



Audit and Governance Committee

Date:	28 July 2021
Reference number:	N/A
Title:	Risk Management Group Update
Cabinet Member(s):	N/A
Contact officer:	Maggie Gibb, Head of Business Assurance (& Chief Internal Auditor)
Ward(s) affected:	N/A
Recommendations:	Members are recommended to note the report.
Reason for decision:	summarise why the recommended option is preferred

1. Executive summary

- 1.1 The purpose of the report is to provide an update on the Risk Management Group (RMG) meeting held on 12 July 2021.
- 1.2 The Council's Risk Management Framework including the Terms of Reference for the Risk Management Group was approved by the Audit and Governance Committee in June 2021.

2. Content of report

- 2.1 A Risk Management training session was provided to the RMG by the Corporate Risk Lead. This included a demonstration of the Council's Corporate Risk Management system, Pentana.
- 2.2 The Corporate Director for Planning, Growth and Sustainability (PG&S), Ian Thompson attended the meeting along with the Service Director for Planning, Head of Finance and Risk Champion for PG&S.

- 2.3 PG&S have an embedded Risk Escalation Framework, with risk being a standing item at the management team meetings.
- 2.4 The Risk Champion works closely with the Corporate Risk Lead to improve the quality of the risk information, and following feedback from RMG, this will be improved further going forward.
- 2.5 The key risk themes were as follows:
- 2.6 *Strategic Transport & Infrastructure*

PGS-ST-11: Highways Infrastructure Projects (HIP) Finance - IF there is insufficient financial resource, due to a funding withdrawal, shortfall, forecast overspend or failure to secure match funding, THEN major projects may not progress, need to be de-scoped and/or key deadlines may not be met.

PGS-ST-19: Housing Infrastructure Fund (HIF) Aylesbury Milestones – IF there are delays in project delivery THEN this may cause significant general defaults in the HIF contract.

PGS-ST-20: Aylesbury South West Link Road - IF South West Link Road is removed from the award due to lack of deliverability before March 2028 THEN this will present a potential lost opportunity to deliver £34m

PGS-ST-23: HS2 Impact on communities and environment - IF the Council does not secure the best possible mitigation of the HS2 construction and long-term impacts THEN there will be an increase in negative impacts on the community and Buckinghamshire's environment.

- 2.7 *Planning & Environment*

PGS-PE-02: Legislative Changes - If the Government's planning reforms change the planning system THEN service delivery may be negatively impacted.

PGS-PE-04: MTFP Savings - Due to uncertainty over in-year budget, there is a risk that there will be negative impacts on performance and service delivery.

PGS-PE-10 Climate Change – IF sufficient and prompt action is not taken to reduce the Council's emissions and address climate change THEN there may be a perception that the Council is not acting proportionately to respond to climate change.

2.8 *PGS Management Team*

PGS-MT-01: Recruitment and Retention - IF we do not recruit and retain sufficient numbers of experienced and adequately skilled staff THEN we may not be able to deliver services to the expected standard and service delivery may suffer.

2.9 Key Financial Risk Register

2.10 In addition to the risk registers described above, our Head of Finance – Planning, Growth & Sustainability is responsible for maintaining the Directorates financial risk register.

PGS-KF-02: Impact of COVID on Property Rental Income – IF ongoing Covid restrictions result in more tenants struggling to pay rents THEN this this will result in pressure to the Council through loss of tenants (loss of income; payment of rates and utilities) and/or write off of bad debts.

PGS-KF-03: Ongoing Budget Sustainability for Corporate Estate (maintenance, dilapidation etc. on offices, theatres, leisure, car parks, libraries and others) - IF Property and Assets do not have more clarity on the size of budget needed for ongoing planned and reactive maintenance over the long term (10yrs +), AND make sufficient provision in the budget to cover an acceptable level of risk on this, THEN there is a risk of large one-off cost pressures (for large-scale maintenance issues), AND an ongoing pressure on Revenue & Capital maintenance budgets.

PGS-KF-05: S106/CIL - IF S106 and CIL budgets cannot be managed in a consistent way across the legacy councils then THEN this will have an impact on budget monitoring and management will not be able to make accurate decisions about how about what the funding is spent on and how funds are allocated.

PGS-KF-09: Homelessness Costs & Income - IF cases of homelessness increase due to the impact of COVID AND/OR financial support from Government to reduce homelessness - through grants and the housing benefit system - begin to decrease THEN the council may begin to incur additional Temporary Accommodation (TA) costs AND lose income currently used to pay for TA costs.

2.11 The risks were discussed in detail, as well as the mitigating actions being challenged by the RMG.

2.12 The risks which had been de-escalated or closed since the April meeting of RMG were also discussed to ensure that there had been appropriate decision making in place for each of the risks.

3. Other options considered

3.1 This should include information on the pros and cons of each option.

4. Legal and financial implications

4.1 None.

5. Corporate implications

None

6. Local councillors & community boards consultation & views

6.1 N/A.

7. Communication, engagement & further consultation

7.1 N/A.

8. Next steps and review

8.1 The next meeting of the Risk Management Group is on 6 September 2021.

9. Background papers

None

