



AGENDA ITEM: 12

NORTH WALES FIRE AND RESCUE AUTHORITY

15 June 2015

STRATEGIC RISK MANAGEMENT

Report by Dawn Docx, Deputy Chief Fire Officer

Purpose of Report

- 1 To seek members' approval for new arrangements for overseeing and managing strategic risks to the Authority; and to present a definition of strategic risk for adoption by the Authority.

Background

- 2 At the Fire and Rescue Authority meeting of 16 March 2015 members were informed of plans to introduce a new strategic risk management policy and strategic risk register.
- 3 The need for the Authority to develop and enhance its existing arrangements for corporate risk management had been identified earlier during a review of the Authority's corporate governance arrangements by Conwy County Borough Council's internal audit service.
- 4 The nature of a strategic risk register means that it would not be appropriate or practical to present its entire contents at open meetings of the Authority, thus necessitating a different approach to ensure that the Authority is kept informed of its strategic risks.
- 5 At the Executive Panel meeting of 11 May 2015, members considered and resolved to recommend to the Authority:
 - a) a definition of strategic risk for adoption by the Authority, and
 - b) new arrangements for overseeing and managing strategic risks to the Authority.

Information

- 6 The recommended definition of a strategic risk for adoption by the Authority is: "an event that, should it occur, would impact on the achievement of the Authority's planned outcomes and/or the delivery of its core functions".
- 7 The recommended arrangements for maintaining appropriate levels of overview and management of the Authority's strategic risks would include the following:
 - a) Officers would ensure the effective implementation of the strategic risk management policy. This would include ensuring that strategic risks are identified and managed in accordance with defined risk priority levels.
 - b) Officers would ensure that strategic risks are properly considered as part of corporate decision-making and planning, and that strategic risk management reports are presented to the Executive Panel.
 - c) The Authority, through its Executive Panel, would be responsible for ensuring that there is an effective strategic risk management policy in operation, that it understands the nature of the strategic risks that it faces and that it is aware of how these risks are being managed.
- 8 To this end it is recommended that:
 - a) The Executive Panel considers a report of strategic risk at least twice every year at its October and May meetings. This report would summarise aspects of the key risks, how many risks were at which priority level and how many had been reduced to sufficiently low level to be removed from the register.
 - b) The Chair and Deputy Chair of the Authority view the full detail of the strategic risk register with officers to satisfy themselves of its contents and the steps being taken to manage those risks.

- 9 Additional assurance will be provided through internal audit reports on the adequacy and effectiveness of the Authority's internal control environment, including risk management and corporate governance arrangements.

Recommendation

- 10 That members agree to adopt the Executive Panel's recommendations as regards: a) the definition of strategic risk, and b) the arrangements for the overview and management of strategic risks facing the Authority.