

## AUDIT AND GOVERNANCE COMMITTEE

Thursday, 28<sup>th</sup> October 2021

### REPORT OF THE ASSISTANT DIRECTOR FINANCE

#### RISK MANAGEMENT QUARTERLY UPDATE

##### **Purpose**

To report on the Risk Management process and progress for Quarter 2 of the 2021/22 financial year

##### **Recommendations**

- **That the Committee endorses the Corporate Risk Register.**

##### **Executive Summary**

One of the functions of the Audit & Governance Committee is to monitor the effectiveness of the Authority's Strategic risk management arrangements. The report includes the actions taken to manage those risks. Corporate risks are identified, managed and monitored by the Corporate Management Team (CMT) on a quarterly basis.

Now the revised Strategic Risk reporting format has been approved, the work has started on developing a revised approach for considering operational risks. An element of this will be to establish a link between operational and strategic risk reporting.

During the last quarter the development of the Risk champions group has been started and this will be moved forward with a workshop to be led by the Zurich Municipal risk consultant. Once established the group will meet quarterly, prior to the Strategic reporting timetable, to raise any operational risk issues that may need to be included for comment in the Strategic report.

The group will also discuss significant corporate risks on a multi-disciplinary basis. The topics have yet to be established but could include;

- Hot Works
- Tree management policy
- Contract management
- Homeworking DSE management

In addition to this, the group will look at the current operational risk recording within service units, look for consistency of recording, and offer advice where appropriate. There will be other areas of operational risk to be considered as the group becomes more established.

A copy of the current Corporate Risk Register is attached as **Appendix 1**. There has been no significant changes in the Strategic risks faced by the Authority in the last quarter with the recovery from the COVID lockdown and its effect on the community and impact on the budgets being the most significant. The recovery and reset programme will be looking to minimise the negative effects of the lockdown period and where possible maximise any positive aspects.

The national shortage of HGV drivers has not had a direct impact on services but it is likely that it could compound the likely price increases for supplies that are required for building or construction/maintenance works. There are also likely to be price rises for energy supplies. This will not have an immediate effect as supplies are bought in market price 'baskets' negotiated between Oct and March for units rates charged for the year commencing April. It is likely that the basket rates next year will experience a significant increase unless the current situation changes.

### **Options Considered**

None.

### **Resource Implications**

None.

### **Legal / Risk Implications**

There are no direct legal implications from this report but failure to manage strategic risks could lead to issues in delivering strategic priorities.

### **SUSTAINABILITY IMPLICATIONS**

None

### **BACKGROUND INFORMATION**

None

### **REPORT AUTHOR**

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### **LIST OF BACKGROUND PAPERS**

None

### **APPENDICES**

**Appendix 1 Corporate Risk Register**