

**Risk Management Update**

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|---------------------------------------|-----------------------------------------------------------|
| <b>Final Decision-Maker</b>           | Policy & Resources Committee                              |
| <b>Lead Head of Service</b>           | Mark Green – Director of Finance and Business Improvement |
| <b>Lead Officer and Report Author</b> | Alison Blake – Audit Manager                              |
| <b>Classification</b>                 | Public                                                    |
| <b>Wards affected</b>                 | All                                                       |

**Executive Summary**

In this report we provide Members with an update of the Council’s corporate risks and overall risk profile. This report was originally scheduled to be presented to the March 2020 meeting of the Policy and Resources Committee, which was cancelled. The opportunity has been taken to update the corporate risk register to reflect the new risk environment revealed by the Covid-19 pandemic.

**Purpose of Report**

The report is for information and discussion in line with the committee’s role in retaining a strategic overview of risk management.

**This report makes the following recommendations to this Committee:**

1. Note the risk information set out in Appendix 1.

**Timetable**

| <b>Meeting</b>               | <b>Date</b>                |
|------------------------------|----------------------------|
| Policy & Resources Committee | 24 <sup>th</sup> June 2020 |

# Risk Management Update

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

| Issue                                 | Implications                                                                                                                                                                                                                                                                                                                                                                                   | Sign-off                                     |
|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| <b>Impact on Corporate Priorities</b> | Risk management is a key component in the Council's governance. Good governance underpins everything that the Council does.                                                                                                                                                                                                                                                                    | Alison Blake<br>– Audit Manager              |
| <b>Cross Cutting Objectives</b>       | Risk management is a key component in the Council's governance. Good governance underpins everything that the Council does.                                                                                                                                                                                                                                                                    | Alison Blake<br>– Audit Manager              |
| <b>Risk Management</b>                | Risk management is the focus of this paper.                                                                                                                                                                                                                                                                                                                                                    | Alison Blake<br>– Audit Manager              |
| <b>Financial</b>                      | Risk management support is provided through the Mid Kent Audit partnership within existing budgets.<br><br>This decision therefore has no direct financial implications.                                                                                                                                                                                                                       | Section 151 Officer & Finance Team           |
| <b>Staffing</b>                       | There are no staffing implications to this decision.                                                                                                                                                                                                                                                                                                                                           | Alison Blake<br>– Audit Manager              |
| <b>Legal</b>                          | The Accounts and Audit Regulations 2015 require the Council to have a sound system of control which includes arrangements for the management of risk. This Report is part of those arrangements and is designed to ensure that the appropriate controls are effective<br><br>There are no immediate legal implications arising from this report.                                               | Keith Trowell<br>– Practice Area Team Leader |
| <b>Privacy and Data Protection</b>    | There are no privacy or data protection implications to this decision.                                                                                                                                                                                                                                                                                                                         | Policy and Information Team                  |
| <b>Equalities</b>                     | The recommendations do not propose a change in service therefore do not require an equalities impact assessment                                                                                                                                                                                                                                                                                | Policy & Information Manager                 |
| <b>Public Health</b>                  | The COVID-19 outbreak has shown that a public health crisis does not just pose a risk toward health and care services but also to council services, wider society and residents livelihoods. Whilst a pandemic poses a number of acute risks due to the measures taken there will be longer term risks to residents health due to the impact on the wider determinants of health. The COVID-19 | Paul Clarke - Senior Public Health Officer   |

|                           |                                                                                                                                                                                                                                                                   |                                    |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
|                           | outbreak has also shown that the risks are greater to particular groups of the population highlighting the health inequalities that already existed prior to the outbreak. These implications will need to be considered as part of the risk management process.” |                                    |
| <b>Crime and Disorder</b> | Not applicable                                                                                                                                                                                                                                                    | Alison Blake<br>– Audit<br>Manager |
| <b>Procurement</b>        | Not applicable                                                                                                                                                                                                                                                    | Alison Blake<br>– Audit<br>Manager |

## 2. INTRODUCTION AND BACKGROUND

- 1.1 Effective risk management is a vital part of the Council’s governance, and contributes greatly to the successful delivery of services and key priorities. The Council has always recognised and supported the need to have effective processes to identify, evaluate and manage risks. This is set out in the Risk Management Framework which includes a programme of monitoring and review for Officers and Members. As a result, we have been providing regular updates to this Committee to present risk information and detail how the corporate level risks are being managed.
- 1.2 The Mid Kent Audit Service has lead responsibility to co-ordinate and embed risk management processes across the Council. The service’s role includes reporting regular updates to Officers and Members, through the Corporate Leadership Team (CLT), Policy & Resources Committee and the Audit, Governance & Standards Committee. The service’s resources have been re-directed towards support for the Covid-19 response during the past three months, which has limited its input to this report.
- 1.3 Having valuable and up to date risk information allows for both the management and oversight functions to happen effectively. This report provides Members with:
- The overall risk profile of the Council
  - Updates for each Corporate Risk
  - Planned work for 2020/21
- 1.4 The Covid-19 pandemic both illustrates the importance of risk management and compels a re-consideration of our risk profile. The pandemic belongs to a category of risks (eg global warming, pandemics) which can be foreseen in broad terms, but where the timing and nature of their impact is completely uncertain. It is clear that any consideration of our risk profile cannot ignore such risks. The corporate risk register has therefore been updated to include new risks relating to (a) major emergencies such as a new pandemic and (b) a resurgence of the current Covid-19 pandemic. As set out in the risk register, the risk of a resurgence is substantially mitigated by the extensive recovery arrangements that are being put in place by the Council.

- 1.5 The update report is attached in **appendix 1** and a full copy of the Corporate Risk register is attached in **appendix 1A**.
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### **3. AVAILABLE OPTIONS**

- 3.1 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. This has been recognised by the Committee who have requested updates twice a year.
  - 3.2 An alternative option would be for the Committee to change the frequency of our reporting of risks, or stop it altogether. This would however be contrary to previous requests.
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### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 This report is largely for information and discussion during the meeting. This has been a valuable exercise in past meetings, and so the preferred option would be for these updates to continue in this format.
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### **5. RISK**

- 5.1 The focus of this report is risk management. The update is presented for information only and so has no risk management implications.
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### **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 All risks are allocated an owner, that is, someone in the Council who is best placed to co-ordinate a response and to monitor progress. Risk owners range from our Managers, Heads of Service, up to Corporate Leadership Team.
- 6.2 Risk owners provide their own updates and so all of the Officers identified in the report, and all of the Corporate Leadership Team, have been consulted on the content of this update.

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## **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 Unless requested otherwise, we will continue to report risk updates to Members of this Committee every 6 months.

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## **8. REPORT APPENDICES**

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

- Appendix 1: Policy and Resources Committee Risk Update

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## **9. BACKGROUND PAPERS**

The risk management framework was reported to Policy and Resources Committee in April 2019 and is publicly available on the Council's website.