### **East Herts Council Report**

#### **Audit and Governance Committee**

Date of meeting: 30 October 2024

Report by: Executive Member for Financial Sustainability

Report title: Monitoring of 2024/25 quarter one corporate risk register

#### Ward(s) affected: All

**Summary** – This report provides the Committee with the corporate risk register which details how East Herts manages the key risks to the council.

#### **RECOMMENDATIONS FOR Audit and Governance Committee:**

# A) The 2024/25 quarter one corporate risk register and actions being taken to control and mitigate risk be noted.

#### 1.0 Background

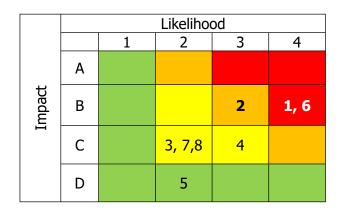
1.1 Leadership Team reviews the content of the corporate risk register quarterly and provides updates that are relayed within this monitoring report to Audit and Governance Committee.

1.2 The Corporate Risk Register is attached at Appendix A The format concentrates on key risks and is very focused on control and mitigation actions.

#### 2.0 Risk register results for quarter four

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.)



2.3 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<br>than 1 in 5 years | The event may occur in exceptional circumstances           |  |
|            |       |             |                                      |  | Service /  |
| Impact     | Score | Description | Financial                            | Reputation   | operation  |
|            | A     | Critical    | >£1m p.a.                            | Serious<br>negative<br>media                               | Catastrophic fall<br>in service quality<br>or long-term<br>disruption to<br>services |
|            | в     | Significant | £400,000 to £1m<br>p.a.              | Adverse<br>national<br>media                               | Major fall in<br>service quality or<br>serious<br>disruption to<br>services          |
|            | С     | Marginal    | £100,000 to<br>£400,000 p.a.         | Adverse<br>local media                                     | Significant fall in<br>service quality   |
|            | D     | Minor       | <£100,000                            | Public<br>concerns<br>restricted<br>to local<br>complaints | Little impact to<br>service quality  |

Table 2: Methodology of corporate risk scoring

2.4 The risk scores now reflect control and mitigation measures rather than the raw score shown previously so will appear lower because of control measures.

2.5 No risks have had a score increase or decrease since the last report to the Committee.

#### 3.0 Implications

#### **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

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