



TO: Audit & Governance Committee

FROM: Head of Audit & Assurance

DATE: 26 October 2021

PORTFOLIOS AFFECTED: All

WARDS AFFECTED: All

TITLE OF REPORT: Risk Management – 2021/22 Quarter 1 Review

1. PURPOSE

To provide the Committee with details of the risk management activity that has taken place in the period from 1 April 2021 to 30 June 2021.

2. RECOMMENDATIONS

The Committee is asked to:

- Discuss and review the Corporate Risk Register as at the end of Quarter 1 2021/22;
- Note the risk management activity that has occurred during the period; and
- Consider the selection of a Corporate Risk for the Committee to undertake a review of its assessment, control and monitoring at its next meeting.

3. BACKGROUND

The Council recognises that risk management is not simply a compliance issue, but rather it is a process to help ensure the successful delivery of the Council's Corporate Plan priorities and service plan objectives. Effective risk management arrangements should be embedded in the Council's culture and decision making processes as well as being an inherent part of the operational and financial management arrangements operating within the Council. Risk management helps to demonstrate openness, integrity and accountability in all of the Council's activities.

4. RATIONALE

The Audit & Governance Committee terms of reference require it to review progress on risk management at least annually and to promote risk management throughout the Council. The Corporate Risk Management Strategy & Framework requires that the Audit & Governance Committee will receive regular reports setting out progress against corporate risk management action plans. This report satisfies both these requirements.

5. KEY ISSUES AND RISKS

The Corporate Risk Register contained 15 open risks at 30 June 2021. A summary of the corporate risk details is set out in Appendix 1 of this report.

As at 30 June 2021 the Council's top corporate risks were:

- Risk 1 - Failure to deliver a balance budget and Medium Term Financial Strategy, which may result in a Government Commission taking control of the Council's finances; and
- Risk 14 - A high profile serious or critical safeguarding case that is known to the Council services, in light of Covid-19 working arrangements.

The residual risk score for Risk 21 (The ability of the Council to recover its critical functions, core services and income generation during the response and mitigation phases of a Covid-19 outbreak due to high staff absences and a failure of effective business continuity arrangements) was reduced during the quarter from high to medium. The likelihood of this risk occurring remained high at this date, due to the uncertainty regarding further variants of the virus emerging, and their effect on the community. However, the impact on the Council if this occurred was reduced compared to previously. By that date the Covid Core Team had been established and was fully operational and Covid safe working practices had been embedded as business as usual.

As part of the Council's Risk Management process we review and monitor the Corporate Risks on a regular basis to ensure that we have appropriate, properly assessed corporate risks identified going forward. The Corporate Leadership Team review the risk details as part of the Management Accountability Framework reporting arrangements, as well as the on-going review and update of the risks by the designated risk owners and key contacts.

We have also continued to use the risk management support that is available as part of the current long term insurance agreement that the Council has with Zurich Municipal. During the period, Zurich delivered health & safety awareness training for senior managers. The aim of the training was to enable attendees to understand the importance of health and safety in the workplace and their role in reducing risk and influencing behaviour. It covered the moral, legal and financial implications of managing health and safety risks effectively, including the management of third party contractors. Guidance was also provided covering the health, safety and well-being considerations of agile workers and some of the challenges around homeworking.

We have also continued to liaise with departments and our underwriter to respond to policy related queries relating to a variety of topics, including Covid related matters as well as to arrange additional insurance cover where required.

Zurich has also published a wider range of risk management guidance during the pandemic. These have covered topics such as risk control measures for the cyber dimension of the corona virus, guidance on moving from response to recovery, planning for a return to the workplace and guidance for reopening schools. These have been circulated to relevant managers to share with staff.

6. POLICY IMPLICATIONS

There are no policy implications arising from this report.

7. FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

8. LEGAL IMPLICATIONS

There are no legal implications arising from this report.

9. RESOURCE IMPLICATIONS

There are no direct resource implications arising from this report.

10. EQUALITY AND HEALTH IMPLICATION

There are no equality or health implications arising from this report.

11. STATEMENT OF COMPLIANCE

The recommendations in this report are made further to advice from the Monitoring Officer. The Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. CONSULTATIONS

The Corporate Risk Register has been reviewed by Risk Owners and Key Contacts, and agreed by Corporate Leadership Team.

Contact Officer:	Colin Ferguson Head of Audit & Assurance – Ext: 5326
Date:	7 October 2021
Background Papers:	Corporate Risk Management Strategy 2015/2020, 2020/21 Annual Risk Management Report (including Quarter 4 Review)

