

TONBRIDGE & MALLING BOROUGH COUNCIL

CABINET

5 September 2007

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 Use of Resources 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 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 25 June 2007. **Cabinet Members are requested to refer to the Audit Committee papers of that date.**
- 1.2.2 The Strategy was considered at the meeting and attention was drawn to a number of proposed changes designed to raise the profile of risk management and provide additional evidence of it being embedded within the organisation. The Audit Committee recommended to Council via Cabinet that the strategy as presented be adopted.

1.2.3 Risk Management Training

1.2.4 Two dates have recently been set up to provide risk management training to all Members. These dates are 11 October and 25 October. Sessions will commence at 7.30pm. (Members need only attend one session).

1.2.5 The sessions will provide induction training for newer Members, or 'refresher' training for those Members who were on the council last year.

1.2.6 The Director of Finance will be writing to all Members shortly inviting them to attend one of the sessions.

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 this process. 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 **RECOMMEND** to Council that the strategy, as considered by the Audit Committee, be adopted.

Background papers:

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Risk Management Strategy
Audit Committee Papers 25 June 2007

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Chief Executive

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Director of Finance