

# 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.

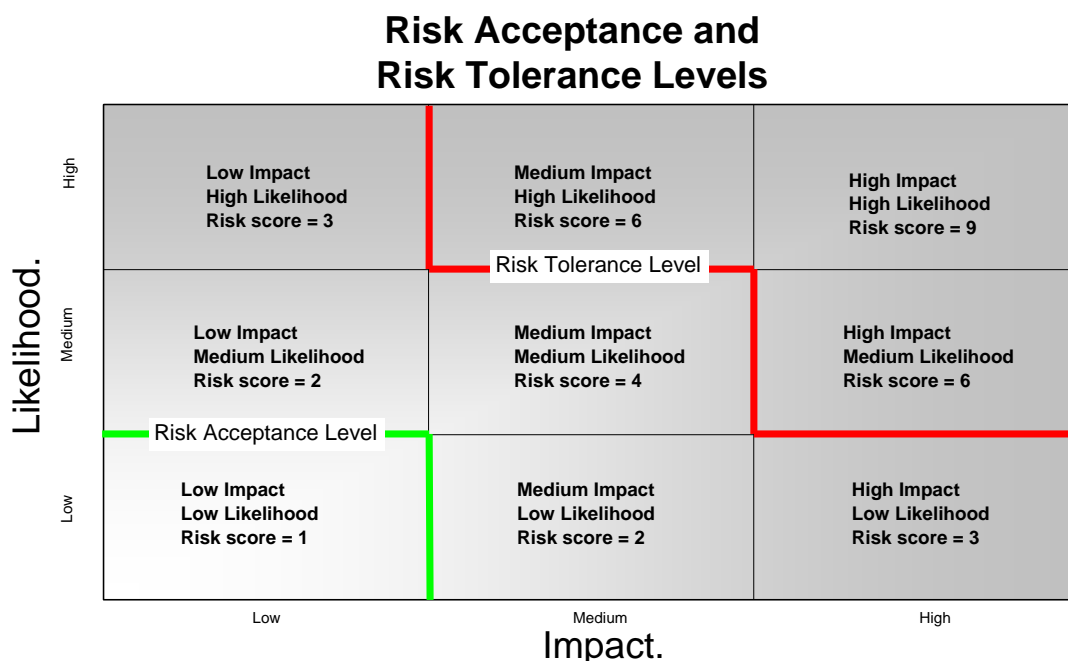
Following discussions with the Risk Member Champion and the Vice Chair of APMC, the format of this report has been varied from previous reports. Appendix A is a summary of the Corporate Risk Register and Appendix B covers all details that are captured about each risk on the register.

### 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.



## 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 Current Position

An update from the Workforce Advisor at the Local Government Association (LGA) has indicated that work concerning the European working time directive legislation is progressing and further information will be sent to all Fire Authorities in due course.

The Finance system cut over has now taken place, however the Business Continuity Support Group will continue to oversee the implementation projects.

The impact of the changeover of systems upon the provision of information for management decision making is unclear at this stage and will continue to be monitored.

The Home Secretary's decision to transfer governance to the Police and Crime Commissioner is still on hold following the Fire Authority's decision to pursue a judicial review. Officers are however actively engaged with the Office of the Police and Crime Commissioner in preparing for the potential change, and a strategic alliance plan has been developed and consulted upon and is being presented to the Fire and Rescue Authorities for adoption.

The risk raised as a result of notice given by Motorola to withdraw further maintenance of the Integrated Communications Control System (ICCS) remains high, however an Official Journal of the European Union (OJEU) tender has been published which will award on the 30 October 2018.

## **7 Financial Implications**

There are no financial implications arising from this report.

## **8 Legal Comment**

There are no legal implications arising from this report.

## **9 Equality Impact Assessment**

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

## **10 Appendix**

### **Appendix A**

Summary of Corporate Risk Register Entries

### **Appendix B**

Details of all Open Corporate Risk Register Entries

### **Appendix C**

Details of all Open Corporate Risk Register Entries (Exempt)

To be considered in closed session at Item 12 as it contains exempt information.

## **11 Background Papers**

There are no background papers associated with this report.

## 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
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
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
Service Delivery	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	3	9	➔	Andrew Kelcey
Information	Sally Edwards	01/1/2012	To ensure the maximum availability of the Command & Control system as a mission critical function of the Service.	2	3	6	➔	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.	2	3	6	➔	Sally Edwards

Categories of Risk	Raised by	Date Raised	Description	Current Probability	Current Impact	Current Risk Rating	Direction of Travel	Owner
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	2	4	➔	Germaine Worker
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.	2	2	4	➔	Sally Edwards
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

Categories of Risk	Raised by	Date Raised	Description	Current Probability	Current Impact	Current Risk Rating	Direction of Travel	Owner
Information	Ged Edwards	24/8/2017	Options are currently being investigated which may allow the Service to maintain using Resourcelink once SC migrate over to the ERP.	3	3	9	→	Ged Edwards
Information	Chris Mellings	19/7/2017	ICT is crucial for public service delivery and this imposes a risk of disruption or damage to the reputation of SFRS in the event of a failure of its information technology systems as a result of a cyber attack.	2	3	6	→	Sally Edwards
Service Delivery	Ged Edwards	17/11/2017	With little notice period the system supplier has informed the Service that the current Integrated Communications Control System (ICCS) will no longer be maintained beyond April, next year, as it becomes obsolete. In the event of a system failure after this date, the Service may be unable to restore the ICCS system.	3	3	9	→	Sally Edwards

**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.

## Details of all Open Corporate Risk Register Entries (Open Session)

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	<p>Review and update all Departmental Business Continuity Plans. (Completed)</p> <p>Ensure Business Continuity Plans are easily accessible and available to all departmental managers. (Completed)</p> <p>Communicate to Officers how to access their respective business continuity plans. (Completed)</p> <p>Review specific incident BCP's and make available as per point 2 above. (Completed)</p> <p>Consider and incorporate any outcomes of the national framework risk assessment workshop. The workshop is part of the IRMP/20-20 process.</p> <p>Test Business Continuity Arrangements.(Completed &amp; Ongoing)</p>	4	<p>September 2018</p> <p>The Business Continuity Support Group (BCSG) has been established to deal with the short notice implementation of Payroll, HR, Training and Finance systems. As a result the planned Business Continuity Exercise has been cancelled. BCSG now oversees the 4 projects associated with new systems implementation and will continue until systems cut over. Finance system cut over has now taken place.</p>

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	Ged Edwards	01/04/2012	<p>Adopt robust processes for ensuring data is entered into departmental systems correctly and consistently. (In progress see action history)</p> <p>System ownership should be allocated to departmental managers and administration of systems should be appropriately assigned. (In progress see action history)</p> <p>Process mapping of all major departmental systems that generate reporting at a corporate level should be undertaken. (In progress see action history)</p> <p>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)</p>	4	<p>September 2018 The original roll out plan to provide dashboards to all departments is complete.</p> <p>It is unclear at this stage as to what impact the changeover of HR and Training systems will have on the current dashboards. As a consequence this risk will remain open until at least the cut over to the new systems.</p>



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	<p>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)</p> <p>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)</p> <p>The full assessment will consider whether any further actions need to be addressed in order to mitigate against potential poor performance/contract failure. (Ongoing).</p>	9	July 2018 Ongoing. Learning from the management of the Shropshire ERP risk is being applied across contracts.
Security & Resilience of the C&C System	Information	Sally Edwards	01/01/2012	<p>Backup of C&amp;C (Ongoing)</p> <p>Replication off-site (Work complete. BC Exercise to be undertaken)</p> <p>Implement procedures for anti-virus and patch updates</p> <p>MDT hardening (Completed see action history)</p>	6	September 2018. The review of ICT across Hereford & Worcester and Shropshire Fire and Rescue Services starts next week.

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
				<p>Move C&amp;C LAN to a virtualised environment (Completed see action history)</p> <p>Implement new Station End Equipment (SEE) (Completed)</p> <p>Increase the SLA levels with the WAN (Wide Area Network) prior to roll out of new SEE. (Completed)</p>		
Security & Resilience of IT Network	Information	Sally Edwards	01/08/2012	<p>Implement the recommendations of the 2 internal audit IT reports (in progress)</p> <p>Review and improve internal policies and procedures (In progress)</p> <p>Defining IT team roles, responsibilities and competencies</p> <p>Implement 24/7 IT cover (complete)</p> <p>Implement management and reporting tools for preventative maintenance (In progress)</p> <p>Continually review and improve technical infrastructure (Ongoing)</p>	6	<p>September 2018.</p> <p>The review of ICT across Hereford &amp; Worcester and Shropshire Fire and Rescue Services starts next week.</p>

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
				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)		
RDS Staff - European Working Time Directive "opt-out" option	People	Germaine Worker	17/03/2009	<p>Maintain involvement in national CFA People and Organisational Development Committee to be sighted on any indication of changes on the issue. (On going)</p> <p>Obtain legal advice at 6 monthly intervals to ensure that the legal picture hasn't changed. (On going)</p> <p>Specify the facility to monitor working time (as well as availability) when the procurement of an appropriate IT system for RDS finally happens.</p>	4	<p>August 2018</p> <p>Update from Jamie Osowski, Workforce Advisor at the Local Government Association on 13.7.18 - Work is currently in progress regarding the Matzak case and they will be sending updates to all Fire Authorities in due course.</p>
Introduction of PSN/ESMCP	Service Delivery	Sally Edwards	30/09/2015	ICT Manager 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.	4	<p>September 2018.</p> <p>The proof of concept using consumer cellular coverage in preparation for an early, phased adoption of ESN starts mid-September and findings will be reported back to the next STB.</p>

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
Changes from the Policing and Crime Act	Service Delivery	Rod Hammerton	17/03/2016	<p>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</p> <p>PCC has been invited as a non-voting participant in FRA</p> <p>Shropshire, H&amp;W and Warwickshire Police and Fire Collaboration Group formed and focusing on "quick wins" in its formative period.</p> <p>Shropshire, Herefordshire and Worcestershire (SHAW) Fire Alliance being cultivated to focus initially on technological collaborations.</p> <p>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. June 2018 - officers actively engaged in developing necessary plans and documentation for a successful transfer.</p>	9	<p>September 2018</p> <p>Officers are actively engaged with the OPCC in preparing for a potential change of governance. Strategic Alliance plan has been developed and consulted on and is being put to FRAs for adoption.</p>

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
Rules that apply to Governments specific funding	Finance	Joanne Coadey	23/09/2015	<p>Officers and members will continue to lobby Government where appropriate.</p> <p>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.</p>	6	<p>August 2018</p> <p>Finance leads across the sector continue to receive updates from Home Office staff at Fire Finance Network quarterly meetings. National Fire Chiefs Council Sector Survey and Reserves Survey collecting information to inform government of current position in Fire. Technical consultation including referendum principles to be responded to by closing date of 18 Sept 18.</p>
Replacement Payroll, HR, Finance and Training Systems	Information	Ged Edwards	24/08/2017	The options to transfer over from SC to T&W to maintain using Resourcelink has now been agreed.	9	<p>September 2018</p> <p>Four implementation projects have been established and resources allocated to meet the current cut over deadlines. The Business Continuity Support Group (BCSG) has been established to oversee the four projects and meet on a weekly basis. Service Transformation Board (STB) also receive regular updates and there is a standing agenda item on Service Management Team (SMT) for the Risk Manager to update on progress.</p> <p>Finance system cut over has now taken place.</p>

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
Cyber Security Risk	Service Delivery	Sally Edwards	19/7/2017	There are a number of counter measures including work being undertaken on the Remedial Action Plan (RAP) from the IT Health Check (ITHC) to tighten security controls. Internal audit are conducting a full controls audit this year to check the IT environment is controlled and managed in line with best practice. There are a number of initiatives for improving staff awareness so they can protect themselves. The greatest vulnerability is maintaining specialist technical skills within the ICT team.	6	September 2018. The review of ICT across Hereford & Worcester and Shropshire Fire and Rescue Services starts next week.
Integrated Communications Control System (ICCS)	Service Delivery	Sally Edwards	17/11/2017	Liaison with the system supplier to extend the maintenance period. Liaise with other FRA's who use the same product to put pressure on the supplier to continue to offer maintenance beyond the current notice period. Investigate the possibility of migrating onto an alternative solution.	9	September 2018. An Official Journal of the European Union (OJEU) tender was published 28th August and the published timeline will issue award on 30th October 2018.