

# **East Herts Council Report**

## **Leadership Team Meeting**

**Date of meeting: Tuesday 9 September 2025**

**Report by:** Councillor Carl Brittain – Executive Member for Financial Sustainability

**Report title:** Strategic Risk Register Monitoring Q1 2025/26 and Updated Risk Management Strategy

**Ward(s) affected: All Wards**

**Summary** – This report provides the Committee with the corporate risk register for quarter one of 2025/26 and details how East Herts manage these risks to the Council.

The Risk Management Strategy has been reviewed and updated.

## **RECOMMENDATIONS FOR AUDIT AND GOVERNANCE COMMITTEE:**

- a) The 2025/26 quarter one corporate risk register and actions being taken to control and mitigate risk be noted.
- b) The Risk Management Strategy be reviewed and approved.

### **1.0 Background**

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

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

1.3 The Risk Management Strategy is reviewed annually. This report details amendments since the last update.

### **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 Services. Services are responsible for keeping all risks under review and taking action to reduce the impact of the risk on the Council.

Impact	Likelihood				
		1	2	3	4
	A				
	B			2	1, 6
	C		3, 4, 7	8	
	D		5		

Table 1 Risk Score

2.2 Details of how risks are scored can be found below. Appendix A shows the 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

2.3 The risk scores reflect control and mitigation measures (Residual scores) rather than the Inherent (before any action is taken to control) scores.

2.4 There has been one change to the risk register since the last review. Risk 4 (Key Contractor) has been reclassified from C3 to C2, reflecting the commencement of the new long-term waste contract. While some initial operational issues are being actively managed, the updated financial terms and strengthened contractual framework significantly reduce the likelihood of a complete service failure. This reclassification reflects increased certainty and resilience in our waste service provision.

2.5 All remaining risks remain unchanged.

### **3.0 Risk Management Strategy**

3.1 The Risk Management Strategy is intended to be reviewed annually by the Leadership Team and the Audit & Governance Committee. However, it has not undergone formal review for a number of years, and this update provides an opportunity to reaffirm the Council's approach to risk management and ensure alignment with current best practice.

3.2 The Strategy outlines the Council's approach to identifying, assessing, and managing risk. Annual updates are presented to Members for approval, forming a key component of the Council's Annual Governance Statement (AGS).

3.3 The draft Risk Management Strategy for 2025/26 (at Appendix B) remains largely unchanged from the previous version. The only substantive update is the enhancement of the risk scoring framework, which has moved from a 3x3 matrix to a 4x4 matrix, allowing for more detailed evaluation of risk exposure.

### **4.0 Implications/Consultations**

#### **Community Safety**

No

#### **Data Protection**

The topic features within the corporate risk register.

#### **Equalities**

The topic features within the corporate risk register.

#### **Environmental Sustainability**

Climate change features within the corporate risk register.

#### **Financial**

Not 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

Not specific but risk management 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

Not specific but legal matters feature within the corporate risk register.

## Specific Wards

No

## 5.0 Background papers, appendices and other relevant material

5.1 Appendix A Corporate Risk Register

5.2 Appendix B Risk Management Strategy

**Contact Member** Councillor Carl Brittain, Executive Member for Financial Sustainability

[Carl.Brittain@eastherts.gov.uk](mailto:Carl.Brittain@eastherts.gov.uk)

**Contact Officer** Brian Moldon, Director for Finance, Risk and Performance,

[Brian.Moldon@eastherts.gov.uk](mailto:Brian.Moldon@eastherts.gov.uk)

**Report Author** Brian Moldon, Director for Finance, Risk and Performance

[brian.moldon@eastherts.gov.uk](mailto:brian.moldon@eastherts.gov.uk)

