

Shropshire and Wrekin Fire Authority

Member awareness training Corporate Risk Management

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Purpose

1. Provide background information on the Authority's first 'Annual Risk Management Summary Report'
2. Increase Members' awareness of the Authority's Risk Management procedures
3. Raise Members' awareness about their involvement and responsibilities in relation to Risk Management

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Contents

- What is Risk?
- What are Corporate risks?
- What are the benefits?
- How does the Authority manage risk?
- What role do Members have to play?

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What is risk?

Trying to achieve

something

Help

Hinder

Uncertainty of
outcome



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What is the purpose of Risk Management?

Positive Risks

Known as 'Opportunities'

Increase the Likelihood

Increase the Impact
(Benefit)

Negative Risks

Known as 'Threats'

Reduce the Likelihood

Reduce the Impact

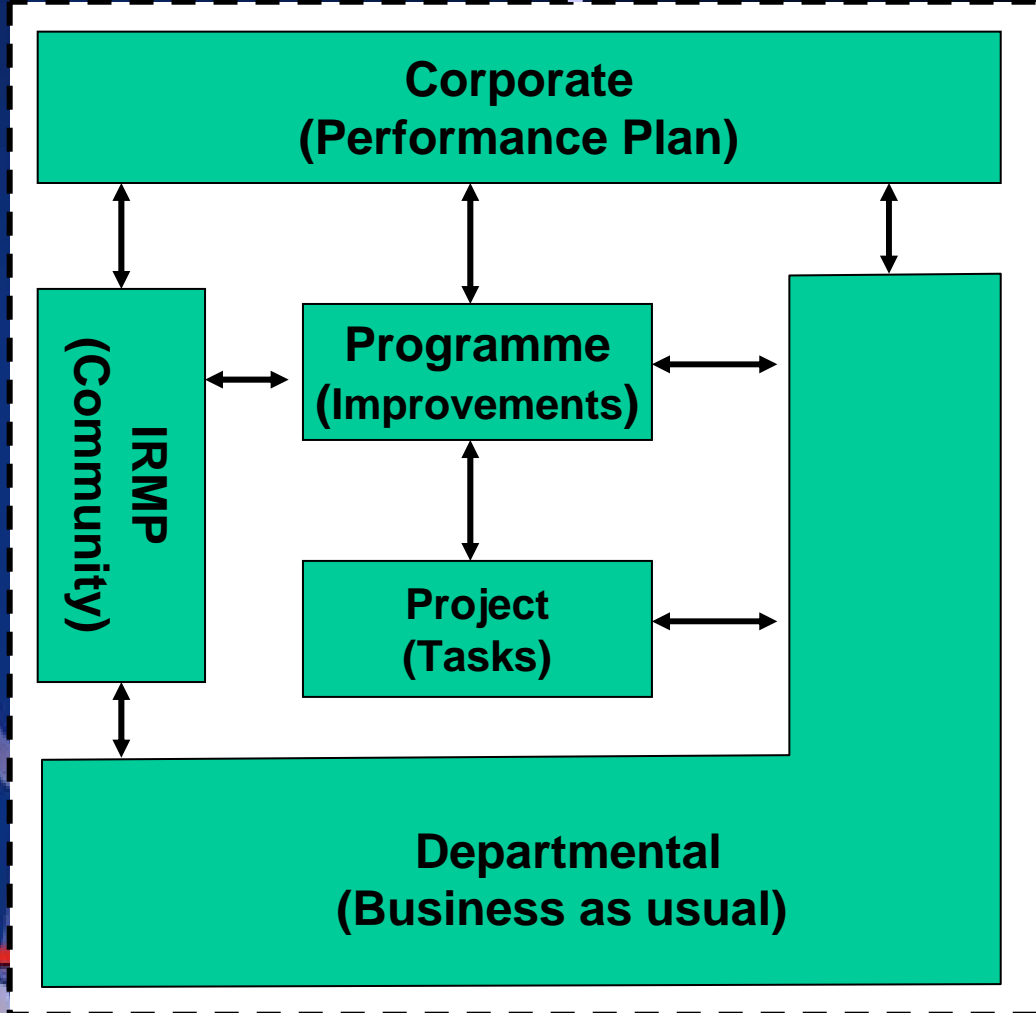
To reduce the uncertainty.
Not to remove it!

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Putting Shropshire's Safety First

What are Corporate Risks?



Demographics
 Built environment
 Transport infrastructure
 Natural environment
 Firefighter safety

Professional
 Financial
 Legal
 Physical Health
 Safety
 Contractual
 Technological
 Security
 Welfare
 Environmental

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What are the benefits?

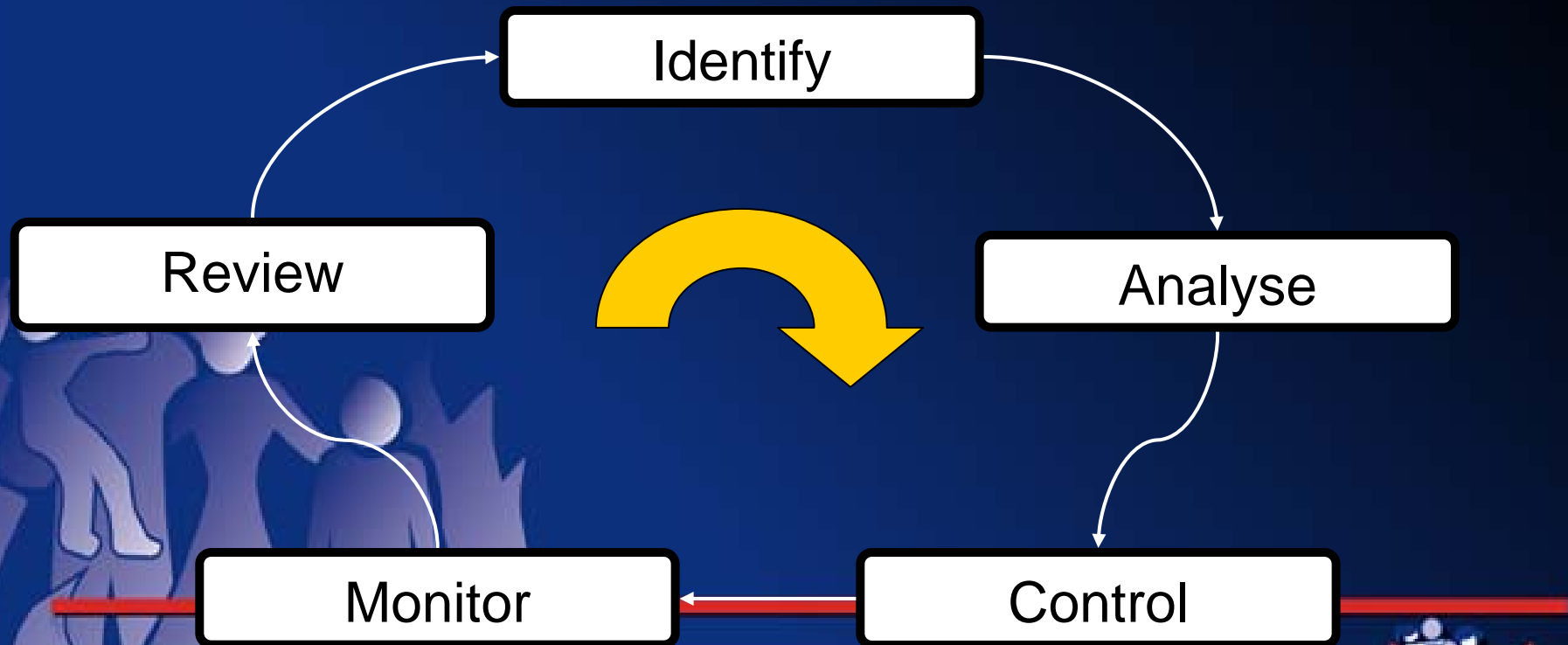
- Increased certainty and fewer surprises
- Better service delivery
- More effective management of change
- More efficient use of resources
- Better management through improved decision making
- Reduced waste and fraud
- Better Value for money
- Appropriate risk taking enabling innovation

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How do we do it?

Risk Management Cycle



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How do Members oversee the implementation of their Risk Management Policy

Identify

Analyse

Control

Monitor

Review

- Consider each part of the cycle
- Highlight Member involvement / responsibilities

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Identify

Analyse

Control

Monitor

Review

- Annual Strategic Planning workshop
- All significant meetings
- Fed in from other Risk Registers

Members

- Have a greater awareness of external risks
- Raise concerns at any time
- Contact – CFO, CSM or Risk Manager

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Identify

Analyse

Control

Monitor

Review

$\text{Risk} = \text{Impact} \times \text{Likelihood}$

- Financial;
- Reputation; and
- Objectives

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Identify

Analyse

Control

Monitor

Review

Impact	Corporate threats/opportunities
High	<ul style="list-style-type: none">• Financial impact on the Authority likely to exceed £75,000• Significant impact on the Authority's Strategies and on the Fire and Rescue Service's operational activities• Significant stakeholder concern
Medium	<ul style="list-style-type: none">• <div data-bbox="499 768 1717 967" style="border: 1px solid black; padding: 5px; text-align: center;">Approved by the Strategy and Resources Committee</div>• ,000 and Rescue Service's operational activities• Fire and Moderate stakeholder concern
Low	<ul style="list-style-type: none">• Financial Impact on the Authority likely to be less than £25,000• Low impact on the Authority's strategic or operational activities• Low stakeholder concern.

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Identify

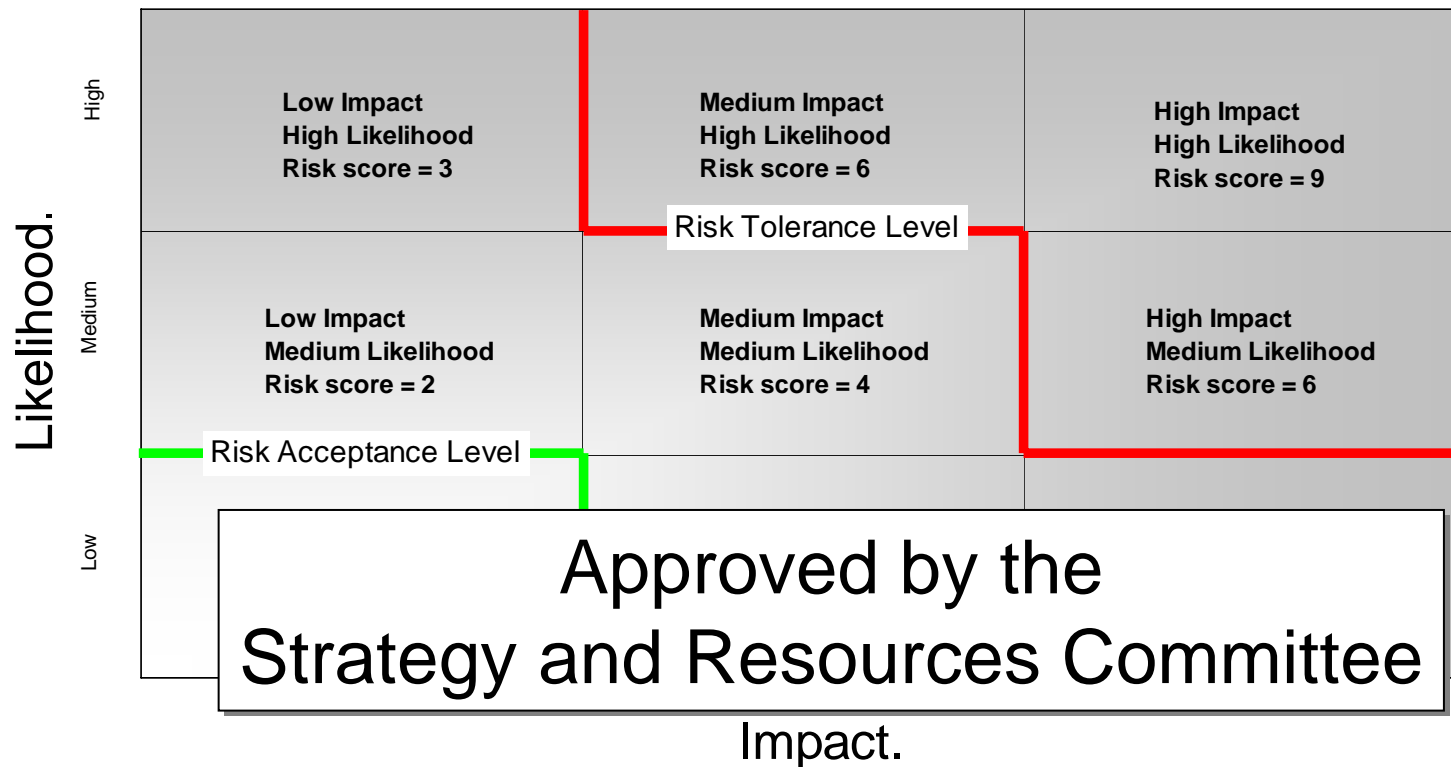
Analyse

Control

Monitor

Review

Risk Acceptance and Risk Tolerance Levels



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Identify

Analyse

Control

Monitor

Review

- Corporate Risk Register
- Appropriate monitoring for each risk
- Regular reports to Policy Group

Members

- Regular reports to Strategy and Resources Committee
- Annual report to the Fire Authority
- Request additional information

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Identify

Analyse

Control

Monitor

Review

- Statement on Internal Control (SIC)
- Assurance against best practice
- SIC Improvement Plan

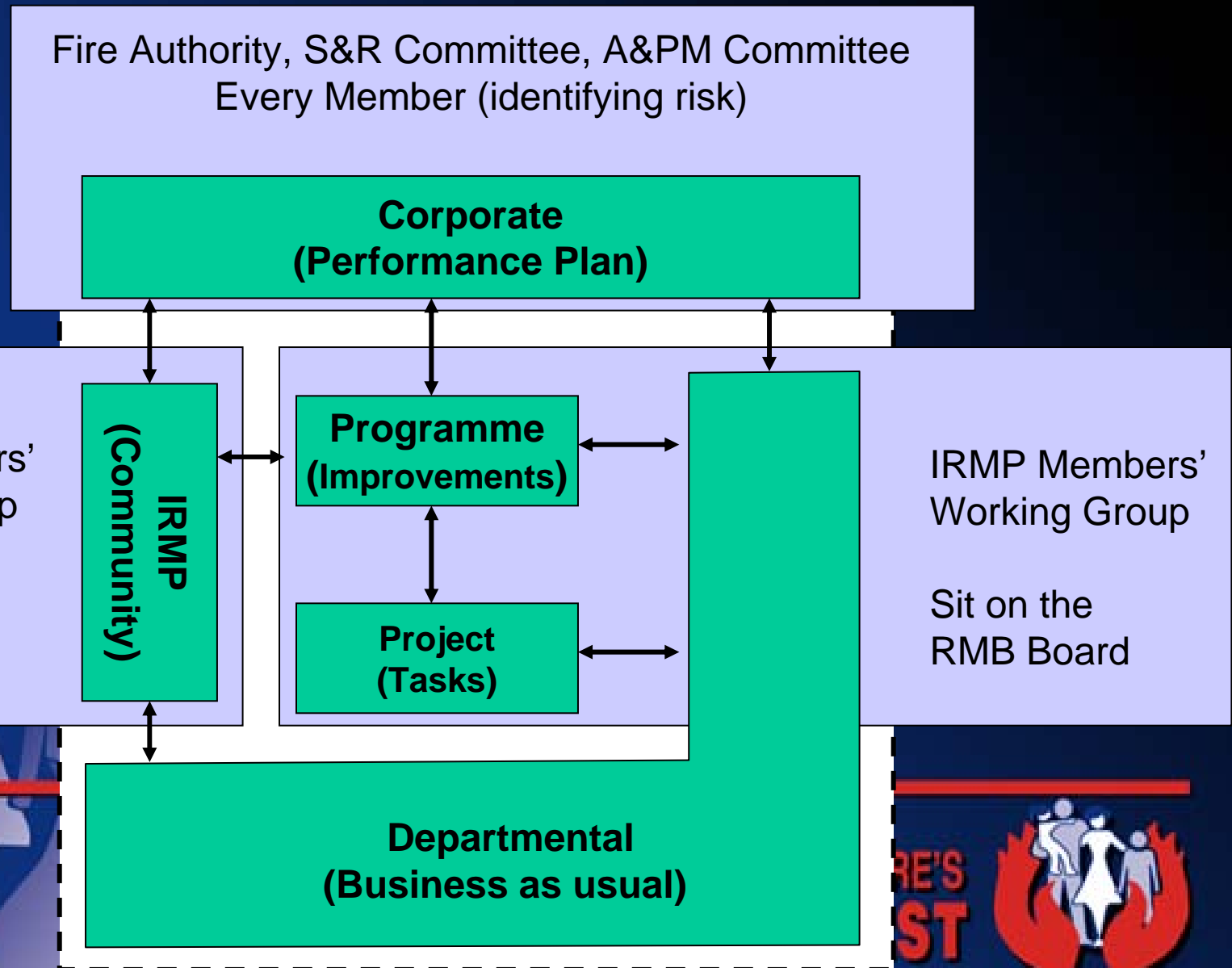
Members

- SIC development – Strategy and Resources Committee
- SIC approval – Fire Authority
- SIC Imp Plan monitoring – Audit & Performance Management Committee

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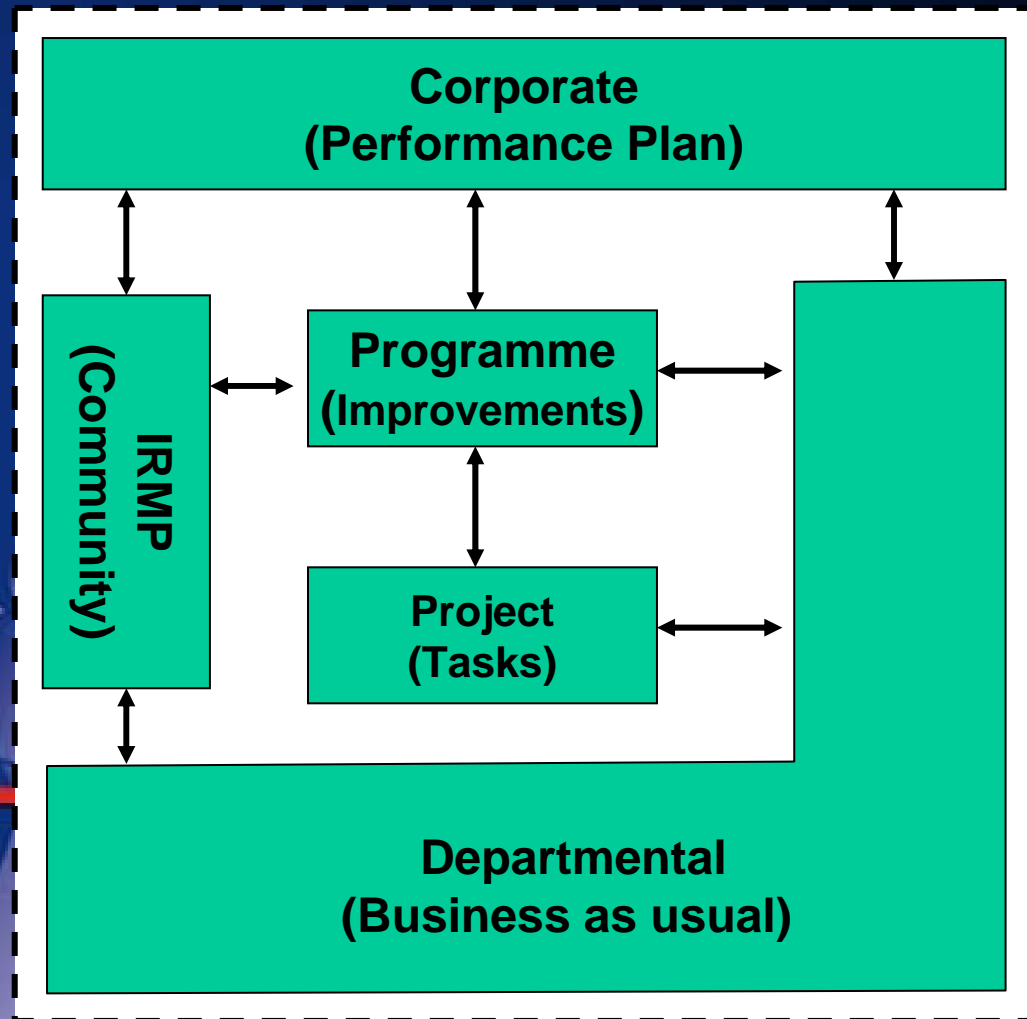


Member involvement in Risk Management



Member involvement in Risk Management

Risk Management and Audit Champion
Councillor Jon Tandy



Remember

- YOU are responsible for monitoring how Risk Management is implemented in S&WFA
- Most effective way to do this is to ASK questions!



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Any questions?



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