

South Lakeland District Council
Audit Committee
22 April 2021
Risk Management - Operational Risks

Portfolio: Cllr Giles Archibald - Leader of the Council
Report from: Dan Hudson – Strategy Lead Specialist
Report Author: John Davies – Case Management Officer
Wards: Not applicable
Forward Plan: Not applicable

1.0 Expected Outcome

1.1 Members are aware of the operational risks which are positioned above the line of risk tolerance.

2.0 Recommendation

2.1 It is recommended that Audit Committee:-

(1) note the operational risks which are positioned above the line of tolerance, and their mitigating controls, as listed in Appendix 1 to this report.

3.0 Background and Proposals

3.1 Following an internal audit recommendation Case Management reports the operational risks that are above tolerance to Audit Committee on an annual basis. This ensures that Members are aware of the operational risks and their continuous management.

3.2 Following a review of the Operational Risk Register during Quarter 4 2020/21 it can be seen that 35 of 110 risks (32%) are positioned above risk appetite/tolerance. This number has been influenced by pressures brought about by Covid-19.

3.3 This report asks the Audit Committee to note the operational risks which are positioned above the line of tolerance, and their mitigating controls, as listed in Appendix 1 to this report.

3.4 The Strategic Risk Register is also reported to Audit Committee every 6 months. The Strategic Risk Register is reviewed by Corporate Management Team prior to being reported each quarter as part of quarterly performance monitoring and reporting arrangements.

4.0 Consultation

4.1 Case Management facilitates the quarterly review of operational risks with Operational Leads. The risks which are currently positioned above tolerance are listed in appendix 1.

5.0 Alternative Options

5.1 No alternative options, Audit Committee must have sight of operational risks for governance and assurance purposes.

6.0 Links to Council Priorities

6.1 Risk Management directly underpins all Council Plan priorities.

7.0 Implications

Financial, Resources and Procurement

7.1 There are no financial implications associated with reporting operational risks.

Human Resources

7.2 There are no staffing implications associated with reporting operational risks.

Legal

7.3 There are no legal implications associated with reporting operational risks.

Health, Social, Economic and Environmental

7.4 Have you completed a Health, Social, Economic and Environmental Impact Assessment? No

7.5 If you have not completed an Impact Assessment, please explain your reasons:
There are no Health, Social, Economic or Environmental implications associated with reporting operational risks.

7.6 Summary of health, social, economic and environmental impacts: None.

Equality and Diversity

7.7 Have you completed an Equality Impact Analysis? No

7.8 If you have not completed an Impact Assessment, please explain your reasons:
There are no Equality and Diversity implications associated with reporting operational risks.

7.9 Summary of equality and diversity impacts: None

Risk

Risk	Consequence	Controls required
There is a risk that Members are not aware of the Council's 'above tolerance' Operational Risks	Members are not able to ensure that risks are managed effectively. Risks impact on services.	Operational Risks are reviewed by managers at operational level and those risks which are above tolerance are reported to Audit Committee by the Performance and Risk Officer.

Contact Officers

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Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Operational Risks

Background Documents Available

Name of Background document	Where it is available
Risk Management Process. Performance Management Framework.	Both documents can be viewed on SLDC Website
Audit Committee updates.	Previous Audit Committee updates can be viewed on SLDC Website

Tracking Information

Signed off by	Date sent	Date Signed off
Legal Services	11/03/21	08/04/21
Section 151 Officer	11/03/21	08/04/21
Monitoring Officer	11/03/21	08/04/21
CMT	11/03/21	08/04/21

Circulated to	Date sent
Lead Specialist	11/03/21
Human Resources Lead Specialist	11/03/21
Communications Team	11/03/21
Leader	
Committee Chairman	
Portfolio Holder	
Ward Councillor(s)	NA
Committee	22/04/21
Executive (Cabinet)	
Council	N/A