

## AUDIT AND GOVERNANCE COMMITTEE

Wednesday 8<sup>th</sup> June 2022

### REPORT OF THE ASSISTANT DIRECTOR FINANCE

#### RISK MANAGEMENT QUARTERLY UPDATE

##### **Purpose**

To report on the Risk Management process and progress for Quarter 4 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. This report includes the actions taken to manage those risks and raise issues of concern that may impact the Authority. Corporate risks are identified, managed and monitored by the Corporate Management Team (CMT) on a quarterly basis.

A copy of the current Corporate Risk Register is attached, as **Appendix A**. There has been little change on the risk register for the last quarter. As reported in the last quarter the peer review has been removed and will be re-instated when it is rescheduled.

The Operational risk champions group have met to discuss cross service risks and will report items of significance that could affect the strategic risks. From the recent meeting of the group the issue of note raised was the growing impact of supply shortages and increased costs. This issue will be monitored, and mitigating measures adopted where possible.

The various national shortages over a range of goods and services continue and are areas for concern and consideration, these include HGV drivers, gas supplies, fuel costs, construction materials, and the general shortages of skilled workers leading to increased staff costs in many industries. These do not all directly affect the provision of our services but continue to have an upward pressure on costs levels as inflation increases, or lengthen project delivery timetables. There is also a heightened risk of cyber-attacks as a result of the conflict in the Ukraine for which the Information Technology team are taking steps to mitigate.

At the same time as rising supply costs there is also the potential for a fall in income as the disposable income of the general public reduces due to the pressures on the household purse. This has the potential to affect collection rates for Council Tax and Housing rents it is also possible that income to attractions and events will reduce. It is

early in the year to determine what the effect, if any, will be but the situation will be monitored.

### **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 A Corporate Risk Register**