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<b>Report To:</b>	<b>Audit Committee</b>	<b>Date:</b>	<b>07.06.2022</b>
<b>Report By:</b>	<b>Interim Director Finance and Corporate Governance</b>	<b>Report No:</b>	<b>AC/11/22/AP/APr</b>
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<b>Subject:</b>	<b>ANNUAL REVIEW OF RISK MANAGEMENT ACTIVITY 2021/2022</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to present to Committee progress made in 2021/2022 in developing and monitoring a strategic approach to managing risks faced by the Council.
- 1.2 This approach forms part of the Council's overall Corporate Governance Framework.

## 2.0 SUMMARY

- 2.1 During 2021/2022 the Council continued to value the importance of maintaining the momentum on risk management and progress has been made in the following areas:
- Ongoing review and update of strategic and operational risk registers by Services.
  - Maintaining a risk register for the Financial Strategy which allows management to consider the risks to the overall financial position arising from matters contained within the Financial Strategy.
  - Maintaining risk management as a key aspect of the Strategic Planning and Performance Management Framework.
  - Continuing the advancement of emergency planning, crisis management and business continuity within the Council and fulfil the Council's legislative requirements under the Civil Contingencies Act 2004 in conjunction with the Joint Civil Contingencies Service.
  - Promoting the e-learning module on Risk Management for employees as part of the Brightwave corporate training platform.
  - A number of fraud risk reviews were included in the 2021/2022 Internal Audit Plan and progress has been reported on a regular basis to Audit Committee.
  - Maintaining a specific risk register surrounding the key operational risks in relation to the EU Exit process. Going forward, these risks will be reviewed and updated as part of the maintenance of the relevant service risk registers.
  - Maintaining a specific risk register surrounding the key operational risks surrounding the COVID-19 pandemic event. Going forward, these risks will be reviewed and updated as part of the maintenance of the relevant service risk registers.
  - Ongoing review and update of health and safety risk assessments in line with Scottish Government guidance in relation to the COVID-19 pandemic.
  - Development of risk monitoring and reporting process which was approved by Audit Committee in January 2022.
- 2.2 It is considered important to actively progress the risk management process to achieve further improvement. We continue to review progress against the Audit Scotland BV toolkit relating to Risk Management and initiatives will be undertaken in 2022/2023 where appropriate to ensure the Council meets the requirements of the guidance.

### **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that Members note the progress made in 2021/2022 in developing, implementing and monitoring a coherent corporate approach to managing risks faced by the Council.

**Alan Puckrin**  
**Interim Director**  
**Finance and Corporate Governance**

## 4.0 BACKGROUND

- 4.1 The role of Internal Audit in Risk Management is defined as contributing to the management of risk by evaluating and providing assurance on risk management processes. The assurance extends principally to two main areas, firstly that major business risks are being managed and secondly that the Risk Management and Internal Control Framework is operating effectively.
- 4.2 The responsibility for managing risk lies not with Internal Audit but with service management, with corporate consistency being supported through the Corporate Management Team by the Chief Internal Auditor.

## 5.0 CURRENT POSITION

- 5.1 During 2021/2022 the Council continued to value the importance of maintaining the momentum on risk management and progress has been made in the following areas:
- Ongoing review and update of strategic and operational risk registers by Services.
  - Maintaining a risk register for the Financial Strategy which allows management to consider the risks to the overall financial position arising from matters contained within the Financial Strategy.
  - Maintaining risk management as a key aspect of the Strategic Planning and Performance Management Framework.
  - Continuing the advancement of emergency planning, crisis management and business continuity within the Council and fulfil the Council's legislative requirements under the Civil Contingencies Act 2004 in conjunction with the Joint Civil Contingencies Service.
  - Promoting the e-learning module on Risk Management for employees as part of the Brightwave corporate training platform.
  - A number of fraud risk reviews were included in the 2021/2022 Internal Audit Plan and progress has been reported on a regular basis to Audit Committee.
  - Maintaining a specific risk register surrounding the key operational risks in relation to the EU Exit process. Going forward, these risks will be reviewed and updated as part of the maintenance of the relevant service risk registers.
  - Maintaining a specific risk register surrounding the key operational risks surrounding the COVID-19 pandemic event. Going forward, these risks will be reviewed and updated as part of the maintenance of the relevant service risk registers.
  - Ongoing review and update of health and safety risk assessments in line with Scottish Government guidance in relation to the COVID-19 pandemic.
  - Development of risk monitoring and reporting process which was approved by Audit Committee in January 2022.
- 5.2 It is considered important to actively progress the risk management process to achieve further improvement. We continue to review progress against the Audit Scotland BV toolkit relating to Risk Management and initiatives will be undertaken in 2022/2023 where appropriate to ensure the Council meets the requirements of the guidance.

## 6.0 IMPLICATIONS

- 6.1 There are no direct financial implications arising from this report.

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

**Legal**

6.2 There are no direct legal implications arising from this report.

**Human Resources**

6.3 There are no direct HR implications arising from this report.

**Equalities**

6.4 There are no direct equalities implications arising from this report.

**Repopulation**

6.5 There are no direct repopulation implications arising from this report.

**7.0 CONSULTATIONS**

7.1 Not applicable. This report summarises the work carried out during 2021-2022.

**8.0 LIST OF BACKGROUND PAPERS**

8.1 Risk Management Strategy. Copy available from Andi Priestman.