

Report of the Head of Operational Support

Strategic Risk Register: Progress against Audit Findings

Purpose of report

To provide the Committee with an update on progress against recommendations identified following the 2015/16 Risk Management Audit.

Recommendations

It is recommended that:

- i) the closure of the outcomes of the 2015/16 audit of Strategic and Departmental Risk Registers, based upon measures now implemented, be approved; and*
- ii) the new format adopted for the Strategic Risk Register and the changes made to the process and framework of all Risk Registers be noted.*

Background

- 1. Following the Worcestershire Internal Audit Shared Service audit of Risk Management 2015/16, the Strategic and Departmental Risk Registers (and management systems) have been revised and amended to reflect the results of the audit.
- 2. The audit report stated that there was an opinion of moderate assurance with four medium priority recommendations given. All four recommendations have now been responded to and acted upon and an action plan has been completed with all recommendations having now been implemented.

Revised Risk Management Strategy

- 3. The four recommendations from the 2015/16 audit report are as follows:
 - a. *New risks were not being fully considered for the individual risk registers. There was also a lack of detailed information in the 'Guide to Risk Management'.*

This has been addressed by programmed quarterly meetings at Senior Management Board (SMB) following a departmental quarterly review of risks on

their registers. The 'Guide to Risk Management' has also been updated to include more detailed information.

- b. *Although the Risk Management strategy was fit for purpose, it was not being strictly adhered to in relation to the population of risk registers.*

This has been addressed by having formal quarterly review meetings with SMB and Department Heads in conjunction with the Emergency Planning and Resilience Officer (EPRO), who provides training and advice to the risk owners when they are completing their quarterly reviews.

- c. *A lack of an audit trail was found due to the overwriting of the risk registers when a review was being completed and there was no supporting information as to why a risks score may have changed or remained the same. There was also no archiving function of the risk registers to track when risks were being removed.*

This has been addressed by having a new risk register format which separates out each quarterly review showing a clear direction of travel of the risk. This provides an archiving function as the risk registers themselves are archived. There have also been columns added to the risk register format to show a rationale behind why the risk itself is on the risk register and the rationale behind each quarterly review.

- d. *There was no risk management training in place and risk owners who have come into post since 2012/13 when the last risk management training was completed may not have had any training at all.*

This has been addressed by risk owners receiving training during the quarterly reviews with the EPRO.

5. Worcestershire Internal Audit Shared Service is programmed to review the 2015/16 audit in quarter 1 of the forthcoming year (2017/18) and will subsequently be able to report on the effectiveness and appropriateness of the measures outlined above.
6. The Risk Management Service Policy & Instruction has been reviewed in January 2017 and will receive a future planned review in January 2020. The overall objective of this policy is to ensure that the Authority identifies strategic risks and applies the most appropriate and cost effective control mechanisms to manage those risks. Identified risks at each level should, where possible, be either eliminated or reduced to an acceptable level, with systems in place to monitor and report against them.
7. Utilising a "bottom up" approach to risk management, Departments, Heads of Departments and Directors have all assessed their known risks at each appropriate level. The highest and/or most prevalent risks have been elevated to the Strategic Risk Register through discussions held regularly at SMB as a standard agenda item quarterly review.

8. The EPRO is responsible for co-ordinating the quarterly reviews of the Departmental and Strategic Risk Registers. These reviews underpin the requirements of the Audit & Standards Committee's Terms of Reference in respect of the need to monitor and review the Authority's risk management arrangements.

Strategic Risk Register

9. The Strategic Risk Register is the overarching document that looks at the highest impact organisational risks. The purpose of strategic risk management is to effectively identify risks to the success of the organisation and put effective control measures in place to mitigate their effect. For example, to manage the risk of industrial disputes, both local and national across several representative bodies, the Service has in place control measures such as a robust Business Continuity Plan and regular monitoring and meetings (formal and informal) with representative bodies.
10. The systems currently in place have been improved through the adoption of notable practice which has been taken from several other Fire and Rescue Services' Risk Registers that have been made available to the Service. The Strategic Risk Register has been updated to reflect the new framework and processes.
11. Business Continuity Plans are normally linked to the Risk Registers as they provide a control measure against the risks. Business Continuity plans are currently under review.
12. The overall responsibility for ensuring risks are managed effectively lies with the Authority as professionally advised by Officers. The Strategic Risk Register takes into account the updated National Risk Register which is intended to capture the range of emergencies that may have an impact on all, or significant parts, of the UK as well as internal risks. The National Risk Register drives the Community Risk Register held by West Mercia Local Resilience Forum (WMLRF) and is recognised in the Service's live Strategic Risk Register. From a Service perspective, the Strategic Risk Register acknowledges departmental, project and partnership risks.
13. WMLRF is a multi-agency group comprising bodies within West Mercia such as local authorities, national and local health agencies, the three emergency services and the Environment Agency. The purpose of the LRF is to ensure effective delivery of the duties of the Civil Contingencies Act (CCA) 2004. This requires partner agencies to co-ordinate resources so they can respond effectively when incidents do occur.

Conclusion/ Summary:

14. The recommendations from the Worcestershire Internal Audit Shared Service Risk Management Report 2015/16 have been addressed.

15. A new process and framework has been introduced at a departmental and Strategic Risk Register level. There is continual monitoring and reviewing taking place at quarterly SMB performance meetings and Middle Management Board meetings to ensure risks are being used to drive business.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	N/A
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	This paper directly aligns to the management of the Services strategic aims .
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	This encapsulates the purpose of this paper.
Consultation (identify any public or other consultation that has been carried out on this matter)	N/A
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	N/A

Supporting Information:

Strategic Risk Register 2016/17 – Available to view in hard copy at the meeting.

Contact Officer

Jon Pryce: Area Commander

Head of Operations Support

Tel: 01905 368237 Email: JPrzyce@hwfire.org.uk