

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

13 DECEMBER 2018

REPORT OF THE INTERIM HEAD OF FINANCE

RISK MANAGEMENT

1. Purpose of Report.

- 1.1 The purpose of the report is to provide the Audit Committee with an update on changes being made to the Council's Risk Management Policy, the Corporate Risk Assessment 2018-19 and the Incident and Near Miss Reporting Procedure.

2. Connection to Corporate Plan / Other Corporate Priority.

- 2.1 This report assists in the achievement of the following corporate priority/priorities:
- Smarter use of resources – ensuring that all its resources (financial, physical, human and technological) are used as effectively and efficiently as possible and support the development of resources throughout the community that can help deliver the Council's priorities.
- 2.2 Effective risk management is an essential part of the framework for ensuring good corporate governance and supports delivery of the Council's Corporate Improvement Priorities.

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 require the committee to review, scrutinise and issue reports and recommendations on the appropriateness of the Council's risk management, internal control and corporate governance arrangements.
- 3.3 The Corporate Risk Assessment is considered and reviewed by Corporate Management Board, Senior Management Team, Audit Committee, as part of the Council's quarterly Corporate Performance Assessment framework, and is used to inform the Overview and Scrutiny Committees forward work programme and the budget process.

4. Current situation / proposal.

- 4.1 The 2018-19 Corporate Risk Assessment was reported to Audit Committee on 18 January 2018. The report identified that a further review of the Council's risks would be undertaken to assess whether all the identified risks remained risks to the Council, whether the Council should seek to focus on a smaller set of risks, how the

text could be condensed further and whether the risk reduction measures mitigated all the impacts.

- 4.2 A further review has been undertaken by Corporate Management Board and Senior Management Team. Rather than reviewing the previous risks, a new reduced number of risk measures are being finalised which captures more discernibly the key risks facing the Council. The text of the risks, impacts and mitigation measures have been agreed.
- 4.3 The Healthy Organisation review identified that the same risk matrix should be utilised consistently throughout the Council. Corporate Management Board has agreed that a 5 x 5 risk matrix will be adopted which will replace the current 6x4 risk matrix. The new risks will be scored using the 5 x 5 risk matrix. The risks will then be reported to the Audit Committee in January 2019.
- 4.4 Following Audit Committee on 29 June 2018, the Incident and Near Miss Reporting Procedure has been amended to take into account the matters raised. It has been reviewed by Health and Safety Department to ensure that there is no duplication with other procedures and is now returning to Corporate Management Board for an endorsement of the final version.
- 4.5 The updated Risk Management Policy, Corporate Risk Assessment and Incident and Near Miss Reporting Procedure will be presented to the Audit Committee as a suite of documents in January 2019.

5. Effect upon Policy Framework & Procedure Rules.

- 5.1 None as a direct consequence of this report.

6. Equality Impact Assessment.

- 6.1 There are no equality implications arising from this report.

7. Wellbeing of Future Generations (Wales) Act 2015 Implications.

- 7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report

8. Financial Implications.

- 8.1 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.

9. Recommendation.

- 9.1 It is recommended that Audit Committee note the report and that the full suite of risk management documents will be presented to the Committee in January 2019.

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13 December 2018

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Background documents

None