| Hampshire Fire and Rescue Authority |
| Standards and Governance Committee |
| 23 March 2017 |
| Risk Policy and Strategy |
| Report of the Chief Officer |

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1   Summary

1.1   The Risk Policy and Strategy has been updated and is presented to the Committee for comment and approval.

2   Recommendation

2.1   That the Committee approve the refreshed HFRA Risk Policy and Strategy which is attached in appendix A.

3   Introduction and background

3.1   The corporate risk management process aims to identify, prioritise, and manage risks to the Authority's ability to achieve its aims and priorities, and manage its business. Regular review of risk is a key part of our corporate planning process.

3.2   The Risk Management Policy and Strategy was last reviewed and approved by the Authority in 2012. We have taken the opportunity to refresh it, and a draft updated version was reviewed by Service Management Team (SMT) in February. It is attached in Appendix A for Members' comment and approval. Although no major changes have been made we have ensured that it remains compliant with current best practice.

3.3   The objectives of risk management at Hampshire Fire and Rescue Service are to:

- Safeguard our employees, the public and others affected by the Authority's operations by preventing injury, damage and loss.
- Safeguard the resources and reputation of the Authority
- Anticipate and respond to changing social, cultural, environmental and legislative requirements
- Reduce the threat of service disruption
- Facilitate innovation and opportunity

3.4   The Register is regularly reviewed by SMT and was last reported to this Committee in December 2016.

3.5   The approach taken is that Members and senior managers are responsible for identifying and managing any significant corporate risks to the Authority's ability to achieve its corporate aims and objectives. Operational risks are identified and managed within the Service Delivery and support departments, both as part of their planning processes, and on a day-to-day basis. Risk registers are also maintained to enable good project management practice.

3.6   Issues of corporate significance identified at operational levels are escalated for further assessment. Horizon scanning considers emerging threats, risks and opportunities.

3.7   SMT examines and evaluates the strategies and controls put in place to mitigate or manage the identified risk to the required level. A current and target risk score are determined, which comprise a score between one to five, and which relate to the perceived likelihood of the event occurring. This score is multiplied by the perceived impact or consequence relating to that risk. SMT review the risk entries on the Strategic Risk Register, and their scores, formally on a regular basis. Paragraph 4.1 below explains the newly formed Service Risk and Assurance Board which examine risk management processes and registers prior to SMT in the future.

3.8   Risks remain on the Register until they are given a score of ten or less which equates to low or very low risk, and have been reported to the Authority. When a risk is taken off the 'active' Strategic risk register, it is retained in a separate 'Green risk register' which itself is reviewed periodically by SMT to ensure that the low score is still appropriate. If necessary it can be returned to the active corporate risk register.

3.9   A key element of the risk strategy is the monitoring of the progress against the action plans to prevent and mitigate the risks. These are monitored and reviewed formally by SMT.

4   Risk and Assurance Board

4.1   To further improve the internal governance over risk management we have set up a Service Risk and Assurance Board. The core purpose of this Board is to act for SMT providing scrutiny and oversight of key governance items. It will bring key themes together and be the key decision making body for all aspects of its designated accountabilities. It will advise SMT on decisions taken and provide recommendations for action where appropriate. It will sign off key documents on behalf of the Service prior to making recommendations to the Authority. The aims are to:

- Ensure that the Service manages risk effectively through a robust Risk Management Framework.

- Act as the Strategic Risk Management Board ensuring that there are robust processes in place for the Service to identify, evaluate and treat risks and their related opportunities.

- Provide a challenge role to risk owners to ensure that identified risks are based on sound risk information and that risk prevention and mitigation measures are appropriate.

- Agree changes to the risk scores of all corporate level risks, including moving risks to the 'green register'.

5 Next steps

5.1 There are some actions that we now need to take. These will be overseen by the Risk and Assurance Board.

1	Review Strategic risks to ensure controls are relevant. Revisit the scores/ratings and report the Register to the Fire Authority.
2	Review and evaluate 'Directorate' risks ensuring that relevant controls identified and actioned where appropriate.
3	Ensure there is an adequate escalation process for risk.
4	Communicate risk management processes and provide clear guidance on the registers in use and where to find them
5	Include risk management in the overall Performance Framework which will encompass process used for the identification and management of community risk.

6 Contribution to corporate aims and Priorities

6.1 Our aim is to be the best fire and rescue service in the country and make life safer for everyone by reducing risks in the community. Sound risk management processes – that are embedded throughout the organisation – are critical to sound decision making, especially in the current financial climate. The process helps identify new and emerging issues which could impact on existing corporate aims and objectives, and provide a focus for new ones.

7 Risk Analysis

7.1 It is essential that a risk management policy and strategy is in place across the organisation to ensure that there is a consistent and robust approach to the identification, analysis, and treatment of corporate risks. This in turn ensures that major threats are considered and managed appropriately with adequate control measures, and equally that opportunities are identified and considered.

8   Resource implications

8.1   The Authority has a corporate membership with Alarm, the Public Risk
        Management Association, and staff involved with the function have
        attended training courses and seminars in order to develop their
        knowledge, and keep up to date with best practices. These costs are met
        from existing training and departmental budgets.

9   People Impact Assessments

9.1   Carrying out people impact assessments will strengthen our risk
        management practices by ensuring that the consequences of our
        proposed policies and actions comply with current legislation and
        expectations for improving equality and diversity in the workplace and in
        the delivery of services to the public.

9.2   The proposals in this report are considered compatible with the provisions
        of the equality and human rights legislation.

**10   Background information (Section 100D of Local Government Act
        1972)**

        The following documents disclose the facts or matters on which this
        report, or an important part of it, is based and has been relied upon to a
        material extent in the preparation of the report: None

                Note: The list excludes: (1) published works; and (2) documents
                that disclose exempt or confidential information defined in the Act.

        Appendix A – HFRA Risk Management Policy and Strategy