

Corporate Risk Register

			Review Month:			October 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
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
1	<p>Inability to deliver Carbon Net Zero aspirations for Exeter by 2030 (External)</p> <p><u>Potential Causes:</u></p> <ul style="list-style-type: none"> - Financial pressure and economics of carbon reduction - Behavioural 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 Karime Hassan Chief Executive & Growth Director	4	3	12	Ideally there would be an alignment of the national and county goals for net zero emissions. Regrettably Devon County have now committed to a net zero 2050 goal in line with the national goal. This is a significant blow to the ambitions of the city to deliver on the more challenging 2030 goal. Given the significance of transport to the goal of net zero emissions it has made it highly unlikely that the city can achieve an ambitious timetable for that sector. In the absence of policy alignment it could be appropriate that the city and its partners reflect on the role the city plays in terms of the agenda. For example the city council continue to innovate and show willingness to pilot initiatives and create a powerful narrative around pioneering initiatives accepting that getting to scale is another challenge altogether. The other consideration is whether the city begins to focus on adaption rather than prevention. Climate adaption rather than eliminating greenhouse gas emissions will become a topic for discussion in months to come. The national and international debate is possibly moving backwards and whilst not an immediate issue for discussion, as time moves on a lack of a clear route to delivery will inevitably suggest adaption becomes the issue.	4	3	12	Greenhouse gas emissions inventory sector by sector published and approved by the City Council. This identifies the scale of the challenge to achieve a net zero Exeter by 2030. It includes a range of targets on an annual basis to achieve in a linear progression the decarbonisation of the city. The report identified the sectors where the greatest reductions required, namely buildings, energy and transport. In the absence of funding or legal powers to effect change, Exeter City Futures has organised a number of workshops to explore the feasibility and willingness to look at different approaches to securing change. Transport initiatives to support a step change in active travel and/or use of public transport. Expansion of district heating networks Accelerate roll out of EV charging infrastructure, Work continues with the green construction group at the Exeter College regarding the scope of the pipeline for retrofit of homes. The scale of the challenge is becoming clearer every day. For example a recent meeting with a heat pump manufacturer with the largest market share in the country revealed that it was installing 18k homes pa across the country. The net zero agenda for the city requires us to deliver 42,000 heat pumps to homes in the city alone. This would be on top of a district heat network for a further 11,200 homes. The scale of the challenge is extraordinary. Exeter City Futures together with the Centre for Leadership at the University of Exeter hosted a meeting of a number of organisational leaders to explore	Apr-30

						Review Month:			October 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
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
										<p>the leadership challenge to realise a net zero goal and it revealed good practice being pursued by the Met Office in its journey to net zero and the appetite for collaboration from parties across the city. Positive experiences and willingness to work together is suggestive of a strong commitment to the agenda notwithstanding the obvious challenges to get to a 2030 goal.</p> <p>Train services especially along the Waterloo to Exeter line have impacted negatively on supporting people to shift from car to public transport. A less than satisfactory bus services within the city has been widely commented upon throughout the city and is setting us backwards in our strategy to support active travel and a shift to public transport.</p> <p>Policies to support the net zero Exeter 2030 goal are reflected in the draft city plan.</p> <p>Work of scrutiny to support the green construction agenda is in plan and a range of parties are now fully co-operating with Exeter College to firm up a pipeline. Recruitment of skilled labour to support retrofit work is an obvious bottle neck and members may want to probe this issue further with Exeter College.</p> <p>Exeter City Fund is still being looked at by scrutiny committee and members will need to take a view on whether the fund is the appropriate mechanism to fund the green construction ambition of the City Council. Presently there is little comfort that can be drawn from national government on funding for housebuilding and regeneration or the quality of development desired by the city council in pursuance of the net zero agenda. The City Fund was an attempt to find such a mechanism. If this approach is not acceptable to members, there is no obvious alternative that has been identified.</p>	
<p>Tracking Notes and Monitoring:</p> <p>September 2022:</p> <p>Updates to work to be done provided.</p> <p>November 2022:</p> <p>The details of the risk and corresponding mitigations have been updated. It should also be noted that, following the Scrutiny Governance review, it has been proposed that a Strategic Scrutiny Sub Committee for Climate Change is established, however, this is pending approval by Council in the New Year.</p>											

						Review Month:			October 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
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
2	Failure to meet Exeter's Housing supply needs as a planning authority and meet strategic 5 years ambitions										
	<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	Executive	4	4	16	- 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 Council is currently able to demonstrate a housing land supply of 4 years and 8 months against the 5 year requirement	4	4	16	- 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) - 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
Tracking Notes and Monitoring:											
March 2022:											
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."											
Sept 2022: At the Spruce Close appeal, the Inspector has determined that Exeter does not have 5-year land supply. The Planning Committee has resolved to refuse the former Police Station, Heavitree Road application for PBSA and Co-living. The Director of City Development has signed a PPA to bring forward a planning application for land at Water Lane. ECC has been granted a further £250,000 government capacity funding for 2020/21 to support Liveable Exeter. The Statement of Community Involvement has been adopted; Executive has approved the outline draft Exeter Plan for public consultation, commencing 26.09.22; consultants have been appointed to develop a set of Liveable Exeter principles and a detailed design code for Water Lane and Marsh Barton.											
Nov 2022: Director City Development is leading a piece of work to dive deeper to understand the risks to the City's housing pipeline and Liveable Exeter. This is a corporate project and will carry over into the New Year. It will conclude with a report to Executive. The work is still being scoped at this stage.											

						Review Month:			October 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
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
3	Failure to adapt council workforce to ensure appropriate skills and experience										
	<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 Director Corporate Services	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
	<p>Tracking Notes and Monitoring:</p> <p>March 2022: No further update received</p> <p>June 2022: No further update received</p> <p>November 2022: No further updates</p>										

						Review Month:			October 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
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
4	Maintaining the Financial Sustainability of the Council										
	<p>Potential Causes:</p> <ul style="list-style-type: none"> - Fair funding review from central government involving rebase lining of business rates (income loss of £2.5m per annum) and determination of a new formula which could have funding implications. - Inability to deliver £6.6m savings target over four year period. - Inability to grow Exeter city centre and associated business rates etc. - Policy, regulatory or legislative changes which are not fully funded from central govt. - Impact of high inflation, rising interest rates and other external economic factors. <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 - One Exeter plan agreed and being implemented with suitable governance arrangements in place. - Budget for 2022-23 agreed with significant reserves to protect against Covid related income losses. - Significant investment in city centre regeneration (St Sidwell'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 - 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. - Significant funding in an earmarked Reserve to protect against income shortfalls or timing issues with reductions. - Further work being undertaken to identify (or bring forward) options to address further reductions required. 	Feb-23
<p>Tracking Notes and Monitoring:</p> <p>September 2022: The MTFP has been updated and the pay award / inflation means that savings are required totalling £6.6m regardless of the outcome of Government decisions.</p> <p>November 2022: Director Finance to provide a detailed verbal update at the A&G meeting.</p>											

					Review Month:			October 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
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
5	Increased cost of all capital building Projects										
	Potential Causes: - Shortages of materials and labour causing delay and increased costs across the capital programme. - Interest Rate rises causing the cost of borrowing to rise significantly. Potential impacts - Increased costs to Council - Delay in all projects, predominantly the condition survey projects and HRA programme, 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 arising.	4	4	16	Review existing capital programme with a view to deferring and removing schemes. Change of emphasis to internally borrow in the short term to offset interest rate rises.	Feb-23
Tracking Notes and Monitoring: September 2022: Interest rates have now increased to around 2.5% higher than at the start of the year. This adds around £25,000 per million borrowed. This will have a negative impact on the revenue position of the Council, when further external borrowing is required. November 2022: Director Finance to provide a detailed verbal update at the A&G meeting											

			Review Month:			October 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
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
6	Failure to deliver the Liveable Exeter Programme										
	<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 										
	Nov 21	Executive 'Ian Collinson- Director City Development	4	4	16	<ul style="list-style-type: none"> - Brownfield land release fund: <ul style="list-style-type: none"> - project management capacity brought in - sites included in ECL business case - Director of Planning & Development appointed - 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 - LDA design commissioned to produce Marsh Barton Development framework - DCC & ECC progressing work on development brief for Southgate 	4	4	16	<ul style="list-style-type: none"> 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 - draft tender for parking strategy - City Fund outline business case in draft with Scrutiny Committee - Officer to continue to approach landowners in key locations to bring forward key sites in the programme 	Nov-24

					Review Month:			October 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
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
<p>Tracking Notes and Monitoring:</p> <p>Sept 2022: Joint Scrutiny Committee has held three meetings to better understand the Exeter Development Fund concept. This has identified the outline business case, the failings with the current business as usual model, the opportunities with development corporation models of delivery, and the challenges to visibility as a consequence of the current approaches to funding development. A Task and Finish Group has been established for scrutiny to conclude its consideration of the concept prior to Executive considering the proposal. DLUHC Garden Communities capacity funding is being used effectively to help unlock sites, but this funding is not sufficient and is at risk of being scrapped. The level of resources required to support an ambitious transformation programme is significant and whilst the development corporation model, would be a means to secure greater resources to the programme, this could be years away. There are tangible examples of progress being made with the programme and progress with the Exeter Plan preparation (see also above under Risk 2). There is strong private sector interest in the Water Lane area and St David's Station/Red Cow and ECC has built a strong collaborative approach with land owners/developers. Consultants have been engaged to master plan the Marsh Barton area and develop a strategic design code for Water Lane. This work could be replicated across other strategic sites, given sufficient resources. However strategic uncertainty is hitting confidence in the construction sector where inflation is hurting viability. Developers are unable/unwilling to risk significant investment in bringing forward brownfield land. Homes England is reluctant to commit government funding to provide infrastructure loans/grant and acquire land to unlock sites. ECL is continuing to develop a pipeline of deliverable sites on Council owned land with support from City Development. Recent appeal decisions have left the Council in a weak policy position.</p> <p>Nov 2022: As for risk 2 the Director City Development is leading a piece of work to dive deeper to understand the risks to the City's housing pipeline and Liveable Exeter. This is a corporate project and will carry over into the New Year. It will conclude with a report to Executive. The work is still being scoped at this stage.</p>											

				Review Month:			October 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
			L'hood	Impact	Risk Score		L'hood	Impact	Risk Score		
7	Inability to deliver Carbon Net Zero aspirations for Exeter City Council operations by 2030 (Internal)										
	At the request of members, with effect from June 2022 this risk is now the subject of a separate risk register to be present half yearly to the Audit & Governance Committee by the Corporate Energy Manager, Net Zero Team										