

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

9 DECEMBER 2010

REPORT OF THE ASSISTANT CHIEF EXECUTIVE – CORPORATE DEVELOPMENT AND PARTNERSHIPS

THE CORPORATE RISK ASSESSMENT

1. Purpose of Report.

- 1.1 The Audit Committee oversees risk management within the Council. This report and its appendices explain the outcome of the annual risk assessment.

2. Connection to Corporate Improvement Plan / Other Corporate Priority.

- 2.1 Effective risk management is an essential part of the framework for ensuring good corporate governance and supports delivery of the Council's corporate priorities.

3. Background.

- 3.1 Under the new Local Government Measure, the requirement to develop a 'Joint Risk Assessment' agreed with the Council's regulators has ceased. However, for good governance there is still a need for the Council to develop a risk assessment.
- 3.2 At its meeting on the 8th July, 2010, the Committee agreed proposed amendments to its Terms of Reference. The new Terms of Reference require the Audit Committee to consider the Council's 'Risk Assessment'.
- 3.3 The risk assessment is used to inform the Scrutiny forward work programme and the budget process.

4. Current situation / proposal.

- 4.1 The risk assessment is attached as Appendix 1 and identifies the main risks facing the council, the likely impacts of these on both its activities and the wider County Borough, what is being done to manage the risks and which individual or group is responsible for the Council's response. The document will help the Audit Committee perform its oversight role.
- 4.2 The risk assessment has been developed in consultation with Heads of Service and members of the Corporate Management Board. It has also been reviewed by members of Cabinet.
- 4.4 A scoring matrix is used which takes into account both the probability of the risk materialising and the severity of the consequences if it did. The matrix is contained in Appendix 2 and to give the Committee an insight into how the scores of the main

risks have changed in the last three years, these have been summarised in Appendix 3.

4.5 The risk assessment is reviewed on a quarterly basis and a further report setting out progress in managing the risks will be made to the Audit Committee in April 2011.

5. Effect upon Policy Framework & Procedure Rules.

5.1 None as a direct consequence of this report.

6. Equality Impact Assessment.

6.1 Equality issues permeate many of the risks identified and where appropriate, equality impact assessments are undertaken within the process of approving the mitigating actions identified.

7. Financial Implications.

7.1 There are no financial implications directly associated with the risk assessment.

Actions planned to mitigate each risk are required to be progressed within approved budgets.

8. Recommendation.

8.1 That the Committee endorses the annual risk assessment and receives a further report in April 2011 when progress will be reviewed.

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Background documents

None