

PUBLIC QUESTIONS TO AUDIT AND GOVERNANCE – TUESDAY 28 OCTOBER 2025

Question 1

Mr Osborne-Brookes, Leominster

To: Chair of Audit and Governance

The revised Corporate Risk Register approved by Cabinet in June 2025 included 8 corporate risks. There have been no changes to the risk scores for the remaining 8 corporate risks during Quarter 1. The scores of each of these risks have been reviewed by the relevant Risk Owner, supported by discussion and oversight by CLT. The last review was apparently 30th June 2025.

Will the Audit & Governance Committee consider whether the Risk Scores need updating since Q1 to reflect the latest available information & correspondence, and seek assurance from officers and the internal and external auditors, that the risk management, processes & controls are effective?

Response

Thank you for your question.

The council's current Risk Management Framework is relatively new and was first presented to Cabinet in June 2025, with formal approval given on 25 September 2025, when an updated Corporate Risk Register was also considered.

As part of this framework, corporate risks are reviewed quarterly by the Corporate Leadership Team (CLT). The most recent review took place last month, with each risk owner updating their area before the register was collectively reviewed, challenged, and agreed by CLT, and subsequently reported to Cabinet, to ensure the scores remain accurate and reflect the most up-to-date position.

The item on the agenda today gives the Committee the opportunity to obtain assurance of the adequacy of the council's risk management framework and internal controls in 2025/26. The Committee will seek assurance that the Risk scores have been reviewed and how this has happened. As you ask in your question the committee will also seek assurance from officers and the internal and external auditors, that the risk management, processes & controls are effective.

Supplementary Question

Thank you for your detailed answer. The answer says the most recent review and update of the Corporate Risk Register took place last month. However, the Corporate Risk register reported to the Audit & Governance committee appears to state the risks at Q1 and not the most recent review from last month.

The Leader of Herefordshire Council wrote to Government on 1st October 2025 that in respect of the Hereford Bypass "Phase 1 construction is set to be funded through prudential borrowing, which will significantly impact our revenue budget". The Internal Audit Review for 2025/26, as reported to this committee, makes no mention of Hereford Bypass Phase 1. Will the internal and external auditors adjust their audit work and focus, to reflect the risk relating to this capital road project?

Response

Thank you, Mr Osborn Brooks, for your question. The first part is about how up to date is the corporate risk register. We have not had the quarter 2 figures, so we cannot do the review of

quarter 2 yet but I am satisfied that we are up to date. The second part of your question is a statement from the leader of the Council. That is not a matter for this committee to consider and I suggest you might want to ask a question to the next cabinet meeting or full Council meeting. Your question is also about the review of the Hereford bypass phase one and the risks associated with that and we will be discussing that later in this meeting

Question 2

Mrs Morawiecka, Hereford

To: Chair of Audit and Governance

The Corporate Risk Register identifies a number of high-level risks to 30.06.2025. The Leader of Herefordshire Council has recently written to government highlighting that prudential borrowing will significantly impact the revenue Budget.

As the CLT and Cabinet continue to monitor risks throughout the year to ensure appropriate and proportionate controls are in place as part of the risk management framework and internal control framework, can they please explain to this committee and the public and MPs, what steps are being taken to mitigate the risks from prudential borrowing to protect the Revenue Budget for 2025/2026 and beyond, and reassure this Committee and all Herefordshire Councillors, that risk mitigation and internal controls are being implemented and are effective to protect Council finances and services?"

Response

Thank you for your question.

You raise a very important point about the risks associated with prudential borrowing and the impact this may have on the revenue budget going forwards. This is something that is monitored through the council's risk management framework, which ensures proportionate controls are reviewed by CLT and, as you correctly point out, that the executive of the council should consider and monitor. It is therefore my view that your question should be put to the next cabinet meeting to respond.

Supplementary Question

One of the responsibilities of this committee is to monitor the development and operation of risk management processes and receive assurance from internal and external sources of the effectiveness of arrangements (Constitution 3.5.9e (B)), no assurance was given to my original question. It has been reported that other councils like Shropshire are facing possible bankruptcy as they recognise that delivery of relief road schemes are unaffordable and they seek to write off millions of public monies invested in developing them. As this administration spends £10.3 million of capital receipts working at the Southern Link Road scheme, can any information be provided to this committee and the auditors as to what actions are being taken to mitigate identified risks, and if not, why not?

Response

Thank you for your question. I think this will be the subject of some discussion between us later in the meeting. So, if you're able to access that, hopefully that will provide a degree of assurance that you're seeking. It is a very important issue and thank you for raising it.