

# Corporate Risk Register

Review Month: **March 2022**

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
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1	<p><b>Failure to deliver anticipated benefits of major projects</b></p> <p><u>Potential Causes:</u></p> <ul style="list-style-type: none"> <li>- Failure to procure appropriate operator for leisure centre</li> <li>- Adverse weather / other delays typical of such projects</li> </ul> <p><u>Potential Impacts:</u></p> <ul style="list-style-type: none"> <li>- Increased costs to Council from project overspends or overruns</li> <li>- Not realising financial and cultural benefits anticipated from project delivery</li> <li>- Damage to Council's reputation and reduced credibility to deliver major projects in future</li> </ul>										
	October 2017	JP Hedge - Director Culture, Leisure and Tourism	3	3	9	<ul style="list-style-type: none"> <li>- Recruited experienced Project Manager, Quantity Surveyor and delivery team</li> <li>- Established high level Programme Board to oversee progress and delivery</li> <li>- Contractor appointed to build the facility, following a 2 stage collaborative approach in procurement.</li> <li>- Fixed price Design &amp; Build Contract, with a limited amount of Provisional Sums.</li> <li>- Technical Assurance &amp; 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.</li> </ul>	2	3	6	- Ongoing reporting of progress and potential issues to Client lead.	Ongoing  April 2022
<p><b>Tracking Notes and Monitoring:</b></p> <p><b>December 2021</b> - no further update</p> <p><b>March 2022</b> - The Bus station was completed to schedule and budget and is operational. It is anticipated the opening date for SSP will be known and made public at the time the risk register is published. Risk currently lies between ensuring practical completion takes place in a timely manner so the centre generates income, and taking a building with potentially significant snagging still to be completed. The technical assurance team are mitigating this risk. Delays and costs due to covid will be reported to council once a resolution is finalised.</p>											

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2	<b>Insufficient business continuity arrangements to recover critical services effectively</b>  <u>Potential Causes:</u> - Critical services not identified - Insufficient plans in place to recover critical services - Lack of testing of plans to ensure arrangements suitable  <u>Potential Impacts:</u> - Essential services not recovered in timely fashion - Adverse media and public criticism leading to lack of trust in council - Non compliance with Civil Contingency Plan										
	April 2013	Karime Hassan - Chief Executive	3	4	12	- 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	- 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
<b>Tracking Notes and Monitoring:</b>  <b>December 2021:</b> 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.  <b>March 2022:</b> No further update received											

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3	<p><b>Inability to deliver carbon neutral aspirations for Exeter by 2030</b></p> <p><u>Potential Causes:</u></p> <ul style="list-style-type: none"> <li>- Financial pressure and economics of carbon reduction</li> <li>- Behavioural challenges over influencing businesses and public</li> <li>- Technical capability to deliver</li> <li>- Lack of control over all stakeholders (businesses, visitors etc.)</li> <li>- Political environment and acceptance of policy changes required</li> <li>- Misalignment with Devon Climate Plan</li> <li>- Failure to engage with resident and business of Exeter to ensure solutions proposed meet real need</li> </ul> <p><u>Potential Impacts:</u></p> <ul style="list-style-type: none"> <li>- Reputational</li> <li>- Failure to deliver inclusive growth and retain vibrancy of Exeter as a great place to live</li> <li>- Conflict within Region</li> <li>- Short term changes may not be sustainable</li> </ul>										
08.11.19	Executive	4	3	12	<ul style="list-style-type: none"> <li>- Strategic partnerships</li> <li>- 12 Goals defined for the city to provide framework for carbon neutral. Goals reflect priorities of business and residents</li> <li>- Plans in place to develop roadmap for carbon neutral 2030</li> <li>- Other major public sector organisations have already committed to becoming carbon neutral (e.g. University of Exeter, Devon County Council)-</li> <li>- 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.</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>- 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.</li> <li>- Improve national communication positioning Exeter as a leading sustainable City highlighting what we are doing - through ECF and Livable Exeter activities</li> <li>- Ensure clear alignment with DERG and national climate action plans to ensure Exeter's plan is incorporated</li> </ul>	Apr-30	
<p><b>Tracking Notes and Monitoring:</b></p> <p><b>March 2022:</b>  Council has now agreed that the CE and Director for City Transformation shall be deployed on the programme in support of leading the work of Exeter City Futures in pursuing the Net Zero Exeter Plan. The Net Zero Plan has a number of themes that reflect the wide ranging actions that will need to be pursued to meet a net zero goal. The Council has now met the SWEEG to procure a carbon model of the current baseline emissions for the city and this will help us identify the progress being made by the city and the trajectory relative to the goal of meeting a net zero Exeter. This work adds to the work already commissioned by the city council for its own operations. The work of Exeter City Futures supports a range of initiatives including supporting communities and developing appropriate tool kits, bringing together a range of partners to pursue challenging transport objectives, ranging from supporting travel plans, electric buses and fleet, and EV charging infrastructure, retrofit of domestic and commercial properties, supporting research and innovation in the areas of renewables and alternative approaches to funding development in pursuance of the goal of net zero. This work supports the work that is already being delivered by our institutions and it ensures greater collaboration and opportunities to learn and support each other.</p>											

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4	<b>Failure to meet Exeter's Housing supply needs as a planning authority and meet strategic 5 years ambitions</b>										
	<p>Potential Causes:</p> <ul style="list-style-type: none"> <li>- Inadequate Land supply</li> <li>- Not granted enough planning permissions</li> <li>- Student development cannot be included in housing supply figures</li> <li>- House builders drip feeding</li> <li>- Political / community buy in to developments</li> <li>- 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.</li> </ul> <p>Potential Impacts:</p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- Financial risks with increased appeals, and potentially lost income</li> <li>- Social outcomes - inequality, rising social service costs - significant waiting list</li> <li>- Reputational impact if development on not appropriate location</li> </ul>										
	June 2013	Bindu Arjoon - Director	4	3	12	<ul style="list-style-type: none"> <li>- Brownfield opportunities identified and developed into the Liveable Exeter strategy</li> <li>- The Liveable Exeter programme has secured further funding to support work on the Liveable programme</li> <li>- Higher density developments being encouraged within the city centre.</li> <li>- Social Housing being developed following the lifting of borrowing cap-ambition for 500 homes over 10 years'</li> <li>- Appropriately briefing members to ensure robust decision making processes</li> <li>- The Council is currently able to demonstrate a housing land supply of 4 years and 8 months against the 5 year requirement</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>- The Local plan is continuing to progress with a timetable now established and the statement of community involvement developing. The first statutory stage of public consultation on the Local Plan was completed in November 2021 (Regulation 18 Issues Consultation)</li> <li>- Selling positive image of high quality high density brownfield developments through the Liveable Exeter programme.</li> <li>- using existing planning policy to resist inappropriate development proposals in order to continue to protect the character and beauty of the city.</li> <li>- regular updating of the 5 year land supply position in order to closely monitor land supply in the city</li> </ul>	Ongoing
<p><b>Tracking Notes and Monitoring:</b></p> <p><b>March 2022:</b></p> <p>The Planning Inspector for the Pennsylvania Road appeal (held November 2021) has concluded that the Council is able to demonstrate a housing supply of 4 years and 8 months. Since that appeal decision was received, a further appeal has been held for Land at Redhills. At that appeal hearing, the Council argued that it is now able to demonstrate a 5 year housing supply due to the granting of planning consents since November 2021. However, until the Redhills appeal decision is received, the Council must accept that it cannot demonstrate a 5 housing supply for development management purposes."</p>											

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5	<p><b>Failure to adapt council workforce to ensure appropriate skills and experience</b></p> <p><u>Potential Causes:</u></p> <ul style="list-style-type: none"> <li>- Ageing workforce (half of staff over 50, considerable enough)</li> <li>- Difficulty to recruit into key areas - professional areas (planners, lawyers)</li> <li>- Empowerment, skills and engagement of managers to enable this change</li> </ul> <p><u>Potential Impacts:</u></p> <ul style="list-style-type: none"> <li>- Loss of experience</li> <li>- Increased spending on agency workers</li> <li>- Not having cost effective council services delivering the right outcomes</li> <li>- Service disruption</li> <li>- Cost of appeals / challenges across the council services</li> <li>- Increased stress / pressure on workforce</li> </ul>										
	June 2019	Baan Al-Khafaji	3	3	9	<ul style="list-style-type: none"> <li>- Market supplement scheme in place</li> <li>- Apprenticeship opportunities for new and existing staff</li> <li>- Employing part qualified staff and training them (internal and external) - procurement, planning etc.</li> <li>- Improvements in metric tracking (age, gender, skills profiles)</li> <li>- Business Partnering model allowing for greater collaboration between service areas and HR</li> <li>- Metrics reported to SMB</li> </ul>	2	3	6	<ul style="list-style-type: none"> <li>- Ensure robust implementation of new workforce planning process (local mgmt team led)</li> <li>- Utilising agile program to compliment modernisation of work environment</li> <li>- Review of progress against GDR.</li> </ul>	Ongoing
<p><b>Tracking Notes and Monitoring:</b></p> <p><b>December 2021:</b> No further update</p> <p><b>March 2022:</b> No further update received</p>											

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6	<b>Maintaining the Financial Sustainability of the Council</b>										
	<p>Potential Causes:</p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- Inability to deliver £6m savings target over three year period</li> <li>- Move to 75% business rate retention rather than government grant increases volatility of income and dependence upon growing local economy and business rates.</li> <li>- Inability to grow Exeter city centre and associated business rates etc.</li> <li>- Policy, regulatory or legislative changes which are not fully funded from central govt.</li> <li>- Failure to realise commercial ambitions of council</li> </ul> <p>Potential Impacts:</p> <ul style="list-style-type: none"> <li>- unable to balance budget</li> <li>- reduced income for council services</li> <li>- larger than anticipated cuts (in year or over longer term)</li> <li>- reduction in reserves</li> <li>- impacts on council services and therefore resident outcomes</li> </ul>										
	January 2018	Dave Hodgson - Director Finance	4	4	16	<ul style="list-style-type: none"> <li>- Detailed MTFP assessed and agreed with Members</li> <li>- savings plan agreed and being implemented with suitable governance arrangements in place.</li> <li>- Budget for 2021-22 agreed with significant reserves to protect against Covid related income losses.</li> <li>- Significant investment in city centre regeneration (st sidewall's point &amp; bus station) including developing a new vision for the rest of the site which includes mixed use</li> <li>- Business Development manager extended to continue to identify and grow commercial opportunities</li> <li>- Strong level of unringfenced general fund reserves to protect against shocks</li> </ul>	2	4	8	<ul style="list-style-type: none"> <li>- Continue to respond to consultations making case for council</li> <li>- Lobby government for relaxation of council tax increase restrictions</li> <li>- Further development of role and scope of business development manager position</li> <li>- The emergency budget and subsequent government support in respect of compensation schemes for income losses has enabled the Council to set aside funds to protect against further income losses as a result of continued restrictions in place to protect against Covid. The Council has a clear strategy to address the £6m savings required, although the exact timing of Government decisions around Business Rates and New Homes Bonus remains uncertain.</li> </ul>	Dec-22
<p><b>Tracking Notes and Monitoring:</b></p> <p><b>December 2021:</b> 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> <p><b>March 2022:</b> The 2022-23 budget has been passed and delivered the first stage of reductions required. The consultation on Fair funding formula is expected to restart this year and the Council will respond, making its case. One Exeter work is continuing.</p>											

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7	<b>Increased cost of all capital building Projects</b>										
	<p>Potential Causes:</p> <ul style="list-style-type: none"> <li>- There will be increased costs as a direct result of actions required to manage the new risks associated with COVID 19 risk</li> <li>- Shortages of materials and labour causing delay and increased costs across the capital programme.</li> </ul> <p>Potential impacts</p> <ul style="list-style-type: none"> <li>- Increased costs to Council</li> <li>- 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.</li> </ul>										
	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-23
	<p><b>Tracking Notes and Monitoring:</b></p> <p><b>December 2021 :</b> 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> <p><b>March 2022:</b> The challenges continue and the risk has been extended for the next financial year. Any specific issues will be reported to Council as required.</p>										
8	<b>Failure to deliver the Liveable Exeter Programme</b>										
	<p>Potential Causes:</p> <ul style="list-style-type: none"> <li>- a challenge to the viability of development</li> <li>- inadequate funding for brownfield land regeneration</li> <li>- lack of staff resources to support the work</li> <li>- inability to address complex land assembly and infrastructure challenges</li> <li>- significant abnormal costs associated with this type of programme</li> </ul> <p>Potential impacts</p> <ul style="list-style-type: none"> <li>- increased costs to the Council</li> <li>- carbon neutral not achieved by 2030</li> <li>- city housing needs not met by 2040</li> <li>- new communities not created</li> <li>- active and accessible city aspirations not met</li> <li>- new homes do not meet Garden City principles</li> <li>- housing built in locations the council is seeking to avoid</li> </ul>										

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	Nov 21	Karime Hassan - Chief Executive	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	9	work to be undertaken with One Public Eestate 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

**Tracking Notes and Monitoring:**

**March 2022:**

Brownfield Land Release Fund: Project management capacity brought in to support the programme monitoring. The individual sites are included in the Exeter City Living business Case. This is being considered by Council in March. Subject to approval of business case, this will give confidence on progressing work to submit planning applications.

Funding bids to support delivery of the Liveable Exeter programme have been made and a decision on the bids will be known shortly. This funding is important for the core delivery team.

Ian Collinson has been appointed Director of Planning & Development and will join the Council in April. This is an important step in progressing the programme.

LDA Design has been commissioned to produce a Marsh Barton development framework, this is a significant body of work that will inform the production of a development brief

DCC & ECC are progressing work on the development brief for Southgate and this will inform the production of a business case. This work is being led by DCC and is an important step in addressing the challenge of connecting Southernhay and the Quayside.

Work is being progressed on drafting a tender document to carry out a parking strategy for the city centre that will address the needs of the city centre, the ambitions on Net Zero and the implications for car parking, the council's aspirations for building homes and the revenue implications for the council. A number of housing proposals set out at high level in the Liveable Exeter Vision relate to council car parks and there is a need to have a strategy to assist decision makers when assessing redevelopment options.

Planning Member working Group has begun to look at an engagement strategy for the liveable Exeter programme.

The City Fund outline business case is in draft form and will be examined by Scrutiny Committee. This is a significant initiative that has implications for the funding of the programme and it is important that members gain an understanding of the model. Officers will continue to seek support from Homes England and Government for alternative ways of funding the programme.

Members will be aware of the Councils proposition to acquire land in the city centre to realise the long term ambition for Northgate.

Officers continue to approach land owners in key locations and to have dialogue with developers about bringing forward key sites in the programme and this is entirely what one would expect the Council to do if we are to demonstrate the programme is deliverable. Officers will normally bring to PMWG proposals that are being progressed under the programme.