



# Title of report: Risk Management Update Quarter 3 2025-26

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| <b>Meeting:</b>        | <b>Cabinet</b>   |
| <b>Meeting date:</b>   | <b>Thursday 26 March 2026</b>                              |
| <b>Cabinet member:</b> | <b>Councillor Stoddart, finance and corporate services</b> |
| <b>Report by:</b>      | <b>Director of Finance</b>                                 |
| <b>Report Author:</b>  | <b>Director of Finance</b>                                 |

## **Classification**

Open

## **Decision type**

Non-key

## **Wards affected**

All Wards

## **Purpose**

To provide an update on the status of corporate risks at the end of Quarter 3 2025/26 (December 2025) and provide assurance that risks are being managed effectively across the council.

## **Recommendation(s)**

**That Cabinet:**

- a) **Approves the updates to the Corporate Risk Register and actions to mitigate identified risks at Quarter 3 2025/26.**
- b) **Notes the activity to embed the revised risk management strategy to strengthen risk management activity across the council at Corporate, Directorate and Service levels.**

## **Alternative options**

1. Cabinet may choose not to review the council's corporate risks. This is not recommended as risk management is an integral part of the council's governance arrangements and decision-making processes and is fundamental to the successful delivery of strategic objectives.

## Key considerations

2. The revised Risk Management Strategy 2025/26 and Risk Appetite Statement were approved by Cabinet in June 2025. The Strategy sets out the approach and principles of risk management, outlining the council's risk appetite, to inform the management of risks by Members and Officers across the council.
3. The Corporate Leadership Team (CLT) have undertaken a review of the Corporate Risk Register (included at Appendix A) at 31 December 2025 to update risk scores, consider the adequacy of control measures and mitigating actions and identify new threats and opportunities to the delivery of the objectives and priorities of the Council Plan 2024-28.
4. In addition to this quarterly update, 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.
5. Updates to the Corporate Risk Register at Quarter 2 2025/26 were approved by Cabinet in November 2025. At Quarter 3, no additional risks have been identified for inclusion in the Corporate Risk Register.
6. The scores of each of the 9 corporate risks have been reviewed by the relevant Risk Owner, supported by discussion and oversight by CLT. Changes to risk scores of Corporate Risks are summarised below.
7. **R3:** Lack of local special educational needs and disabilities (SEND) placement provision to meet current and future levels of demand. The risk score has been updated to 12 at Quarter 3: Likelihood: 3 (Possible), Impact 4 (Major) from a previous score of 16 at Quarter 2: Likelihood: 4 (Probable), Impact 4 (Major).
8. The reduction in score reflects changes to control measures and mitigation actions: the additional investment to address demand in the 2026/27 Capital Programme approved by Council in February 2026, announcement by Government in respect of funding of Dedicated Schools Grant (DSG) deficits and wider planned reforms.
9. In addition to the review of the Corporate Risk Register, CLT members are engaged in activity to review and monitor Directorate, Service and Project level risk registers and embed the revised Strategy across the council.
10. The council's 2025/26 Internal Audit Plan has been reviewed to ensure it is aligned to the refreshed Risk Strategy and risks identified in the Corporate Risk Register. The revised Plan was approved by Audit & Governance Committee in September 2025.
11. Further activity planned during 2025/26 will include a review of the risk management arrangements as part of the annual review of the effectiveness of the council's governance arrangements which will be documented in the Annual Governance Statement.

## Community impact

12. Effective risk management is essential to the delivery of the priorities set out in the Council Plan. Specially, the Council plan commits the council to 'develop a Corporate Risk Strategy to improve the process for managing corporate and directorate risks'.

## **Environmental Impact**

13. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
14. Whilst this is a report for information and will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the council's Environmental Policy.

## **Equality duty**

15. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations, and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.
16. The mandatory equality impact screening checklist has been completed for this activity and it has been found to have no impact for equality. It is recognised that each identified individual corporate risk may have its own individual impacts on equalities or assessed as a risk due to its effect on equality. These are monitored as part of the ongoing individual service or project delivery. Effective risk management arrangements will ensure the council complies with its equality duties.

## **Resource implications**

17. There are no specific resource implications from the report itself.

## **Legal implications**

18. Cabinet is responsible for approving the Risk Management Strategy and is accountable for ensuring that a corporate risk register is established and maintained, including details of actions to mitigate identified risks, and that this is regularly monitored.

## **Risk management**

19. This is a report to review the Corporate Risk Register and risk management arrangements at Quarter 3 2025/26.

## **Consultees**

20. None.

## **Appendices**

Appendix A Corporate Risk Register Quarter 3 2025/26.

## **Background papers**

None.