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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 Fire Authority 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**
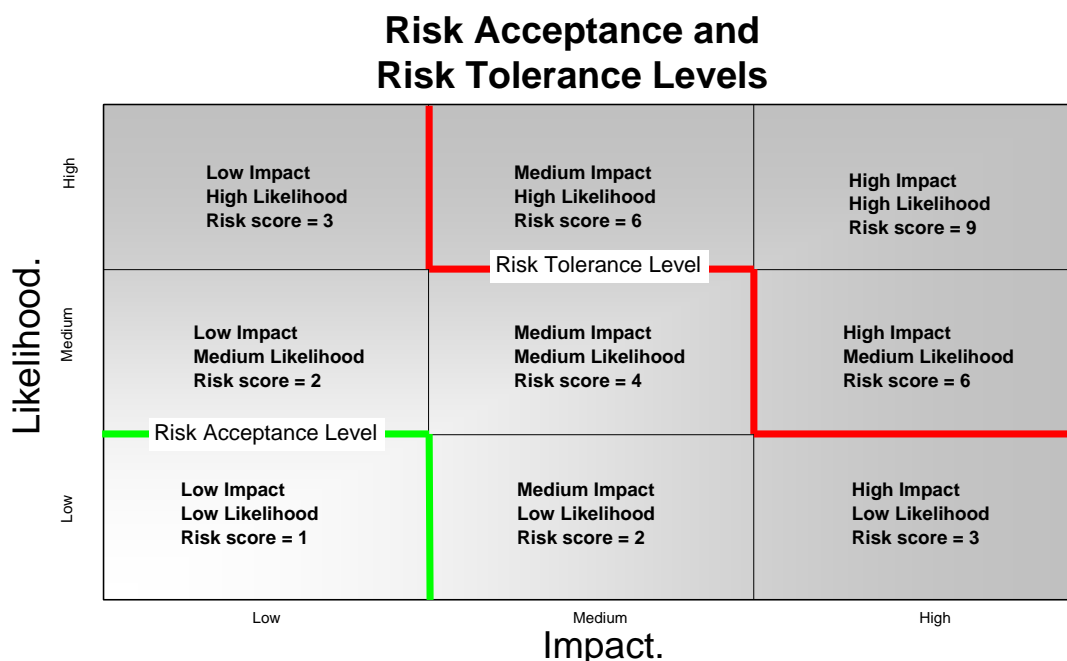
5   Risk Management Process

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 risks 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

Since that last update in September the Wide Area Network (WAN) has transferred over to the new Service provider. Following completion of all activities the WAN entry has been removed from the risk register.

There are currently two contractual risks of note which are having an impact on the Service at this time. The first is Shropshire Council's award of a contract for an Enterprise Resource Planning System (ERP). The ERP will replace the Payroll, Human Resource and Finance systems that the Service currently uses. Due to the investment made by the Service on ResourceLink, options are currently being investigated that would potentially allow the Service to continue to use the ResourceLink system.

A new entry has been added to the risk register relating to the Integrated Communications Control System (ICCS). The system provider has written to the Service in November to inform that the current maintenance contract will not be renewed in April 2018 and that the system will become obsolete in August 2018. The ICCS enables Fire Control staff to receive emergency calls, process admin calls and operate the Airwave radio communications system. Officers are currently considering both the impact, and options this may have, on the Service.

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   Initial Impact Assessment

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

10   Equality Impact Assessment

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

11   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
To be considered in closed session at Report 15 as it contains exempt information.

12   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
13 December 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
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	1	2	→	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	3	6	↓	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
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
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	NEW	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.

Appendix B to report on
Corporate Risk Management Summary
Shropshire and Wrekin Fire and Rescue Authority
13 December 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
Maintaining Business Continuity	Policy	Ged Edwards	13/03/2013	Review and update all Departmental Business Continuity Plans (BCP). (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. (Completed) Test Business Continuity Arrangements.(Completed & Ongoing)	4	November 2017 Following a review by Telford &Wrekin Emergency Planning Manager all departmental BCP's are being updated. Departmental Heads will be required to run through their plans with their respective teams to ensure staff are aware of the contents of their plan. An exercise is being planned in conjunction with Shropshire Council Emergency Planning Manager.
Provision of Information for Management Decision Making	Information	Ged Edwards	01/04/2012	Adopt robust processes for ensuring data is entered into departmental systems correctly and consistently. (In progress see action history)	4	Nov 2017 Area Command, Prevention and Protection Dashboard and the HR Dashboard are now live.

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	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)		Work is now being undertaken on the Training and Development Dashboard. Work has been carried out on backup routines to restore the Data Warehouse in the event of a system failure.
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)	9	November 2017 There are currently 2 significant (but unrelated) contracts with a high likelihood of failure. If both fail at the same time this will cause significant impact on the departments managing these areas. The contracts register is being updated to include information about the focus of contract management activities (for example cost savings, efficiency or resilience).

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
				The full assessment will consider whether any further actions need to be addressed in order to mitigate against potential poor performance/contract failure. (Ongoing).		
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)	6	November 2017 No further work is required to improve the resilience of the technology. The resilience is impacted by staffing levels and skills for supporting the system.
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)	6	November 2017 Staffing continues to be a challenge.

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CFA 13.12.17

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
				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)		
RDS Staff - European Working Time Directive "opt-out" option	People	Germaine Worker	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 2017 The position remains unchanged.

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	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.	6	December 2017 Local and regional participation in ESMCP continues as well as the remedial work highlighted by the IT Health Check. Research is also continuing and some trials will be set up in early 2018.
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 (SFRS), Hereford & Worcester (H&WFRS) 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.	9	November 2017 SFRS and H&WFRS have started work to develop a vision and ambition for the SHAW Fire Alliance. This will support long term collaborative planning.

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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 PCC's development of a business plan to identify where PCC can add most value. This is to ensure SFRS are able to influence outcomes.		
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 uses 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.

A&PMC monitor 1/4ly performance | 3 | November 2017
The company has achieved minimal success, largely due to it not being able to retain the services of a professional Technical Sales Manager. The Fire Authority are therefore in the process of considering a recommendation, from the Company Board of Directors, that the company should either receive significant investment, to make it commercially competitive and viable, or that it should close. A report for decision will be considered by the Fire Authority at its December meeting.

In the meantime, the company is not taking on any additional work, but the existing control measures remain in place.If the Fire Authority decides to keep the company going, then it will provide the required 'Going Concern' statement to the auditor. |

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Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
				Review and approval of Business Plan was conducted 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.		
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	November 2017 Responded to consultation on local government finance settlement 2018/19, supporting a more flexible approach to precept setting locally and citing an older rural population in Shropshire as a funding pressure going forward. Settlement due in December
Shropshire Council (SC) Enterprise Resource Planning (ERP) System	Information	Ged Edwards	24/08/2017	Options are currently being investigated which may allow the Service to continue using ResourceLink once SC migrate over to the ERP.	9	November 2017 Options are still being considered and worked through to enable the Service to stay on ResourceLink in order to benefit from system improvements including the use of the Data Warehouse and Performance Dashboards. An options appraisal is currently being put together.

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	19/07/2017	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	December 2017 All work continues nothing further to add.

Risk Title	Risk Category	Risk Owner	Date Raised	Controls or Counter Measures	Risk Rating (current assessment)	Action History
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	Letter received from Motorola dated 9 Oct informing the Service of its intention to withdraw maintenance end of Mar 18. Email received from Motorola 10 Nov that maintenance could be extended to Aug 18 if the Service places an order to buy their next generation of ICCS which is still currently in development. CFO has contacted National Fire Chiefs Council (NFCC) and Home Office to ascertain a Fire Service wide view on the situation as the supplier provides the product to a number of Fire Services.