

BUSINESS SUPPORT OVERVIEW AND SCRUTINY COMMITTEE

25 JANUARY 2022

RISK STRATEGY ANNUAL REVIEW

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

Author: Anna Marie Lawrence, Head of Corporate Insight, Performance and Information Governance

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 and Audit Committee.

4.2. Following discussion at Business Support Overview and Scrutiny Committee, Members will be further consulted on the Strategy via 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.

4.4. The record of the discussion at the Audit Committee meeting on 4 January 2022 is as follows:

Discussion:

This report provided details of the annual review of the Risk Strategy, in accordance with the Council's Risk Management Strategy.

The Chairman advised the Committee that this was Head of Corporate Insight, Performance and Information Governance's (Anna Marie Lawrence) last meeting before she left the Council to take up a position at Golding Homes. On behalf of the Committee, he recorded Members' thanks for her dedication and support over the years and he wished her the very best in her future endeavours.

The Head of Corporate Insight, Performance and Information Governance advised the Committee that there were no proposed changes to the Risk Strategy and she thanked Members who attended a meeting on 16 September 2021 to discuss the risk framework, risk definitions and risk tolerance levels and the feedback would be taken account of along with the Corporate Business Intelligence review in development of the Council Plan refresh for 2023/2027 and the next edition of the Risk Strategy.

In response to a question about specific risks, the Head of Corporate Insight, Performance and Information Governance advised that such matters would be addressed in the Strategic Risk Register which would be presented as part of quarter 3 monitoring reports.

Decision:

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

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 and comment on 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