

Report to the Finance and Performance Management Committee



**Epping Forest
District Council**

Date of meeting: 17 July 2006

Portfolio: Finance and Performance Management

Subject: Risk Management

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Recommendations/Decisions Required:

- (1) To consider the attached report and to adopt the Risk Management Strategy and Policy Statement; and**
- (2) To note the Terms of Reference of the Risk Management Group.**

Report:

Introduction

1. This Committee has received two reports on risk management setting out the work that has been done to embed risk management into the Council and to note and adopt the Corporate Risk Register.
2. This report seeks to further embed risk management into the Council through the adoption of an updated Risk Management Strategy and Policy Statement.

Risk Management Strategy and Policy Statement

3. At the 12 December 2005 meeting, members were advised of the greater importance attached to risk management under the Key Lines of Enquiry when the Audit Commission is assessing the Council's Use of Resources.
4. One of the criteria that will be judged is whether the members have adopted a Risk Management Strategy and Policy Statement. This requires the Council to:
 - Identify corporate and operational risks
 - Assess the risks for likelihood and impact
 - Identify mitigating controls
 - Allocate responsibility for the mitigating controls.
5. A draft Policy Statement was presented at the Risk Management Group on 10 January 2006. The feedback from the group and advice given by Zurich Municipal (the Council's insurers and providers of risk management training) contributed to the attached Policy Statement.
6. Further work has since been undertaken on the Risk Management Strategy and views gathered from Zurich Municipal and AON (the Council's insurance brokers). Members are invited to consider and adopt the attached Strategy and Policy Statement.

Terms of Reference

7. Following the setting up of the Risk Management Group in December 2004, it was necessary to agree the Terms of Reference for the group. These were considered by the Group and were then agreed by the Corporate Governance Group on 13 April 2005. As the Risk Management Strategy and Policy Statement are being presented the Terms of Reference are also attached to provide a complete picture for Members.

Conclusion

8. A considerable amount of work has been undertaken in producing the Strategy, Policy Statement and Terms of Reference and these now need to be adopted by Members to ensure the Council can demonstrate that it has fully embedded risk management.