

Annual Risk Management Report

Final Decision-Maker	Audit, Governance & Standards Committee
Lead Head of Service/Lead Director	Russell Heppleston – Deputy Head of Audit Partnership
Lead Officer and Report Author	Alison Blake – Audit Manager
Classification	Public
Wards affected	N/A

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.

This report makes the following recommendations to this Committee:

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

Timetable

<i>Meeting</i>	<i>Date</i>
Audit, Governance & Standards Committee	30 July 2018

Annual Risk Management Report

1. INTRODUCTION AND BACKGROUND

- 1.1 Risk management is the process undertaken to identify, evaluate and manage risks. In early 2016 the Council implemented a revised 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.
 - 1.2 The Audit, Governance & Standards Committee has a responsibility to seek assurance on the effectiveness of the Council's internal control, governance, and risk management processes. Principally this assurance has been provided through the Head of Internal Audits annual and interim reports.
 - 1.3 However, now that the Council has fully implemented risk management arrangements, a separate risk management report has been compiled in order to give added assurance to the Committee.
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2. AVAILABLE OPTIONS

- 2.1 In order to ensure that risk information is reported, that risks are monitored and that action is taken to manage risks to an acceptable level an effective risk management process needs to be in place. Oversight of this process is provided by the Audit, Governance and Standards Committee. This is a role that the Committee has fulfilled over many years, and is set out in the Terms of Reference as part of the Constitution.
 - 2.2 This is the first sole risk management update in this format. The Committee could therefore decide not to receive an update in this way, and revert back to placing reliance on the Head of Audit opinion and interim reports.
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3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 This report is largely for noting and for discussion during the meeting. However, the purpose of the report is to give the Committee assurance over the effectiveness of the risk management process. The preferred option would be for the committee to endorse this report as a successful vehicle for providing that assurance and to recommend for a similar report to be provided each year.
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4. RISK

- 4.1 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.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 This is the first time that we have reported a risk management update in this format to the Committee. However, updates are regularly reported to Policy and Resources.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

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

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	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.	Legal Team
Equalities	This report does not describe	Policy &

	circumstances which require an Equality Impact Needs Assessment.	Information Manager
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

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 (detailed guidance) was reported to Policy and Resources Committee in February 2016 and is publically available on the Council's [website](#).

The last Risk Update report taken to Policy and Resources Committee in April 2018 is publically available on the Council's [website](#).