

Audit Committee Meeting		Agenda Item: 6
Meeting Date	8 March 2017	
Report Title	Risk Management Update 2016/17	
Cabinet Member	Cllr Andrew Bowles - Leader	
SMT Lead	Mark Radford – Chief Executive	
Head of Service	Rich Clarke – Head of Audit Partnership	
Lead Officer	Russell Heppleston – Deputy Head of Audit Partnership	
Key Decision	No	
Classification	Open	
Forward Plan	Reference number: N/A	
Recommendations	1. That the Audit Committee notes the Corporate Level Risks for Swale Borough Council and provides comments on the operation of the risk management framework.	

1 Purpose of Report and Executive Summary

- 1.1 The purpose of this report is to update members of the Audit Committee on the progress made over the last 18 months to update the Council's risk management processes. As those charged with governance, the Committee must seek assurance over the effectiveness of the operation of the risk management process.
- 1.2 Since the implementation of a new risk management framework in July 2015 a great deal of work has been undertaken to update all of the Council's risks, and create a single risk register. As part of this work a workshop was delivered to Strategic Management Team and Heads of Service to identify and assess the corporate level risks facing the Council as it strives to deliver of the Corporate Plan. This report shows the outcomes of that work and provides details on the risks identified and assessed.
- 1.3 The report is attached in appendix I.

2 Background

- 2.1 In July 2015 the Council adopted a new risk management framework. Following this, we (Mid Kent Audit) have been working with the Council to implement and embed the new processes, working with Strategic Management Team, Heads of Service and Managers to identify, assess and report on risks.
- 2.2 This work has resulted in the creation of a comprehensive risk register. This register brings together all of the Council's risks in a single format and using a consistent approach, including both operational and corporate level risks.

- 2.3 We started reporting the outcomes of the risk work to Strategic Management Team in October last year, and most recently in December 2016. This is a start of a regular programme of reports that will provide quarterly updates on all of the highest scored risks, as well as regular monitoring of the corporate level risks.
- 2.4 The work to implement processes and procedures is now largely completed, and the risk register is in place. It is appropriate to ensure that risk information is now reported to Members, via Cabinet and Audit Committee. The attached report (appendix I) is the first progress report and seeks to bring members up to date with the work undertaken over the last 18 months since adoption of the risk management framework.

3 Proposal

- 3.1 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.
- 3.2 We therefore propose that the Committee notes the work conducted to date to implement the new risk management framework and provides comments on the operation of the process. We also propose that the Committee notes the corporate level risks as outlined in the report (appendix I) as the risks identified as being directly linked to the achievement of the Corporate Plan.

4 Alternative Options

- 4.1 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. Reporting risks to Members is necessary to provide assurance that risks are being managed. An alternative option would be to not report or monitor risks, but this would counter the effectiveness of the process, and also be against previous views expressed by this Committee.

5 Consultation Undertaken

- 5.1 The Council's risk management framework was designed through consultation with Strategic Management Team and more broadly with Heads of Service. Risk owners have been involved in the identification and evaluation of the corporate level risks on the risk register.

6 Implications

6.1 This report is provided for information and comment rather than decision and consequently raises no new issues and implications.

Issue	Implications
Corporate Plan	Not applicable
Financial, Resource and Property	Not applicable
Legal and Statutory	Not applicable
Crime and Disorder	Not applicable
Sustainability	Not applicable
Health and Wellbeing	Not applicable
Risk Management and Health and Safety	Not applicable
Equality and Diversity	Not applicable

7 Appendices

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

- Appendix I: Risk Management Update 2016/17

8 Background Papers

None