

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

25 APRIL 2012

REPORT OF THE ASSISTANT CHIEF EXECUTIVE - PERFORMANCE

REVIEW OF CORPORATE RISK ASSESSMENT & RENEWAL OF INSURANCE

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 recent review of the Council's risk assessment and shows how some risk is transferred from the Council to the insurance market.

2. Connection to Corporate Improvement Objectives/Other Corporate Priorities

- 2.1 Effective risk management is an essential part of the framework for ensuring good corporate governance. The management of risk and the transfer of some risk via Insurance is part of the careful management of resources and supports the delivery of the Council's corporate priorities.

3. Background.

- 3.1 At its meeting of 8th July 2010, the Committee agreed proposed amendments to its Terms of Reference. The new Terms of Reference require the Committee to monitor the effective development and operation of risk management and corporate governance in the Council and to consider the Council's risk assessment.
- 3.2 The risk assessment 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.
- 3.3 At its meeting on 22nd December 2011, the Committee endorsed the annual Risk Assessment and noted that it would receive a further report in April 2012 to review changes to it.
- 3.4 In order to protect its assets, contain its liabilities and to comply with legislation the Council purchases insurance cover. Insurance provides a greater degree of financial certainty and assists financial planning in order that resources can be committed to strategic priorities.

4. Current situation / proposal.

- 4.1 The risk assessment has recently been reviewed by members of the Corporate Management Board and Heads of Service and the updated risk assessment is provided as Appendix A. The review takes into account issues which have an impact on these risks and which emerged between November 2011 and March 2012.

4.2 The annual insurance renewal negotiations have been undertaken for 2012/13 by the Council's Insurance Brokers, Marsh UK Ltd and Cabinet has given them its approval. A brief summary of the principal insurance policies is given in Appendix B, and Appendix C gives information on the premium paid for each policy with details of the Insurance Company. Appendix D summarises the claims against the council that have been received and the service areas involved.

5. Effect upon Policy Framework & Procedure Rules.

5.1 None as a direct consequence of this report.

6. Equality Impact Assessment

6.1 Equalities 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 this report.

7.2 Action plans to mitigate each risk are required to be progressed within approved budgets.

8. Recommendation.

8.1 That the Committee considers the information provided in relation to the review of the annual risk assessment.

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11 April 2012

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Background documents

None