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## **PROPOSED SCHEDULE FOR DIRECTORS' PRESENTATIONS ON RISK MANAGEMENT IN SERVICES TO AUDIT COMMITTEE**

**Report by the Chief Officer Audit & Risk**

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### **AUDIT COMMITTEE**

**12 September 2022**

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#### **1 PURPOSE AND SUMMARY**

- 1.1 The purpose of this report is to provide Members of the Audit Committee with the proposed schedule for Directors' presentations on Risk Management in Services to enable the committee to fulfil its remit effectively.**
- 1.2 It is important that the Audit Committee, as a foundation for sound corporate governance, is able to demonstrate its effectiveness as a scrutiny body to the Council.
- 1.3 One of the Audit Committee's functions is to assess the adequacy and effectiveness of the Council's risk management arrangements.
- 1.4 One of the lessons learned within the Audit and Scrutiny Committee Annual / End of Term Report 2021/22 on how it has effectively fulfilled its Audit functions was "Gain insights on the efficacy of the Council's risk management framework through a schedule of Directors' presentations on risk and mitigations within their areas of responsibility."
- 1.5 This report outlines the proposed schedule for Directors' presentations on Risk Management in Services to enable the Audit Committee to fulfil its risk management function effectively.

#### **2 RECOMMENDATIONS**

- 2.1 I recommend that the Audit Committee:**
  - a) Approves the schedule for Directors' presentations on Risk Management in Services set out in paragraph 4.3 to enable the Audit Committee to fulfil its risk management function effectively; and**
  - b) Notes that refresh of the Corporate Risk Register is underway and will be completed in advance of the first scheduled Director presentation to ensure consistency in approach and format.**

### 3 BACKGROUND

- 3.1 It is important that the Audit Committee, as a foundation for sound corporate governance, is able to demonstrate its effectiveness as a scrutiny body to the Council.
- 3.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) issued the Audit Committees Practical Guidance for Local Authorities and Police 2018 Edition (hereinafter referred to as CIPFA Audit Committees Guidance). It includes the best practice to report to full council on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose.
- 3.3 The previous members of the Audit and Scrutiny Committee (A&SC) were engaged in the annual self-assessment process during the Informal Session on 14 February 2022 facilitated by the Chief Officer Audit & Risk using toolkits from the CIPFA Audit Committees Guidance. The output was the A&SC Annual / End of Term Report 2021/22 ([link on moderngov.co.uk](https://www.moderngov.co.uk)) that was agreed at its meeting on 14 March 2022 and presented to Council on 31 March 2022.

### 4 PROPOSED SCHEDULE FOR DIRECTORS' PRESENTATIONS ON RISK MANAGEMENT IN SERVICES TO AUDIT COMMITTEE

- 4.1 One of the Audit Committee's functions is to assess the adequacy and effectiveness of the Council's risk management arrangements.
- 4.2 Within the A&SC Annual / End of Term Report 2021/22, one of the lessons learned on how it has effectively fulfilled its Audit functions was "Gain insights on the efficacy of the Council's risk management framework through a schedule of Directors' presentations on risk and mitigations within their areas of responsibility."
- 4.3 The proposed schedule for Directors' presentations on Risk Management in Services to the Audit Committee is set out in the following table, to enable the Audit Committee to fulfil its risk management function effectively:

Proposed Meeting	Director
14 November 2022	Education & Lifelong Learning
xx February 2023	Finance & Corporate Governance
xx March 2023	Infrastructure & Environment
xx May 2023	Social Work & Practice
xx June 2023	Strategic Commissioning & Partnerships
xx September 2023	Resilient Communities
xx November 2023	People, Performance & Change
xx February 2024	Chief Executive services

- 4.4 The Risk Management Annual Report 2021/22 stated in the Next Steps 2022/23 that "The new Council Plan 2022-23 (approved by Council in February 2022) has presented an opportunity to revisit the Corporate Risk Register with a view to streamlining it to more clearly reflect and support the objectives detailed within the Council Plan." The refresh of the Corporate Risk Register will be completed in advance of the first scheduled Director presentation to ensure consistency in approach and format.

## **5 IMPLICATIONS**

### **5.1 Financial**

There are no direct financial implications associated with this report.

### **5.2 Risk and Mitigations**

There is a risk that the Audit Committee does not fulfil its function to assess the adequacy and effectiveness of the Council's risk management arrangements. This will be mitigated by gaining insights on the efficacy of the Council's risk management framework through a schedule of Directors' presentations on risks and mitigations within their areas of responsibility, as proposed in this report.

### **5.3 Integrated Impact Assessment**

This is a routine good governance report for assurance purposes, not a new or revised policy or strategy for decision and, as a result, completion of an integrated impact assessment is not an applicable consideration.

### **5.4 Sustainable Development Goals**

The recommendations in this report will not directly impact any of the 17 UN Sustainable Development Goals.

### **5.5 Climate Change**

This report does not relate to any proposal, plan or project and as a result the checklist on Climate Change is not an applicable consideration.

### **5.6 Rural Proofing**

This report does not relate to new or amended policy or strategy and as a result rural proofing is not an applicable consideration.

### **5.7 Data Protection Impact Statement**

There are no personal data implications arising from content of this report.

### **5.8 Changes to Scheme of Administration or Scheme of Delegation**

No changes are required to either the Scheme of Administration or the Scheme of Delegation as a result of the content in this report.

## **6 CONSULTATION**

- 6.1 The previous members of the Audit and Scrutiny Committee were engaged in the annual self-assessment process during the Informal Session on 14 February 2022 facilitated by the Chief Officer Audit & Risk. The output was the A&SC Annual / End of Term Report 2021/22, that was agreed at its meeting on 14 March 2022 and presented to Council on 31 March 2022. It recognised that the Directors' presentations on risk and mitigations within their areas of responsibility is important for the committee to gain insights on the efficacy of the Council's risk management framework and enable the committee to fulfil its remit effectively.

6.2 The Strategic Leadership Team, Chief Legal Officer (and Monitoring Officer), Clerk to the Council, and Communications team have been consulted on this report to ensure awareness of its content and to provide the opportunity for SLT to endorse the proposed schedule of Directors' presentations on risk and mitigations to the Audit Committee.

**Approved by**  
**Jill Stacey, Chief Officer Audit & Risk**

**Author(s)**

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**Background Papers:** CIPFA Audit Committees Practical Guidance for Local Authorities and Police 2018 Edition

**Previous Minute Reference:** Audit and Scrutiny Committee 14 March 2022, Scottish Borders Council 31 March 2022

**Note** – You can get this document on tape, in Braille, large print and various computer formats by using the contact details below. Information on other language translations can also be given as well as provision of additional copies.

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