

Buckinghamshire & Milton Keynes Fire Authority



MEETING	Overview and Audit Committee
DATE OF MEETING	16 July 2014
OFFICER	Jason Thelwell, Chief Operating Officer
LEAD MEMBER	Councillor David Schofield
SUBJECT OF THE REPORT	Corporate Risk Management
EXECUTIVE SUMMARY	<p>This report provides an update 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 scrutiny by the Strategic Management Board (SMB), 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 Committee at its 12 March 2014 meeting. Since then it has been regularly reviewed by the Performance Management (PMB) and Strategic Management Boards (SMB), most recently at the 22 May PMB and 17 June SMB.</p> <p>No new corporate risks have been identified or escalated from Directorate Risk Registers. Also no changes to the distribution of Corporate Risks were recommended. However particular attention was paid to:</p> <ul style="list-style-type: none"> • risk 7.1 (Lapse or breach of information security) as the risk assessment with this has not changed over the preceding 12 month period despite work undertaken to reduce the level of risk. This is because of the dynamic and fluid nature of the risk which means that as fast as measures are taken to deal with existing or anticipated risks new ones emerge; • risk 14.4 (Staff Availability) in light of the potential for further industrial action although no change to the risk rating was considered necessary given the effectiveness of contingency cover arrangements. <p>The current distribution of corporate risks relative to probability and potential impact is shown at Annex A.</p> <p>At the 18 February SMB meeting the CFO asked for</p>

	<p>changes to the corporate risk ratings over time to be shown in graphical form. This 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> <ul 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>Communication with Stakeholders</p> <p>Senior managers and principal officers are key stakeholders in the development of the corporate risk management 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</p>

	<p>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> <p>System of internal control</p> <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>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 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>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</p>

	<p>meeting (see Annex A and item 8 of 15 September CFA Papers: http://www.bucksfire.gov.uk/NR/rdonlyres/EFFF87E2-4164-4188-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 12 March 2014 Overview & Audit Committee: http://www.bucksfire.gov.uk/NR/rdonlyres/9F2A549C-3B3D-43FC-B6F5-68172692BB12/0/ITEM6CorporateRiskManagement.pdf</p>
<p>APPENDICES</p>	<p>Annex A: Distribution of Corporate Risks at 17 June 2014 SMB</p> <p>Annex B: 12 Month View of Changes to Corporate Risks</p> <p>Annex C: Corporate Risk Register Report</p>
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