

**REPORT TO:** **AUDIT AND STANDARDS COMMITTEE**

**DATE:** **1 MARCH 2022**

**TITLE:** **RISK MANAGEMENT REPORT**

**LEAD OFFICER:** **STUART MOSELEY, INSURANCE AND RISK  
MANAGER (01279) 446215**

**RECOMMENDED that:**

- A** The Committee notes the Strategic Risks, risk scores and variation against risk appetite as at 31 December 2021.

**BACKGROUND**

1. The Audit and Standards Committee's terms of reference includes the responsibility to monitor the effective development and operation of risk management within the Council.
2. The Council's Risk Management Strategy states that the responsibility of the Audit and Standards Committee is to:
  - a) Monitor the effective development and operation of risk management in the Council.
  - b) Understand, scrutinise and endorse the Council's risk management strategy and monitor the Council's risk appetite.
3. The Senior Management Board regularly review Strategic Risks to ensure they are satisfactorily aligned with the Corporate Priorities and Principles.

**ISSUES/PROPOSALS**

**Strategic Risks Update as at 31 December 2021**

4. The Council's Strategic Risk Register as at 31 December 2021 is set out at Appendix 1 to the report.
5. The simplified Risk Register presentation now includes Risk Appetite for each Corporate Objective rather than having a separate appendix.
6. It should be noted that risks which exceed the risk appetite threshold may not necessarily be poorly controlled but may be subject to factors outside the council's control.
7. Additional commentary is merited for the following Strategic Risks:
  - a) CR01 – Financial Resilience: There are strong financial controls and monitoring but the current risk scoring reflects the concerns linked to the

ongoing impacts of the Covid crisis, Government fiscal policy and the possible future requirement to call upon council reserves. The council has approved a three-year MTFP which currently projects a three year balanced General Fund Budget covering the 2022/23 – 2024/25 financial years and has established a Budget Resilience Reserve to help manage the short term local impacts of the Covid crisis.

- b) CR06 - Lack of Resources and Capacity, Council and key partners: HTS repairs and maintenance were reinstated following the challenges presented by Covid 19. The waste service provided by Veolia has been reviewed and as a result a rebalancing exercise has taken place to provide a more evenly distributed bin collection service throughout the week.
- c) CR08 – Equality and Diversity: the current risk score shows that, whilst likelihood of the risk materialising remains in line with risk appetite threshold, it is perceived that impact from the risk materialising would be more severe.
- d) CR09 - Provision of repairs, maintenance landscape and street scene services: The new HTS Group Ltd Business Plan, currently being developed, will demonstrate the required short term improvements for Housing Repairs and Environmental maintenance as well as the long term ambitions for growth across the Group.
- e) CR11 – Business Resilience: The Council has applied itself well to address both strategic and operational issues throughout the Covid 19 pandemic to ensure continuity of services and continues to keep this strategic risk under review and control.

### **Next Steps**

- 8. The Senior Management Board will undertake a review of the strategic risks to ensure they reflect the Council's new Corporate Strategy and strategic themes from 2022/2023 onwards.
- 9. Risk Appetite will also be reviewed as part of the corporate risk process.
- 10. In conjunction with the new council structure and performance management process, the Risk Strategy will be updated to reflect roles, responsibilities and procedures.

### **IMPLICATIONS**

#### **Strategic Growth and Regeneration**

None Specific

**Author: Andrew Bramidge, Director of Strategic Growth and Regeneration**

#### **Finance**

None Specific

**Author: Simon Freeman, Deputy to the Chief Executive and Director of Finance**

## **Housing**

None Specific

**Author: Andrew Murray, Director of Housing**

## **Communities and Environment**

None Specific

**Author: Jane Greer, Director of Communities and Environment**

## **Governance and Corporate Services**

Risk Management is an important part of the council's overall governance arrangements, therefore the Audit and Standards Committee should consider the adequacy of overall arrangements on a regular basis.

**Author: Simon Hill, Director of Governance and Corporate Services**

## **Appendices**

Appendix 1 – Strategic Risks as at 31 December 2021