



**SCOTTISH**  
**FIRE AND RESCUE SERVICE**

Working together for a safer Scotland

<b>Report to:</b>	<b>AUDIT AND RISK ASSURANCE COMMITTEE</b>
<b>Report Number:</b>	<b>C/ARAC/17-14</b>
<b>Date:</b>	<b>16 SEPTEMBER 2014</b>
<b>Report By:</b>	<b>DIRECTOR OF FINANCE &amp; CONTRACTUAL SERVICES</b>

<b>Subject:</b>	<b>2014/15 CORPORATE RISK REGISTER</b>
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## **1. PURPOSE**

- 1.1 The purpose of this report is to advise the Audit & Risk Assurance Committee of the revised Corporate Risk Register (CRR) for 2014/15 and the developing risk management arrangements.

## **2. RECOMMENDATIONS**

- 2.1 The Committee is asked to approve the following recommendation:  
(a) That the 2014/15 Corporate Risk Register, as attached at Appendix 1(a), is endorsed for submission to the Board at its meeting on 25<sup>th</sup> September.

## **3. BACKGROUND**

- 3.1 The Audit and Risk Assurance Committee is responsible for advising the Board and Accountable Office on the arrangements for risk management and has oversight of the service's Corporate Risk Register.
- 3.2 The Risk Management Policy provides the framework through which risk is managed and integrated within the Scottish Fire and Rescue Service (SFRS).
- 3.3 The Corporate Risk Register, which is integral to the risk management framework, is intended to provide a profile and record of the significant risks facing the SFRS, identify the controls in place, and prioritise the additional actions still required to mitigate the risk.
- 3.4 During 2013/14 the Corporate Risk Register was developed and a number of updates have been provided to the Audit & Risk Assurance Committee.

#### **4. DEVELOPING THE RISK MANAGEMENT PROCESS**

- 4.1 Work has been ongoing to further embed the risk management process within the organisation and develop a cyclical process for full review of the Corporate Risk Register, alongside the development of consistent risk management arrangements across Directorates and projects, with escalation routes to the Corporate Risk Register where appropriate/necessary.
- 4.2 As such it is proposed to undertake an annual review of the Corporate Risk Register, with an updated register produced ahead of the start of each financial year.

#### **5. 2014/15 CORPORATE RISK REGISTER**

- 5.1 In order to come into line with the proposed annual review timetable, an updated Corporate Risk Register has been developed for 2014/15 which will remain live for 18 months until 1<sup>st</sup> April 2016. The annual review process will commence in autumn 2015, to produce an updated register for 2016/17.
- 5.2 The review of the CRR for 2014/15 has been undertaken in consultation with the Board and Strategic Leadership Team (SLT).
- 5.3 Individual meetings were held with members of the SLT, along with two separate risk workshops in May and July 2014. These sessions looked at the risk framework and agreed the process and template to be used to record and monitor risk, as well as considering the specific risks and their mitigating actions.
- 5.4 Two Board development days, in May and August 2014, were utilised as risk workshops, with Board Members receiving information on the risk management framework, the programme of work to be undertaken, and the new risks identified.
- 5.5 The approach taken was intended to ensure that the proposed register reflects the most significant risks impacting upon the Service and that the agreed management actions, to mitigate the risk, could be linked back to the SFRS Strategic Plan and Annual Operating Plan.
- 5.6 The proposed 2014/15 Corporate Risk Register is attached at Appendix 1(a), with the resulting Dashboard at Appendix 1(b), which summarises the corporate risks, and their current rating.
- 5.7 The Dash Board contains the 15 Corporate Risks which have been identified, with the top risk to the organisation currently being:
- There is a risk to the Scottish Fire and Rescue Service where it fails to maintain and improve the safety of communities and staff.
- 5.8 This risk relates to the need for the Service to develop and adhere to safe and effective operational practises, which if not followed could lead to possible operational failures, resulting in death or serious injury within communities or to staff.

## **6. DIRECTORATE/FUNCTIONAL AND PROJECT RISK MANAGEMENT**

- 6.1 In line with the Risk Management Policy, Directorate/Functional risk registers have now been developed using a single risk register template, which is standard across all Directorates, to ensure a consistent approach to the identification, evaluation, control and monitoring of risk at all levels within the organisation.
- 6.2 These registers, which will develop further, allow risks to be escalated from Directorates for consideration within the CRR. The process also allows the Committee and SLT to allocate risks, currently contained within the CRR, to Directorate Registers where the mitigation of a risk has lowered the impact to the organisation but identifies a continuing monitoring role within a specific Directorate.
- 6.3 Project risk registers are being prepared and reported to the Service Transformation Committee and as the Service Planning and Performance Framework is reviewed the management of risk will be further integrated and developed within this business process.

## **7. MONITORING AND REVIEW**

- 7.1 The 2014/15 CRR will be monitored over a period of 18 months with a new CRR prepared for 1<sup>st</sup> April 2016, and annually thereafter.
- 7.2 Over this 18 month period, from September 2014, the CRR will be reported quarterly to the SLT and the Audit & Risk Assurance Committee. A similar reporting framework will be developed for Directorate/Functional Risk Registers.
- 7.3 In line with the Risk Management Policy, an annual report on the control of strategic risks will be forwarded to the Board.

## **8. EMPLOYEE IMPLICATIONS**

- 8.1 There are no employee implications directly associated with this report.

## **9. FINANCIAL IMPLICATIONS**

- 9.1 There are no financial implications directly associated with this report.

## **10. LEGAL IMPLICATIONS**

- 10.1 There are no legal implications directly associated with this report.

**SARAH O'DONNELL**  
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**16 SEPTEMBER 2014**