

# Corporate Risk Management Annual Report 2014/15

## Report of the Chief Fire Officer

For further information about this report please contact John Redmond, Chief Fire Officer, on 01743 260278, Ged Edwards, Planning, Performance and Communications Manager, on 01743 260208 or Councillor Dr Jones, Risk Management and Audit Champion, on 01952 882650.

### 1 Purpose of Report

This report informs Members about the corporate level risk management work that has been undertaken during the previous twelve months.

### 2 Recommendations

The Fire Authority is asked to note this report.

### 3 Background

Ongoing monitoring of the Authority's corporate risk management work is a responsibility of the Service Management Team and the Audit and Performance Management Committee. However, risk management best practice guidance also indicates that the full Fire Authority should receive a summary report at least annually.

### 4 Local Government Act 1972, Schedule 12A Reporting Exemptions

The public of Shropshire have a right to know that their Fire and Rescue Authority is taking appropriate measures to deal with risks that could potentially impact on its ability to deliver an effective emergency service. However, the public disclosure of certain risks, to which the Authority is exposed, could in itself present a risk to the Authority. For this reason, although an 'open session' version of this report will always be made available, where an assessment against the requirements of the Local Government Act 1972, Schedule 12A indicates it would be appropriate, any exempted information would be excluded. Exempt information would then be incorporated in a separate 'closed session' report.

Please note that, as there has been no change to the “exempt risk” since the last annual Fire Authority report on 9 July 2014, it has not been reproduced as a separate exempt paper. For further information please contact the Planning, Performance and Communications Manager.

‘Open reports’ will include all information about sensitive risks that is not likely to compromise the Authority, e.g. risk identification number, risk assessment results, risk owner etc., with only the sensitive information being exempt, such as the risk description and any control measures included.

This approach helps to ensure that the public has as much information as possible about the risk environment in which the Authority is operating, whilst at the same time limiting any damage that could be caused through its inappropriate use.

## **5 Risk Management Review**

In the past the Corporate Risk Management Annual Report has been produced by officers, with the Member Champion for Risk Management and Audit presenting a separate report annually on their work throughout the previous year. At its meeting on 12 June 2014, however, the Audit and Performance Management Committee agreed that a joint report should be produced by officers and the Member Champion for Risk Management and Audit.

Councillor Dr Jones is currently the Member Champion for Risk Management and Audit. She is also Chair of the Audit and Performance Management Committee and a standing member of the Service’s Risk Management Group and Health and Safety Committee, which both meet regularly. The Risk Management Group’s primary function is to ensure that the Authority has an effective and efficient risk management process in place.

The Group does this through reviewing the Corporate Risk Register, Departmental Statements of Assurance, Departmental Risk Registers and Internal Audit findings, highlighting, where necessary, issues or areas of concern through to the Service Management Team and/or the appropriate committee. As Champion, Councillor Dr Jones takes an active role in the Risk Management Group, asking challenging questions and bringing a new perspective to that of officers.

## **6 Risk Management Progress**

This section includes information about all events that have led to the current status with the Authority’s Corporate Risk Management system.

### **July 2014**

The Fire Authority received the Corporate Risk Management Annual Report.

### **August 2014**

A new risk was added to the Corporate Risk Register relating to the Fire Industry challenge regarding ‘state aid’ to Fire Service trading companies.

## **September 2014**

The Strategy and Resources Committee received a Corporate Risk Management Summary Report.

The Audit and Performance Management Committee received an update on progress against the Annual Governance Statement Improvement Plan and an Internal Audit progress monitoring report.

## **October 2014**

The Risk Management Group reviewed the Corporate Risk Register, Departmental Statements of Assurance, Departmental Risk Registers and Internal Audit Findings.

## **November 2014**

The Strategy and Resources Committee received a Corporate Risk Management Summary Report.

The Audit and Performance Management Committee received a quarterly update on progress against the Annual Governance Statement Improvement Plan.

## **January 2015**

The Audit and Performance Management Committee received a quarterly update on progress against the Annual Governance Statement Improvement Plan.

The Risk Management Group reviewed the Corporate Risk Register, Departmental Statements of Assurance, Departmental Risk Registers and Internal Audit Findings. The Group also considered the invitation to tender relating to the renewal of Service-wide insurance cover.

## **February 2015**

The Strategy and Resources Committee received a Corporate Risk Management Summary Report.

Internal Audit carried out its annual review of the Service's risk management processes and classified them as 'Good'.

## **April 2015**

The Audit and Performance Management Committee received an update on progress against the Annual Governance Statement Improvement Plan and an Internal Audit progress monitoring report.

The Risk Management Group reviewed the Corporate Risk Register, Departmental Statements of Assurance, Departmental Risk Registers and Internal Audit Findings.

## **May 2015**

The risk assessment of Corporate Risk 2 - Security and Resilience of the Command and Control System – was downgraded following system virtualisation work.

A five-year contract for insurance services was awarded to Zurich Municipal with the option to extend the contract for a further two years.

Over the last twelve months the Corporate Risk Register has been reviewed by the Service Management Team at each of its monthly meetings.

## **7 Overall Summary**

There are currently nine risks on the corporate risk register, which includes one new risk added during this reporting year.

## **8 Financial Implications**

There are no direct financial implications associated with this report.

## **9 Legal Comment**

There are no legal implications associated with this report.

## **10 Risk Monitoring**

When considering this work stream officers have reviewed Brigade Order 3 Part 2 Risk Management Protocol and have determined that there are no direct risk implications, as this is purely a risk management summary update.

## **11 Initial Impact Assessment**

This report contains merely statements of fact / historical data. An Initial Impact Assessment is not, therefore, required.

## **12 Equality Impact Assessment**

This report contains merely statements of fact / historical data. An Equality Impact Assessment is not, therefore, required.

## **13 Appendix**

Corporate Risk Register

## **14 Background Papers**

There are no background papers associated with this report.

## Corporate Risk Register

ID	Categories of Risk	Raised by	Date Raised	Description	Notes / Action	Owner	Status
75	People	Risk Management Group	17/03/2009	Retained Duty System Staff - European Working Time Directive "opt-out" option	This will remain as a corporate "People" risk.	Louise McKenzie	Open
35	People	Performance Improvement Team	18/01/2006	Information exempt from publication by virtue of Local Governments Act 1972, Schedule 12A, paragraph 4	This will remain as a corporate "People" risk.	John Redmond	Open
1	Information	Ged Edwards	01/04/2012	Provision of data and information	Re-categorised from previous generic IT risk	Louise McKenzie	Open
2	Information	Sally Edwards	01/01/2012	Security and resilience of the Command and Control System	Re-categorised from previous generic IT risk	Sally Edwards/ Ged Edwards/ John Harrison	Open
3	Information	Sally Edwards	01/08/2012	Security and resilience of the IT network infrastructure	Re-categorised from previous generic IT risk	Sally Edwards	Open
4	Finance	Internal Audit	21/12/2011	Failure of Primary Contractors/Supplier	Supersedes previous risk 82 (Purchasing and Procurement)	Lisa Vickers/ Sally Edwards/ Andrew Kelcey/ Joanne Coadey/ Andy Perry	Open
5	Policy	Ged Edwards	13/03/2013	Maintaining Business Continuity		Ged Edwards	Open
6	Policy	Risk Management Group	27/08/2013	Reputational risk associated with the Local Authority Controlled Company		John Redmond	Open

ID	Categories of Risk	Raised by	Date Raised	Description	Notes / Action	Owner	Status
7	Policy	John Redmond	21/08/2014	The Fire Industries Association (FIA) has lodged a challenge via the European Community against Fire Authorities, who have trading companies. The challenge is specifically regarding the use of Fire Service brands to promote company objectives.		Ged Edwards	Open