

East Herts Council Report

Audit and Governance Committee

Date of meeting: Wednesday 26 November 2025

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

Report title: Strategic Risk Register Quarter 2 Monitoring 2025/26

Ward(s) affected: All Wards

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

RECOMMENDATIONS FOR AUDIT AND GOVERNANCE COMMITTEE:

- a) The 2025/26 quarter two corporate risk register and actions being taken to control and mitigate risk be considered and noted.

1. 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.

2. Risk Register results for quarter 2

- 2.1. Leadership Team has set a risk tolerance level. Risks above the tolerance level 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		9	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. Leadership has recommended the inclusion of a new risk, 'Lack of Election Candidates' (Risk 9), on the corporate risk register. This reflects concerns as the Local Government Reorganisation (LGR) programme approaches its conclusion and elections are held for the shadow authority.
- 2.5. East Herts currently operates on an all-out election cycle every four years, with the next elections scheduled for May 2027. However, as this would fall only one year before the anticipated LGR implementation, it is likely that the Government may decide these elections do not proceed, allowing existing councillors to continue in their roles for an additional year. Despite this possibility, there remains a risk of reduced engagement or willingness among members to continue for the extended period, particularly as the council nears the end of its term. While the likelihood of having no representation is considered low, the potential impact on governance and continuity of representation warrants proactive monitoring and engagement with political groups to ensure stability.
- 2.6. All other risks on the corporate risk register remain unchanged following this review. However, Risk 8 – 'Staff and Skills' has undergone a thorough reassessment. While the overall risk scores remain the same, the description has been updated to reflect current challenges, particularly around recruitment and retention difficulties, which could lead to increased costs, service backlogs and failures. The risk also continues to recognise the need for staff to adapt to digital and agile ways of working to ensure that investment in systems and digital access channels is fully realised.
- 2.7. Mitigation measures have also been strengthened. These now include ongoing monitoring of recruitment activity and retention rates, a review of the corporate learning and development programme in light of Local Government Reorganisation (LGR), and the introduction of targeted training opportunities to

address skills gaps. The revised approach aims to reduce vacancies and agency costs, improve staff satisfaction and wellbeing, and ensure that the organisation maintains service delivery capability through a skilled and resilient workforce.

3. 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

4. Background papers, appendices and other relevant material

4.1. Appendix A Corporate Risk Register

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