

AUDIT COMMITTEE

4 JANUARY 2022

RISK STRATEGY ANNUAL REVIEW

Report from: Phil Watts, Chief Finance Officer and Chair of Strategic Risk Management Group

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Summary

In accordance with the Council's Risk Management Strategy, this report presents the annual review of the Risk Strategy.

1. Budget and Policy Framework

- 1.1. Good corporate governance requires that local authorities identify all their significant strategic and operational risks and put effective risk management and internal control systems in place.
- 1.2. In line with its terms of reference, the Audit Committee is responsible for providing independent assurance on the adequacy of the risk management framework and the associated control environment, including consideration of the Council's approach to risk management.
- 1.3. The Cabinet is responsible for ensuring the effective operation of risk management in the Council.

2. Background

- 2.1. Risk management is a process which aims to help the Council understand, evaluate and act on all their risks. It supports effective decision making, identification of priorities and objectives and increases the probability of success by making the most of opportunities and reducing the likelihood of failure.
- 2.2. Risk management is an integral part of good governance. The Council recognises that it has a responsibility to identify and manage the barriers to achieve its strategic objectives and enhance the value of services it provides to the community. The Council's Risk Management Strategy incorporates and:
 - promotes a common understanding of risk.
 - outlines roles and responsibilities across the Council.
 - proposes a methodology that identifies and manages risk in accordance with

best practice thereby seeking to prevent injury, damage and loss.

3. Advice and analysis

3.1. The Risk Strategy is reviewed annually to ensure that it remains up to date and continues to reflect the council's approach to risk management. The 2022/23 Risk Strategy is shown in Appendix 1.

4. Consultation

4.1. The Risk Strategy has been discussed with the Strategic Risk Management Group and Corporate Management Team.

4.2. Following discussion at Audit Committee, Members will be further consulted on the Strategy via Business Support Overview and Scrutiny Committee on 27 January 2022 and Cabinet on 8 February 2022.

4.3. At the Strategic Risk Management Group meeting on 12 October 2021, the existing Risk Strategy was reviewed. It was agreed that no changes were required for the 22/23 Risk Strategy.

5. Financial, legal and risk implications

5.1. There are no financial or legal implications arising from the review of the Strategic Risk Strategy.

6. Recommendations

6.1. The Committee is asked to note the 2022/23 Risk Strategy at Appendix 1 setting out the Council's approach to risk management.

Lead officer contact

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Appendices

Appendix 1 Risk Strategy

Background papers

None