

**WEST MIDLANDS FIRE AND RESCUE AUTHORITY**

**AUDIT COMMITTEE**

**7 JANUARY 2013**

1. **CORPORATE RISK MANAGEMENT STRATEGY**

Report of the Chief Fire Officer.

RECOMMENDED

THAT the Audit Committee recommends to the Authority that the Corporate Risk Management Strategy as set out in the draft Standing Order 22/7 attached as Appendix 1 be approved.

2. **PURPOSE OF REPORT**

This report is submitted to Audit Committee to inform Members of the changes made to the Corporate Risk Management Strategy which is set out in Standing Order 22/7. Audit Committee is asked to recommend to the Authority that Standing Order 22/7 be approved.

3. **BACKGROUND**

3.1 Members of the Audit Committee received awareness training on the Service's approach and strategy for managing Corporate Risks on 26 November 2012. An early draft update of the Corporate Risk Management Strategy was shared with Members as part of the awareness training. In line with the organisational strategy for reviewing key documents, the Corporate Risk Management Strategy has now been updated. The main changes are:

- Paragraphs 2.1, 2.2, 2.4.3 and Appendix 2 have been updated placing a greater emphasis on the management of risks associated with people. The Standing Order now contains more information about how the Human Resources function supports the management of risk through effective planning, delivery of appropriate learning and development strategies and through the provision of formal engagement and consultation approaches that

enable sufficient numbers of appropriately skilled, competent and motivated employees to be available to deliver the Service's strategic objectives as set out in The Plan. Appendix 2 has also been amended to reflect that a level 4 legal/ litigation impact as a consequence of death of an employee, member of the public or other major adverse loss incurred following Service activity or operations could result in the prosecution of Authority Members as well as Executive Officers.

- Paragraph 2.1 has also been revised to reflect that the Service has in place appropriate structures, frameworks, processes and procedures to enable for the effective risk management at operational incidents.
- Paragraph 2.4.7 has been amended to reflect the new arrangements in place for providing assurance as to the effectiveness of control measures designed to reduce the likelihood of risk realisation or its impact should risk realisation occur.
- The Order has also been amended throughout to reflect the reinstatement of the Audit Committee with the separation of performance updates being provided to the Scrutiny Committee. A detailed corporate risk update will continue to be provided to Audit Committee on a quarterly basis.
- Post titles throughout the Order have been updated.

3.2 The amendments made to the Order address a number of recommendations made within the internal audit report of the Authority's risk management arrangements (March 2012).

3.3 The Corporate Risk Management Strategy was approved by Corporate Board on 4 December 2012 and is attached as Appendix 1.

#### 4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report an initial Equality Impact Assessment is not required and has not been carried out. The matters contained in this report will not lead to a policy change.

5. **LEGAL IMPLICATIONS**

Whilst the purpose of the Corporate Risk Management Strategy is to assist in the achievement of the Authority's strategic objectives and statutory responsibilities, evidence of a Corporate Risk Management Strategy is also required by audit and inspection bodies who review the Authority. Risk Management is a key component of the Authority's governance framework as reported in the Annual Governance Statement.

6. **FINANCIAL IMPLICATIONS**

There are no direct financial implications associated with approving this strategy.

**BACKGROUND PAPERS**

None

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