Hereford & Worcester Fire Authority
Audit and Standards Committee
20 July 2022

Report of the Head of Protection

Risk Management and Strategic Risk Register – Annual Update

Purpose of report

1.   To provide the Audit and Standards Committee with an annual update on the Risk Management Framework and Strategic Risk Register.

Recommendation

It is recommended that the Committee note the contents of this report.

Background

2.   Following the Worcestershire Internal Audit Risk Management Audit (review) undertaken in December 2018, the revised Strategic and Departmental Risk Registers and supporting management systems have now been embedded into HWFRS, which discharges the audit recommendations.

3.   The Organisational Risk Management Service Policy Instruction (SPI) has been published. This supports the identification and treatment of corporate risks within the Authority. These are usually identified through an escalation process within the departmental risk registers.

4.   The Organisational Risk Management Policy, Version 5, was published following a full review and consultation in October 2021. The review was completed in line with the ISO standards 31000/2018 and IEC 31010/2019 for corporate risk management.

5.   The overall objective of the Risk Management Framework is to ensure that the Authority identifies strategic risks and applies the most appropriate and cost-effective control mechanisms to manage those risks wherever possible. It also provides a robust audit trail for how the Service has considered and mitigated those risks, should an issue be subject to scrutiny.

6.   Department Heads are responsible for the completion of a quarterly risk register review, with support from the Emergency Planning and Resilience Officer (EPRO).

7.   The Strategic Risk Register (SRR) is reviewed at a Strategic Leadership Board (SLB) meeting at the end of each quarter and is collectively owned by SLB and supported by the EPRO.

West Mercia Local Resilience Forum (WMLRF)

8.   WMLRF is a multi-agency group comprising of bodies within West Mercia including Local Authorities, national and local health agencies, the three emergency services and the Environment Agency, among others. The purpose of the LRF is to ensure effective delivery of the duties of the Civil Contingencies Act (CCA) 2004, which includes risk assessment. This requires partner agencies to assess local risks, undertake planning and co-ordinate resources so they can respond effectively when incidents do occur. The LRF acts not only as a reliable conduit for information on risks providing a multi-agency planning forum, but also assists in testing and responding to the type of events that are likely to affect our communities and pose business continuity issues for the Fire and Rescue Service.

9.   The National Security and Risk Assessment (NSRA) 2019 is a national document intended to capture the range of emergencies that may have an impact on all, or significant parts, of the UK as well as local and internal risks. The NSRA informs the Community Risk Register held by the WMLRF Risk Assessment Working Group and this information is used to inform decision making on risk management. A new iteration of the NSRA is due in early Summer 2022.

10.   SLB consider emerging local risks from the Local and Community Risk Registers within the LRF which may become SRR issues in the future. The SRR also acknowledges departmental, project and partnership risks where relevant.

Strategic Risk Register (SRR)

11.   The SRR is the overarching document that looks at the highest impact risks to the Service. The highest and/or most prevalent risks from departmental risk registers can be elevated to the SRR as appropriate, through the discussion held at SLB as a standard quarterly agenda item.

12.   Identified risks should normally either be eliminated or reduced to an acceptable level, with systems in place to monitor and report against this. All risks at each level are evaluated by the responsible manager for that area, normally a Department Head. The residual risk after control measures have been implemented, where possible, is then recorded in the risk register.

13.   In Q1 2021 all department risk registers implemented generic risks to standardise departmental risk management across the organisation. The risk descriptions were developed by identifying common themes in the previous risk registers and with input from all risk register owners.

      The finalised generic risks are:

      i)   Short term loss of staff,
      ii) Long term loss of staff,

iii) Loss of site,

iv) Damage, loss, unauthorised access or inappropriate management of physical or electronic data, and

v) Total or partial loss of ICT services, including third party applications.

14. The quarterly reviews meet the requirements of the Audit and Standards Committee to monitor and review the Authority's corporate risk management arrangements.

15. Each strategic risk has either a business continuity plan (BCP) or policy linked to the risk; these plans or policies provide control measures and steps to mitigate against those risks, e.g. dealing with the death of a member of staff, severe weather, pandemic, fuel shortages, etc. Policies are reviewed approximately every three years.

16. The Business Continuity SPI, outlines the requirements of BCPs. The policy requires Strategic level BCPs to be reviewed every two years, or after a related business continuity event. The SPI is currently under review in line with new ISO standards and the Fire Standards Board standard for emergency planning and resilience that has recently completed formal consultation.

17. The overall responsibility for ensuring risks are managed effectively lies with the Authority as professionally advised by Senior Officers. The live SRR outlines to Members the risk scoring for both impact and likelihood of each identified risk based on a matrix agreed by SLB and held in the Organisational Risk Management SPI.

Changes from 2021/2022

18. In Q3 2020 SRR11 (change in property management services) was added in response to the transition away from Place Partnership to the Police and Crime Commissioner (PCC) estates. This was archived in Q2 2021.

19. In Q2 2021 three new risks were added to the Strategic Risk Register:

- It was proposed a pension related risk (SRR12) to be added to the risk register, the wording for this risk was completed in Q4 2021 as *'Legal challenge to Service's stance on suspending immediate detriment payments relating to Sargeant McCloud case.'*

- SRR13 was added relating to the ongoing project on Emergency Services Network (ESN). This is scored in line with the ESN regional user group risk register and initially scored as 'high'.

- SRR14 was added relating to the Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services cause for concern and initially scored 'medium'.

20. In Q4 a new sub-risk was added SRR2b –

'Significant inflation pressures including pay awards no longer being sustainable within current resource projections'. The risk scores are to be confirmed in the next SRR review.

Conclusion/Summary

21.   The Strategic Risk Register and Departmental Risk Registers are a method for continual monitoring and reviewing the Service's risks by SLB and middle managers, informing the Service's objectives and business goals.

22.   The Authority's Strategic Risk Register is formally reported to Members annually, with significant changes being reported to the Audit and 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).	Proposals support the Business Continuity SPI, Organisational Risk Management Policy
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	Risks documented and reviewed in the Strategic and Departmental Risk Registers
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 – Summary of the Strategic Risk Register 2021/2022

Summary of the Strategic Risk Register

The full details of the register are available.

Strategic risk code	Consequences	Description of actions already taken or controls in place to mitigate the risk.	Residual score (April 2022)
SRR1 **A widespread event or situation that leads to a significant loss of workforce in the workplace**	Inability to deliver core purpose and over a longer term the inability to maintain core systems and/or deliver Service infrastructure and obligations (e.g. financial, legislative, departmental such as Fleet and ICT)	All Actions here are generic that are elaborated upon in the sub risks specific to this category. 1. Business Continuity Plans as outlined in the specific sub risks below. 2. Section 13/16 agreements that will mitigate a certain loss of workforce 3. Temporary Staffing arrangements 4. National Guidelines 5. regular Meetings with relevant stakeholders or Rep Bodies 6. Business continuity plans	8 Medium
SRR1A **Major ill health epidemic affecting service levels**	Loss of a percentage of front line and/or support staff resulting in a reduction or loss in the ability to deliver the service that Hereford and Worcester Fire and Rescue Service provides, including but not exhaustive to Prevention and Service Delivery	1. Business Continuity Plans including pandemic influenza and severe weather plans. 2. NHS prioritisation of specific emergency service workers allows selective members of staff to be immunised. 3. Temporary staff arrangements either from temp agencies (support staff) or national brigades. 4. Section 13/16 agreements that are in place	6 Low/ Medium
SRR1B **Severe weather event(s) affecting service delivery**	1) Loss of a percentage of staff due to several factors including but not exhaustive to: a) Inability for staff to travel into work b) School closures leading to a reduction in service delivery	1. Business Continuity Plans to deal with severe weather and flooding 2. National mutual aid arrangements and Over the Border agreements between Fire and Rescue Services for Mutual Aid are in place (However, if severe weather is regionalised this may not be possible)	6 Low/ Medium
SRR1C **Industrial disputes**	1) Strike action for an unknown period of time of a percentage of frontline and or support staff 2) A period of action short of strike for an indefinite period of time which may result in a loss of extra activities such as but not including overtime. These may potentially result in an inability to provide services to the public as outlined in the FRSA 2004	1. Regular meetings with Representative Bodies to proactively maintain working relationships' 2. National Guidelines 3. Constant review of actions and guidelines 4. Business Continuity Plan for Industrial Action 5. National and Local Resilience Forum briefings 6. Work with National Joint Council 7. Industrial Action Management Group meetings and pre-planning 8. A review of the impact of the decision of the judges' legal case on pensions.	8 Medium
SRR1D **Inability to recruit or retain key parts of the workforce.**	An inability to deliver and maintain core functions and systems, and/or significant impact on service delivery in core areas	1. Cover arrangements for stations if appliances are OTR. 2. BCP for loss of key departments or provisions for maintaining service provision. 3. Changes to Recruit training to create a more flexible approach to training to allow less impact on RDS Primary employment.	8 Medium

		4. Section 13/16 agreements to facilitate service provision. 5. There is currently an ICT audit underway to review workloads and staffing.	
SRR2 **Continuous pressure of reductions in real terms of grants and/or other income affecting service delivery**	1) Unable to deliver the same level of service/ Reduction in service 2) Having to source funding from elsewhere 3) Potential redundancies/ voluntary redundancies	1. Good financial planning and horizon scanning for future developments in Budget constraints 2. Strategic planning to ensure ground work is done to prepare for budget alterations rather than react. 3. Vigilant to future implications through monitoring 4. Senior Management Board team preplanning options 5. Meeting the challenge workshops with all staff 6. 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 7. HWFRS efficiency plan has now been submitted and confirmed by the Government.	6 low/ medium
SRR2A **Loss of Section 31 National Resilience grant**	Loss of funding causes: 1) Removal of assets and capabilities provide for NR incidents. 2) Inability to utilise these assets in local response plans a reduction in the services ability to provide an operational response to Local and National Section 31 incidents. 3) Additional staff paid for through NR funding would become over establishment and require removal from Service establishment 4) Interim funding would be required to manage these posts to avoid redundancy.	1) Amalgamation of the two separate units of USAR and Droitwich to create a combined fire and technical rescue team. 2) Loss of posts via natural wastage. 3) Explore the chance to reclaim finances through offering responses to other services. i.e. MOE for policy etc. 4)Reserve Funding	12 Medium/High
SRR2B **Significant inflation pressures including pay awards no longer being sustainable within current resource projections**	Same as SRR2	working with home office and NFCC to lobby for CSR revision to take account of revised cost base (other controls for SRR2)	TBC
SRR3 **Death or serious injury of a member of staff whilst at work as a result of their work activities**	1) Impact on other employees carrying out similar duties (e.g. Driving) 2) Reputational loss 3) Investigations and legal proceedings and prosecutions. 4) Financial implications of claims 5) Departmental resilience issues	1. Professional training standards & Role maps being developed and maintained 2. High quality of training in work related activities and quality PPE provision when required 3. Robust Health and Safety Arrangements (Policies and Training in place) with current and up to date Risk Assessments for all work-based activities. 4. Procedures in place for dealing with a range of generic work-based activities 5. Legislation and Governance 6. National, Regional and Local Frameworks 7. Risk Management 8. Asset Management 9. Internal Assurance	12 Medium/High
SRR3A **Death of a member of staff as a consequence of an operational incident**	Archived (30 July 2019) and retained as own risk – SRR9		

SRR3B **Death or serious injury of Member of Public through Service activities**	Archived (30 July 2019) and retained as own risk – SRR10		
SRR4 **Significant changes to national policy which mean local reaction outside of planned work loads**	1) Not correctly adhering to national policy which could mean that Hereford and Worcester Fire and Rescue Service are not fulfilling statutory or legal or moral duties, under one or more national policies.	1. Horizon scanning through Chief Fire Officers Association, Local Government Association and other networks. 2. Cultural acceptance of the need to be flexible. 3. Limited reserves to use on unplanned or unforeseen work. 4. Maintenance of local and regional 'decision influence' networks.	8 Medium
SRR5 **Wyre Forest Fire Station**	Archived April 2017		
SRR6 **Hindlip**	Archived September 2018		
SRR7 **Evesham Fire Station**	Archived April 2017		
SRR8 **Local or national loss of data and intelligence as a result of a cyber security attack**	Currently Unknown	1) cyber security patches always being updated 2) NSCC release warnings 3) ROCU training of SLB on cyber risks 4) Attacks are dynamic and frequently evolving, being proactive is difficult.	12 High
SRR9 (was SRR3A) **Death of a member of staff as a consequence of an operational incident**	1) Impact on other employees carrying out similar duties (e.g. BA wearing). 2) Reputational loss 3) Governmental and HSE scrutiny 4) Investigations and legal proceedings and prosecutions. 5) Financial implications of claims made 6)Workforce loss of confidence in organisation 7) Media Scrutiny	1. Professional training standards & Role maps being developed and maintained 2. High quality operational equipment and Personal Protective Equipment alongside robust Health and Safety Arrangements (Policies and Training in place) 3.Operational procedures and Standard Operating Procedures 4. Firefighter Safety remaining the top Organisational objective 5. Major Event Response Protocol in place and up to date 6. Legislation and Governance 7. National, Regional and Local Frameworks 8. Risk Management 9. Asset Management 10. Internal Operational Assurance	8 Medium
SRR10 (was SRR3B) **Death or serious injury of Member of Public through Service activities**	1) Impact on other employees carrying out similar duties (e.g. Driving). 2) Reputational loss 3) Investigations, legal proceedings and prosecutions. 4) Financial implications of claims made 5) Departmental resilience issues	1. Professional training standards & Role maps being developed and maintained 2. Risk management- Gap analysis - using past incidents to tailor training and development 2. High quality operational equipment and Personal Protective Equipment 3.Operational Procedures and Standard Operating Procedures being reviewed and adhered to 4. Robust Health and Safety Arrangements including Policy and Training 5. Major Event Response Protocol in place. 6. Graded Response Policy	8 Medium

SRR11 **Change in property management services**	Archived 07/21 Increase in costs, disruption to service.	Head of Legal Services involved in discussions through PPL Project Delivery Group	
SRR12 **Legal challenge to Service's stance on suspending immediate detriment payments relating to Sargeant McCloud case.**	-high cost implications either outcome -time consuming internal dispute resolution	MOU received from LGA and FBU agreed by SMB to adopt MOU - MOU now suspended by SLB due to government directive. SLB members taking national lead at LGA and NFCC.	TBC
SRR13 **Uncertainty in the delivery of the Emergency Services Network (ESN). In terms of quality, timescales and cost and the resultant requirement to sustain Airwave beyond the current planned shutdown date at the end of 2022.**	11. Inability to provide an effective communications system within the Service as required by the Fire Services Act 2004, including communications over the border and with other emergency services. 2. Statutory responsibility will not be achieved. 3. Financial uncertainty in relation to the initial and ongoing costs of ESN. 4. Possible acceptance of a less effective system than the current Airwave system 5. The Service may suffer a financial impact of transition, however the NFCC is challenging this to see if it can be funded centrally. The cost of ESN is now around £11.5b 6. It is anticipated that all FRS's will see an increase in costs from ESN.	. The Home Office remains committed to the delivery of ESN, however the Programme continues to progress under the 'interim' full business case (FBC) signed early 2019. An updated FBC continues to be developed, however large areas of uncertainty remain, which are being worked through, but have potential to drive significant time and therefore cost into the financial model. As a result, the date for the FBC approval has slipped again. Current Programme plans identify the beginning of mass transition for all emergency service as being mid-2022, which means this is unlikely to be completed by the end of 2022, with a more realistic date now thought to be around 2024. The current contracted Airwave shutdown date is end of 2026, however the contract did make provision for further extension to 2028 if required. 1. An Area Commander is assigned to ESN which is part-funded by the project. 2. The Fire Directorate at the Home Office continues to maintain that FRSs will be funded for all reasonable cost associated with the transition to ESN and will not be subjected to dual running costs for Airwave and ESN 3. HWFRS are engaging at a Regional level to mitigate the risk associated. 4. regional risk register acknowledging commons across FRS and some individual service risks. 5. ESMCP ICT requirements are being monitored by ICT department to ensure service is ready for ESN at point of transitions 6. HO has stated they will not shut down airwave until all services have transitioned.	16 High
SRR14 **HMI Cause for Concern**	Failure to identify those most at risk in the community and manage mitigations appropriately. Failure to discharge prevention activity to those at risk. Failure to comply with HMI recommendation could cause reputational damage and Service to be subject to further causes for concern and poor ratings in subsequent inspections. May draw resources away from other Service work programmes	Action plan in development by Prevention Directorate. Created the Prevention Improvement Panel to plan and support implementation of action plan to address cause for concern and act as critical friend.	8 Medium