

Audit, Governance & Standards Committee 13th January 2020

Annual Risk Management Report

Final Decision-Maker	Audit, Governance & Standards Committee
Lead Head of Service	Rich Clarke, Head of Audit Partnership
Lead Officer and Report Author	Alison Blake, Audit Manager
Classification	Public
Wards affected	All

Executive Summary

The report provides the Audit, Governance & Standards Committee with details of how Risk Management processes are working across the Council. This allows the Committee to gain assurance that effective processes are in place, which is a requirement of the Committee's Terms of Reference.

Purpose of Report

The purpose of this report is to provide information to members of the Audit Committee on the Council's risk management arrangements. As those charged with governance, the Committee must seek assurance over the effectiveness of the operation of the process.

This report makes the following recommendations to this Committee:

1. That the Risk Management Annual Report is **discussed** and **noted**.

Timetable

Meeting	Date
Audit, Governance & Standards Committee	13 th January 2020

Annual Risk Management Report

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	We do not expect the recommendations will by themselves materially affect achievement of corporate priorities. However, risk management is a key component in the Council's governance. Good governance underpins everything that the Council does.	Alison Blake Audit Manager
Cross Cutting Objectives	We do not expect the recommendations will by themselves materially affect achievement of cross cutting objectives. However, risk management is a key component in the Council's governance. Good governance underpins everything that the Council does.	Alison Blake Audit Manager
Risk Management	Risk management is the focus of this paper.	Alison Blake Audit Manager
Financial	Risk management support is provided through the Mid Kent Audit partnership within existing budgets. This decision therefore has no direct financial implications. In general, effective risk management contributes towards strong financial governance and controls in the Council.	Section 151 Officer & Finance Team
Staffing	There are no staffing implications to this decision.	Alison Blake Audit Manager
Legal	There are no legal or statutory implications with this proposal.	Legal Team
Privacy and Data Protection	There are no privacy and data protection implications with this proposal.	Policy and Information Team
Equalities	This report does not describe circumstances which require an Equality Impact Needs Assessment.	Policy & Information Manager
Public Health	There are no public health implications for this report.	Public Health Officer
Crime and Disorder	There are no crime and disorder implications for this report.	Alison Blake Audit

		Manager
Procurement	There are no procurement implications for this report.	Head of Service & Section 151 Officer

2. INTRODUCTION AND BACKGROUND

- 1.1 Risk management is the process undertaken to identify, evaluate and manage risks. In early 2016 the Council implemented a risk management framework designed to improve the risk management process. This included reporting and monitoring mechanisms for key risk information to be communicated to Senior Officer and Member level. This framework was reviewed and updated in April 2019 to ensure that it remains fit for purpose and current.
- 1.2 We (Mid Kent Audit) have been working with the Council to update and maintain the comprehensive risk register. Including updating the corporate risks, and continued reporting and communication of key risk information.
- 1.3 Over the past 18months we have worked with the Council to create a positive risk culture, and ensure that the risk management process adds value. It is appropriate that risk information is reported to Members, via Audit Committee. The attached report (Appendix I) seeks to bring members up to date with the work undertaken since the last report to committee in July 2018.

3. AVAILABLE OPTIONS

- 1.4 In order for any risk management process to be effective it is vital that risk information is reported, that risks are monitored and that action is taken to manage risks to an acceptable level. Reporting risks to Members is necessary to provide assurance that risks are being managed.
- 1.5 An alternative option would be to not report or monitor risks, but this would counter the effectiveness of the process, and would go against the terms of reference for this Committee.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 1.6 Effective risk management is a key component of sound governance. This Committee, as those charged with governance, must gain assurance that the Council is operating an effective risk management process, and that risks are being managed.
- 1.7 We therefore propose that the Committee notes the arrangements in place and provides comments on the operation of the risk management process.

5. RISK

- 5.1 This report is presented for information only and in itself has no risk management implications. The work that it describes helps to contribute towards effective risk management.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 1.8 The risk management framework was designed and updated through consultation with Corporate Leadership Team. All risk owners have been involved in the identification and assessment of the risks on the register.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Unless requested otherwise, we will continue to report annually on the Council's Risk Management processes.

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix 1: Annual Risk Management Report

9. BACKGROUND PAPERS

The risk management framework was reported to Policy and Resources Committee in April 2019 and is publically available on the Council's [website](#).