

**South Lakeland District Council**  
**Audit Committee**  
**Thursday, 21 April 2022**  
**Risk Management - Operational Risks**

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**Portfolio:** Councillor Jonathan Brook - Leader of the Council  
**Report from:** Dan Hudson – Strategy Lead Specialist  
**Report Author:** John Davies – Case Management Support Services  
**Wards:** All Wards  
**Forward Plan:** Not applicable

**Links to Council Plan Priorities:**

Reviewing risks supports good performance with all Priorities as set out in the Council Plan:  
Working across boundaries  
Delivering a balanced community  
A fairer South Lakeland  
Addressing the climate emergency

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**1.0 Expected Outcome and Measures of Success**

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

**2.0 Recommendation**

**2.1 It is recommended that Audit Committee:-**

**(1) note the operational risks which are positioned above the line of risk appetite, 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 2021/22 it can be seen that 11 risks (11% of risks) are currently above Risk Appetite - a significant reduction when compared with Q1 2021/22 when 26 risks (23% of risks) were above Risk Appetite. This improvement is in line with the reduction in the numbers of Strategic Risks above appetite - and demonstrates the Councils continual focus on risk review and mitigation at both Strategic and Operational levels.

3.3 This report asks the Audit Committee to note the operational risks which are positioned above the line of appetite, 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 Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Operational Risks

#### 5.0 Consultation

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

#### 6.0 Alternative Options

6.1 No alternative options recommended – Audit Committee must have sight of operational risks for governance and assurance purposes.

#### 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 and Sustainability Impact Assessment

7.4 Have you completed a Health and Sustainability 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 and Sustainability Impacts

		Positive	Neutral	Negative	Unknown
<b>Environment and Health</b>	Greenhouse gases emissions	x			
	Air Quality	x			
	Biodiversity	x			
	Impacts of Climate Change	x			
	Reduced or zero requirement for energy, building space, materials or travel	x			
	Active Travel	x			
<b>Economy and Culture</b>	Inclusive and sustainable development	x			

	Jobs and levels of pay	x			
	Healthier high streets	x			
	Culture, creativity and heritage	x			
<b>Housing and Communities</b>	Standard of housing	x			
	Access to housing	x			
	Crime	x			
	Social connectedness	x			

### Equality and Diversity

7.7 Have you completed an Equality Impact Analysis? No

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

7.9 Summary of Equality and Diversity impacts

<b>Please indicate: P = Positive impact; 0 = Neutral; N = Negative; Enter "X"</b>						
<b>Age</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Disability</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Gender reassignment (transgender)</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Marriage &amp; civil partnership</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Pregnancy &amp; maternity</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Race/ethnicity</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Religion or belief</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Sex/gender</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Sexual orientation</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Armed forces families</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Rurality</b>	<b>P</b>	<b>X</b>	<b>0</b>		<b>N</b>	
<b>Socio-economic disadvantage</b>	<b>P</b>	<b>x</b>	<b>0</b>		<b>N</b>	

<b>Risk Management</b>	<b>Consequence</b>	<b>Controls required</b>
There is a risk that Members are not aware of the Council's 'above appetite' 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 appetite are reported to Audit Committee by Case Management.

## Contact Officers

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## Background Documents Available

Name of Background document	Where it is available
Risk Management Process 2022	Audit Committee Agenda 21/04/22

## Tracking Information

Signed off by	Date sent	Date Signed off
Section 151 Officer	22/02/22	07/04/22
Monitoring Officer	22/02/22	07/04/22
CMT	07/04/22	07/04/22

Circulated to	Date sent
Lead Specialist	22/02/22
Human Resources Lead Specialist	22/02/22
Communications Team	22/02/22
Leader	
Committee Chairman	
Portfolio Holder	
Ward Councillor(s)	
Committee	21/04/22
Executive (Cabinet)	
Council	