



**SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL**

## **Governance and Audit Committee**

Wednesday, 24 September 2025

Report of Councillor Philip Knowles,  
Cabinet Member for Corporate  
Governance and Licensing

# **Risk Management Annual Report 2024/25**

### **Report Author**

Tracey Elliott, Governance & Risk Officer

✉ tracey.elliott@southkesteven.gov.uk

### **Purpose of Report**

In accordance with the Governance and Audit Committee's terms of reference, one of the key areas for the Committee is to monitor and review the risk management arrangements in place including the annual report for risk management activity for 2024/25.

### **Recommendation**

The Committee is recommended to approve the Risk Management Annual Report 2024/25.

### **Decision Information**

Does the report contain any exempt or confidential information not for publication?

No

What are the relevant corporate priorities?

Effective council

Which wards are impacted?

All Wards

## **1. Implications**

- 1.1 Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

### ***Finance and Procurement***

- 1.2 There are no specific financial comments arising from this report. The Strategic Risk Register is regularly reviewed to ensure agreed actions are implemented and new risks and remedial actions are identified as necessary.

*Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer*

### ***Legal and Governance***

- 1.3 Consideration of the Council's arrangements for risk management is a key component of the role of the Governance and Audit Committee and demonstrates effective governance.

*Completed by: Alison Hall-Wright, Deputy Monitoring Officer*

## **2. Background to the Report**

- 2.1 In accordance with The Accounts and Audit (Amended) Regulations 2015, part of an internal control framework includes effective arrangements for the management of risk. A public service organisation must identify, analyse and prioritise risks, as well as manage and control risks in a cost-effective manner to maximise the quality and efficiency of its service provision and protect its reputation.
- 2.2 One of the key terms of reference of the Committee is to monitor and review the risk management arrangements in place and the activities that are being undertaken to assess the effectiveness of those arrangements. In accordance with Governance and Audit Committee's workplan, the Strategic Risk Register is now presented to Committee three times a year for review.
- 2.3 Effective risk management is critical to ensure an organisation maintains its services, progresses towards achieving its corporate objectives, and provides assurance it is operating on sound corporate governance principles.

## **3. Strategic Risks**

- 3.1 The Strategic Risk Register has been subject to regular review with Corporate Management Team facilitated by Matt Humphrey, Partner, RSM UK Consulting.

- 3.2 During 2024/25, Committee have reviewed the Strategic Risk Register at its meetings on 24 September 2024 and 19 March 2025. The latter meeting also included a report on emerging risks for the first time.
- 3.3 The proposed updated Strategic Risk Register will be presented by Matt Humphrey to Governance and Audit Committee as a separate agenda item at this meeting.

#### **4. Service Risks**

- 4.1 The service risks were realigned to the new Council senior staffing structure and have been assessed for relevance and if additional risks can be identified.
- 4.2 Heads of Service and Service Managers, as part of the completion of their service plans, were asked to identify their current service risks. This full register was reviewed to identify if there were any trends or if further consideration was needed in respect of any risks that may need to be included in the Strategic Risk Register if appropriate.
- 4.3 A review of the process for considering service risks will be undertaken in 2025/26 to establish if the current process is fit for purpose.

#### **5. Risk Management Framework**

- 5.1 The current Risk Management Framework 2025-27 was approved by Governance and Audit Committee on 22 January 2025 to ensure that it remained fit for purpose and reflective of the current arrangements and operating environment of the Council.

#### **6. Annual Assurance Statement**

- 6.1 Officers of the Senior Team produced an Annual Assurance Statement for 2024/25 which assessed the effectiveness of the key control environment within their areas of responsibility.
- 6.2 Management assurance is a key assurance mechanism on which the Council seeks to obtain visibility over. The Council recognise that management may not be able to provide a positive assurance in all cases and would prefer a conclusion to be reached that is objective and honest with a view to then addressing any areas of concern in the future as may be required.
- 6.3 Senior Team were asked to agree, or otherwise, to various statements based on their knowledge and understanding across seven core areas of assurance:
- Probity and Regulatory

- Procurement
- Governance
- Human Resources
- Health and Safety
- IT and Data Management
- Business Continuity.

- 6.4 The overall assurance level revealed that managers 'Fully Agreed' with 83% of the statements on assurance with the remainder being 14% 'Partially Agreed'; 1% 'Not Agreed' and 2% 'Don't Know'.
- 6.5 Themes for improvement were identified for Procurement, Health and Safety, and Business Continuity.
- 6.6 The responses were reported to Statutory Officers Group for review. Actions arising from the completion of the Assurance Statement have been captured and will be monitored during 2025/26.
- 6.7 The output of the Annual Assurance Statement exercise has been captured in the Council's Annual Governance Statement.

## 7. Action Plan 2025/26

Action	Timeline
Strategic Risks	
1. Keep under review the strategic risks and update the Strategic Risk Register accordingly	Ongoing
2. Review of emerging risk and update of the Council's Emerging Risk Radar	Quarter 3
3. Assessment of Strategic Risk controls effectiveness	Quarter 4
4. Consider the Council's strategic risks and risk appetite in making decisions where appropriate to do so	Ongoing
Service Risks	
5. Review the service risk process ahead of completion of service plans	Quarter 3
Annual Assurance Statement	
6. Review of the process and assurance areas to ensure it remains fit for purpose	Quarter 3

Risk Management Group	
7. Re-establish Risk Management Group as part of Senior Team Meeting	Quarter 3
Risk Management elearning	
8. Explore elearning options with a view to rolling out to officers and Members	Quarter 4

## **8. Key Considerations**

- 8.1 The Committee should keep under review the risk management activity and any further steps identified.

## **9. Reasons for the Recommendations**

- 9.1 Governance and Audit Committee, as part of its terms of reference, 9.1 (xii) approve the annual report on risk management activity and consider the effectiveness of the Council's overall arrangements for managing risk.