

AUDIT AND GOVERNANCE COMMITTEE

Wednesday 10th August 2022

REPORT OF THE ASSISTANT DIRECTOR FINANCE

RISK MANAGEMENT QUARTERLY UPDATE

Purpose

To report on the Risk Management process and progress for Quarter 1 of the 2022/23 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**. The control measures contained in the report will be developed during the next quarter to reflect the objectives of the revised Corporate Plan. The new control measures will ensure the delivery of the strategic objectives as detailed in the 2022-25 Corporate Plan **Appendix B**, and to minimise the risk of any strategic drift.

The Operational risk champions group has 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 remains the continued impact of supply shortages and increased costs. This issue continues to 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 staffing issues are being felt within the Authority and this may have an impact on the provision of our services. These cost and supply pressures continue to have an effect and inflation is projected to continue to increase at least in the short term.

The heightened risk of cyber-attacks as a result of the conflict in the Ukraine is still present and the Information Technology team are taking steps to mitigate this risk.

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 more likely that income to attractions and events will reduce. This may be affecting the take up of tickets for events such as those being held to tie in with the Commonwealth Games. It is hoped that this will be addressed at least in part as the games progress and the national interest increases. It is too early to assess the full year impact, 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

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LIST OF BACKGROUND PAPERS

None

APPENDICES

Appendix A Corporate Risk Register

Appendix B Corporate Plan 2022-25 summary