

Corporate Risk Register

Review Month:

December 2021

Ref	Date Risk Identified	Risk Owner	Inherent Risk			Existing Mitigations & Controls (What has been done to control the risk?)	Residual Risk			Further Mitigations & Controls to be put into place	Target Implementation Date	Notes
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1	<p>Failure to deliver anticipated benefits of major projects (St Sidwell's Point and Bus & Coach Station)</p> <p><u>Potential Causes:</u></p> <ul style="list-style-type: none"> - Failure to procure appropriate operator for leisure centre - Adverse weather / other delays typical of such projects <p><u>Potential Impacts:</u></p> <ul style="list-style-type: none"> - Increased costs to Council from project overspends or overruns - Not realising financial and cultural benefits anticipated from project delivery - Damage to Council's reputation and reduced credibility to deliver major projects in future 											
	October 2017	JP Hedge - Director Culture, Leisure and Tourism	3	3	9	<ul style="list-style-type: none"> - Recruited experienced Project Manager, Quantity Surveyor and delivery team - Established high level Programme Board to oversee progress and delivery - Contractor appointed to build the facility, following a 2 stage collaborative approach in procurement. - Fixed price Design & Build Contract, with a limited amount of Provisional Sums. - Technical Assurance & Audit team has been procured to monitor compliance with the Contract, review ongoing performance and positively challenge the build team to help promote the identification and resolution of potential issues / problems. 	2	3	6	- Ongoing reporting of progress and potential issues to Client lead.	Ongoing	Dec 2021 - no further update

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2	<p>Insufficient business continuity arrangements to recover critical services effectively</p> <p><u>Potential Causes:</u></p> <ul style="list-style-type: none"> - Critical services not identified - Insufficient plans in place to recover critical services - Lack of testing of plans to ensure arrangements suitable <p><u>Potential Impacts:</u></p> <ul style="list-style-type: none"> - Essential services not recovered in timely fashion - Adverse media and public criticism leading to lack of trust in council - Noncompliance with Civil Contingency Plan 											
	April 2013	Karime Hassan - Chief Executive	3	4	12	<ul style="list-style-type: none"> - List of critical services agreed with SMB - Corporate Business Continuity Plan approved by SMB which sets out roles and responses to certain events (loss of building, loss of ICT etc.) - IT Disaster Recovery Plan in place - Business Continuity plans developed for all L10Critical services - Review of BCM undertaken by Internal Audit following implementation of plans in response to the Covid19 pandemic. Review focused on what worked well and what didn't work so well with a view to ensuring the plan is fit for purpose moving forward. This report is with SMB. 	2	3	6	<ul style="list-style-type: none"> - Regularly review business continuity plans to ensure they are fit for purpose - Business continuity testing to be carried out in line with corporate policy. 	Ongoing March 2022	<p>December 2021:</p> <p>Business Continuity Plans have generally worked well throughout the Covid-19 pandemic and have been a vital part of our response. One potential area of weakness is our over reliance on the enthusiasm and goodwill of our staff to respond to emergency incidents. Whilst they have always been willing to step up, a more formal system of standby and call out would ensure consistent coverage and allow for relieving key staff when they've worked a full shift. A full review of our emergency procedures which will identify the roles required for a formal standby rota will be completed when resources allow in the new year.</p>

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3	<p>Inability to deliver carbon neutral aspirations for Exeter by 2030</p> <p><u>Potential Causes:</u></p> <ul style="list-style-type: none"> - Financial pressure and economics of carbon reduction - Behavioral challenges over influencing businesses and public - Technical capability to deliver - Lack of control over all stakeholders (businesses, visitors etc.) - Political environment and acceptance of policy changes required - Misalignment with Devon Climate Plan - Failure to engage with resident and business of Exeter to ensure solutions proposed meet real need <p><u>Potential Impacts:</u></p> <ul style="list-style-type: none"> - Reputational - Failure to deliver inclusive growth and retain vibrancy of Exeter as a great place to live - Conflict within Region - Short term changes may not be sustainable 											
	08.11.19	Executive Updates to be provided by David Bartram - Director Net Zero Exeter & City Management	4	3	12	<ul style="list-style-type: none"> - Strategic partnerships - 12 Goals defined for the city to provide framework for carbon neutral. Goals reflect priorities of business and residents - Plans in place to develop roadmap for carbon neutral 2030 - Other major public sector organisations have already committed to becoming carbon neutral (e.g. University of Exeter, Devon County Council)- - SWEEG have been appointed to start work on the City Council Carbon Action Plan following on from the successful carbon baseline study. This will examine our carbon production at a service level and provide practical actions and measures to reduce our production to net zero by changing the way we work or offsetting. Work is continuing on bringing forward proposals for resources to deliver the carbon net zero programme. 	4	3	12	<ul style="list-style-type: none"> Continue to invest in supporting ECF as a partner organisation to ensure that the ambition to be net-zero is continually communicated and residents and businesses are engaged; ensuring all voices are heard and the solution being developed are benefitting the residents and business. - Improve national communication positioning Exeter as a leading sustainable City highlighting what we are doing - through ECF and Livable Exeter activities - Ensure clear alignment with DERG and national climate action plans to ensure Exeter's plan is incorporated 	Apr-30	<p>December 2021 :</p> <p>Please see update below.</p>

December 2021 update:

A committee report to develop a new team to focus on delivering net zero for the City Council has been approved by Executive and Council. A one off budget of £1million has been earmarked for delivering net zero within the City Council, with some budget being allocated to two temporary positions and some budget for project delivery - which will be informed by the Carbon Plan. Volunteers are in the process of being recruited for the new City Council Net Zero Ambassadors. These volunteers will be City Council employees from across the organisation and at all levels. They will undergo carbon literacy training to support the development and delivery of the City Council's carbon plan. Work has commenced on the City Council's Carbon Plan, working with the Centre for Energy & Environment from the University of Exeter, to develop our carbon baseline and subsequent carbon action plan. The carbon plan is due March 2022 and will be presented to Executive and Council for adoption. The Carbon Plan will provide a data led, bottom-up, granular analysis of how and when carbon emission reduction can take place in each of the City Council's activities to deliver a net zero Council. This carbon plan will focus on our own services and processes, with the Citywide element of the Net Zero Exeter continuing to be led by Exeter City Futures. The City Council has representation on both the Response and Tactical Groups, established to progress with and deliver the Devon Carbon Plan. The City Council have been successful in a £9m consortium bid with other Devon Local Authorities. This will provide energy efficiency improvements for around 200 properties in Exeter (owner occupied and privately rented). The allocation for Exeter is approximately £2m. The City Council have also been successful in achieving external funding of £70k from the Department for Business Energy and Industrial Strategy (BEIS) to help stop landlords renting out homes with poor energy efficiency. Ongoing projects that will assist the City Council to achieve net zero include the ERDF funded Water Lane Smart Grid and Battery Storage Project. A total of four renewable energy and battery storage projects are being built including a City Solar Farm in Exeter made up of over 3,700 solar panels. The site in Marsh Barton will create a 1.2MW solar farm producing green energy for the city, including a direct supply to the Council's Cleansing depot to support charging of its electric fleet, and future use of Electric Refuse Collection Vehicles. The Council also received a total of £661,000 from the Public sector De-carbonisation Scheme, which has fully funded a mix of new and upgraded Building Management System across our services and new Energy Management Information System software for all building managers. Future work will include a new EV Charging Strategy for the City.

The ambition for the City to become Carbon Net Zero by 2030, when the County have acknowledged that this is unrealistic, should be something that members should reflect upon. Net zero Exeter as defined by the city of Exeter will require investment of over £750m. Much of this will need to come from the private sector but there will be significant asks of the public sector both in terms of direct investment and leadership. The leadership role of the city council is to act as municipal entrepreneur, ring master and story teller building a collective endeavour in pursuit of this goal. It would be possible to break down this strategic ambition into bite sized measures of success and this would look very different in terms of the risk register. Currently this risk is framed specially in relation to strategic leadership in support of the councils stated ambition not the achievement of the goals. This is felt to be appropriate in relation to Net Zero Exeter.

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4	<p>Failure to meet Exeter's Housing supply needs as a planning authority and meet strategic 5 years ambitions</p> <p>Potential Causes:</p> <ul style="list-style-type: none"> - Inadequate Land supply - Not granted enough planning permissions - Student development cannot be included in housing supply figures - House builders drip feeding - Political / community buy in to developments - Exeter Local Plan not progressing quickly enough, encounters delays in programme, or is delayed by external factors such as changes to the Planning system or though protracted discussions with neighbouring authorities re region wide issues. <p>Potential Impacts:</p> <ul style="list-style-type: none"> - Vulnerability to development coming forwards/gaining consent which is not in keeping with the character of the city and which may be contrary to strategic ambitions - such as the 2040 Vision or net-zero commitment. - Financial risks with increased appeals, and potentially lost income - Social outcomes - inequality, rising social service costs - significant waiting list - Reputational impact if development on not appropriate location 											
	June 2013	Bindu Arjoon - Director	4	3	12	<ul style="list-style-type: none"> - Brownfield opportunities identified and developed into the Liveable Exeter strategy - The Liveable Exeter programme has secured further funding to support work on the Liveable programme - Higher density developments being encouraged within the city centre. -Social Housing being developed following the lifting of borrowing cap- ambition for 500 homes over 10 years' - Appropriately briefing members to ensure robust decision making processes - The 5 year land supply position has further improved with land supply currently at 4 years and 7 months. 	3	2	6	<ul style="list-style-type: none"> - The Local plan is continuing to progress with a timetable now established and the statement of community involvement developing. - Selling positive image of high quality high density brownfield developments through the Liveable Exeter programme. - using existing planning policy to resist inappropriate development proposals in order to continue to protect the character and beauty of the city. - regular updating of the 5 year land supply position in order to closely monitor land supply in the city 	Ongoing	<p>December 2021:</p> <p>Council has published a statement confirming it has a 5yr HLS. Planning decisions can now be stronger and scrutinise proposals so that the Council can ensure they best fit the adopted vision for the future of the city.</p> <p>It should be noted the Council's 5yr HLS position will be challenged; a recent appeal (land adjacent to IKEA) questioned the position and another appeal at Pennsylvania Road (hearing to be held on 03/11/21) will also see the Council's position questioned formally. Decisions after these two appeals will give more clarity on the solidity of the Council's position.</p>

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5	<p>Failure to adapt council workforce to ensure appropriate skills and experience</p> <p><u>Potential Causes:</u></p> <ul style="list-style-type: none"> - Ageing workforce (half of staff over 50, considerable enough) - Difficulty to recruit into key areas - professional areas (planners, lawyers) - Empowerment, skills and engagement of managers to enable this change <p><u>Potential Impacts:</u></p> <ul style="list-style-type: none"> - Loss of experience - Increased spending on agency workers - Not having cost effective council services delivering the right outcomes - Service disruption - Cost of appeals / challenges across the council services - Increased stress / pressure on workforce 											
	June 2019	Baan Al-Khafaji	3	3	9	<ul style="list-style-type: none"> - Market supplement scheme in place - Apprenticeship opportunities for new and existing staff - Employing part qualified staff and training them (internal and external) - procurement, planning etc. - Improvements in metric tracking (age, gender, skills profiles) - Business Partnering model allowing for greater collaboration between service areas and HR - Metrics reported to SMB 	2	3	6	<ul style="list-style-type: none"> - Ensure robust implementation of new workforce planning process (local mgmt team led) - Utilising agile program to compliment modernisation of work environment - Review of progress against GDR. 	Ongoing	December 2021: No further update

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6	Maintaining the Financial Sustainability of the Council											
	<p>Potential Causes:</p> <ul style="list-style-type: none"> - Fair funding review from central government involving rebaselining of business rates (income loss of £2.5m per annum) and determination of a new formula which could have funding implications. - Inability to deliver £6m savings target over three year period - Move to 75% business rate retention rather than government grant increases volatility of income and dependence upon growing local economy and business rates. - Inability to grow Exeter city centre and associated business rates etc. - Policy, regulatory or legislative changes which are not fully funded from central govt. - Failure to realise commercial ambitions of council <p>Potential Impacts:</p> <ul style="list-style-type: none"> - unable to balance budget - reduced income for council services - larger than anticipated cuts (in year or over longer term) - reduction in reserves - impacts on council services and therefore resident outcomes 											
	January 2018	Dave Hodgson - Director Finance	4	4	16	<ul style="list-style-type: none"> - Detailed MTFP assessed and agreed with Members - savings plan agreed and being implemented with suitable governance arrangements in place. - Budget for 2021-22 agreed with significant reserves to protect against Covid related income losses. - Significant investment in city centre regeneration (st sidewall's point & bus station) including developing a new vision for the rest of the site which includes mixed use - Business Development manager extended to continue to identify and grow commercial opportunities - Strong level of unringfenced general fund reserves to protect against shocks 	2	4	8	<ul style="list-style-type: none"> - Continue to respond to consultations making case for council - Lobby government for relaxation of council tax increase restrictions - Further development of role and scope of business development manager position 	Feb-22	<p>December 2021:</p> <p>The Comprehensive Spending Review and subsequent communication from DLUHC (formerly MHCLG) indicates that there will be a one year rollover settlement for Councils in 2022-23 with the review of funding then taking place. This is in line with the expectations currently being worked to in response to the shortfall indicated in the MTFP.</p>

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7	<p>Increased cost of all capital building Projects</p> <p>Potential Causes:</p> <ul style="list-style-type: none"> - There will be increased costs as a direct result of actions required to manage the new risks associated with COVID 19 risk - Shortages of materials and labour causing delay and increased costs across the capital programme. <p>Potential impacts</p> <ul style="list-style-type: none"> - Increased costs to Council - Delay in all projects, predominantly St Sidwell's Point and the resulting loss of income and also the condition survey projects, leading to prolonged periods of buildings being below the standard the Council is aiming for. 											
	August 2021	Dave Hodgson Director Finance	4	4	16	The global economic impacts are difficult to mitigate. Members may need to reprioritise, accept higher tender costs or delay the capital programme. Those projects already underway will see additional costs	4	4	16	Review timing of existing capital programme	Feb-22	<p>September 2021:</p> <p>As has been widely reported, cost inflation has grown significantly in construction. In addition to the specific challenges facing St Sidwell's Point and the Bus Station, this pressure is applying to the wider capital programme, particularly, but not limited to, the £37 million condition survey programme. As the financial impact is potentially significant, the risk previously reported in respect of St Sidwell's Point is being expanded to include the whole capital programme.</p>

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8	<p>Failure to deliver the Liveable Exeter Programme</p> <p>Potential Causes:</p> <ul style="list-style-type: none"> - a challenge to the viability of development - inadequate funding for brownfield land regeneration - lack of staff resources to support the work - inability to address complex land assembly and infrastructure challenges - significant abnormal costs associated with this type of programme <p>Potential impacts</p> <ul style="list-style-type: none"> - increased costs to the Council - carbon neutral not achieved by 2030 - city housing needs not met by 2040 - new communities not created - active and accessible city aspirations not met - new homes do not meet Garden City principles - housing built in locations the Council is seeking to avoid 											
	November 2021	Karime Hassan - Chief Executive & Growth Director	4	4	16	- brownfield land release fund in place - examples of the strategic investment required are the housing infrastructure fund (HIF) and other strategic investment funds such as administered by One Public Estate and the Department for Levelling Up, Housing and Communities - some funding has been secured on an annual basis from Homes England	3	3	16	- work to be undertaken with One Public Estate on the Exeter City Fund concept - there needs to be a willingness to acquire land and property to move forward in a sensible phased programme including a willingness to compulsory purchase land - need to step up the support commensurate with the scale and pace of development required - new local plan that includes the vision and principles as part of the formal planning policy - the Council adopts an enabling culture rather than relying on a regulatory culture - Exeter City Living to lead by example - Exeter Place Board to bring together the city's institutions to take ownership of the vision and aspirations and to work collectively on obstacles to delivery	Nov-24	<p>Note on target date:</p> <p>The first milestone in what is a 20 year programme is to secure the local plan. The first draft of this plan should be completed within 12months with the adoption of the final plan within 3 years.</p>