

# BRIDGEND COUNTY BOROUGH COUNCIL

## REPORT TO AUDIT COMMITTEE

29 NOVEMBER 2012

### REPORT OF THE ASSISTANT CHIEF EXECUTIVE - PERFORMANCE

#### 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 Objectives/Other Corporate Priorities.**

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

##### **3. Background.**

3.1 Good governance requires the Council to develop effective risk management processes, including an assessment of corporate risks.

3.2 The Audit Committee's Terms of Reference requires the Committee to monitor the effective development and operation of risk management and corporate governance in the Council and to also consider the annual risk assessment.

3.3 The risk assessment is used to inform the Scrutiny forward work programme and budget process.

##### **4. Current situation / proposal.**

4.1 The new risk assessment is attached as Appendix 1. It identifies the main risks facing the Council, the likely impact of these on Council services and the wider County Borough, what is being done to manage the risks and which individual is responsible for the Council's response.

4.2 The risk assessment has been developed in consultation with the Corporate Directors and Heads of Service and has been approved by both them and Cabinet.

4.3 A scoring matrix is used which takes into account both the likelihood of the risk taking place and the impact if it did. The inherent risk is measured and then the residual risk; after the risk mitigation measures have been put in place. The scoring matrix is shown in Appendix 2. Appendix 3 contains a summary of how the residual risk scores have changed over the last three years and this analysis helps understanding of the trends identified.

4.4 The risk assessment will be subject to review in April 2013.

**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.

**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 It is recommended that the Audit Committee

- Consider the annual risk assessment and endorse its adoption
- Receives a further report in April 2013 when progress can be reviewed.

**Ness Young**  
**Assistant Chief Executive - Performance**  
**15 November 2012**

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**Background documents**

None