularly through its impact on global supply chains, inflationary pressures, and market volatility. These factors may drive cost increases in key areas such as construction materials, energy, and contracted services, placing additional strain on programme and project budgets. The position will be actively monitored through regular market intelligence, supplier engagement, and financial forecasting, with mitigating actions developed as required to manage cost escalation and uphold delivery within approved resources.

6. **CR42 Housing Revenue Account (HRA) Finances (current score RED 16)**, remains a significant financial risk for the Housing Revenue Account. Recent updates reflect progress in securing approval for the £152m uplift to the major improvement works programme and Exceptional Financial Support for 2026/27, alongside continued engagement with MHCLG and wider local government partners on the sustainability of HRAs. However, pressures remain acute due to the Regulator of Social Housing's C3 grading, delayed delivery of new units such as Sydenham Hill and Black Raven Court, ongoing repairs and maintenance pressures, and the need to prioritise future health and safety works. Continued monitoring of capital schemes, quarterly reviews of staff and repair costs, and further work with CIPFA and government partners will be critical to reducing the risk and supporting a longer-term sustainable social housing provision.

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

7. 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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