



*Alison Stuart
Head of Legal and
Democratic Services*

MEETING : PERFORMANCE, AUDIT AND GOVERNANCE
OVERSIGHT COMMITTEE
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : TUESDAY 21 MAY 2019
TIME : 7.00 PM

MEMBERS OF THE COMMITTEE

To be determined at Annual Council on 15 May 2019

Substitutes

(Note: Substitution arrangements must be notified by the absent Member to Democratic Services 24 hours before the meeting)

CONTACT OFFICER:
lorraine.blackburn@EASTHERTS.GOV.UK
01279 502172

DISCLOSABLE PECUNIARY INTERESTS

1. A Member, present at a meeting of the Authority, or any committee, sub-committee, joint committee or joint sub-committee of the Authority, with a Disclosable Pecuniary Interest (DPI) in any matter to be considered or being considered at a meeting:
 - must not participate in any discussion of the matter at the meeting;
 - must not participate in any vote taken on the matter at the meeting;
 - must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
 - if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
 - must leave the room while any discussion or voting takes place.
2. A DPI is an interest of a Member or their partner (which means spouse or civil partner, a person with whom they are living as husband or wife, or a person with whom they are living as if they were civil partners) within the descriptions as defined in the Localism Act 2011.
3. The Authority may grant a Member dispensation, but only in limited circumstances, to enable him/her to participate and vote on a matter in which they have a DPI.
4. It is a criminal offence to:

- fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register;
- fail to notify the Monitoring Officer, within 28 days, of a DPI that is not on the register that a Member disclosed to a meeting;
- participate in any discussion or vote on a matter in which a Member has a DPI;
- knowingly or recklessly provide information that is false or misleading in notifying the Monitoring Officer of a DPI or in disclosing such interest to a meeting.

(Note: The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.)

Public Attendance

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If you think a meeting you plan to attend could be very busy, you can check if the extra space will be available by emailing democraticservices@eastherts.gov.uk or calling the Council on 01279 655261 and asking to speak to Democratic Services.

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Visit <https://www.eastherts.gov.uk/article/35542/Political-Structure> for details.

AGENDA

1. Appointment of Vice Chairman

To Appoint a Vice Chairman for the Civic Year 2019/20.

2. Apologies

To receive apologies for absence.

3. Minutes - 12 March 2019 (Pages 7 - 20)

To approve as a correct record the Minutes of the Performance Audit and Governance Scrutiny Committee meeting held on 12 March 2019.

4. Declarations of Interest

To receive any Members' Declarations of Interest and Party Whip arrangements.

5. Chairman's Announcements

6. External Audit - Update on timing of the Audit 2018/19 (Pages 21 - 26)

7. Strategic Risk Register - Annual Report (Pages 27 - 38)

8. Work Programme Proposals 2019-20

Members' comments are sought on the development of a Work Programme for the civic year 2019/20.

9. Urgent Items

To consider such other business as, in the option of the Chairman of the meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

MINUTES OF A MEETING OF THE
PERFORMANCE, AUDIT AND GOVERNANCE
SCRUTINY COMMITTEE HELD IN THE
COUNCIL CHAMBER, WALLFIELDS,
HERTFORD ON TUESDAY 12 MARCH 2019,
AT 7.00 PM

PRESENT: Councillor M Pope (Chairman)
Councillors A Alder, P Ballam, K Crofton,
T Page, L Radford, S Reed, P Ruffles,
T Stowe and J Wyllie

OFFICERS IN ATTENDANCE:

Isabel Brittain	- Head of Strategic Finance and Property
Lorraine Blackburn	- Democratic Services Officer
Liz Watts	- Chief Executive

ALSO IN ATTENDANCE:

Abigail Gregory	- Community Voluntary Service
Nick Jennings	- Shared Anti-Fraud Service (SAFS)
Susan Lancaster	- Community Voluntary Service
Simon Martin	- Shared Internal Audit Service
Suresh Patel	- EY

435 CHAIRMAN'S ANNOUNCEMENTS

The Chairman stated that this was the last meeting of the civic year and thanked all Members for their contribution to the work of the committee.

436 APOLOGIES

Apologies for absence were received from Councillors P Boylan and D Oldridge.

437 MINUTES - 22 JANUARY 2019

It was moved by Councillor A Alder and seconded by Councillor T Stowe that the Minutes of the meeting held on 22 January 2019 be confirmed as a correct record and signed by the Chairman. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the Minutes of the meeting held on 22 January 2019 be confirmed as a correct record and signed by the Chairman.

438 DECLARATIONS OF INTEREST

Although not a pecuniary interest, Councillor A Alder stated that in relation to agenda item 5 (Community Voluntary Service for East Herts 2018/19: Performance and Priorities for 2019/20), she was the Vice Chairman of the CVS.

439 COMMUNITY VOLUNTARY SERVICE FOR EAST HERTS 2018/19: PERFORMANCE AND PRIORITIES FOR 2019/20

The Head of Housing and Health submitted a report on the Community Voluntary Service for East Herts and their

priorities for 2019/20.

Ms Susan Lancaster (Community Engagement Officer) and Ms Abigail Gregory (Marketing Officer) provided a summary of the work of the CVS throughout East Herts and Broxbourne, their roles within the voluntary organisation and their work involving and helping varied community groups. Ms Lancaster explained the projects she was actively involved with, including loneliness, social isolation, and social investment analysis and helping groups become self-financing. She stated that £8K investment returned approximately £100K back to the community. Ms Lancaster said that she was aided by a team of 18 staff and 45 volunteers and explained the organisation's other sources of funding.

Councillor T Stowe thanked the CVS for the assistance he had been provided with on two separate occasions.

Members sought and were provided with clarification on a number of issues including:

- Core running costs to deliver services and what key performance targets would be achieved by the end of the financial year in relation to the Service Level Agreement;
- The work of the CVS and working in parallel with other support organisations;
- In relation to providing governance advice to update organisations' policies, funding applications and other areas of specialism;
- The training provided by the CVS, to a number of

groups on a range of issues;

- The organisation's focus for 2019/20 and what East Herts Members might now like to focus on. Members suggested rural and social isolation and working with higher levels of deprivation in rural areas; additionally, working with Parish Councils and clerks;
- that funding be inflation-proofed and the Council, where possible, share its facilities with the CVS;
- on the support being given to the Museum on its policy arrangements in relation to (GDPR).

The Chief Executive referred to the current levels of funding the CVS had received from the Council and the positive work they had achieved so far. She asked whether Members wished to continue with the current levels of financial support. The Chairman felt that the CVS provided good value for money and going forward, suggested, that the CVS take on board, assistance to the elderly, combating social and rural isolation. This was supported.

Ms Lancaster explained that the CVS was already working on a three year programme targeted at loneliness and people accessing resources to support themselves in their own homes.

Members noted that the CVS had been invited along to the meeting on 11 May 2019 (after the District and Parish Elections) to showcase their role in the community.

The Chief Executive explained that the Council was always happy to promote the work and work in partnership.

Members thanked the CVS for a summary of their work and supported the suggestion that loneliness, working with the elderly, combatting social isolation (especially in rural areas) and working with Parish Councils be included within their programme, going forward.

It was moved by Councillor J Wyllie and seconded by Councillor S Reed that the recommendation, as amended, be approved. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) the performance of the Community Voluntary Services (CVS) for Broxbourne and East Herts (as it relates to East Herts), be considered;

(B) the Head of Housing and Health be requested to explore, at the next SLA review meeting in April 2019, the issues raised by Members including; loneliness, working with the elderly, combatting social isolation (especially in rural areas) and working with Parish Councils;

(C) the proposed priorities for the 2019/20 service level agreement (SLA) between the Council and CVS be considered; and

(D) the Head of Housing be requested to consider any issues raised when finalising the 2019/20 SLA.

440 CORPORATE HEALTHCHECK - QUARTER 3

The Head of Strategic Finance and Property and Head of Communications, Strategy and Policy submitted a report

on the finance and performance of the Council as at 31 December 2018. The Head of Strategic Finance and Property explained that an underspend of £29k was predicted.

Members debated the report at length and clarification was sought and provided on a number of issues including:

- The overspend of £31k within Democratic and Legal Services (and the difficulties in recruiting solicitors) and whether the section had sufficient resources to manage the workload, including schemes to nurture new staff;
- The level of outstanding debt, of which £123k related to outstanding section 106 monies due from developers;
- Concerns that the underspends and slippage may be impacting on capital schemes (such as the fire suppression unit at Buntingford) and have a negative effect on the Council;
- The overspend of £27K against the Shared Business and Technology Services budget and digital savings not being achieved. Concerns were expressed about the VM ware not working on I-pads.
- The level of contribution from reserves of £1.116M in 2018/19;
- The £46K overspend on the Financial Management System and whether this would impact on the audit.

Assurances were sought and provided that there was

sufficient staff in place to manage the election process. The Chief Executive explained that regular team update meetings were being held.

Councillor A Alder referred to the lack of progress with regard to the public toilets in Sawbridgeworth. The Chief Executive advised that a scheme had been submitted to the Town Clerk and that the Council was awaiting a response.

The Committee Chairman referred to the good progress made on the Hertford Hydro.

It was moved by Councillor J Wyllie and seconded by Councillor T Stowe, that the recommendations, as detailed be approved. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) the projected revenue budget forecast underspend of £29K in 2018/19 be noted (paragraph 2.1);

(B) the capital budget for 2018/19 of £11.485M be noted (paragraph 6.1);

(C) the reported performance for the period October 2018 to December 2018.

441 EXTERNAL AUDITOR 2018-19: AUDIT PLAN

The External Auditor submitted a report on the Audit Plan which set out how the External Auditors intend to carry out their responsibilities, the proposed audit approach and scope for the 2018/19 audit against accountings requirements and legislation to ensure that the audit was

aligned with the Council's service expectations.

The External Auditor provided a summary of the report in terms of:

- An overview of the 2018/19 audit strategy;
- Audit risks;
- Value for money risks;
- Audit Materiality;
- Scope of the audit;
- Audit Team and timeline;
- Independence and appendices.

The Head of Strategic Finance and Property referred to the shortened time period to produce the accounts. The External Auditor explained how this would impact on EY in terms of then auditing the accounts and asked that consideration be given to changing the date of the Performance Audit and Governance Committee on 16 July 2019 to a later date (two weeks later, to 31 July 2019), so that Members could consider the report. The Head of Strategic Finance and Property undertook to discuss this further with Democratic Services.

In response to a query from the Chairman, the External Auditor explained the analytical tools used to undertake the audit process.

Members received the report.

RESOLVED - that the report be received.

442 SHARED ANTI-FRAUD SERVICE WITH DRAFT PLAN FOR 2019-20

The Shared Anti-Fraud Service submitted a report on the progress of the SAFs and East Herts Anti-Fraud Action Plan for 2018/2019, the Anti-Fraud Plan for 2019/20 and explained the requirements of the Transparency Code data 2018/19.

The Officer provided a summary of the report and of work in progress to support e-learning and of the need for mandatory training in relation to money laundering. The SAFs Officer provided an update on the current situation and stated that the partnership had achieved £125K savings on new revenue activities. He explained what reports would be presented to Members in the summer 2019.

Members sought and were provided with clarification on a number of issues including:

- The increase to all SAFs partners, of 2%;
- Fraud and cyber crime;
- The culture at East Herts from a fraud view (said to be better than other councils);
- How the savings of £125K had been achieved;
- The key objectives of the Herts Fraud Hub and the positive use of data sets;

The SAFs Officer drew Members' attention to the "Councillors workbook on Bribery and Fraud Prevention", as detailed in the report.

It was moved by Councillor K Crofton and seconded by Councillor L Radford that the recommendations, as

detailed, be approved. After being put to the meeting and a vote taken, the motion was declared carried.

RESOLVED – that (A) the SAFs / EHC Anti-Fraud Plan 2019/20 be approved.

(B) the LGA Councillors Workbook on Fraud and Bribery Prevention 2017 be noted.

443 SHARED INTERNAL AUDIT SERVICE (SIAS) INTERNAL AUDIT PLAN 2019/20 – UPDATE

The Shared Internal Audit Service submitted a report on the proposed East Herts Audit Plan for 2019/20. The SIAS Officer provided a summary of the report.

It was moved by Councillor K Crofton and seconded by Councillor T Stowe that the recommendation, as detailed, be approved. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the East Herts Audit Plan for 2019/20, be approved.

444 SHARED INTERNAL AUDIT SERVICE (SIAS) - PROGRESS REPORT

The Shared Internal Audit Services submitted a report on the progress made in delivering the Council's 2018/19 Internal Audit Plan as at 22 February 2019, the findings for that period including the status of previously agreed Internal Audit recommendations. The report summarised the proposed amendments required to the approved 2018/19 Internal Audit Plan and provided an update on performance management information as at 22 February

2019. The SIAS Officer provided a summary of the report.

The Chairman sought and was provided with clarification on the issue of compliance monitoring which was being undertaken in house, under a joint service arrangement and was assured that the Council was now fully compliant with GDPR requirements.

Councillor A Alder queried whether Officers had identified all the properties in the District which were houses in multiple occupation. The Head of Strategic Finance and Property assured the Member that the Head of Revenues and Benefits had this under review.

It was moved by Councillor J Wyllie and seconded by Councillor A Alder that the recommendations, as detailed, be approved. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) the Internal Audit progress report be noted;

(B) the amendments to the Audit Plan as at 22 February 2019, be approved;

(C) the status of critical and high priority recommendations, be noted.

445 ANNUAL REVIEW OF RISK MANAGEMENT STRATEGY

The Executive Member for Finance and Support Services submitted a report following a review of the Risk Management Strategy and proposed updates, as detailed within the report and Essential Reference Papers.

Councillor J Wyllie sought and was provided with clarification regarding the intention to delete the sentence, "Operational risks are identified by Heads of service and reviewed at Leadership Team".

Members supported the recommendation, as detailed.

It was moved by Councillor P Ballam and seconded by Councillor T Stowe that the recommendation, as detailed, be approved. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the updated Risk Management Strategy, be received.

446 WORK PROGRAMME

The Democratic Services Officer explained that the Interim Scrutiny Officer was not available but had been having discussions with Leadership Team on the work of the scrutiny Committees and that, particularly in the case of Performance Audit and Governance Scrutiny, much of the work put before it would be better managed through a monitoring and oversight committee. Further information would follow.

Members noted the update.

RESOLVED – that the update be received.

The meeting closed at 8.45 pm

Chairman
Date

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EAST HERTS COUNCIL

PERFORMANCE, AUDIT, GOVERNANCE AND OVERSIGHT COMMITTEE
– 21 MAY 2019

REPORT BY HEAD OF STRATEGIC FINANCE AND PROPERTY AND
INTERIM HEAD OF OPERATIONS

EXTERNAL AUDIT UPDATE ON TIMING OF THE AUDIT

WARD(S) AFFECTED: N/A

Purpose/Summary of Report

- To update the Committee on the current proposed timing of the audit of the Council's 2018/19 statement of accounts.

<u>RECOMMENDATION FOR DECISION: That:</u>	
(A)	The update from EY be discussed and any actions be noted.

1.0 Background

1.1 Under the Accounts and Audit Regulations 2015, Regulation 10, the Council must no later than 31st July publish the statement of accounts together with any certificate or opinion, entered by the local auditor. Where the audit of accounts has not been concluded the Council must publish a notice stating that it has not been able to publish the statement of accounts and its reasons for this.

1.2 At the 11 March 2019 Committee meeting, EY presented the 2018/19 Audit Plan, which included a timetable for the audit. At the same meeting, EY requested that the date of the July Committee meeting be moved to later in July.

1.3 Subsequently EY have advised that as a result of staffing issues they will need to change the timing of the audit, in particular the on-site audit visit.

2.0 Report

2.1 A letter from EY (ERP B) is included outlining their current plan for the timing of the audit. The EY Engagement Partner will attend the Committee meeting to explain the rationale of the scheduling of the audit and provide a verbal update on any changes to the proposed timing of the audit.

3.0 Implications/Consultations

3.1 There is a risk that EY are unable to complete the audit of the Council's accounts to enable the Council to publish its accounts with an auditor's report by the 31 July. In addition, the timing of EY's onsite audit visit is no longer in line with the long standing and approved annual leave commitments of the Council's Finance team.

3.2 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

EY Audit Plan 2018/19 (March 2019 Committee)

Contact Member: Geoff Williamson
geoff.williamson@eastherts.gov.uk

Contact Officer: Isabel Brittain, Head of Strategic Finance and Property, Tel: 01279 502050.
isabel.brittain@eastherts.gov.uk

Report Author: Isabel Brittain, Head of Strategic Finance and Property, Tel: 01279 502050.
isabel.brittain@eastherts.gov.uk

ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	Priority 3 – Enable a flourishing local economy The report highlights the inability of EY to provide audit resourcing in line with the 30 th September deadline.
Consultation:	N/A
Legal:	There are no legal implications.
Financial:	There are no direct financial implications arising from the report.
Human Resource:	No specific implications arise from this report
Risk Management:	The report flags up the consequences of EY's under-resourced audit function.
Health and wellbeing – issues and impacts:	No specific implications arise from this report.

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Performance Audit and Governance Oversight Committee
East Hertfordshire District Council
Wallfields
Pegs Lane
Hertford
SG13 8EQ

09 May 2019

Ref: EHDC-Audit1819

Direct line: 020 7951 2340
Email: SPatel22@uk.ey.com

To the Members of the Performance Audit and Governance Oversight Committee

Update on the timing of the 2018/19 Audit

This letter provides the Committee with an update on our current plan for scheduling the audit of the Council's statement of accounts. I will provide a verbal update at the 21 May meeting.

Our priority is to ensure high quality in undertaking our audits, as this is key to ensuring we meet our responsibilities and issue the correct opinion.

As your auditors we try to conduct our work in as timely a manner as possible, having regard to your responsibilities. Unfortunately, because of staff turnover and challenges in recruiting new staff, we have had to review the timetable for your 2018/19 audit and currently plan to commence remote working during the week commencing 15 June and then plan to provide an onsite team from 15 July. This remains subject to change.

We will continue to liaise with the finance team and share a plan of our proposed remote and onsite procedures to help facilitate an effective audit. I apologise for the inconvenience that the rescheduling of your audit may cause and commit to working with you to ensure that any disruption is minimised.

We have explained our scheduling decisions to Public Sector Audit Appointments and have committed to keep them informed about both our discussions with clients and our plans to increase recruitment. They share our overriding concern to ensure delivery of a quality audit. They have also sought reassurance that EY will make every effort to minimise inconvenience to clients and to complete rescheduled audits as soon as possible. We have been happy to give that reassurance.

Whilst we always strive to provide excellent client service, our first priority must be to safeguard the quality of the audits provided, and avoid putting our professional standards at risk.

Yours sincerely



Suresh Patel
Associate Partner
For and on behalf of Ernst & Young LLP
cc. Isabel Brittain, Chief Financial Officer

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EAST HERTS COUNCIL

PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY COMMITTEE –
21 MAY 2019

REPORT BY HEAD OF STRATEGIC FINANCE AND PROPERTY

RISK MANAGEMENT ANNUAL REPORT 2019/20

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To advise Members of the proposed content of the Strategic Risk Register for 2019/20.

<u>RECOMMENDATIONS FOR PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY COMMITTEE: That:</u>	
(A)	The content of the Strategic Risk Register be reviewed and the Executive advised of any amendments, additions or deletions proposed.

1.0 Background

1.1 The committee receives an annual report detailing changes in the content of the Strategic Risk Register between financial years.

2.0 Report

2.1 During 2017/18 it was agreed that an annual risk report would be submitted. (The Strategic Risk Register used to be presented quarterly).

2.2 Leadership Team has reviewed and updated the content of the Strategic Risk Register for 2019/20. The proposed content can be found at **Essential Reference Paper 'B'**.

2.3 No new risks have been identified. One risk has been deleted. Some descriptions have been updated and these changes are summarised below:

2018/19 reference and summary of title		2019/20 reference and comment	
1a	Significant funding reduction	1a	No change
1b	Business rate income reduction	1b	No change
2	Workforce capability and experience to deliver services.	2	No change
3	Supplier or contractor fails to deliver	3	No change
4	Alternate service delivery models	4	No change
5a	Data breach	5a	No change
5b	Cyber risk	5b	No change
6	District Plan	N/a	Deleted in 2018/19 quarter three following adoption of the District Plan
7	Significant development proposals at strategic sites	6	Description updated
8	Digital East Herts	7	No change
9	Safeguarding children	8	No change
10	Safeguarding adults	9	No change
11	Economic vitality	10	Description updated
12	Emergency planning response	11	No change
13	Referendum vote to	12	Description updated

	leave EU		
14	Old River Lane	13	No change

- 2.4 The council's Risk Management Strategy was presented at March's meeting but the scoring matrix has been replicated at **Essential Reference Paper 'C'** for ease of reference.
- 2.5 The council's Leadership Team still reviews the content of the Strategic Risk Register quarterly and records controls implemented or planned. Whilst controls are no longer reported to committee, all members can view these on the council's performance management system, Pentana Performance. <https://eastherts.pentanarpm.uk/login>
- 2.6 The committee is however advised of exceptions, usually within the finance health check report, such as addition or deletion of risks, changes of descriptions and scores. However a separate financial outturn report is presented for quarter four so the risk commentary usually contained in that report follows:
- 2.7 In 2018/19 quarter four there were no changes to risk descriptions or scores and no additions or deletions.
- 3.0 Implications/Consultations
- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None

Contact Member: Councillor Geoffrey Williamson – Executive Member for Finance and Support Services
geoffrey.williamson@eastherts.gov.uk

Contact Officer: Isabel Brittain – Head of Strategic Finance and
Property
Extension 2050
isabel.brittain@eastherts.gov.uk

Report Author: Graham Mully – Insurance and Risk Business
Advisor
Extension 2166
graham.mully@eastherts.gov.uk

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives:	Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy
Consultation:	There are no specific consultation implications arising directly from this report.
Legal:	There are no specific legal implications arising directly from this report.
Financial:	There are no specific financial implications arising directly from this report.
Human Resource:	There are no specific human resource implications arising directly from this report.
Risk Management:	There are no additional risk management implications to those already contained in this report. However, it should be noted that if East Herts did not have a risk management monitoring process, the Authority would be seen to be not managing risks appropriately, which would have a significant negative impact on recommendations made by the External Auditors through the Annual Audit Letter.
Health and wellbeing – issues and impacts:	There are no specific health and wellbeing implications arising directly from this report.
Equality Impact Assessment required:	No.

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Risk Code	Risk Title	Description	Current Impact	Current Likelihood	Target Impact	Target Likelihood	Managed By
1a	Risk of significant deviation from plan in terms of funding. This is predominately a risk of a significant reduction but a significant increase could also cause risks to materialise.	There is uncertainty around future funding, both from Government and other areas. The potential impact of leaving the EU and on trade relations will cause ambiguity with regard to the future financial position.	3	3	3	3	Isabel Brittain
1b	Business rate income significantly reduced from planned anticipated level (and current levels).	Appetite and ability as a Council to influence economic development. Neighbouring authorities reducing rates. Revaluation and appeals. (Maximum liability circa £10m if all appeals were granted). Inability to influence economic regeneration. Economic vitality.	4	4	4	3	Isabel Brittain
2	Risk of not having a workforce fit for purpose with the capability and experience to deliver appropriate services.	The challenges are to ensure that the council has a workforce fit for the future and resilient in terms of skills, capacity and flexibility.	3	3	3	2	Simon O'Hear

	Risk that supplier / contractor or key third sector partner fails or fails to deliver.	A number of key services are delivered through major contracts, both directly and in consortia. This is both through private sector supply chains and in conjunction with the voluntary and third sector.	3	2	3	1	Leadership Team
4	Risk that investment and effort in alternative service delivery models does not deliver benefits and returns.	Moving more towards other delivery models in future with public sector partners. This is part of the wider context of the changing role of Local Government moving forward. Potential for lack of consistent political buy-in by all partners resulting in considerable effort without benefit. There is also a challenging skill set for managers due to the complexity.	3	2	2	2	Leadership Team
5a	Information management: Misuse or loss of key information leading to breach. The potential disclosure of personal data inappropriately.	The Council handles a large amount of information and data which if not managed properly could be compromised. This could be perhaps through carelessness or hacking and security of the information could be compromised. Failure to comply with information governance principles. Action may be taken by the ICO. Individuals may suffer if their personal data, particularly sensitive personal data is disclosed.	3	2	3	1	Alison Stuart

5b	Information management: Cyber risk. Inconsistent application of information management standards and security controls could increase the likelihood of data or data systems being compromised.	Viral attack affecting hardware or software information systems. Theft, loss or improper disclosure / use of confidential information. Service disruption or loss. Reputational damage. Regulatory fines or compensation claims.	4	2	4	1	Helen Standen
6	Significant development proposals at strategic sites - need to ensure good quality developments securing all necessary infrastructure.	Ambitions not achieved. Ability of building industry to deliver, including contribution for infrastructure. Poor environment. Loss of development opportunity. Reputational risk.	4	3	4	1	Kevin Steptoe
7	Failure to deliver Digital East Herts and improved customer access and engagement.	Risk that services are not provided across multiple channels to improve the customer experience and realise efficiency gains. Step change to digital basis for service delivery will not be made within the window of invest opportunity in the next two years. £500,000 built in to budget but the majority of these savings will be realised in 2019/20.	3	2	2	2	Leadership Team

	Compliance with the Childrens Act 2004.	Whilst the Council's self-assessment obtained ratings of at least 'adequate' there is a commitment to improve and thereby ensure the safety of children.	4	2	4	1	Jonathan Geall
9	Safeguarding adults.	Maintain and develop interagency relationships, council policy and training.	3	2	3	1	Jonathan Geall
10	Encouragement of economic vitality across the District.	Risks that opportunities to maximise inward investment, employment and economic growth are not maximised in the district. Also ensure regular dialogue with business and organisations representative of business.	4	2	4	1	Benjamin Wood
11	Unable to resource or prioritise emergency planning response and other mitigation measures.	Frequency of events likely to increase. Emergency planning response could be compromised. Impact on east/west travel in District and on infrastructure, especially transportation. Lack of resource for mitigation activity e.g. land drainage function. Impact on Council properties, particularly sites on flood plains.	3	3	2	3	Jonathan Geall
12	Referendum vote to leave EU.	Risks identified through Member Task and Finish Group on Brexit (which reported to Executive in February 2019). Major areas include possible economic slowdown and associated knock on effects. (E.g. Reduced business rate income, increased demand on key services such as housing) as well as impact on Stansted Airport (the largest	3	3	3	2	Benjamin Wood

		private sector employer of residents in the district).					
13	Development of Old River Lane, Bishop's Stortford.	The acquisition of the Old River Lane site presents opportunities to revitalise and shape the town centre, but there are risks around undertaking large-scale development, including land use choices, viability, impact on other areas and functions of the town centre, etc.	4	3	3	2	Liz Watts

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