

South Lakeland District Council
Audit Committee
Thursday, 28 July 2022
Audit Committee Risk Register

Portfolio: Not applicable
Report from: Section 151 Officer
Report Author: Helen Smith – Finance Lead Specialist (Section 151 Officer)
Wards: (All Wards)
Forward Plan: Not applicable

Links to Council Plan Priorities: The Audit Committee is part of the system of Corporate Governance to ensure proper arrangements are in place to ensure the effective delivery of all Council Plan Priorities.

1.0 Expected Outcome and Measures of Success

1.1 This report is presented to Audit Committee to facilitate the ongoing review of the Audit Committee Risk Register.

2.0 Recommendation

2.1 It is recommended that Audit Committee reviews and notes the updated Audit Committee Risk Register.

3.0 Background and Proposals

3.1 The Risk Register was last reviewed on 8 December 2022 and has been brought back before the Committee with that meeting's recommendations included.

Appendix 1 shows the risks previously identified for the Audit Committee and those which have been archived. These risks have been reviewed and archived during the period the Committee has existed. These will continue to be reviewed annually.

3.2 The Committee at its meeting in December 2021 considered its four current risks:

3.2.1 **RISK AC 1:** The challenge from the committee is limited due to inexperience. The current likelihood was Very Low following completion of induction training by all Committee members during 2021/22 and no change in membership for 2022/23.

3.2.2 **RISK AC 2:** This risk regards the ability of the Council to carry out its statutory requirements effectively due to limited resources as a result of the level of funding of local government. This risk is linked to the strategic risk around the Medium Term Financial Plan. The likelihood of this risk had been reduced to reflect the Council's robust financial planning process including the identification and delivery of savings. Currently the impact of Covid-19 on the Council's finances have been largely mitigated by grants or offsetting changes and while uncertainty remains about the timing and content of the next Local Government Finance Settlement it is not expected to include any major changes in the funding model.

3.2.3 **RISK AC 14:** The effectiveness of the Audit Committee is limited due to the impact of the Covid-19 pandemic. This includes the risk arising from the long gap between meetings of the Audit Committee (from December 2019 to September 2020), the risk arising from virtual meetings and the risk of reduced support to the Committee due to increased service demands elsewhere in the organisation. It is now proposed that this risk is deleted as the only current risk is potential cancellation of meetings.

3.2.4 **RISK AC 15:** A new risk agreed in December 2021 that the effectiveness of the Audit Committee is limited due to the resource implications of implementation of LGR in Cumbria and the risk of reduced support to the Committee due to increased service demands elsewhere in the organisation. All internal audits for 2021/22 are now complete and work has commenced on the 2022/23 programme – which has been focussed on giving assurance on current systems prior to transfer to Westmorland and Furness Council. The work programme for 2022/23 has been prioritised to reflect resources and to avoid duplication where work will be required for Day 1 of new Westmorland and Furness Council.

3.3 No changes are proposed to these risks or the archived risks.

4.0 Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Audit Committee Risk Register.

5.0 Consultation

5.1 The Audit Committee risk register is considered by Audit Committee twice per year.

6.0 Alternative Options

6.1 No alternative options – risks should be reviewed and managed.

7.0 Implications

Financial, Resources and Procurement

7.1 There are no direct financial implications of this report.

Human Resources

7.2 There are no direct staffing resources.

Legal

7.3 There are no legal implications arising from this report.

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: The review of Audit Committee risks is a corporate governance issue and has no direct health, social, economic or environmental impacts.

7.6 Summary of Health and Sustainability Impacts

		Positive	Neutral	Negative	Unknown
Environment and Health	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
Economy and Culture	Inclusive and sustainable development				X
	Jobs and levels of pay				X
	Healthier high streets				X
	Culture, creativity and heritage				X
Housing and Communities	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: The review of Audit Committee risks is a corporate governance issue and has no direct equality or diversity impacts.

7.9 Summary of Equality and Diversity impacts

Please indicate: P = Positive impact; 0 = Neutral; N = Negative; Enter "X"					
Age	P		0	X	N
Disability	P		0	X	N
Gender reassignment (transgender)	P		0	X	N
Marriage & civil partnership	P		0	X	N
Pregnancy & maternity	P		0	X	N
Race/ethnicity	P		0	X	N
Religion or belief	P		0	X	N
Sex/gender	P		0	X	N

Sexual orientation	P		0	X	N	
Armed forces families	P		0	X	N	
Rurality	P		0	X	N	
Socio-economic disadvantage	P		0	X	N	

Risk Management	Consequence	Controls required
No significant risks associated with this report		

Contact Officers

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Background Documents Available

Name of Background document	Where it is available
None	

Tracking Information

Signed off by	Date sent	Date Signed off
Section 151 Officer	19/07/2022	Report of S151 Officer
Monitoring Officer	19/07/2022	19/07/2022
CMT	N/A	N/A

Circulated to	Date sent
Lead Specialist	N/A
Human Resources Lead Specialist	N/A
Communications Team	N/A
Leader	N/A
Committee Chairman	N/A
Portfolio Holder	N/A
Ward Councillor(s)	N/A
Committee	28/07/2022
Executive (Cabinet)	N/A
Council	N/A