

# East Herts Council Report

## Audit and Governance Committee

**Date of meeting:** 26 September 2023

**Report by:** Executive Member for Financial Sustainability

**Report title:** Monitoring of 2023/24 quarter one corporate risk register

### Appendixes:

Appendix 1 – Summary of corporate risks quarter one 2023/24

**Ward(s) affected:** All

**Summary** – The report provides updates on our 13 corporate risks for quarter one and details of how East Herts will manage these risks moving forward.

### RECOMMENDATIONS FOR Audit and Governance Committee:

- A) The 2023/24 quarter one corporate risk register be reviewed, and officers advised of any further action that could be taken to manage risk.**
  
- B) An update to risk titles are agreed.**
  
- C) Risk Number 12 '*Outbreak of disease in humans impacting on service delivery and our residents*' is incorporated into Risk Number 13 '*Inadequate Business Continuity Plan / Emergency Plan and its impact on the Council and its residents*'**

## **1.0 Background**

1.1 Leadership Team reviews the content of the corporate risk register quarterly and provides updates that are relayed within this monitoring report to Audit and Governance Committee. Towards the end of Quarter four, a separate report is normally produced which recommends of any changes to the 13 corporate risks set and this is set out in quarter four reports. At this stage, no new risks have been identified.

1.2 Following a change in management of administering risk updates and writing reports, it was agreed that corporate risks are managed directly on our performance management system Pentana, which is also used to manage our corporate actions, thus allowing a more holistic approach to performance and risk management.

1.3 This enables users to be able to see real time updates on each risk and contributes towards our digital by design aim by allowing members to self-serve. Members can log in at any point to [Pentana](#) to assess our risk register (please consult a member of Democratic Services for login details).

## **2.0 Risk register results for quarter one**

2.1 Leadership Team has set a risk tolerance level. Risks above the tolerance levels are actively managed and regularly reviewed to ensure that contingency and mitigation action is being taken. Risks below the tolerance line are managed by Heads of Service but these are often delegated. (Heads of Service are responsible

for keeping all risks under review and taking action to reduce the impact of the risk on the council.)

2.2 Details of our 13 corporate risks can be shown in the table below. A summary of risk scores is shown in the matrix below. Risks in the red are those actively managed.

Risk	Title	Risk Score
1	Insufficient financial resources to provide statutory services	A4
2	Insufficiently robust governance arrangements to make robust decisions	B3
3	IT failure adversely impacting on cyber security and/or effective service provision	A4
4	Staff capacity shortages affecting the ability to deliver services	B3
5	Supply chain / contractor failure and its impacts on services	C4
6	Risk a Judicial Review and/or major legal challenge would have on the Council	B3
7	Unadopted local plan acts against controlled development	A2
8	Lack of mitigation of and adaptation to climate changes adversely impacts of service delivery	A4
9	Serious harm to a child or adult a risk due to inadequate safeguarding arrangements	A1
10	Discrimination or indirect indiscrimination arising from inadequate attention to the public sector equality duty	A2
11	Inadequate Internal control measures impacts on service delivery	B2
12	Outbreak of disease in humans impacting on service delivery and our residents	A3
13	Inadequate Business Continuity Plan / Emergency Plan and its impact on the Council and its residents	A1

Table 1 (above) - corporate risks /quarter one risk scores, Matrix 1 (below) - summary of our corporate risk scores

Impact	Likelihood			
	1	2	3	4
A	9,13	7,10	12	1,4,8
B		11	2,4,6	
C				5
D				

2.3 Details of how we score the risk score can be found below.  
Please see appendix 1 for a comprehensive breakdown of each risk.

Likelihood	Score	Description	Likelihood of occurrence	Probability of occurrence
	4	High	Monthly	The event is expected to occur or occurs regularly
	3	Medium	Annually	The event will probably occur
	2	Low	1 in 5 years	The event may occur
	1	Very Low	Less frequently than 1 in 5 years	The event may occur in exceptional circumstances

Impact	Score	Description	Financial	Reputation	Service / operation
	A	Critical	> £1m p.a.	Serious negative media	Catastrophic fall in service quality or long-term disruption to services
	B	Significant	£400,000 to £1m p.a.	Adverse national media	Major fall in service quality or serious disruption to services
	C	Marginal	£100,000 to £400,000 p.a.	Adverse local media	Significant fall in service quality
	D	Minor	< £100,000	Public concerns restricted to local complaints	Little impact to service quality

Table 2: Methodology of corporate risk scoring

2.4 There is change to the quarter one matrix position on risk 12, from A4 to A3. In addition, there have been changes made to the risk titles for all 13 corporate risks. This is to provide a better understanding of the roles, risk, impacts and responsibilities East Herts has to all readers.

In addition, there is a proposal to incorporate Risk 12, *'Outbreak of disease in humans impacting on service delivery and our residents'* into Risk 13 *'Inadequate Business Continuity Plan / Emergency Plan and its impact on the Council and its residents'*.

Any future outbreak of disease will be monitored in several of the current risks, most notably Risk 13 as mentioned but also in risks such as 1,3,4,5,9 and 11.

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### **Community Safety**

No

### **Data Protection**

None specific but the topic features within the corporate risk register.

### **Equalities**

None specific but the topic features within the corporate risk register.

### **Environmental Sustainability**

None specific but climate change features within the corporate risk register.

### **Financial**

None specific but risk management can provide protection of budgets from unexpected losses. Better governance can be demonstrated and the annual audit plan is risk based.

## **Health and Safety**

None specific but risk management processes can provide a safer environment across the District and all services for the benefit of the public, staff and our contractors.

## **Human Resources**

No

## **Human Rights**

No

## **Legal**

None specific but legal matters feature within the corporate risk register.

## **Specific Wards**

No

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