

# TONBRIDGE & MALLING BOROUGH COUNCIL

## AUDIT COMMITTEE

20 June 2011

### Joint Report of the Chief Executive and the Director of Finance

#### Part 1- Public

#### Matters for Recommendation to Council

## 1 RISK MANAGEMENT STRATEGY

### Summary

**This report presents a revised Risk Management Strategy for consideration and seeks recommendation for endorsement by Council.**

### 1.1 Introduction

1.1.1 The Council has had a risk management strategy in place for a number of years. The objective of the strategy is to provide an effective framework for risk management within the organisation. The strategy requires that it is reviewed annually in order to keep it up to date.

1.1.2 Members will also be aware that the Council has entered into a partnership agreement with Gravesham for Internal Audit provision. One of the objectives of the partnership is to standardise policies and strategies in order to achieve best practice and a consistent approach.

1.1.3 The result of this approach is the attached revision of the Risk Management Strategy. **[Annex 1]**.

### 1.2 Legal Implications

1.2.1 There is a Health & Safety requirement for effective risk management to be in place and this is included within the strategy. There is also a requirement in the Accounts & Audit Regulations accounting control systems must include measures to ensure that risk is appropriately managed. A sound risk management framework will achieve this.

### 1.3 Financial and Value for Money Considerations

1.3.1 An embedded risk management strategy will ensure that risks are not taken that could result in a financial loss to the Council. In addition it will enable opportunities to be properly considered.

## 1.4 Risk Assessment

- 1.4.1 Failure to adopt an effective risk management strategy or risk register will potentially affect the organisation's ability to manage risk effectively and is likely to adversely affect strategic decision-making. It is important that the council's approach to risk is reviewed on a regular basis by both officers and Members to ensure new risks are identified and action being taken to mitigate existing risks is effective.
- 1.4.2 The community, partners and stake-holders will expect the council to have in place robust arrangements for managing any risks that are likely to arise from its role as a public authority. In developing the updated Risk Management Strategy and Corporate Risk Register the council will be demonstrating the importance it attaches to managing those risks – this will help to give confidence that the council is self-aware of the need to manage its affairs in a proper and responsible manner.

## 1.5 Equality Impact Assessment

- 1.5.1 A risk review of operations should consider equality issues as a potential risk and take steps to prevent or mitigate any potential breaches of equality legislation.

## 1.6 Recommendations

- 1.6.1 Members are asked to consider the revision of the Risk Management Strategy and to recommend adoption by Council.

Background papers:

contact: David Buckley

Gravesham Borough Council Risk Management Strategy

David Hughes  
Chief Executive

Sharon Shelton  
Director of Finance

<b>Screening for equality impacts:</b>		
<b>Question</b>	<b>Answer</b>	<b>Explanation of impacts</b>
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	A strong risk management strategy will ensure that equality issues are considered as part of the decision making process.

<b>Screening for equality impacts:</b>		
<b>Question</b>	<b>Answer</b>	<b>Explanation of impacts</b>
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	Yes	When assessing risks in the decision making process a manager must consider the equality issues as part of the process.
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		

*In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.*