

## 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.

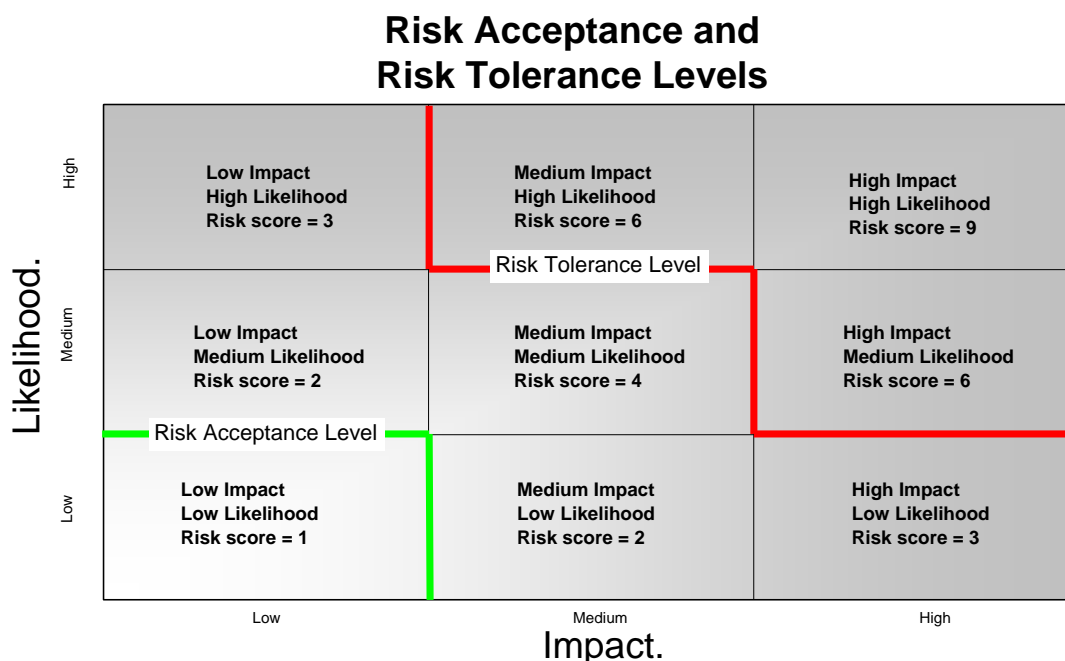
Following discussions with the Risk Member Champion and the Vice Chair of APMC, the format of this report has been varied from previous reports. Appendix A is a summary of the Corporate Risk Register and Appendix B covers all details that are captured about each risk on the register.

### 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

The risk relating to implementing and testing of business continuity arrangements has been closed by Risk Management Group following the successful introduction of the replacement Payroll, Finance, Training and Human Resources systems. These systems were introduced under business continuity arrangements due to the timescales imposed on the Service in changing over service provider.

The risk associated with the European working time directive legislation has been downgraded following further legal advice from the Local Government Association (LGA).

Following successful cut over to the new Payroll, Human Resource, Training and Finance system provider the risk relating to degradation of service of has been downgraded. It is envisaged that this risk will be removed from the risk register in due course.

The risk raised as a result of notice given by Motorola to withdraw maintenance support of the Integrated Communications Control System (ICCS) has been reduced. Motorola have given assurance that the current system will be maintained until the roll out of the new system has been completed.

## **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 Appendices**

### **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 (Closed session)

## **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
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
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.	1	1	1	↓	Germaine Worker

Categories of Risk	Raised by	Date Raised	Description	Current Probability	Current Impact	Current Risk Rating	Direction of Travel	Owner
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. 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
Information	Ged Edwards	24/8/2017	The tight timescales for migrating across to a new provider for Payroll, HR and Finance systems may result in a short term degradation in system functionality.	1	2	2	↓	Ged Edwards

Categories of Risk	Raised by	Date Raised	Description	Current Probability	Current Impact	Current Risk Rating	Direction of Travel	Owner
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.	2	1	2	↓	Sally Edwards
Service Delivery	Kev Faulkner	13/11/2018	Staffing could be adversely affected following the adoption of the new fitness standards.	2	3	6	→	Kev Faulkner

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

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	01/04/12	<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>March 2018 The original roll out plan to provide dashboards to all departments is complete.</p> <p>Work is continuing on the dashboards as part of the introduction of HR, Training and Fire Service Rota (FSR) systems.</p> <p>As a consequence this risk will remain open until at least the introduction of reports through FSR.</p>

<b>Risk Title</b>	<b>Risk Category</b>	<b>Risk Owner</b>	<b>Date Raised</b>	<b>Controls or Counter Measures</b>	<b>Risk Rating (current assessment)</b>	<b>Action History</b>
Failure of Primary Contractor / Supplier	Service Delivery	Andrew Kelcey	11/03/13	<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	<p>March 2019</p> <p>Ongoing - Brexit impact on supply chains has now been identified as a national risk and is being addressed by NFCC Procurement, with a request that individual Brigades do not also approach suppliers. Initial NFCC documents are not specific to particular suppliers or high risk items.</p>
Security & Resilience of the C&C System	Information	Sally Edwards	01/01/12	<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>	6	<p>March 2019</p> <p>Report to be submitted to the Alliance Board for consideration and agreed recommendations.</p>



Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
				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)		
Security & Resilience of IT Network	Information	Sally Edwards	01/08/12	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)	6	March 2019 Report to be submitted to the Alliance Board for consideration and agreed recommendations.

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
				<p>Continually review and improve technical infrastructure (Ongoing)</p> <p>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)</p>		
RDS Staff - European Working Time Directive (WTD) "opt-out" option	People	Germaine Worker	17/03/09	<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>	1	<p>Feb 2019</p> <p>The LGA have recently received some legal advice on the implications of this case. The Counsels advice and note is confidential and subject to legal privilege. To prevent loss of privilege the information can only be used for purposes of advising our internal clients on a strictly need to know basis. The advice refers to some similarities between Matzak's working practices and our RDS however our RDS have considerably more flexibility and individual discretion therefore it is less likely that all on call time would be considered working time under the WTD Regs.</p>

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
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	March 2019 Proof of concept is still being worked on.
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>Shrops, H&amp;W and Warwickshire Police and Fire Collaboration Group formed and focusing on "quick wins" in its formative period. Shropshire, Herefordshire and Worcestershire (SHAW) Fire Alliance being cultivated to focus initially on technological collaborations.</p>	9	March 2019 Judicial Review now on warned list with dates being sought in spring. Expect potential resolution by Sept 2019. In the interim work is continuing through the alliance with H&W, and with other partners through the West Mercia Blue Light Collaboration group.

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
				<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.</p> <p>June 2018 - officers actively engaged in developing necessary plans and documentation for a successful transfer.</p>		
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>March 2019</p> <p>Funding settlement received for 2019/20 in line with expectation. The Service responded to a consultation on the proposed methodology for fairer funding. Confirmation of the individual pension scheme employer contribution rates following the 2016 valuation has indicated that cost to the Service for 10% of these increases will be greater than originally anticipated, but containable within the budget.</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.	2	<p>March 2019</p> <p>Cut over to the new payroll provider took place in January. Apart from some minor issues the cut over has been successful.</p>

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
						No functionality has been lost as part of the migration over and as such the risk assessment has been downgraded. The continued roll out of functionality is being overseen by a small working group. It is likely that this risk will be removed from the risk register in due course.
Cyber Security Risk	Service Delivery	Sally Edwards	19/07/2017	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	March 2019 Report submitted to Alliance Board for consideration and agreed recommendations.
Integrated Communication 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	2	March 2019 Report submitted to Alliance Board for consideration and agreed recommendations.

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
				<p>maintenance beyond the current notice period.</p> <p>Investigate the possibility of migrating onto an alternative solution. Have manual contingency arrangements in place in the event of a failure.</p>		
Impact of the new fitness standards	Service Delivery	Kev Faulkner	13/11/2018	<p>Support and communication with staff.</p> <p>Potential to delay full implementation until April 2020 to allow staff to improve levels of fitness.</p>	6	<p>March 2019</p> <p>On-going development of the implementation plan</p>