

Buckinghamshire & Milton Keynes Fire Authority



MEETING	Overview and Audit Committee
DATE OF MEETING	11 March 2015
OFFICER	Julian Parsons, Head of Service Development
LEAD MEMBER	David Schofield, Lead Member for Health & Safety, Corporate Risk
SUBJECT OF THE REPORT	Corporate Risk Management Policy
EXECUTIVE SUMMARY	<p>The purpose of this paper is to present members with an updated policy for Corporate Risk Management.</p> <p>The policy has been updated following the outcomes of an internal audit review of Corporate Risk Management that was presented to members at their 3 December 2014 meeting. Whilst the Audit report found that good robust processes for management of corporate risks are in place with clear processes for escalation of risk providing 'substantial' assurance to the Authority, it also noted that the policy was out of date and did not reflect the current process operating in the Authority. Service Management therefore agreed to update the policy in readiness for Members to review at this meeting.</p>
ACTION	Decision.
RECOMMENDATIONS	That the Committee recommend the Corporate Risk Management Policy set out at Annex A to the Executive Committee for approval.
RISK MANAGEMENT	The development, implementation and operation of effective corporate risk management policies, structures, processes and procedures are considered critical to assure continuity of service to the public, compliance with relevant statutory and regulatory requirements and the successful delivery of the Authority's strategic aims, priorities and plans.
FINANCIAL IMPLICATIONS	No direct financial implications arising from the presentation of this report. It is envisaged that the further development of the Authority's corporate risk management framework will be undertaken from within agreed budgets.
LEGAL IMPLICATIONS	The Overview & Audit Committee Terms of Reference require it "to monitor the effective development and operation of risk management and corporate

	<p>governance within the Authority”.</p> <p>The Financial Regulations, at Section C, state that the Executive Committee is responsible for approving the Corporate Risk Management Policy after considering recommendations from the Overview & Audit Committee.</p>
<p>HEALTH AND SAFETY</p>	<p>No direct implications from the presentation of this report. However risks to achieving the Authority’s Health & Safety objectives or compliance with relevant statutes or regulations are identified assessed and managed via the processes arising from the implementation of this policy.</p>
<p>EQUALITY AND DIVERSITY</p>	<p>No direct implications from the presentation of this report. However risks to achieving the Authority’s equality, diversity and inclusion objectives or compliance with relevant statutes or regulations are identified assessed and managed via the processes arising from the implementation of this policy.</p>
<p>USE OF RESOURCES</p>	<p>Communication with Stakeholders</p> <p>The updated Corporate Risk Management Policy has been reviewed by the following:</p> <ul style="list-style-type: none"> • Performance Management Board at its 5 February Meeting; • Strategic Management Board at its 17 February Meeting; • The Authority Lead Member for Health and Safety, Corporate Risk. <p>Following approval of this policy it will be published to the Organisation as a whole and will be available to all Authority Members and Service staff. More detailed guidance and, where necessary, training will be provided to all Service managers and staff to enable them to identify, evaluate, record and report potential corporate risks.</p> <p>System of internal control</p> <p>The development of the Corporate Risk Management Policy and framework complements the governance framework and business processes as a critical cog in the system of internal control and makes better use of our people resources by giving them clearly defined areas of responsibility.</p> <p>Risk registers are maintained at Project, Directorate and Corporate levels. Directorate risks are regularly reviewed within Directorates and formally at their management team meetings. An escalation process is in place to enable risks to be elevated to Corporate level. Corporate risks are monitored by the Performance Management Board and the Strategic</p>

	<p>Management Board with CFA Member scrutiny exercised via the quarterly Overview and Audit Committee meetings.</p> <p>The Medium Term Financial Strategy</p> <p>Financial risks are captured at Directorate and Corporate levels. Any implications for medium term financial planning are included in the individual risk assessments.</p> <p>The balance between spending and resources</p> <p>The corporate risk management process is funded from within agreed budgetary resources. Any budgetary impacts associated with risk recorded in the risk registers are identified in the individual risk assessments and dealt with via the budget management and planning processes.</p> <p>The management of the asset base</p> <p>The asset management implications of recorded corporate and directorate risks are captured in the individual risk assessments together with details of the controls and mitigating actions.</p> <p>Environmental</p> <p>Any environmental impacts associated with risks captured in the corporate and directorate risk registers are identified in the individual risks assessment together with details of the controls and mitigating actions.</p>
<p>PROVENANCE SECTION & BACKGROUND PAPERS</p>	<p>Background</p> <p>A formal policy for the management of Corporate Risk was approved by the Authority in August 2006 and implemented with effect from 31 January 2007 (OC57: Corporate Risk Management Policy).</p> <p>Further development of this policy and framework was reported to members at the 15 September 2010 CFA meeting (see Annex A and item 8 of 15 September CFA: http://bucksfire.gov.uk/files/8114/0681/3588/150910.PDF</p> <p>The outcomes of the Internal Audit Review of Corporate Risk Management were reported to the Overview & Audit Committee at its 3 December 2014 Meeting: http://bucksfire.gov.uk/files/4814/1682/7770/ITEM_6_b_Internal_Audit_Report_Risk_Management_2014-15_Appendix_A.pdf</p> <p>In updating the Corporate Risk Management Policy regard has been given to the good practice guidance given by:</p> <ul style="list-style-type: none"> • The Office for Government Commerce in its

	<p>2011 publication "Management of Risk: Guidance for Practitioners";</p> <ul style="list-style-type: none">• The Association of Local Authority Risk Managers (ALARM) in its "Risk Management Toolkit".
APPENDICES	Annex A – Corporate Risk Management Policy
TIME REQUIRED	15 Minutes.
REPORT ORIGINATOR AND CONTACT	<p>Stuart Gowanlock, Corporate Planning Manager</p> <p>sgowanlock@bucksfire.gov.uk</p> <p>01296 744435</p>