Corporate Risk Management Summary

Report of the Chief Fire Officer

For further information about this report please contact Rod Hammerton, Chief Fire Officer, on 01743 260201 or Ged Edwards, Planning, Performance and Communications Manager, on 01743 260208.

1   Purpose of Report

This report updates Members on the status of risks on the Corporate Risk Register.

2   Recommendations

The Committee is asked to note the contents of the report.

3   Background

Following risk management training in March 2016 Members requested that the Corporate Risk Register should be reported to the Fire Authority twice a year. With the Audit and Performance Management Committee (APMC) receiving a quarterly report.
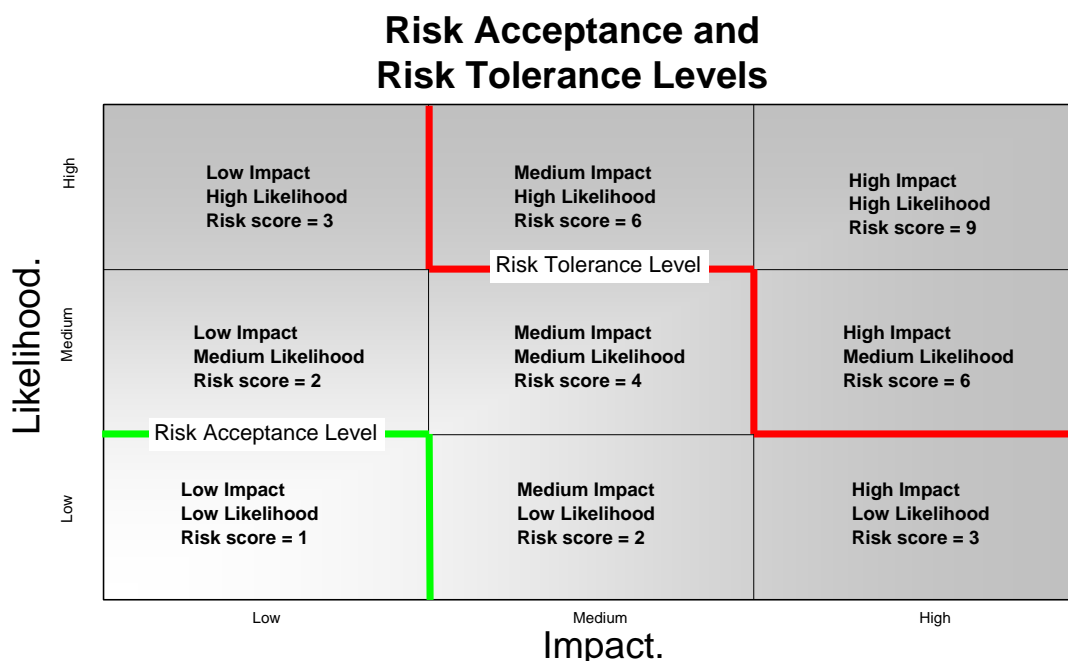
Following discussions with the Risk Member Champion and the Vice Chair of APMC, the format of this report has been varied from previous reports. Appendix A is a summary of the Corporate Risk Register and Appendix B covers all details that are captured about each risk on the register.

4   Risk Acceptance and Tolerance Levels

The purpose of risk management is not to eliminate all risk, but to reduce the risk to a level that the Authority is prepared to tolerate. This will vary depending on the Authority's current level of 'Risk Appetite' and is defined by the Authority setting its 'Risk Tolerance Level'. This level essentially acts as a target, with any risks higher than this level attracting appropriate effort and resources in an effort to reduce it to below this level. This target therefore acts as a management indicator, with greater levels of monitoring being required for those risks above the level, than for those below it.

In addition to the upper level, it is also appropriate to set a lower level target, called the 'Risk Acceptance Level'. Any risks assessed as being lower than this level should attract minimal effort and resources. This helps to ensure that resources are not wasted trying to reduce risks unnecessarily.

The Risk Management Brigade Order reflects the current risk Tolerance and Acceptance level and are shown in the table below.

Risk Acceptance and Risk Tolerance Levels

	Low Impact	Medium Impact	High Impact
High (Likelihood)	Low Impact High Likelihood Risk score = 3	Medium Impact High Likelihood Risk score = 6	High Impact High Likelihood Risk score = 9
		Risk Tolerance Level	
Medium (Likelihood)	Low Impact Medium Likelihood Risk score = 2	Medium Impact Medium Likelihood Risk score = 4	High Impact Medium Likelihood Risk score = 6
	Risk Acceptance Level		
Low (Likelihood)	Low Impact Low Likelihood Risk score = 1	Medium Impact Low Likelihood Risk score = 2	High Impact Low Likelihood Risk score = 3
	Low	Medium	High

Likelihood. (y-axis) / Impact. (x-axis)

5 Risk Management Process

The table in Appendix A shows a summary of the current risks on the corporate risk register. Appendix B shows more detailed information on each of the individual risk including: the risk title, the risk owner, a description of that risk, the counter measures that are either being applied or Officers are working to apply, the level of risk without controls, with controls and an assessment of the current level of risk. There is also a narrative column to enable risk owners to comment on the information provided where relevant.

6 Financial Implications

There are no financial implications arising from this report.

7 Legal Comment

There are no legal implications arising from this report.

8 Initial Impact Assessment

This report contains merely statements of fact / historical data. An Initial Impact Assessment is not, therefore, required.

9 Equality Impact Assessment

There are no equality or diversity implications arising from this report. An Equality Impact Assessment is not, therefore, required.

10 Appendices

Appendix A
Summary of Corporate Risk Register Entries

Appendix B
Details of Open Corporate Risk Register Entries

Appendix C
Exempt Paper 10
Summary and Details of Exempt Corporate Risk Register Entries

11 Background Papers

There are no background papers associated with this report.

Appendix A to report on
Corporate Risk Management Summary
Shropshire and Wrekin Fire and Rescue Authority
22 February 2017

Summary of Corporate Risk Register Entries

Categories of Risk	Raised by	Date Raised	Description	Current Probability	Current Impact	Current Risk Rating	Direction of Travel	Owner
Information	Ged Edwards	01/4/2012	The provision of accurate management information is dependent upon the adoption of high quality data management principles.	2	2	4	➔	Ged Edwards/ Louise McKenzie
Information	Sally Edwards	01/1/2012	To ensure the maximum availability of the C&C system as a mission critical function of the Service.	1	3	3	➔	Sally Edwards
Information	Sally Edwards	01/8/2012	Provide robust and resilient hardware and communications platforms to ensure availability of electronic systems to support service delivery.	1	1	1	➔	Sally Edwards
Finance	Internal Audit	21/12/2011	The Service has various contracts with suppliers which if were to fail or be impacted by poor performance could have a detrimental impact on the delivery of key service streams/functions.	3	2	6	➔	Andrew Kelcey
Policy	Ged Edwards	13/3/2013	Maintaining Business Continuity will ensure that the Service continues to deliver its core functions should it experience a business interruption from internal or external influences.	2	2	4	➔	Ged Edwards

Categories of Risk	Raised by	Date Raised	Description	Current Probability	Current Impact	Current Risk Rating	Direction of Travel	Owner
Policy	Risk Management Group	27/8/2013	Reputation of the Fire Authority and the Service may be compromised if the Local Authority Controlled Company is unsuccessful or delivers a poor quality product.	1	3	3	➜	Andy Johnson
People	Risk Management Group	17/3/2009	If the "opt-out" option, the UK currently holds from the European Working Time Directive is removed, then this could have an impact on the availability of RDS staff.	2	1	2	➜	Louise McKenzie
Information	Rod Hammerton	30/9/2015	There is a risk that the Emergency Services Mobile Communications Project (ESMCP) will not deliver in time for when the Airwave contract expires in 2020. There will be no further extensions in the contract. There is also a risk that the level of coverage across Shropshire will not be available as it is based upon 4G which is currently not available in Shropshire.	3	3	9	➜	Sally Edwards

Categories of Risk	Raised by	Date Raised	Description	Current Probability	Current Impact	Current Risk Rating	Direction of Travel	Owner
Policy	Fire Authority Members	17/3/2016	The uncertainty surrounding changes in legislation from the Policing and Crime Bill 2016 (Duty to collaborate and potential for a change in governance) could impact upon services ability to effectively undertake long term planning and the delivery of strategy.	3	3	9	↑	Rod Hammerton
Finance	Joanne Coadey	23/9/2015	Reduction in government funding - insufficient income to cover Service revenue budget'	3	2	6	➜	Joanne Coadey

Key to Direction of Travel: ➜ shows that the general direction of the risk is unchanged. ↓ shows that the general direction of the risk is reducing. ↑ shows that the general direction of the risk is increasing.

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Appendix B to report on
Corporate Risk Management Summary
Shropshire and Wrekin Fire and Rescue Authority
22 February 2017

Details of all Open Corporate Risk Register Entries

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
Provision of Information for Management Decision Making	Information	Louise McKenzie	01/04/2012	Adopt robust processes for ensuring data is entered into departmental systems correctly and consistently. (In progress see action history) System ownership should be allocated to departmental managers and administration of systems should be appropriately assigned. (In progress see action history) Process mapping of all major departmental systems that generate reporting at a corporate level should be undertaken. (In progress see action history) Process mapping will give an understanding of what data is captured in systems, how it is processed and improvements to be made. (In progress see action history)	4	January 2017 Area Command performance dashboard is now live. Development work has started on Prevention and Protection dashboard. User requirements for HR and the Operations Department is currently underway.

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
Security & Resilience of the C&C System	Information	Sally Edwards	01/01/2012	Backup of C&C (Ongoing) Replication off-site (Work complete. BC Exercise to be undertaken) Implement procedures for anti-virus and patch updates MDT hardening (Completed see action history) Move C&C LAN to a virtualised environment (Completed see action history) Implement new Station End Equipment (SEE) (Completed) Increase the SLA levels with the WAN (Wide Area Network) prior to roll out of new SEE. (Completed)	3	February 2017 All mitigating actions are now in place. Internal processes are being refined. Risk Owner to report to the next RMG requesting that this risk is now removed from the Corporate Risk Register. An internal review of processes and documentation is taking place for reassurance following an outage that occurred in August 2016.

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Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
Security & Resilience of IT Network	Information	Sally Edwards	01/08/2012	Implement the recommendations of the 2 internal audit IT reports (in progress) Review and improve internal policies and procedures (In progress) Defining IT team roles, responsibilities and competencies Implement 24/7 IT cover (complete) Implement management and reporting tools for preventative maintenance (In progress) Continually review and improve technical infrastructure (Ongoing) A detailed low level audit of the network configuration to be carried out before making further improvements to the infrastructure by removing single points of failure. (In progress)	1	February 2017 Audit Report Follow up Report has 7 remaining recommendations that need to be completed.

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
Failure of Primary Contractor/Supplier	Service Delivery	Andrew Kelcey	11/03/2013	Review current contracts register (Contracts in excess of £10,000) and risk assess all suppliers against the criteria of Poor Performance and Contract Failure. (Completed) Any supplier classed as high risk in either criteria will be identified as a departmental risk and be subject to a full supplier risk assessment and contingency plan if required. (Started and Ongoing) The full assessment will consider whether any further actions need to be addressed in order to mitigate against potential poor performance/contract failure. (Ongoing).	6	February 2017 Reviewed. No change from previous update below Probabilities reviewed Individual supplier risk is now monitored and managed in the Departmental risk register.

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
Maintaining Business Continuity	Policy	Ged Edwards	13/03/2013	Review and update all Departmental Business Continuity Plans. (Completed) Ensure Business Continuity Plans are easily accessible and available to all departmental managers. (Completed) Communicate to Officers how to access their respective business continuity plans. (Completed) Review specific incident BCP's and make available as per point 2 above. (Completed) Consider and incorporate any outcomes of the national framework risk assessment workshop. The workshop is part of the IRMP/20-20 process. Test Business Continuity Arrangements.(Completed & Ongoing)	4	January 2017 Initial discussions have taken place with T&W Emergency Planning with a view to them supporting business continuity exercise and testing.

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Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
LACC (Local Authority Controlled Company)	Policy	Andy Johnson	27/08/2013	Establishment of board of directors made up of Fire Authority members and a Senior Officer Establishment of a company manager Structure based on companies house guidance Legal and financial advice sought at set up from Clerk and Treasurer. In life legal and financial advice from 3rd party. Company using contractors with skills, knowledge and experience overseen by company manager. QA of the product overseen by company manager. (Feedback forms and training to maintain competencies) Professional indemnity insurance taken out.	3	February 2017 No change from previous update below With the Board having agreed to enter a trial year, during which the quantity of sales is greatly reduced and the breadth of products is also tightly constrained, the risk levels relating to this risk are considered to be at their minimum. It should be noted that, despite to the above points, all of the controls, highlighted in the controls section, remain in place. For this reason the current assessment ratings have been reduced from the previous ratings of (Probability - 2, Impact - 3, Overall = 6) to (Probability - 1, Impact - 3, Overall = 3).

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Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
				A&PMC monitor 1/4ly performance Review and approval of Business Plan in October 2015. Approval by the Fire Authority for the company to continue for the current year (2016/17) whilst a new Business Plan is developed.		
RDS Staff - European Working Time Directive "opt-out" option	People	Louise McKenzie	17/03/2009	Maintain involvement in national CFOA People and Organisational Development Committee to be sighted on any indication of changes on the issue. (On going) Obtain legal advice at 6 monthly intervals to ensure that the legal picture hasn't changed. (On going) Specify the facility to monitor working time (as well as availability) when the procurement of an appropriate IT system for RDS finally happens.	2	November 2016- Louise McKenzie The situation remains unchanged with no new information available. There are possible potential impacts from Brexit in terms of continued applicability of the legislation but this has yet to unfold.

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
Introduction of PSN/ESMCP		Sally Edwards	30/09/2015	SE is currently researching other options for connectivity if 4G is not available, and is also exploring the potential for collaboration with other Fire Services and other emergency services in Shropshire.	9	February 2017. Pilot research continues.
Changes from the Policing and Crime Act	Service Delivery	Rod Hammerton	17/03/2016	Government and local policy regarding election and powers of PCCs monitored for potential risk impact on SWFRA. Regular meetings with PCC taken place. Better engagement through CFOA with the HO PCC has been invited as a non-voting participant in FRA Shropshire, H&W and Warwickshire Police and Fire Collaboration Group formed and focusing on "quick wins" in its formative period. West Mercian Fire Bloc being cultivated to focus initially on technological collaborations	9	January 2017 PCC now actively developing a business plan although has publicly stated the research is with no preconceived outcomes and the objective is to see where PPC involvement can add greatest value in Governance, Strategy and Operations. SFRS actively engaged and liaising with H&W FRS to ensure a consistent approach. It was impressed on the consultants that the Service's prime concern was not so much the outcome but more that the process could become a "grand diversion" from the important business of cultivating partnerships to improve community safety.

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Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
				FRA and Officers actively engaged in PCCs development of a business plan to identify where PCC can add most value. This is to ensure SFRS are able to influence outcomes.		
Rules that apply to Governments specific funding	Finance	Joanne Coadey	23/09/2015	Officers and members will continue to lobby Government where appropriate. Finance will ensure that timely strategic financial planning is carried out to inform management of the Service and Members of the Authority. The development of 2020 scenario planning will attempt to implement changes in the Service to close the funding gap in later years.	6	January 2017 The revenue budget for 2017/18 and the following two years has been prepared based on the Local Government Finance Settlement. Officers will continue to monitor the funding streams of the Authority in light of any changes announced by the Home Office.