

Statement of Assurance		
Subject	Risk Management	
Officer	Jill McCrae, Head of Democratic Services and Corporate Assurance	
Date	March 2017	
Overall judgement	Excellent	Best practice arrangements exist, no outstanding issues, high confidence
	Good	Good confidence, no major issues or failings, action plan in place
	Fair	Some good practices in place but no procedure, key issues exist, with more work to be done, action plan in place
	Poor	Failings have occurred or are likely to occur, considerable issues exist, known weaknesses, considerable areas of concern
What are we assuring?	Risk Management	
Basis of judgement	<p>The Service has developed its risk management arrangements over the past 12 months. Upon combination of the new Service the risk management policy statement was agreed by the Fire Authority and the Service agreed its internal risk management procedures.</p> <p>The Service developed its procedure taking account of industry best practise and is aligned to British Standard, ISO 31000:2009 and the ALARM (Association of Local Authority Risk Managers) National Performance Model for Risk Management in Public Services. The Service is also a member of The CIPFRA/ALARM Fire Risk group, which acts as a CFOA sub-group.</p> <p>The Service has developed and agreed its risk appetite, which is included within the risk procedure and is reviewed on an annual basis. The Services risk appetite is displayed in, and operated via a 5x5 matrix taking account of impact and likelihood.</p> <p>For the day to day management of risk the Service uses the risk module w performance Management system named Sycle, which has been aligned to the Services procedure and risk appetite. Sycle provides clarity over what risks are being managed and identities the controls currently in place along with the targeted controls.</p> <p>Training and awareness has been provided Service wide on the Service's risk management procedure, risk appetite and use of Sycle.</p> <p>The Services risk management arrangements were validated by internal audit, Gateway Assure, where adequate assurance was provided.</p> <p>Understanding the organisation:</p> <p>The Service has developed its risk management policy statement and procedure in line with industry best practise, the British Standard, ISO 31000:2009 and the ALARM (Association of Local Authority Risk Managers) National Performance Model for Risk Management in Public Services</p>	

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- ◆ The Service continues to review strategic risks, threats and impacts through the use of external sources, such as national and local risk registers, involvement at local resilience forums, Horizon Scan publications and its membership with CIPFRA and ALARM.
- ◆ The Services risk appetite is set annually by the Strategic Leadership Team, who review the current climate, use of a 5x5 matrix and the levels in which risks are identified as strategic and operational.
- ◆ Overall responsibility for the Services risk management arrangements sits with the Head of Democratic Services & Corporate Assurance who is a member of ALARM, CIPFRA and the Institute of Risk Management.

Determining Risk Management Strategy:

- ◆ The Service's risk management policy statement and procedure have been published and are aligned to best practise.

Risk Assessment

- ◆ The Services risk appetite scores identifies risk at two key levels, strategic and operational
- ◆ Those risks identified at a high operational level are prioritised and reported monthly to the department's director by the head of department.
- ◆ Heads of departments are responsible for the operational risks effecting their department and are required to discuss and review risks within their departmental meetings
- ◆ Risks are also recorded as part of formal projects, activities and within strategic partnerships.
- ◆ Risks are categorised by impact and likelihood using the risk appetite matrix, which is developed via a 5x5 matrix.
- ◆ Risk treatment is identified using treat, tolerate, transfer and terminate and current control measures are identified along with targeted controls for action and improvement.

Risk Evaluation

- ◆ All risks are evaluated using the risk appetite matrix at inherent, residual and targeted levels
- ◆ The risk score will determine the level of risk posed to the Service, how the risk should be treated and where it should be managed and reviewed.

Risk Monitoring and Reporting

- ◆ Risks should be reviewed at department and directorate level on a monthly basis as part of departmental meetings
- ◆ The Strategic Leadership Team review the strategic and emerging strategic risks on a monthly basis
- ◆ The Strategic risks are monitored via the Finance & Audit Committee on a quarterly basis and reported to the Fire Authority on an annual basis via the Annual Governance Statement.
- ◆ Annual assurance of risk management is via this assurance statement and the Annual Governance Statement.

	<p>Risk Treatment</p> <ul style="list-style-type: none"> Risk treatment is determined by the risk score at residual level (with current controls) using the risk appetite matrix. <p>Risk Audit</p> <ul style="list-style-type: none"> The Services risk management arrangements are audited and assured by the internal auditors, Gateway Assure, with the most recent audit taking place in June 2016 and the Service achieving adequate assurance with no significant findings. 				
Outstanding key issues	Priority (for fair and poor judgements only)			Improvement required	Lead
A brief summary of the outstanding issues	H	M	L	What is being done or is proposed to address the outstanding issue	Who is leading
Strengthen the internal risk process		M		Review department meetings and risk reviews Service wide awareness and training	Head of Democratic Services & Corporate Assurance

Priority H – within 12 months, M – within 24 months, L - within 36 months or more.
When agreed with Director these issues should be fed into team planning.