CHB corporate and departmental risks - detailed report

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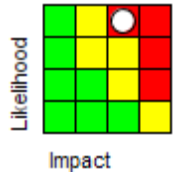
CR42 - Housing Revenue Account Financials (formerly CHB 002)
CR33 - Project portfolio strategic impact and/or financial value
CR38 - Unsustainable Medium Term Finances - City's Estate
CR35 - Unsustainable Medium Term Finances - City Fund

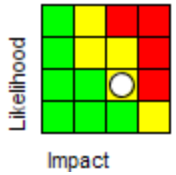
Rows are sorted by Risk Score

Risk Level Description Corporate

Code	CR42	Title		Housing Revenue Account Financials (formerly CHB 002)

Description		**Cause:** The Housing Revenue Account is not self-financing and is unable to deliver its statutory duties. Current known cost pressures include: • Ongoing delays in building statutory new homes are causing delays to income streams and increased costs. • Resourcing for health and safety to ensure meeting of compliance requirements. • Substantial improvement works required on existing stock. • Existing funding streams are constrained, with reliance on temporary or uncertain sources such as National Insurance grant allocations, external grants, and re-prioritisation decisions regarding City Fund Capital Reserves • Delays to new units reducing rental income at the same time **Event:** Inability to produce balanced Housing Revenue Accounts, breaching the City of London Corporation's statutory duties. **Effect:** Breaching the City of London Corporation's statutory duties, reputational damage and inability to effectively deliver the housing service.

Current Risk Assessment, Score & Trend Comparison		16		Constant
Likelihood	Likely	**Impact**		Major
Risk Score	16	**Review Date**		23-June-2026

Target Risk Assessment & Score				**8**
Likelihood	Unlikely	**Impact**		Major
Risk Score	8	**Target Date**		30-Mar-2027

Latest Note		Court of Common Council has approved an uplift of £152m (including optimism bias) to the major improvement works programme, ensuring that corporate ambitions around housing can be met. Officers from Chamberlain's, Surveyors and housing meet regularly to ensure that schemes for new unit delivery are on track for delivery and ensure that units are tenanted as soon as possible. Exceptional Financial Support (EFS) secured – Capital direction 2026/27 (need support for up to 4 years). This needs to be applied for each year. Regulator of Social Housing report – C3 grading (C3 Consumer Standard grading, identifying serious failings in meeting required consumer outcomes). Need to prioritise future programme of works in 2026/27, apply for a revised EFS for 2026/27. Failure to bring on the new units – such as Sydenham Hill and Black Raven Court.

Risk Level	Corporate	**Department**	Chamberlain's
Creation Date	16-Oct-2023	**Risk Owner**	Mark Jarvis; Sonia Virdee
Approach	Reduce	**Risk Administrator**	Leah Woodlock
Head of Profession 1	Financial Services	**Risk assigned to**	Chamberlain
Head of Profession 2	Estates & Facilities	**Committee**	Finance Committee
Head of Profession 3	n.a	**Parent Risk**	CR Corporate Risk Register

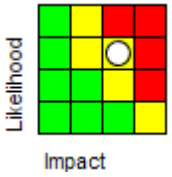
Actions related to this risk:

Ref No:	Action Description	Latest Note	Latest Note Date	Action Owner	Due Date
CR42a Capital Schemes Monitoring	Close monitoring of capital schemes is required during 2026/27, update to be provided in regular reporting of capital forecasts.	The review of the major projects programme and the revised HRA 10 Year Plan has identified substantial funding gap of approximately £152m (including a 50% Optimism Bias) if corporate ambitions around housing are to be met. Finance, P&R & CoCo has approved the required capital funding through a mixture of City Fund and 3rd party sources (November and December). Update on latest HRA revenue & capital position going to DCCS (30th June) and Finance (15th July), with delegated authority requested to submit a revised EFS application for 2026/27.	30-June-2026	Mark Jarvis	30-Mar-2027
CR42b Repairs & maintenance	Impact of inflation - capital schemes forecast to exceed budget as well as much increased repairs and maintenance and energy costs.	The Savills report and Pennington review identified high repairs and maintenance costs, management costs and depreciation charges. A report on the current years financial position including management action to reduce costs and offset lost income was presented in December to Finance and P&R. A joint external review (with MHLCG) of efficiency by CIPFA has been delayed due to MHLCG resourcing issues and a separate review will now be undertaken solely by the City, as outlined in the report to Finance Committee due 15 July..	30-Mar-2026	Mark Jarvis	30-Mar-2027
CR42c MHCLG Engagement	Engagement with government departments (e.g., MHCLG) and other stakeholders to discuss challenges and options.	Many other London Boroughs also have very fragile HRAs and we are working with local government colleagues as well as MHCLG and Treasury on wider solutions to current challenges. An agreement has been reached for EFS support of £2.6m for 2026/27. Work is planned for the summer to identify any further urgent Health & Safety works that might require additional in year funding to be reviewed with MHLCG at the end of Q2. Noting any revision to the EFS will require a drawdown from City Fund General Fund.	23-June-2026	Mark Jarvis	30-Mar-2027

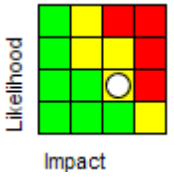
CR42d Grant Funding & Capitalisations	Utilising fair proportion of National Insurance Grant Funding to cover increased Employers NI for health and safety staffing costs. Ensuring appropriate expenditure is fully capitalised.	Quarterly reviews of staff and repair costs in place to ensure full capitalisation where appropriate.	23-June-2026	Mark Jarvis	30-Mar-2027
CR42e Ensuring a long term sustainable social housing provision	Review options to improve long term sustainability, including partnering with third parties	Scope of works to be agreed with external consultants CIPFA is underway and will be commissioned for the Summer.	23-June-2026	Mark Jarvis	30-Mar-2027

Code	CR33	Title	Project portfolio strategic impact and/or financial value

Description	**Cause:** The City of London Corporation is committed to delivering a diverse and ambitious portfolio of projects spanning both capital and revenue projects. As part of strengthening governance and delivery oversight, the Corporation introduced a new P3 (Projects, Programmes and Portfolio) Framework in autumn 2025. The successful adoption of this framework is critical along with the development and appropriate utilisation of a strategic prioritisation tool to support consistent decision-making and alignment with corporate priorities. If the framework and its associated tools are not successfully embedded and adopted, it may result in fragmented governance, unclear accountability, and inability to deliver projects and programmes and achieve strategic intent. **Event:** Inadequate portfolio-level control and weak adherence to corporate prioritisation mechanisms result in consistent delays to project progression, evidently inconsistent delivery, and fragmented governance. Financial implications emerge from deferred starts and prolonged maintenance obligations, whilst increasing the risk of reputational damage due to perceived inefficiency and lack of transparency. **Effect:** The realisation of this risk would significantly undermine the Corporation's ability to deliver its strategic priorities and realise intended benefits across both capital and non-capital programmes. Delays or abandonment of pipelined and future initiatives would weaken organisational momentum and credibility, while repeated slippages and inconsistent oversight could erode trust among key stakeholders, including government partners and the wider public. Financially, deferred project starts, and prolonged maintenance obligations would increase revenue and capital expenditure, placing additional pressure on the Medium-Term Financial Plan (MTFP). The lack of effective governance and transparency would reduce assurance over programme performance, hinder informed decision-making, and compromise the Corporation's ability to respond with agility to emerging needs and opportunities. Collectively, these impacts would diminish the Corporation's reputation, operational efficiency, and long-term sustainability

Current Risk Assessment, Score & Trend Comparison		12	–	Constant

Likelihood	Possible	Impact	Major
Risk Score	12	Review Date	01-Apr-2026

Target Risk Assessment & Score		8

Likelihood	Unlikely	Impact	Major
Risk Score	8	Target Date	31-Mar-2029

Latest Note	Following the successful launch of the P3 policy framework in November 2025, work has focussed on embedding the framework and introducing new Gateway processes, templates, and guidance; continuous data cleansing/validation exercises of the project portfolio have been undertaken to enhance reporting accuracy; and development of the new Project Management Academy (P3 Development Hub) is underway. Planning work is being undertaken to implement the finance module for Cora, alongside work to integrate with Programme Sapphire (SAP finance

	elements); as well as to introduce the next stage of portfolio management implementation through introduction of benefits management and full business case development during 2026/27. This risk is planned to be taken to the Chief Officer Risk Management Group for re-grading consideration to a departmental risk.

Risk Level	Corporate	**Department**	Chamberlain's
Creation Date	14-Feb-2020	**Risk Owner**	Genine Whitehorne
Approach	Reduce	**Risk Administrator**	~~Paul Dudley~~; Olivia Plunkett; Jess Roberts; Tabitha Swann; Genine Whitehorne; Leah Woodlock; Thomas Wrench
Head of Profession 1	Financial Services	**Risk assigned to**	Nadhim Ahmed
Head of Profession 2	Commercial	**Committee**	Finance Committee
Head of Profession 3	Programme Management	**Parent Risk**	CR Corporate Risk Register

Actions related to this risk:

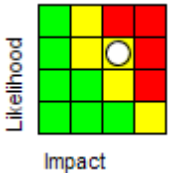
Ref No:	Action Description	Latest Note	Latest Note Date	Action Owner	Due Date
CR33j Project Management Academy	Refresh the Project Management Academy	A supplier has been awarded a contract to develop e-learning material and face to face modules. Work is underway with the supplier to develop course module materials. The suite of e-learning and face to face modules will be launched in Autumn under the banner of the P3 Development Hub. Internal training is available for all staff on the P3 Framework and the Cora Project Management system, with the recent P3 bootcamp sessions having helped to improve system user compliance And data quality.	30-Apr-2026	Nadhim Ahmed	30-Nov-2026
CR33l Cashflow and /Forecast Monitoring	Monitor the high-level cashflow/forecast monthly	As part of the P3 framework, the Chamberlain's Assurance Board reviews the financial dashboards and forecasts for Major Programmes (Tier 4) and the wider portfolio, with guidance provided to the Portfolio Board. Monthly monitoring/reporting also goes to Finance Committee. There is also a monthly Investments meeting with the Chamberlain, Director of IPG and Corporate Treasurer to review the cashflow and capital realisation strategy, which is also reported to Investment Committee. The generation of receipts from property sales and the drawdown from financial	01-Jul-2026	David Abbott	31-Mar-2029

		investments is necessary to fund cash outflows. Given wider market conditions, receipts (from both the sale of investment properties and the market sites), will not deliver to the timescales or quantum originally targeted. This will result in the need for short-term internal borrowing from City Fund and/or further drawdown from the Financial Investment portfolio. This is a key risk that will continue to be monitored.			
CR33m Secure Third-Party Funding	Secure Third-Party Funding	A project update report is prepared for information to the Finance Committee, Capital Buildings Board and Policy & Resources Committee on a regular basis. This will continue throughout the lifespan of the Major Programmes.	30-Apr-2026	Sonia Virdee; Paul Wilkinson	31-Mar-2029
CR33o P3 compliance monitoring	A suite of key performance indicators (KPIs) are in development to complement portfolio reporting. This will eventually be used to assess P3 compliance at officer portfolio boards and at Projects and Procurement Sub-Committee (PPsC).	A suite of key performance indicators (KPIs) are in development to complement portfolio reporting. This will eventually be used to assess P3 compliance at officer portfolio boards and at Projects and Procurement Sub-Committee (PPsC). Draft compliance metrics (KPIs) have been developed, including those aggregated and reported to the Projects and Procurement Sub-Committee (PPsC) since March 2026. We will look to work with HR to implement these metrics for the mid-year review process with supporting guidance for staff and managers.	30-Apr-2026	Genine Whitehorne	31-Mar-2027
CR33p P3 performance management objectives	Embedding P3 accountabilities and responsibilities in performance management objectives	Engagement with HR colleagues is planned to incorporate compliance objectives with the P3 policy framework as part of the annual performance management cycle. Initial focus will be on the objective setting process as part of the new performance management cycle for 2026/27. Draft compliance metrics (KPIs) have been developed for system use and quality of project management, including those aggregated and reported to the Projects and Procurement Sub-Committee (PPsC) since March 2026. We will look to work with HR to implement these metrics for the mid-year review process with supporting guidance for staff and managers. Other mitigations being developed for the remainder of 2026/27: include plans to contribute to an upcoming review of the performance management framework; tracking mandatory P3 Development Hub	30-Apr-2026	Genine Whitehorne	31-Mar-2027

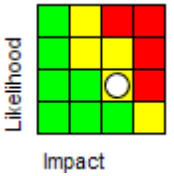
		learning and development; and exploring SRO specific performance management measures.			

Code	CR38	Title	Unsustainable Medium Term Finances - City's Estate

Description	**Causes:** The embedded increased impact of inflation, following the peak of 10.7% in Autumn 2022 (as reported by the Office for Budget Responsibility). Aging estate crystallising high levels of expenditure over short time period, putting pressure on Reserves. Reduction in rental income from the property investment portfolio following post pandemic changes in workplace attendance reducing demand for grade B office accommodation. **Event:** Inability to manage financial pressures within the fiscal year, resulting in an inability to achieve anticipated savings and generate expected income, may necessitate additional reliance on Reserves. Additionally, challenges in controlling construction inflation or the inability to readjust capital projects within budget parameters pose further risks. **Effects: T**he City of London Corporation's reputation could suffer from failure to achieve financial goals or from reduced services to businesses and the community. Experience challenges in delivering the capital program and major projects within budgetary limits. Inability of expenditure to align with the corporate plan, leading to inefficient resource utilisation and reduced corporate performance.

Current Risk Assessment, Score & Trend Comparison		12	Constant

Likelihood	Possible	Impact	Major
Risk Score	12	Review Date	23-Mar-2026

Target Risk Assessment & Score		8	

Likelihood	Unlikely	Impact	Major
Risk Score	8	Target Date	31-Mar-2029

Latest Note	The City's Estate MTFP remains exposed to income volatility, particularly in relation to investment and property returns, alongside ongoing inflationary cost pressures. A medium-term funding gap persists, requiring continued prioritisation and cost management to maintain balance. Sustainability is dependent on investment performance, with any underperformance likely to necessitate compensating savings or reductions in discretionary expenditure.

Risk Level	Corporate	Department	Chamberlain's

Creation Date	31-Oct-2022	**Risk Owner**	Caroline Al-Beyerty
Approach	Reduce	**Risk Administrator**	Leah Woodlock
Head of Profession 1	Financial Services	**Risk assigned to**	Sonia Virdee
Head of Profession 2		**Committee**	Finance Committee
Head of Profession 3		**Parent Risk**	CR Corporate Risk Register

Actions related to this risk:

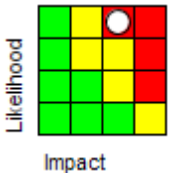
Ref No:	Action Description	Latest Note	Latest Note Date	Action Owner	Due Date
CR38a Impact of inflation	Monitoring the impact of revenue inflationary pressures (including pressures on energy costs, cost of London living wage) and construction inflation impacts on capex programme • Monitor the use of inflation contingency	Regular monitoring the office of budget responsibility's inflation forecasts, The Consumer Prices Index (CPI) rose by 2.8% in the 12 months to May 2026, unchanged from 2.8% in the 12 months to April (source Office for National Statistics).	18-June-2026	Sonia Virdee	31-Mar-2027
CR38e A reduction in key income streams and increase in bad Debt	Monitoring key income streams • i.e. rental income from the property investment portfolio.	This is being monitored monthly, with action being taken within the portfolio to maximise income generation opportunities. Ensure income generation schemes are sustainable and on-going opportunities are explored. Benchmarking exercises are currently being undertaken to provide a market comparison. The Member led Income Generation working party continues into 2026/27. Chamberlain's is working closely with the City Surveyor's team to identify where disposals are required to support the funding of the capital programme, with a focus on maximising opportunities to achieve the best possible value and terms from those disposals. Later this year, further	27-June-2026	Sonia Virdee; Genine Whitehorne	31-Mar-2027

		work will also consider the diversification of the investment portfolio to optimise rental income and strengthen overall returns.			
CR38f Achievement of current Savings Programme	Delivering the current savings programme and securing permanent year-on-year savings.	Pressures and mitigations are being recorded at a more granular level to improve the tracking and reporting on savings during the year. A savings timetable and approach have been reset for 2026/27 to ensure in-year savings are delivered. With also a proactive approach to identifying and delivering savings in 202728 and 2028/29. The new approach to savings has been approved by this committee at its April meeting. Analysis of income and expenditure has progressed in advance of the Policy & Resources Away Day in July. Members will be presented with recommended budget-setting principles for the next three years, alongside an overview of the savings programme, proposals to reduce the forecast deficit, and potential income generation opportunities to be considered in the autumn. In parallel, work has been undertaken to assess the financial sustainability of City's Estate. This is the subject of a separate report on the Committee's agenda, which asks Members to discuss the underlying structural challenge—moving beyond incremental savings to agree the level of expenditure that can be sustainably supported by City's Estate, and to embed this discipline into future decision-making. In addition, the Town Clerk's SLT has identified potential savings opportunities, which will be further developed and refined in line with the direction agreed at the Policy & Resources Away Day.	27-June-2026	Sonia Virdee	31-Jan-2027
CR38g Major Projects Financial Envelope	Remain within the financial envelopes approved for major projects.	The only major project remaining within City Estate is the MoL Landlord Works, which is nearing completion, as well as the funding contribution towards SSD. As per City Fund, projects are routinely reviewed by the Chamberlain's Assurance Board, and reported to Finance Committee, Capital Buildings Board, and Policy & Resources Committee.	12-May-2026	Sonia Virdee	31-Mar-2029
CR38i Charities Review (Natural Environment)	Undertake the Charities Review (Natural Environment)	Charities must be able to fundraise effectively to ensure their long-term sustainability, increase diversity of income, and reduce dependence on the City of London Corporation. Approval has been given to shift all NE Charities to a Grant Funding Model	22June0-r-2026	Emily Brennan; Marguerite Jenkin	31-Mar-2027

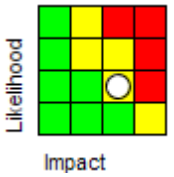
		by April 2026, following a two-year implementation phase that began in April 2025. Key committees have endorsed the plan, with oversight and contingency funding arrangements in place (subject to business case) to support the transition. A comprehensive framework document outlines the procedures, guidelines, and monitoring requirements for the funding model, ensuring clarity and consistency throughout the implementation process. Reserves policies for each of the NE Charities are currently receiving service committee consideration. As part of the income generation workstream of the NECR project, the NE team are reviewing opportunities from a fundraising and commercial income perspective and identifying enablers to develop these.			
CR38j Plans in place to reduce future deficits.	Reduce annual operating deficit, including major changes or stoppages to existing services provision and/or reduction in grants.	The requirements for the revised approach to savings was discussed at Efficiency & Performance Review Group. An Officer Financial Planning Forum has been stood up to codesign the financial and business planning approach, standards and framework. For City's Estate, a proposed framework in relation to the annual drawdown (deficit) v the net asset position is to be used as a guide to determine the level of reductions required which is subject to a separate paper on this committees agenda.	27-June-2026	Sonia Virdee; Genine Whitehorne	31-Jan-2027
CR38k Income Generation	Development of income generation opportunities.	Income Generation schemes are being explored, these include but not limited to events, advertising and sponsorship, filming, retail opportunities and fees and charges. A Member led Income Generation Working Party has been established to recommend direction, momentum and prioritisation on income generation opportunities. The priority areas of focus for this financial year will be agreed by IGWP at their meeting in July 2026 and key metrics will be developed to enable monitoring and progress reporting.	18-Jun-2026	Genine Whitehorne	31-Mar-2029
CR38l GSMD – 5-year sustainable model	Delivery of the Guildhall School of Music & Drama (GSMD) 5 year plan	Delivery of the GSMD 5-year plan is progressing as intended, demonstrating strengthened financial grip, improved planning discipline and sustained focus on long-term sustainability. The GSMD are planning to return to Finance Committee in December to present this.	15-Jun-2026	Natasha Mitchell/ Udhay Bhakoo	31-Oct-2027

Code	CR35	Title	Unsustainable Medium Term Finances - City Fund

Description	**Causes:** • Persistent high inflation, as reported and forecast by the Office for Budget Responsibility. • Aging estate crystallising high levels of expenditure over short time period, putting pressure on Reserves. Reduction in rental income from the property investment portfolio to support Major Projects programmes. • The Government's Fair Funding settlement from 26/27 has significant impacts for the City Corporation. The updated formula has a foundation on residents and does not consider daily commuter populations and the costs affiliated with this. 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. • Impact from geopolitical decisions – becoming a structural economic driver for the UK. **Event:** The failure to manage financial pressures within the fiscal year and achieve sustainable savings as planned, or to boost income generation to address the Corporation's projected medium-term financial deficit. **Effect:** Inability to establish a balanced budget, which is a statutory requirement for the City Fund. The City of London Corporation's reputation could suffer due to failure to meet financial objectives or the necessity to curtail services provided to businesses and the community. Challenges in executing the capital program and major projects within affordable limits.

Current Risk Assessment, Score & Trend Comparison		16	–	Constant

Likelihood	Likely	Impact	Major
Risk Score	16	Review Date	26-Mar-2026

Target Risk Assessment & Score		8	

Likelihood	Unlikely	Impact	Major
Risk Score	8	Target Date	31-Mar-2027

Latest Note	The City Fund MTFP continues to reflect a structural funding gap driven by what the City does for pan-London, National and daytime population impacted by demand, inflationary pressures, and limited growth in core funding streams. Delivery of the savings programme remains critical but carries ongoing risk in terms of achievability and timing of benefits. The position remains sensitive to external funding reform, including business rates reset and Fair Funding, with continued reliance on reserves providing only short-term mitigation rather than a sustainable solution.

Risk Level	Corporate	Department	Chamberlain's

Creation Date	19-Jun-2020	**Risk Owner**	Caroline Al-Beyerty
Approach	Reduce	**Risk Administrator**	Olivia Plunkett; Jess Roberts; Tabitha Swann; Thomas Wrench
Head of Profession 1	Financial Services	**Risk assigned to**	Sonia Virdee
Head of Profession 2		**Committee**	Finance Committee
Head of Profession 3		**Parent Risk**	CR Corporate Risk Register

Actions related to this risk:

Ref No:	Action Description	Latest Note	Latest Note Date	Action Owner	Due Date
CR35a Impact of inflation	Monitoring the impact of inflationary pressures (including pressures on energy costs) and construction inflation impacts on capex programme • Use of inflation contingency	Regular monitoring the office of budget responsibility's inflation forecasts, The Consumer Prices Index (CPI) rose by 2.8% in the 12 months to May 2026, unchanged from 2.8% in the 12 months to April (source Office for National Statistics). Identifying areas that are forecasting to exceed budget envelope due to inflation increases. These pressures and mitigations are now tracked in greater detail for better reporting.	18-June-2026	Iain Jenkins	31-Mar-2027
CR35c Major Projects	Remain within the financial envelopes approved for major projects.	Major projects are reported monthly to the Chamberlain's Assurance Board, with updates to the Portfolio Board led by the Town Clerk/Chief Executive. Regular reports also go to the Capital Buildings Board, Finance Committee, and Policy and Resources Committee. All projects are currently forecast to be completed within budget, though there remain risks (i.e. cost increases within SSD/FPEP; fundraising and potential inflationary pressures within the Barbican; cashflow and fundraising for the MoL), which will continue to be reviewed monthly.	01-Jul-2026	Sonia Virdee	31-Mar-2029
CR35f Achievement of current Savings Programme	Delivering the current savings programme and securing permanent year-on-year savings (including Police Authority)	Pressures and mitigations are being recorded at a more granular level to improve the tracking and reporting on savings during the year, this information has been incorporated into the budget monitoring reports to this committee to help inform Members of key risks and progress. A savings timetable and approach have been reset for 2026/27 to ensure	27-June-2026	Alistair Cook; Sonia Virdee; Genine Whitehorne	31-Jan-2027

		in-year savings are delivered. With also a proactive approach to ide ntifying and delivering savings in 202728 and 2028/29. Analysis of income and expenditure has progressed in advance of the Policy & Resources Away Day in July. Members will be presented with recommended budget-setting principles for the next three years, alongside an overview of the savings programme, proposals to reduce the forecast deficit, and potential income generation opportunities to be considered in the autumn. In addition, the Town Clerk's SLT has identified potential savings opportunities, which will be further developed and refined in line with the direction agreed at the Policy & Resources Away Day.			
CR35p Plans in place to reduce future deficits	Plans in place to reduce future deficits.	An Officer Financial Planning Forum has been stood up to co-design the financial and business planning approach, standards and framework. A Chief Officer Savings Assurance Board has been established to monitor and enable the identified savings, it currently meets fortnightly. Op North Star A Fortnightly Senior Officer Strategic Coordination Group established to coordinate activities related to Police Reform and Fair Funding Review (FFR). Alongside this: a. A Fortnightly Members Briefing established to update Members on the progress of Operation North Star. b. A FFR Board stood up to meet monthly. c. FFR Workstreams have now stood up to advise timeline and ensure deliverables for achieving favourable fair funding outcomes. Further direction from P&R Away day will further inform where savings should be targeted.	27-June-2026	Sonia Virdee; Genine Whitehorne	31-Mar-2027
CR35q Income Generation	Develop income generation opportunities	Income Generation schemes are being explored, these include but not limited to events, advertising and sponsorship, filming, retail opportunities and fees and charges. The Member led Income Generation Working Party will continue into	12-May-2026	Genine Whitehorne	31-Mar-2027

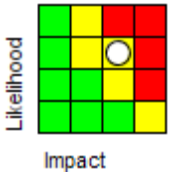
		2026/27 and the role is to continue to recommend direction, keep momentum and prioritisation on income generation opportunities.			
CR35r Mitigate the impact Local Government Settlement	Engage with MHCLG on transitional funding	The City Corporation has secured transitional relief over the three years as part of a bespoke funding arrangement. In addition, the Secretary of State is removing the council tax referendum threshold for the City and 5 other Local Authorities in 27/28 and 28/29. The 5% remains in place for 26/27. Whilst council tax is a local decision, core grant will assume that we levy above the 5% during 27/28 and 28/29. Currently, at the end of the transitional relief, Government are not supporting the national and pan-London services. Members have approved the extension of the scope of the Business Rate Premium to use for daytime population services (from 1st April), £12.6m contributed. A Fair Funding Workstream has been established, with initial activities reviewing the type and audience of expenditure. Budget approach and principles will be taken to P&R Away Day to guide the next three years budget setting guidelines.	27-June-2026	Sonia Virdee	30-Sep-2026
CR35s Mitigate the impact of the Police Reform	Develop a working party and a response to the announcement of the Police Reform	Terms of reference have been agreed for the forces review. Funding will be reviewed separately (following the outcome of the forces review).	30-Mar-2026	Alistair Cook	30-Jun-2026
CR35t Barbican Centre – 10 year business plan	Delivering the 10-year business plan	The 10-year plan is in development and will be presented to the Barbican Centre Board in the spring for approval. The Efficiency and Performance Review Group will be presented the draft 10-year plan for review and scrutiny at its July and September meetings with final proposals brought back to Finance Committee in the Autumn	27-June-2026	Abigail Pogson, Sarah Wall	31-Mar-2029
CR35u City Fund Structural funding shortfall	Establishing a new budget setting framework to address the structural	A new framework was approved by Finance Committee at its April meeting to establish the process in addressing the structural funding deficit within City Fund when transitional funding arrangements come to an end.	27-June-2026	Sonia Virdee, Genine Whitehorne	16-July-2026

	funding shortfall from the local government funding formula	Alongside this, discussions with government around the future funding of services not captured within the funding formula are ongoing. A draft approach has been established along with an associated timeline.			

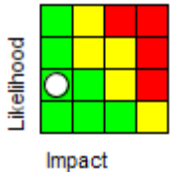
Risk Level Description Departmental

Code	CHB 005	Title	Resistance to Transformation and Change (Change Fatigue)

Description	**Cause**: • Ineffective change management and business transformation activities • Culture of resisting change within the organisation • Resource capacity – staff are consumed by BAU tasks they have no further capacity to support change • Ineffective prioritisation of programmes **Event**: • Low user acceptance rates and failure to integrate the necessary cultural changes. • Low change readiness • Un-utilised technologies or enhancements • Additionally, the broader transformation programme (such as users not fully adopting the new ERP system), may face resistance. This can result in resistance to the business transformation that the transformation programme and other initiatives aim to achieve. **Effect**: Decreased productivity, increased operational costs, and failure to achieve the desired outcomes of the Transformation programme and the broader transformation initiatives. The lack of business transformation may hinder the corporation's ability to modernise operations and align with the current corporate plan and strategies. Furthermore, the failure to achieve the transformation goals, such as improved efficiency, increased capacity, and better information management, may negatively impact the corporation's ability to deliver on its strategic objectives and maintain a competitive edge.

Current Risk Assessment, Score & Trend Comparison		12	–	Constant

Likelihood	Possible	**Impact**	Major
Risk Score	12	**Review Date**	30-Mar-2026

Target Risk Assessment & Score		**2**	
Likelihood	Unlikely	**Impact**	Minor
Risk Score	2	**Target Date**	30-Jun-2026

Latest Note	Currently, numerous transformation/improvement programs and new strategies are being implemented across the Chamberlain's department and the wider City of London Corporation. Current workload pressures across the Chamberlain's Department remain significant, with staff required to support multiple transformation and change programmes alongside the delivery of core BAU responsibilities. This creates an ongoing risk that capacity constraints may affect the pace of delivery, reduce change readiness, and contribute to change fatigue across teams. While progress continues through the development of structured change management activity, stakeholder engagement, and dedicated transformation support, the cumulative impact of Programme Sapphire, Ambition 25, savings delivery, financial planning and wider corporate change activity will need to be carefully prioritised and sequenced to ensure staff have sufficient capacity to deliver both transformation objectives and essential service requirements. Further pressures within the Financial Services Division arise from a number of key staff moving on to promotional opportunities outside the Corporation. While this is a positive reflection of talent development, it is creating additional pressure on a small number of remaining staff and impacts overall capacity. While recruitment to these positions are underway, additional capacity is necessary to support competing priorities; however, progress will be dependent on the approval of carry-forward requests to provide the necessary funding continuity.

Risk Level	Departmental	**Department**	Chamberlain's
Creation Date	12-May-2025	**Risk Owner**	Genine Whitehorne
Approach	Reduce	**Risk Administrator**	Leah Woodlock
Head of Profession 1	Financial Services	**Risk assigned to**	Chamberlain
Head of Profession 2	Commercial	**Committee**	Finance Committee
Head of Profession 3	Strategy & Plans	**Parent Risk**	CHB CHB Departmental Cross Cutting Risks

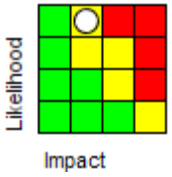
Actions related to this risk:

Ref No:	Action Description	Latest Note	Linked Actions Progress	Latest Note Date	Action Owner	Due Date

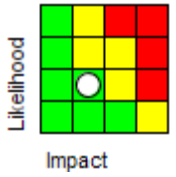
CHB 005a Stakeholder Engagement	Identifying and engaging with key stakeholders to enable success of the transformation	Introducing change leadership role to Future Ambition 18, utilising the bi-monthly meetings to present the change and transformation programmes. The Change Champion network is being used to support change at all employee levels. SLT has agreed the phased delivery of transformation broken down into manageable horizons. The first horizon, 2026, focusses on change readiness. This includes developing the stakeholder communications and engagement plan and working with the Executive Leadership Board to enable them to become effective transformation leaders.	30%	18-Junr-2026	Steve Strain / Corinne Ede	31 Dec 2026
CHB 005b Change Management Strategy	Develop a change management strategy	The change management strategy is currently being developed and tested through application in City of London Corporation's key priority programmes and projects, with a focus on A25, SAP and People Strategy A transformation vision and statement of intent have been developed to help articulate the case for change. These are now being used to develop key success measures and a change framework. The staff survey in the Autumn will be used as an opportunity to establish a change baseline.	50%	18-Jun-2026	Steve Strain / Corinne Ede	31 Dec 2026
CHB 005d Strategic Transformation Partner	Procure a transformation partner to deliver the transformation agenda.	Procurement is underway for a transformation partner. It is anticipated that the partner will come on board in late 2026.	40%	18-Jun-2026	Steve Strain	31 Dec 2026

Code	CHB 003	Title	Inconsistent application of the internal control environment

Description	
	Cause: Inconsistent application of internal controls across the City of London Corporation, including but not limited to: • Failure of staff management to adhere to financial and procurement regulations, leading to: • Poor Purchase Order Compliance • Inefficient budget management • Delays in setting up Project Codes due to governance • Ineffective contract and supplier management • Lack of management oversight of purchasing activities • Misinterpretation and inconsistent understanding of financial and procurement regulations • Inconsistent guidance from subject matter experts • Complex procedures driving officers towards using workarounds **Event**: • Increase in transactional errors • Decrease in payment performance • Impact on cashflow management and accuracy of forecasting • Heightened demand for customised approvals and urgent decisions • Diminished strategic challenge capacity • Disrupted delivery of Business as Usual (BAU) operations **Effect**: • Failure to achieve value for money • Negative internal and external audit opinions • Detrimental effects on supplier partnerships and commercial appeal to the market

Current Risk Assessment, Score & Trend Comparison		8	–	Constant

Likelihood	Likely	**Impact**	Serious
Risk Score	8	**Review Date**	30-Mar-2026

Target Risk Assessment & Score		**4**	
Likelihood	Unlikely	**Impact**	Serious
Risk Score	4	**Target Date**	31-Jul-2026

Latest Note	There continue to be signs of inconsistent application of internal controls across the Corporation, with issues manifesting in multiple forms. This remains a concern for overall governance and financial stability. To address these inconsistencies, the financial leadership group—comprising finance representatives from all parts of the Corporation and its institutions—has been tasked with working alongside business customers to strengthen the internal control environment. Several mitigation measures have been identified to enhance compliance and maximise the effectiveness of controls. The Finance Leadership Group (FLG) has been instructed to compile and evidence additional actions already implemented, which will be added to the action list for further monitoring. A strong focus is being placed on user training and awareness, to ensure all staff are equipped to comply fully with internal spending and purchasing procedures. To address non-compliance, the FLG has agreed to enforce sanctions for poor performance. These include reporting repeat offenders to Chief Officers, revoking purchase cards where necessary, and implementing performance management procedures. This risk remains a priority, as further instances of inconsistent controls could jeopardise the Corporation's ability to achieve a balanced medium-term financial plan.

Risk Level	Departmental	**Department**	Chamberlain’s
Creation Date	28-Feb-2024	**Risk Owner**	Caroline Al-Beyerty
Approach	Reduce	**Risk Administrator**	Hayley Hajduczek; Leah Woodlock
Head of Profession 1	Commercial	**Risk assigned to**	Caroline Al-Beyerty
Head of Profession 2	Financial Services	**Committee**	Finance Committee
Head of Profession 3	Internal Audit	**Parent Risk**	CHB CHB Departmental Cross Cutting Risks

Actions related to this risk:

Ref No:	Action Description	Latest Note	Linked Actions Progress	Latest Note Date	Action Owner	Due Date
CHB003e Review of procurement regulation	Review of procurement regulations and are explicit around requirements	Comprehensive engagement across the Corporation has been completed and the new Procurement Policy is now being finalised for approval by Projects & Procurement Sub Committee after the summer recess.	60%	22-June-2026	Kashi Akhtar	30-Sepn-2026
CHB003h Escalation and enforcement of non-compliance activities	Escalation and enforcement of non-compliance activities	Performance issues to be reported and dealt with by line manager, and Assistant Director, Financial Shared Services. Further non-compliance to be escalated to the SLT. A three-strike rule is now being implemented for P-Card users. Since implementation the number of transactions that are non-compliant has reduced to 2%. In the most recent monitoring period, 37 cardholders have not submitted all their transactions within that period and as a result 28 cardholders will get a first strike and 9 will get a second strike. Of the 37 cardholders receiving a strike this month 31 are from the institutional areas and all but one of the cardholders receiving a second strike are from the institutional areas. This is a significant improvement and shows that the new controls are working.	80%	26- June - 2026	Phil Black	31-Jul-2026
CHB003i Finance Leadership Group Interventions	The Finance Leadership Group are responsible for partnering with departments and services to improve overall compliance. An action plan for each department/institution will be	The Finance Leadership Group meets each month to review current actions and mitigations with regular updates to Chief Officers being taken and support requested from Financial Services Department to assist Chief Officers. Department and institution performance is assessed monthly, with finance representatives	20%	27-June-2026	Sonia Virdee	31-Jul-2026

	details and reviewed monthly at the FLG meetings. This will encourage sharing of strategies and best practice.	exchanging effective strategies for reducing non-compliance.				