

TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

03 September 2008

Report of the Director of Finance

Part 1- Public

Matters for Recommendation to Council

1 RISK MANAGEMENT STRATEGY

Summary

This report requests that Members consider the Risk Management Strategy and recommend its endorsement by Council.

1.1 Background

- 1.1.1 Members will be aware that the Council introduced a Risk Management Strategy in 2002 as part of the overall Corporate Governance framework.
- 1.1.2 Since the implementation of the Strategy the profile of Risk Management has been continually raised and forms a significant part of the CPA Key Lines of Enquiry review. It is also considered when presenting the annual Corporate Governance Statement as part of the final accounts process.
- 1.1.3 When CIPFA recommended the formation of Audit Committees it recommended that consideration of Risk Management would be a prime function of the Committee.
- 1.1.4 In order to maintain the high profile of the Strategy it is reviewed on an annual basis and endorsed by full Council. In addition a copy of the Strategy is signed by the Leader of the Council and the Chief Executive which is then published on the Council Website.

1.2 Audit Committee

- 1.2.1 The Audit Committee have been given the responsibility for overseeing the Risk Management process within the organisation. As part of this responsibility Members of the Audit Committee were requested to consider the Risk Management Strategy at their meeting of 23 June 2008. **Cabinet Members are requested to refer to the Audit Committee papers of 23 June 2008.**
- 1.2.2 The Strategy had been revised in 2007 and there were only minor amendments made this year. The updated version was considered at the meeting and no further changes to the Strategy were made. The Audit Committee recommended

to Council via Cabinet that the current strategy presented to Audit Committee on 23 June 2008 be endorsed.

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 There are no additional costs attached to this report. The RMS could result in future savings by changes arising from sound risk management.

1.5 Risk Assessment

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

1.6 Recommendations

1.6.1 Members are asked to review the latest version of the Risk Management Strategy and **RECOMMEND** to Council that it is endorsed .

Background papers:

contact: David Buckley

Risk Management Strategy
Audit Committee Papers 23 June 2008