

Report of the Head of Operational Support

5. Strategic Risk Register

Purpose of report

1. To provide Audit & Standards Committee with an update on changes to the Strategic Risk Register.

Recommendations

It is recommended that the Committee notes the Strategic Risk Register 2014/15, in particular the continued likelihood, but reduced impact of Industrial Disputes.

Background

2. The Emergency Planning and Resilience Officer is responsible for co-ordinating the annual review of the Departmental Risk Registers and Strategic Risk Register. The review meets the requirements of the Audit & Standards Committee's terms of reference to monitor and review the Authority's risk management arrangements.
3. The purpose of strategic risk management is to effectively identify risks to the success of the organisation and put effective control measures in place to mitigate their effect. For example, to manage the risk of industrial disputes the Service has in place controls such as a robust Business Continuity Plan and regular meetings with Representative Bodies.

Risk Management Strategy

4. The Risk Management Strategy Service Policy Instruction (SPI) is in place for recording risks within the Authority.
5. The overall objective of the Strategy is to ensure that the Authority identifies strategic risks and applies the most cost effective control mechanisms to manage those risks. This ensures they are eliminated or reduced to an acceptable level and that systems are in place to monitor and report against them. The Strategic Risk Register is then prepared to identify controls which mitigate the inherent identified risks. The residual risk demonstrates the revised risk assessment as a result of the action taken.
6. Utilising a "bottom up" approach to risk management, Departments, Area Commanders, and Directors have all assessed their risks. The highest and/or most prevalent risks have been elevated to the Strategic Risk Register.

Strategic Risk Register

7. The overall responsibility for ensuring risks are managed effectively lies with the Authority as professionally advised by Officers. The live Strategic Risk Register outlines to Members the risk scoring for both likelihood and impact of each risk. It reflects the updated National Risk Register which is intended to capture the range of emergencies that may have an impact on all, or significant parts, of the UK as well as internal risks. The National Risk Register drives the Community Risk Register held by West Mercia Local Resilience Forum (WMLRF) and is recognised in the Service's live Strategic Risk Register. From a Service perspective, the Strategic Risk Register acknowledges departmental, project and partnership risks.
8. WMLRF is a multi-agency group comprising bodies within West Mercia such as local authorities, national and local health agencies, the three emergency services and the Environment Agency. The purpose of the LRF is to ensure effective delivery of the duties of the Civil Contingencies Act (CCA) 2004. This requires partner agencies to co-ordinate resources so they can respond effectively when incidents do occur.
9. Within the Strategic Risk Register, the three risks assessed to be of most concern to the Authority are:
 - a. Death of a Firefighter during an operational incident due to the Service's actions;
 - b. Death of a Member of the Public through Service Activities; and
 - c. Reduction in real terms of grants and/or other income affecting service delivery.
10. These risks are being continually monitored by the Senior Management Board (SMB) and a number of control measures have been put in place to control them.
11. Risk No. 2: Industrial Disputes remains 5 on the risk matrix due to the ongoing industrial action by the Fire Brigades Union. The impact was downgraded from a 4 to a 3 due to the continued successful implementation of the Service's Business Continuity Plan for industrial action, which has included:
 - The use of volunteers within the Service willing to provide additional cover (over and above their normal hours) during periods of strike action;
 - The standing up of alternative sites enabling those staff working as normal to avoid crossing picket lines;
 - A resilience crew based at Service Headquarters during strike periods to be used as and when necessary to bolster crewing.
 - Successful communications and relations with staff throughout the dispute.
 - Regular meetings of the Industrial Action Management Group in order to monitor the situation, review and amend plans and to ensure the continued robustness of business continuity arrangements.

Conclusion/ Summary:

12. A robust process has been followed and there is continual monitoring and reviewing taking place at quarterly SMB performance meetings and Middle Management Board meetings to ensure risks are being used to drive business.
13. The Authority's Strategic Risk Register will be formally reported to Members annually, with significant changes being reported to the Audit & Standards Committee in a risk update.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	N/A
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	N/A
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	N/A
Consultation (identify any public or other consultation that has been carried out on this matter)	N/A
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	N/A

Supporting Information:

Appendix 1 – Strategic Risk Register 2014/15

Contact Officer

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Appendix 1

Number	Risk Description	Inherent Risk			Existing Control Measures	Residual Risk			Outstanding Exposures	Actions	Date Assessed	Date Reviewed	Risk Owner	Approved by
		Likelihood	Impact	Risk Score		Likelihood	Impact	Risk Score						
1	Major ill health epidemic affecting service levels	2	4	8	1. Business Continuity Plan 2. Occupational Health 3. Flu Pandemic Plan 4. Vehicle dealership support 5. Multi skilled maintenance staff 6. Temporary staff arrangements 7. Existing backup plans in place for delivery services provided by external agency 8. Section 13/16 agreements	2	3	6	Chance of external agencies affected by same epidemic	Implement contingency arrangements as set out in Business Continuity supplement.	28/01/2013	12/05/2014	CFO/ SMB (elevated by Director of Service Support Risk Register)	CFO
2	Industrial disputes	5*	5	25	1. Regular meetings with Representative Bodies 2. Good and effective industrial relations 3. National Guidelines 4. Constant review of actions and guidelines 5. Business Continuity Plan 6. National and Local Resilience Forum briefings 7. Work with National Joint Council 8. Industrial Action Management Group meetings and pre-planning	5	3	15		Implement contingency arrangements as set out in Business Continuity supplement. Impact lessened due to experience of 12 separate strike periods.	28/01/2013	12/05/2014	CFO/ SMB (elevated by Director of Service Support Risk Register)	CFO
3	Death of Member of Public through Service activities	2	5	10	1. Professional training standards & Rolemaps 2. Risk Management 2. High quality operational equipment and Personal Protective Equipment 3. Operational procedures and Standard Operating Procedures 4. Firefighter Safety top Organisational objective 5. Robust Health and Safety Arrangements, Policy, Training 6. Major Event Response Protocol.	1	4	4	1. Reputational issues 2. Working Time Directive 3. Risk Assessment	1. Monitor National Guidance. 2. Monitor De- brief information 3. Review Operational Guidance 4. Maintain Equipment and Personal Protective Equipment 5. Training and Development 6. Policy Review 7. Communications Strategy	28/01/2013	12/05/2014	CFO/SMB (elevated by Director of Service Support and Director of Service Delivery Risk Registers)	CFO
4	Death of a Firefighter as a consequence of an operational incident	2	5	10	1. Professional training standards & Rolemaps 2. High quality operational equipment and Personal Protective Equipment 3. Operational procedures and Standard Operating Procedures 4. Firefighter Safety top Organisational objective 5. Robust Health and Safety Arrangements, Policy, Training 6. Major Event Response Protocol 7. Legislation and Governance 8. National, Regional and Local Frameworks 9. Risk Management 10. Asset Management 11. Internal Operational Assurance	1	5	5	1. Unforeseeable terrorist or other activity	1. Monitor National Guidance. 2. Monitor De- brief information 3. Review Operational Guidance 4. Maintain Equipment and Personal Protective Equipment 5. Operational Gap Analysis 6. Enhanced interoperability	28/01/2013	12/05/2014	CFO/ SMB (elevated by Director of Service Support and Director of Service Delivery Risk Registers)	CFO
5	Reputation damage (challenge to reputation/ employee scandal)	2	3	6	1. Appointment of Head of Legal Services (Legislation and Governance) 2. Policy, Procedure and Protocol 3. Code of Conduct, Ethical Framework and related disciplinary toolkit 4. Communications Strategy 5. Business Continuity Plans	1	2	2	1. Unpredictable actions of staff 2. Service unaware of staff actions	1. Professional 2. Communications strategy 3. Education and awareness	20/02/2013	12/05/2014	CFO/ SMB (elevated by Director of Service Delivery Risk Register)	CFO
6	Inability to respond effectively to major operational challenges (local or national)	2	5	10	1. Legislation and Governance 2. National, Regional and Local Frameworks 3. Risk Management - gap analysis e.g. Martle Farm 4. Policy, Procedure and Protocol 5. Asset Management	1	5	5	Event of Service wide or national significance/ Major terrorism/ environmental/ severe flooding or cultural significance	1. Training and Development 2. Policy review 3. Communications strategy	20/02/2013	12/05/2014	CFO/ SMB (elevated by Director of Service Delivery Risk Register)	CFO
7	Reduction in real terms of grants and/or other income affecting service delivery	5	4	20	1. Good financial planning 2. Strategic planning 4. Vigilant to future implications through monitoring 6. Senior Management Board team preplanning options 7. Meeting the challenge workshops with all staff 8. Integrated Risk Management Plan refers and Service streamlining. Note : Residual risk is the same as inherent risk because neither likelihood or impact are changed by the control measures	5	4	20	1. Extent of Austerity Cuts 2. What does post-Austerity look like 3. National, regional and local financial pressures. 4. Consequential inability to deliver corporate/ business objectives.	1. Continue to monitor all sources of data. 2. Continue to plan for significant resource reductions 3. Staff briefings timely/ accurate	20/02/2013	12/05/2014	CFO/SMB (elevated by Director of Finance and Assets Risk Register)	CFO
8	Failure to obtain/ unavailability of professional (legal/ financial) advice resulting in poor decisions, leading to financial loss and damage to the Authority's reputation.	4	4	16	1. Appointment of Head of Legal Services 2. Right systems and processes in place 3. Insurance for third party losses 4. Annual review of insurance provision 5. External legal advice available	2	4	8	1. Need to raise awareness of Head of Legal Services' role 2. Make arrangements for cover during absences	1. Maintenance of CPD for Head of Legal Services (ongoing) 2. Potential collaboration with other agencies to improve resilience 3. Raise awareness of Head of Legal Services' role 4. Make arrangements for cover	18/09/2012	12/05/2014	SMB/ CFO (elevated by Legal Services Risk Register)	CFO
9	Significant changes to national policy which mean local reaction outside of planned work loads	2	5	10	1. Horizon scanning through Chief Fire Officers Association, Local Government Association and other networks. 2. Cultural acceptance of need to be flexible. 3. Limited reserves to use on unplanned or unforeseen work. 4. Maintenance of local and regional 'decision influence' networks.	2	2	4	1. Non-predicted changes within National Framework or other pseudo statutory documents.	1. Continued horizon scanning and contribution to consultations.	19/03/2013	12/05/2014	SMB/ CFO (elevated by CFO)	CFO

* Likelihood score will fluctuate depending on local and national industrial relations