

TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

21 June 2006

Report of the Chief Executive and the Director of Finance

Part 1- Public

Matters for Recommendation to Council

1 RISK MANAGEMENT STRATEGY

Summary

Following an earlier review by the Audit Committee, 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 making the Annual Statement of Internal Control 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's 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 6 April 2006. **Cabinet Members are requested to refer to the Audit Committee papers of 6 April 2006.**

1.2.2 The Strategy was considered at the meeting and no changes to the Strategy were suggested. The Audit Committee recommended to Council via Cabinet that the current strategy remains unchanged.

1.3 Legal Implications

1.3.1 There are no legal requirements or risks 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 Risk Management Strategy and **RECOMMEND** to Council that the current strategy remains unchanged.

Background papers:

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Risk Management Strategy
Audit Committee Papers 6 April 2006

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Chief Executive

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