

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

23 June 2008

Joint Report of the Chief Executive and Director of Finance

Part 1- Public

Matters for Recommendation to Cabinet

1 RISK MANAGEMENT STRATEGY

Summary

This report requests that Members consider the annual review of the Risk Management Strategy and recommend the endorsement of an updated version for Cabinet approval.

1.1 Background

- 1.1.1 The Council introduced a Risk Management Strategy in 2002. In order to assist in the embedment of Risk Management Members are asked to review the Strategy on an annual basis and to update as required.
- 1.1.2 Following endorsement by Cabinet the Strategy is signed by the Leader and Chief Executive to demonstrate the commitment to Risk Management that this authority has.
- 1.1.3 Risk Management has increased in importance since the introduction of the strategy in 2002 and is now inspected annually as part of the Key Lines of Enquiry review undertaken by the Council's external auditors.
- 1.1.4 As part of the overall Risk Management process Members of this Committee are informed of any significant events that affect Risk Management. This process includes reporting to Members of the effectiveness of Risk Registers, outcome of any investigations arising from the Confidential Reporting Code and any actions arising from Insurance claims history.
- 1.1.5 The latest version of the Strategy is circulated to all staff with access to Groupwise, and is available on the staff intranet and web site.

1.2 Proposed updates

- 1.2.1 The Strategy underwent a significant rewrite in 2007 and the changes considered necessary in this review are considered to be minimal.

1.2.2 The addition arising from this review is a section outlining the role of the Director of Health and Housing in relation to Health & Safety responsibilities.

1.2.3 A copy of the proposed revision is attached [**Annex 1**].

1.3 Legal Implications

1.3.1 There are no legal requirements associated with this report.

1.4 Financial and Value for Money Considerations

1.4.1 Having a sound risk management strategy has no direct cost. However, having an embedded risk management culture has the potential to reduce the likelihood of future expenditure if risks become events. By considering risk and reducing or transferring it the financial outcome of events can be minimised.

1.5 Risk Assessment

1.5.1 The need to have a sound risk management strategy is set out in the Key Lines of Enquiry. A failure to have one could lead to the Council scoring badly in external inspection. In addition a failure to manage risks could lead to future avoidable costs falling on the Council.

1.5.2 Maintaining a high profile within the organisation of risk management assists in the embedment of a risk management culture enabling risks to be identified and considered in the annual review of risk registers.

1.6 Policy Considerations

1.6.1 Business Continuity/Resilience – The consideration of Risk Management and subsequent action taken to manage risk contribute to the overall process of maintaining business continuity.

1.7 Recommendations

1.7.1 Members are asked to review the Risk Management Strategy and to **recommend** to Cabinet the endorsement of the revision.

Background papers:

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Nil

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