



# Buckinghamshire & Milton Keynes Fire Authority

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| <b>MEETING</b>               | Overview and Audit Committee   |
| <b>DATE OF MEETING</b>       | 3 December 2014  |
| <b>OFFICER</b>               | Mick Osborne, Head of Service Transformation   |
| <b>LEAD MEMBER</b>           | Councillor David Schofield   |
| <b>SUBJECT OF THE REPORT</b> | <b>Corporate Risk Management</b>   |
| <b>EXECUTIVE SUMMARY</b>     | <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 24 September 2014 meeting. Since then it has been regularly reviewed by the Performance Management (PMB) and Strategic Management Boards (SMB), most recently at the 9 October 2014 PMB and 12 November 2014 SMB.</p> <p>At the 12 November meeting, SMB made the following determinations in relation to the risk register:-</p> <ul style="list-style-type: none"> <li>• The addition of an emerging risk to our Control Room continuity of service following the delay to the Thames Valley Control implementation. This risk is still under evaluation and pending scoring so has not been added to the risk map at Annex A. However an initial specification of the risk is shown at page 5 of Annex C.</li> <li>• CRR 017 Fit for purpose restructure/organisational change programme to be removed and monitored at Directorate Level within the POD Risk Register.</li> <li>• The scoring in relation to CRR 014.4 Staff Availability was also reviewed but left at a probability of 5 and impact of 3 in light of the ongoing industrial action by the FBU in relation to the pensions trade dispute.</li> </ul> <p>SMB also noted the impact of the recent cyber-attack on Shropshire and Wrekin's Fire Authority's website which</p> |

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|                                 | <p>was taken over by a group of reputedly pro-Palestinian hackers, based in Morocco, calling themselves "AnonGhost" (see page 2 of Annex C).</p> <p>The current distribution of corporate risks relative to probability and potential impact is shown at Annex A.</p> <p>Changes to the corporate risk ratings over the last 12 month period are shown in graphical form at Annex B.</p> <p>Detailed assessments of identified corporate risks are shown in the Corporate Risk Register Report at Annex C.</p> |
| <b>ACTION</b>                   | Review   |
| <b>RECOMMENDATIONS</b>          | <p>It is recommended that committee members:</p> <ol style="list-style-type: none"> <li>1. Review the status report on identified corporate risks at Annex C, and,</li> <li>2. Feedback comments to officers for consideration and attention in future updates/reports.</li> </ol>   |
| <b>RISK MANAGEMENT</b>          | 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.   |
| <b>FINANCIAL IMPLICATIONS</b>   | 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.  |
| <b>LEGAL IMPLICATIONS</b>       | 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.  |
| <b>HEALTH AND SAFETY</b>        | 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.   |
| <b>EQUALITY &amp; DIVERSITY</b> | 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.  |

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| <p><b>USE OF RESOURCES</b></p> | <p><b>Communication with Stakeholders</b></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 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><b>System of internal control</b></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><b>The Medium Term Financial Strategy</b></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><b>The balance between spending and resources</b></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><b>The management of the asset base</b></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><b>Environmental</b></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</p> |
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|   | details of the controls and mitigating actions.  |
| <b>PROVENANCE SECTION &amp; BACKGROUND PAPERS</b> | <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 Fire Authority meeting (Item 8 and Annex A)</p> <p><a href="http://bucksfire.gov.uk/files/8114/0681/3588/150910.PDF">http://bucksfire.gov.uk/files/8114/0681/3588/150910.PDF</a></p> <p>Fire Authority Members were last updated on the status of the Authority's Corporate Risks at the 24 September 2014 Overview &amp; Audit Committee:</p> <p><a href="http://bucksfire.gov.uk/files/8514/1079/7985/OA_agenda_240914.pdf">http://bucksfire.gov.uk/files/8514/1079/7985/OA_agenda_240914.pdf</a></p> |
| <b>APPENDICES</b>                                 | <p>Annex A: Distribution of Corporate Risks at 12 November 2014 SMB.</p> <p>Annex B: 12 Month View of Changes to Corporate Risks</p> <p>Annex C: Corporate Risk Register Report</p>  |
| <b>REPORT ORIGINATOR AND CONTACT</b>              | <p>Stuart Gowanlock, Corporate Planning Manager</p> <p><a href="mailto:sgowanlock@bucksfire.gov.uk">sgowanlock@bucksfire.gov.uk</a></p> <p>01296 744435</p>  |