

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

23 October 2007

Report of the Chief Internal Auditor

Part 1- Public

Matters for Information

1 RISK MANAGEMENT HEALTH CHECK

Summary

This report introduces Members of the Audit Committee to the outcome of an independent review of the Risk Management Procedures in place carried out by Zurich Municipal. The report will be the subject of a presentation by Alan Ross B.A. (Hons), Grad IRM.

1.1 Introduction

- 1.1.1 Members will be aware of the strong risk management environment within Tonbridge & Malling Borough Council supported by the Risk Management Strategy. In the last round of the Audit Commission Inspection the Council scored a level three result in the Key Lines of Enquiry review that formed part of the CPA process.
- 1.1.2 It is also a requirement of the Key Lines of Enquiry that all Members should be given training on Risk Management and two sessions are planned for 11 and 25 October 2007. Risk Management will also form an important part of the training on the Role of the Audit Committee that takes place on 15 November 2007.
- 1.1.3 The Risk Management of the Council is a factor that is considered by the Council's insurers and regular meetings take place with the Zurich Municipal (ZM) Account Manager to ensure that robust procedures exist.
- 1.1.4 As part of the last insurance tendering exercise the Council received £30,000 worth of consultancy time. It was identified that part of this consultancy time could be used up to carry out an independent review of the Risk Management system within the Council.
- 1.1.5 The attached report [**Annex 1**] is the result of that review and will be the subject of a presentation by the Business Risk Management Consultant – Alan Ross of ZM who carried out the review.

1.1.6 Overall the message of the review was that we have a robust system of Risk Management in place. However, the review has suggested an action plan for further improvements.

1.1.7 The report has been presented to Management Team and further work will be carried out to identify the benefits of further enhancement and the resources required to implement them if appropriate.

1.2 Legal Implications

1.2.1 This is an information report and there are no legal matters arising at the present time.

1.3 Financial and Value for Money Considerations

1.3.1 There may be financial considerations if the actions within the ZM review are implemented but this will be assessed and reported to Members if the action plan is adopted.

1.4 Risk Assessment

1.4.1 The ZM report will be used by MT to consider whether any enhancements would affect the Council approach to risk management.

Background papers:

contact: David Buckley

ZM Health Check

David Buckley
Chief Internal Auditor