

**WEST MIDLANDS FIRE AND RESCUE AUTHORITY**

**AUDIT COMMITTEE**

**30<sup>TH</sup> MARCH 2009**

**1. CORPORATE RISK MANAGEMENT STRATEGY**

Report of the Chief Fire Officer.

RECOMMENDED

THAT the Committee approve the revised Corporate Risk Management strategy.

**2. PURPOSE OF REPORT**

This report is submitted in order to seek the Committee's approval of the revised Corporate Risk Management strategy.

**3. BACKGROUND**

3.1 If the Fire Authority is to meet the Government's expectations of performance and improvement in the forthcoming years, it will be important for the organisation to have a robust risk management strategy in place. A key piece of evidence will be the ability to demonstrate a proactive approach to identifying and managing a wide range of risks at all levels within the organisation, most importantly at strategic level.

3.2 At its meeting on 19<sup>th</sup> January 2009 the Committee approved the revised Corporate Risk Register, which was prepared following an in-depth review of the way in which strategic risks are identified and managed within the Fire Authority.

For each of the risks within the register, detailed analysis has been completed with the full support of managers from across the organisation as well as the relevant Risk Owner. This has resulted in a Risk Management Action Plan for each risk being produced, which records:-

- the relevant triggers and impacts

- the key control measures already in place and those currently being implemented, as well as the level of assurance provided by these control measures (where appropriate)
- an assessment of the likelihood and impact of the risk being realised
- an assessment of the 'target' risk score, thereby providing an indication of the Authority's risk appetite in relation to that particular risk
- the link between each risk and any relevant organisational strategies and/or performance indicators.

3.3 Accordingly, the Corporate Risk Management strategy (Standing Order 22/7) has been re-written to take account of these changes and is attached as Appendix 1 to this report. The revised strategy has been the subject of internal consultation and was presented to Corporate Board on 3<sup>rd</sup> March 2009.

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

In preparing this report an initial Equality Impact Assessment has been completed; there were no issues arising from this assessment that warranted the completion of a full assessment as the management of risk will have a positive impact upon all groups.

#### 5. **LEGAL IMPLICATIONS**

Whilst the purpose of the Authority's 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.

There are numerous standards applicable to the management of risk within the local authority sector. Included amongst these is guidance from the Audit Commission, CIPFA/Solace and a set of joint standards published by the Institute of Risk Management (IRM), ALARM (The National Forum for Public Sector Risk Management) and AIRMIC (Association of Risk Managers). Evidence that robust management of the Authority's corporate risks is undertaken demonstrates compliance with these standards.

## 6. **FINANCIAL IMPLICATIONS**

There are no direct financial implications arising from this report.

## **BACKGROUND PAPERS**

Audit Committee Meeting 31<sup>st</sup> March 2008 – Agenda Item 6

Audit Committee Meeting 19<sup>th</sup> January 2009 – Agenda Item 8

V RANDENIYA  
CHIEF FIRE OFFICER