

Buckinghamshire & Milton Keynes Fire Authority



MEETING	Overview and Audit Committee
DATE OF MEETING	12 March 2014
OFFICER	Jason Thelwell, Chief Operating Officer
LEAD MEMBER	Councillor David Schofield
SUBJECT OF THE REPORT	Corporate Risk Management
EXECUTIVE SUMMARY	<p>This report updates Committee members on the current status of identified corporate risks. Risk registers are maintained at project, departmental and directorate levels. Corporate risks are those that have been escalated from these levels for monitoring or action by the Senior Management Team (SMT), and scrutiny by this Committee, because of their magnitude, proximity or because the treatments and controls require significant development.</p> <p>The Corporate Risk Register was last reviewed by the Overview and Audit (O&A) Committee at its 25 September 2013 meeting (the distribution of corporate risks relative to probability and impact at that meeting is shown at Annex A). Since then it has been regularly reviewed by Performance Management Board (PMB) and the Strategic Management Board (SMB), most recently at the 6 February 2014 PMB and 18 February 2014 SMB. No new corporate risks were identified or escalated from Directorate Risk Registers by PMB or SMB. However changes to the risk assessments were agreed for the following risks:</p> <ul style="list-style-type: none"> • 14.4 Staff availability be reduced to 12 (probability 4, impact 3), and the RAG status from red to amber, given the resilience of current contingency cover arrangements for emergency response which have meant that no material loss of service has been experienced by the public during strike periods; • FIN14 Funding be reduced to 12 (probability 3, impact 4) given the robustness of the medium term financial planning process, position in relation to balancing the budget for 2014/15 and initiation of reviews to identify longer term savings

	<p>opportunities.</p> <ul style="list-style-type: none"> • 17 Restructure be reduced to 6 (probability 2, impact 3), and RAG status from amber to green, given improvements to the controls for this risk arising from the experience of a number of major organisational changes. <p>The current distribution of corporate risks relative to probability and potential impact is shown at Annex B.</p> <p>Detailed assessments of identified corporate risks are shown in the Corporate Risk Register Report at Annex C.</p>
ACTION	Information.
RECOMMENDATIONS	<p>It is recommended that:</p> <ol style="list-style-type: none"> a) Committee members review the status report on identified corporate risks at Annex C and, b) Feedback comments to officers for consideration and attention in future updates / reports.
RISK MANAGEMENT	The development, implementation and operation of effective corporate risk management 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	None directly arising from this report. Any legal consequences associated with the crystallisation of individual risks are detailed in the Risk Register report at Annex C.
HEALTH AND SAFETY	Development of the framework does not impact directly on the legal compliance to health and safety, however if risks are not appropriately identified then this may present Health and Safety risks.
EQUALITY & DIVERSITY	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 this process and are currently monitored within the People and Organisational Development Risk Register.

USE OF RESOURCES	<p>The development of the risk management 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>Senior managers and principal officers are key stakeholders in the development of the framework and have an active role in its development at every stage. The lead Member will also be involved in the development of the framework with particular responsibility for determining the reporting arrangements for the Authority.</p> <p>As with all policy frameworks, all employees will be informed of the changes in the process and will receive any training necessary to support their role in the process.</p>
PROVENANCE SECTION & BACKGROUND PAPERS	<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 Papers: http://www.bucksfire.gov.uk/NR/rdonlyres/FFFF87E2-4164-4188-A805-EB85BF2B041A/0/150910_ITEM08_DEVELOPMENTOFRISKMANAGEMENTFRAMEWORK.pdf</p> <p>CFA Members were last updated on the status of the Authority's Corporate Risks at the 25 September 2013 Overview & Audit Committee: http://www.bucksfire.gov.uk/NR/rdonlyres/948AE6F2-D821-40C5-A195-66B79907D833/0/ITEM7CorporateRiskManagementUpdateandAnnexABCD.pdf</p>
APPENDICES	<p>Annex A: Distribution of Corporate Risks at 25 September 2013</p> <p>Annex B: Distribution of Corporate Risks at 18 February 2014</p> <p>Annex C: Corporate Risk Register Report</p>
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