



**Report To:** Governance & Audit Committee

**Date:** 10<sup>th</sup> July 2025

**Subject:** Quarter 4 Risk Report 24/25

**Purpose:** To provide an update on risk as at the end of March 2025

**Key Decision:** No

**Portfolio Holder:** Councillor Jim Astill, Portfolio Holder for Corporate, Governance, Communications and Environmental Services

**Report Of:** John Medler, Assistant Director – Governance

**Report Author:** Corey Gooch, Business Intelligence and Change Manager

**Ward(s) Affected:** All

**Exempt Report:** No

#### **Summary**

This is the quarterly report covering risk monitoring information for Quarter 4 of 2024/25 (as at the end of March 2025).

#### **Recommendations**

That the Committee considers and notes the quarterly risk monitoring information for Q4 of 2024/25.

#### **Reasons for Recommendations**

The Governance & Audit Committee is responsible for overseeing the effectiveness of the Council's risk management arrangements.

#### **Other Options Considered**

Alternative reporting arrangements.

## 1. Risk management

- 1.1 The Governance & Audit Committee is responsible for monitoring the effective development and operation of risk management in the Council according to its terms of reference.
- 1.2 A shared approach to risk management has been agreed across the Partnership with common formatting but not content. The revised Risk Management Framework has been agreed by all three Councils.
- 1.3 Individual strategic and operational risk registers are in place for each of the Councils to reflect individual circumstances, locality and reporting. Strategic risks are high level, relating to corporate priorities. Operational risks are service specific. In addition, a risk register of strategic risks to the Partnership has been developed and is set out below.
- 1.4 A quarterly corporate governance clinic is held with Assistant Directors to review risks.

## 2. Strategic Risk Register

- 2.1 A summary of the risks and scores are set out in the table below, with full details in Appendix A.

South Holland Strategic Risks	Risk score	Direction of travel
1.Failure to meet statutory requirements in regard to general fund assets	Low (4)	↔
2.External Communication	Medium (6)	↔
<del>3.Retention of staff</del>	<del>Medium (8)</del>	↔
Update in Q4: Wording and planned action reviewed and updated; remove from strategic risk register as covered in partnership risk register		
4.Service Delivery	Medium (9)	↔
5.Technology infrastructure failure	High (10)	↔
6.Internal Communications	Medium (6)	↔
7.Cyber Incident	High (15)	↔
Update in Q4: Wording reviewed and updated.		
8.General Fund Assets	Low (4)	↔
9.Economic Growth	High (16)	↔
10.Introduction of Extended Producer Responsibility	Low (4)	↔
Update in Q4: Wording and planned action reviewed and updated.		
11.Implementation of the Environment Act 2021	High (16)	↔
Update in Q4: Wording and planned action reviewed and updated; quarterly review and update of planned actions.		
12.Waste Collection Round Pressures	High (16)	↔
Update in Q4: Wording and planned action reviewed and updated.		
13.Local Plan being considered out of date	Medium (6)	↔
14.Council Financial Positions	High (16)	↔
Update in Q4: Under review by S151 - for update in Q1		

<b>South Holland Strategic Risks</b>	<b>Risk score</b>	<b>Direction of travel</b>
15.Capacity	High (12)	↔
16.Third Party Service Delivery	Medium (9)	↔
17.Net Zero target	Medium (6)	↓
Update in Q4: Wording and risk score reviewed and updated; Likelihood reduced from 5 to 3 as plan agreed by Cabinet. Overall risk reduced from high (10) to medium.		
18.Civil contingency risks	Medium (8)	↔
19.Information	Medium (8)	↔
20.Health	Medium (9)	↔
Update in Q4: Treatment and planned action reviewed and updated		
21.Local Government Reform (LGR) in Greater Lincolnshire	High (12)	↔
Update in Q4: Wording reviewed and update		

2.2 As set out in the risk policy, we use the 4Ts of risk control:

- Terminate – rarely, we may be able to stop doing the activity altogether and thereby remove the risk altogether
- Tolerate – accept the risk and live with it because it is within our risk appetite and the cost of mitigating action would outweigh the benefits
- Transfer – move all or part of the risk to a third party or through insurance; however, sometimes accountability remains, particularly with a Council, so caution is advised
- Treat - take action to control the likelihood and/or impact and set a target to move the risk to within the risk appetite once the action has been implemented

2.3 The strategic risks for the Partnership have also been reviewed for quarter 4, as at the end of March 2025.

2.4 A summary of the Partnership risks and scores are set out in the table below, with full details in Appendix 1.

<b>SELCP Partnership Risks</b>	<b>Risk score</b>	<b>Direction of travel</b>
SELCP-01: Vision	Medium (8)	↔
SELCP-02: Trust	Medium (9)	↑
SELCP-03: Sovereignty	Medium (9)	↔
SELCP-05: Culture	Medium (6)	↔
SELCP-06: LGR	High (12)	↔
Update in Q4: Wording reviewed and updated.		
SELCP-07: Funding	High (16)	↔
Update in Q4: Planned action and date reviewed and updated; under review by S151		
SELCP-08: Staffing	High (12)	↔
Update in Q4: Wording and planned actions reviewed and updated.		
SELCP-09: PSPS	Medium (6)	↔
Update in Q4: Wording reviewed and updated.		

2.5 The fraud risks are a new inclusion in this report.

2.6 A summary of the fraud risks and scores are set out in the table below.

<b>Fraud Risks</b>	<b>Risk score</b>	<b>Direction of travel</b>
1: Asset - Equipment	Minimal (1)	↔
Update in Q4: Wording reviewed and updated		
3: Assets – Land and Property	Minimal (1)	↔
Update in Q4: Wording reviewed and updated		
4: Procurement – Contracts	Medium (6)	↓
Update in Q4: Risk score reduced from 8 to 6 following procurement card follow up audit action completed.		
5: Procurement – Contract Payments	Medium (8)	↔
Update in Q4: Wording and risk treatment reviewed and updated		
6: Council Tax – Credit Refund and Income Fraud	Medium (6)	↓
Update in Q4: Wording, action and scores reviewed and updated. Likelihood reduced from 3 to 2 as checks and controls in place; overall remains medium		
7: Council Tax Fraud	Low (4)	↔
8: Council Tax Support Scheme	Low (4)	↔
9: National Non-Domestic Rate (NNDR) Fraud	Medium (9)	↔
Update in Q4: Wording, action and target score reviewed and updated		
10: Housing Benefit Fraud	Low (4)	↔
Update in Q4: Wording reviewed and updated		

2.7 A summary of the HRA risks and scores are set out in the table below.

<b>South Holland Strategic Risks</b>	<b>Risk score</b>	<b>Direction of travel</b>
Business continuity	Medium (9)	↔
Health and Safety	Medium (6)	↔
Risk oversight	Medium (9)	↔
Management of health and safety	Medium (8)	↔
Management of health and safety of DLO	Medium (5)	↔
Data	Medium (6)	↔
Listening to tenants	Low (4)	↔
Update in Q4: Risk reduced from 2,3 to 2,2 following appointment of Lead Officer and engagement strategy being adopted.		
Tenant engagement resource	Medium (9)	↓
Qualification requirements	Low (4)	↔
HRA business plan	Medium (9)	↔
Failure to meet Regulatory Consumer Standards	Medium (9)	↔
Failure to self-refer to the regulator	Medium (6)	↔
Impact of Awaab's law	High (12)	↔

### 3. Conclusion

3.1. The risk management arrangements are designed to provide the Council with a clearer and fuller understanding of the key risks facing the organisation and how

these are being managed. Strategic and operational risks continue to be managed in accordance with the Risk Management Framework. The Committee's review of this report and its feedback enables the Committee to discharge its role in considering the effectiveness of the Council's risk management arrangements.

## **Implications**

### **South and East Lincolnshire Councils Partnership**

A Partnership approach has been agreed for 2024/25.

### **Corporate Priorities**

Whole report. Performance information is set out by priority.

### **Staffing**

No implications specific to this report. Risks relating to staffing are included in the report.

### **Workforce Capacity Implications**

No implications specific to this report. Risks relating to workforce capacity are included in the report.

### **Constitutional and Legal Implications**

No implications specific to this report

### **Data Protection**

No implications specific to this report

### **Financial**

No implications specific to this report

### **Risk Management**

Whole report

### **Stakeholder / Consultation / Timescales**

Consultation with SLT

### **Reputation**

No implications specific to this report. Potential reputational risks are included in the report.

### **Contracts**

No implications specific to this report. Risks relating to contracts and procurement are included in the report.

### **Crime and Disorder**

No implications specific to this report.

### **Equality and Diversity / Human Rights / Safeguarding**

No implications specific to this report.

### **Health and Wellbeing**

No implications specific to this report.

### **Climate Change and Environmental Implications**

No implications specific to this report.

### **Acronyms**

- AD: Assistant Director
- DCX: Deputy Chief Executive
- SLT: Senior Leadership Team

### **Appendices**

Appendices are listed below and attached to the back of the report:

Appendix A	Q4 SHDC Risk Registers (Strategic, Partnership, Fraud)
Appendix B	Q4 SHDC HRA Risk Register

### **Background Papers**

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.

### **Chronological History of this Report**

A report on this item has not been previously considered by a Council body.

### **Report Approval**

Report author: Corey Gooch, Business Intelligence and Change Manager

Signed off by: John Medler, Assistant Director – Governance,  
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Approved for publication: Councillor Jim Astill, Portfolio Holder for Corporate, Governance, Communications and Environmental Services