

Audit Committee Meeting	
Meeting Date	11 th March 2020
Report Title	Annual Risk Management Report 2019/20
Cabinet Member	Cllr Roger Truelove - Leader of the Council
SMT Lead	Nick Vickers – Chief Finance Officer
Head of Service	Russell Heppleston – Deputy Head of Audit Partnership
Lead Officer	Alison Blake – Audit Manager
Key Decision	No
Classification	Open
Recommendations	1. That the Audit Committee considers 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 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.
- 1.2 The report attached in Appendix I provides an overview of the risk management process as operated throughout the year. To demonstrate this process in action information relating to the Council's risk profile is included in the report.

2 Background

- 2.1 Since implementing the **risk management framework** in July 2015 we have been providing regular updates to Officers and Members on key risks, and the actions being taken to address and manage those risks. This includes all corporate risks and high level (red and black) risks.
- 2.2 We (Mid Kent Audit) have been working with the Council over the course of 2019/20 to update and maintain the comprehensive risk register. Including reviewing the corporate risks, and continued reporting and communication of key risk information. The most recent update was to Informal Cabinet in April 2019 and SMT in December 2020.
- 2.3 Throughout the year we have continued to work 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) is the fourth update report to this Committee and seeks to bring members up to date with the work undertaken during 2019/20.

3 Proposals

- 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 arrangements in place and provides comments on the operation of the risk management process.

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.
- 4.2 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.

5 Consultation Undertaken or Proposed

- 5.1 The risk management framework was designed through consultation with SMT and more broadly through consultation with Heads of Service.
- 5.2 All risk owners have been involved in the identification and assessment of the risks on the register.

6 Implications

Issue	Implications
Corporate Plan	Effective risk management is part of the Council's governance framework. The purpose of the risk management process is to ensure that key risks are identified and appropriately managed as the Council pursues its Corporate objectives.

Financial, Resource and Property	Investment in developing risk management arrangements are being met from existing resources within the Mid Kent Audit partnership. No implications identified at this stage.
Legal, Statutory and Procurement	None identified at this stage
Crime and Disorder	None identified at this stage
Environment and Climate/Ecological Emergency	None identified at this stage
Health and Wellbeing	None identified at this stage
Risk Management and Health and Safety	This report is about risk management. No H&S implications identified at this stage.
Equality and Diversity	None identified at this stage
Privacy and Data Protection	None identified at this stage

7 Appendices

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

- Appendix I: : Annual Risk Management Report 2019/20

8 Background Papers

- Risk Management Framework